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UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Case No. 3:16-CV-00438-JR

Plaintiff,

vs.

AEQUITAS MANAGEMENT, LLC; AEQUITAS
HOLDINGS, LLC; AEQUITAS COMMERCIAL
FINANCE, LLC; AEQUITAS CAPITAL
MANAGEMENT, INC.; AEQUITAS INVESTMENT
MANAGEMENT, LLC; ROBERT J. JESENİK;
BRIAN A. OLIVER; and N. SCOTT GILLIS,

Defendants.

**PLAINTIFF SECURITIES AND
EXCHANGE COMMISSION'S
RESPONSE TO MOTION TO
APPROVE THE RECEIVER'S
DISTRIBUTION PLAN AND
DETERMINATION OF A PONZI
SCHEME**



Plaintiff Securities and Exchange Commission (the “Commission” or “SEC”) respectfully submits this response to the Motion to Approve the Receiver’s Distribution Plan and Determination of a Ponzi Scheme (Dkt. No. 787).

The Commission has reviewed and consulted with the Receiver concerning the treatment of various claims and the distribution process. The Commission recognizes that, especially given the breadth of the fraud at issue, different defrauded investors and other claimants may have competing positions as to the appropriate treatment of claims. The Receiver’s proposed distribution plan reflects a number of considered compromises between the positions of various claimants. The SEC believes that the Receiver’s proposed distribution represents a fair and equitable resolution of claims of the victims of the Aequitas fraud.

Accordingly, the Commission supports approval of the Receiver’s proposed distribution plan. Approval of the plan will allow the Receiver to make an initial distribution to defrauded investors, which may help alleviate the hardships they suffered as a consequence of the defendants’ fraudulent conduct.

Respectfully Submitted,

DATED: February 20, 2020

SECURITIES AND EXCHANGE COMMISSION

By: /s/ Bernard B. Smyth

BERNARD B. SMYTH

Attorneys for Plaintiff Securities and Exchange
Commission