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Attorneys for Receiver for Defendants
AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS,
LLC; AEQUITAS COMMERCIAL FINANCE, LLC; AEQUITAS
CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT
MANAGEMENT, LLC

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

PORTLAND DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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.

No. 3:16-cv-00438-JR

DECLARATION OF RONALD F.
GREENSPAN IN SUPPORT OF RECEIVER'S
REQUEST FOR APPROVAL OF
NINETEENTH INTERIM FEE
APPLICATION



I, Ronald F. Greenspan, the duly appointed Receiver for the Receivership Entity, declare as follows:

1. I am over 18 year of age and otherwise competent to testify.
2. I make this declaration in support of the Receiver's Request for Approval of Nineteenth Interim Fee Application.
3. The December 31, 2020 Report of the Receiver [Dkt. 872] is incorporated herein by reference in Exhibit A. Exhibit A sets forth several ways in which the report can be obtained.
4. Attached as Exhibit B is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by the Receiver, for the period of October 1, 2020 through December 31, 2020. The Receiver is employed as a Senior Managing Director of FTI, which bills and collects for the Receiver's time as well as that of FTI professionals utilized by the Receiver. Also included in Exhibit B is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by FTI Consulting, Inc. ("FTI"), for the period of October 1, 2020 through December 31, 2020.
5. Attached hereto as Exhibit C is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by Snell & Wilmer ("Snell"), for the period of October 1, 2020 through December 31, 2020, together with the accompanying Certification.
6. Attached hereto as Exhibit D is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by Schwabe Williamson & Wyatt ("Schwabe"), for the period of October 1, 2020 through December 31, 2020, together with the accompanying Certification.
7. Attached hereto as Exhibit E is a true and accurate copy of the summary invoice

for professional services rendered on behalf of the Receivership Entity, by Parsons Farnell & Grein, LLP (“Parsons Farnell”), for the period of October 1, 2020 through December 31, 2020, together with the accompanying Certification.

8. I have read the entirety of the Nineteenth Interim Fee Application.

9. To the best of my knowledge, information and belief formed after reasonable inquiry, the Nineteenth Interim Fee Application and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the “Billing Instructions”).

10. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the Nineteenth Interim Fee Application are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

11. It is my opinion that the time spent, services performed, hourly rates charged, and expenses incurred by the Receiver and each of the professional service firms were incurred in the best interests of the Receivership Entity and were indeed essential for the Receiver to discharge the Court-ordered duties and responsibilities. With respect to each litigation matter, I certify that each action is likely to produce a net economic benefit to the estate, based on review of: (i) the legal theories upon which the action was based, including issues of standing; (ii) the likelihood of collection on any judgment which might be obtained; and, (iii) alternative methods of seeking relief, such as the retention of counsel on a contingency basis.

12. To the best of my knowledge, information and belief formed after reasonable inquiry, neither the Receiver nor any of the professional firms has included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or

capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

13. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, the Receiver requests reimbursement only for the amount billed to the Receivership by the third-party vendor and paid to such vendor.

14. To the best of my knowledge, information and belief formed after reasonable inquiry, with the exception of the Billing Instructions, the Receiver has not entered into any agreement, written or oral, expressed or implied, with any person or entity concerning the amount of compensation to be paid from the Receivership Entity, or any sharing thereof, except that the Receiver's fees shall be paid to FTI.

15. Prior to the filing of the Receiver's Motion for Approval of the Nineteenth Interim Fee Application, the detailed invoices of FTI, Snell, Schwabe, and Parsons Farnell were submitted to the Commission Staff for review and approval.

I declare under penalty of perjury under the laws of the state of Oregon that the foregoing statements and those contained in the attached exhibits, are true and correct to the best of my knowledge, information and belief.

Dated this 30th day of March, 2021.

/s/ Ronald Greenspan

Ronald F. Greenspan, Receiver

RECEIVER'S REPORT DATED

December 31, 2020

The Receiver's December 31, 2020 report is nearly 200 pages in length and is not being reproduced with this filing.

The report can be found on the Court website under Docket #872.

The report can also be found on the website established by the Receiver for this matter at www.kccllc.net, under Court docket #872.

The report can also be obtained by email request to the Receiver's counsel, Larry Ream, at lream@schwabe.com.

RONALD F. GREENSPAN

COURT-APPOINTED RECEIVER FOR

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES**

(the “Receivership Entity”)

Summary of Activities for Ronald F. Greenspan (the Receiver) and FTI Consulting, Inc.

For professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from October 1, 2020 through December 31, 2020 (the “Application Period”), as described below:

Asset Disposition

- Reviewed documents and corresponded with counsel regarding planning of the Lux settlement implementation
- Provided guidance to the Receivership team regarding data gathering, operational transition, and closing preparations necessary to the execution of the Lux settlement
- Reviewed and analyzed documentation related to the M&A transaction for PipelineRx, considered and discussed with counsel potential next steps, and communicated with PipelineRx management regarding the subject transaction and its implications for the Receivership
- Addressed new developments involving Portland Seed Fund investment
- Approved one-off FF&E sale

Business Operations

- Maintained oversight over the day-to-day operations of the Receivership Entity, the Qualified Settlement Fund, and remaining Aequitas staff and contractors
- Continued bank account management duties with respect to the control of the remaining 22 bank accounts
- Managed daily operational matters including, but not limited to:
 - Planning Receivership operations
 - Managing daily operational and financial issues related to active portfolios of receivables (collections, servicing, compliance etc.) in which the Receivership Entity

has an interest – gross cash collections from the receivables were approximately \$335 thousand during the Application Period

- Reviewing and addressing daily correspondence from employees, service providers, investors, and various other parties
- Conducting weekly status call with Receivership staff and contractors, including addressing and responding to necessary COVID-19 protocols issued by the government and providing updates and guidance to the employees on ongoing Receivership matters
- Provided guidance to accounting team regarding integration of distribution data into the accounting system and addressed various other accounting matters, including upcoming transition of accounting duties.
- Addressed third-party invoices, approved expense reports
- Reviewed and approved checks
- Addressed office and IT system transition planning
- Maintained and updated content on the Receivership websites

Cash Management

- Continued to monitor cash balances, accounts payable, and accounts receivable, including cash activity related to the implementation of the Court-approved distributions
- Worked closely with Receivership treasury staff and managed daily cash activities, including approving transactions and releasing wires
- Coordinated various ad-hoc cash management related matters
- Reviewed and approved numerous new banking (wire) templates in preparation for the second interim distribution

Claims Administration and Objections

- Continued to work closely with Receivership employees to research and analyze investor documentation to update the claims database
- Worked with counsel on preparation of the clerical error correction motion (CIT and Rippey) and the related declaration
- Responded to various inquiries and ad-hoc requests from claimants and their counsel, including NY State, CBL, and R. Pirello
- Worked closely with counsel on various claims review and potential objections matters
- The FTI Data & Analytics group performed the following tasks:

- Identified, compiled, and reviewed addresses for parties to be included in the second distribution and related noticing; reconciled undeliverable address information; worked on preparation of information to implement second distribution
- Prepared and updated second distribution noticing list
- Reviewed and reconciled investor litigation group membership and updated database records based on information provided by legal counsel
- Provided analytical support and prepared custom demand letters in connection with the “net winner” claw back efforts
- Maintained and updated “net winner” demand letter status
- Discussed solutions and improved claim data integration process, provided analytical support for the proposed second distribution
- Performed updates to investor data to analyze availability and reliability of tax ID information and to continue to update distribution plan calculations based on tax ID groupings
- Researched and discussed tax ID verification procedures and process to prepare for distribution tax reporting
- Performed quality control review for aggregated tax ID grouping values and prepared data for account-level allocation and distribution implementation
- Participated in calls and meetings with the rest of the Receivership team to discuss distribution preparation and progress
- Prepared, reviewed, and performed investment transfers when identified
- Maintained database of investor information and filed claims; updated back-end data tables for flexibility of functionalities in the database; performed various analyses of investor data for the benefit of Receivership operations, claims process, and distribution plan execution
- Performed ad hoc analyses and produced various data reports per requests from third parties
- Reviewed information related to SEC request and prepared relevant information
- Reviewed RIA inquiry related to defrauded investor class claim and performed relevant research

Distribution Plan

- On October 21, 2020, the Receiver filed the Motion to Approve Classification of Certain Claims (Administrative, Former-Employees, Convenience Class, Defrauded Investors, Creditors, Individual Defendants, and Pass-Through Investors), and Allow and Approve Distributions on

Accounts of Certain Claims, which was approved by the Court on November 10, 2020 [Dkt 861].

- The Motion addressed 2,056 claims across seven different claim classes and was approved by the Court on November 10, 2020 [Dkt. 861]
- The Second Distribution was substantially completed during the Application Period, by the end of 2020, with approximately \$73.5 million going to Defrauded Investors. Preparation and implementation tasks included but were not limited to:
 - Coordinating and preparing information for distribution noticing
 - Working with counsel on finalizing the second distribution motion
 - Performing necessary updates to distribution plan calculations, determining allowed claims and proposed distribution amounts, developing detailed exhibits and planning various logistical matters
 - Calculating tort settlement components related to the investor distributions
 - Verifying information related to distribution recipients and reconciling any discrepancies in recipient data
 - Preparing cover letters for the second distribution and confirming the recipient mailing lists
 - Reviewing account allocations and identifying solutions to account allocation issues
 - Maintaining and updating distribution FAQs and other related content of the Receivership websites
 - Coordinating, overseeing, and approving wires and checks (including cover letters) that were issued as part of the Second Distribution to counsel on behalf of certain groups of Defrauded Investors, investment custodians, Defrauded Investors, and other claimants
- Responded to inquiries from investors and investor counsel regarding various distribution related matters

Employee Retention / Matters

- Addressed employee management and retention plan matters:
 - Considered future employee retention plans aimed at achieving efficient staffing levels going forward while facilitating retention of key staff
 - Prepared retention analyses: reviewed, approved, and communicated employee retention plans and agreements, including employee extension matters and employee fringe package for 2021
 - Communicated with certain employees on work transition and future involvement

- Continued to apprise staff regarding progress of the Receivership and next steps and to answer questions

Insurance Matters

- Engaged counsel and initiated review of insurance coverage and insurance policy documentation and related communications

Investor Communications

- Communicated with various investor groups and individual investors and their legal counsel on an ad hoc basis as necessary
- Responded to numerous investor and counsel inquiries, including those related to investors' settlements with third parties and matters related to the distribution plan

Litigation Consulting

- During this Application Period, on October 22, 2020, the Receiver filed a Motion for Order (1) Approving Compromises of Claims, (2) Approving and Authorizing Performance of Settlement Agreements, (3) Entering Claims Bars, and (4) Removing a Receivership Entity and an Extended Entity ("Motion to Approve Settlements") and related pleadings [Dkt. Nos. 852 – 855]. Amongst other requested relief, the Receiver sought approval of the settlement agreement resolving all claims presented in the consolidated insurance coverage action other than those of the Receiver against Catlin. Judge Jolie A. Russo granted the Receiver's Motion to Approve Settlements on November 10, 2020, by way of Findings, Recommendations and Order [Dkt. 862], that were simultaneously referred to Judge Marco A. Hernández for review [Dkt. 863]. On December 11, 2020, Judge Hernández issued an Order adopting Judge Russo's Findings and Recommendations [Dkt. 866] and entered the Amended Limited Judgment As To The Professional Firms And The Terrell Parties, Including Permanent Injunctions [Dkt. 867]. Preparation and implementation tasks included but are not limited to:
 - Working closely with counsel to develop and approve pleadings and various related communications
 - Planning and finalizing logistics and information necessary for settlement motion filing and extensive noticing
- Planned, researched, and prepared final demand letters related to "net winner" claw backs; provided analytical and logistical support to counsel
- Collaborated with counsel in developing strategy for certain other claw back actions and developing related documentation
- Conducted necessary research and provided information to the SEC to respond to an inquiry

Status Reports

- Collected data and prepared analyses required for the Receiver's quarterly status report and as necessary to comply with the reporting requirements outlined in the Final Receivership Order
- Drafted the Receiver's report for 3Q-2020 and filed with the Court on November 4, 2020. The 195-page report provided a detailed overview of the Receivership Entity status and operations, including an exhibit containing an entity-level and consolidated report of cash receipts and disbursements

Tax Issues

- Researched, reviewed, and discussed assumptions and information necessary for Receivership Entity tax matters, including tax reporting requirement and distribution-related tax reporting matters, including but not limited to distributions to foreign parties
- Initiated preparations for issuance of distribution-related tax form 1099-MISC
- Participated in discussions with Receivership tax staff and tax counsel regarding various tax matters and provided input and oversight as needed

Wind-Down of Operation

- Discussed and reviewed office wind-down planning, including short-term office rental options, IT transition, and other related wind-down matters
- Reviewed multiple IT vendor agreements necessary for the IT infrastructure transition and provided input to Receivership staff and counsel working on negotiating and finalizing the agreements
- Evaluated and approved implementation of the fully virtual phone system environment, thus eliminating significant ongoing costs associated with the legacy system
- Review initial entity wind down plan and discuss with Receivership staff

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR (Receiver)

Summary of Professional Fees and Expenses for Ronald F. Greenspan
For the Period October 1, 2020 Through December 31, 2020

Professional Fees	\$45,292.00
Expenses	<u>\$0.00</u>
Total	<u><u>\$45,292.00</u></u>

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC, AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES

(the "Receivership Entity")

Case No. 3:16-cv-00438-JR - (Receiver)

**Summary of Professional Fees for Ronald F. Greenspan
For the Period October 1, 2020 Through December 31, 2020**

Professional	Title	Rate	Hours	Total
Greenspan, Ronald F	Sr Managing Dir	\$825	54.9	\$45,292.00
Total Hours and Fees			54.9	\$45,292.00
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$25,803.00
Additional Written Off Professional Fees			5.3	\$6,863.50
Total Discounts and Reductions			5.3	\$32,666.50

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees By Activity for Ronald F. Greenspan
For the Period October 1, 2020 Through December 31, 2020**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Asset Disposition</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	4.2	\$3,465.00
	Activity Total		4.2	\$3,465.00
<u>Business Operations</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	2.2	\$1,815.00
	Activity Total		2.2	\$1,815.00
<u>Claims Administration and Objections</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.4	\$330.00
	Activity Total		0.4	\$330.00
<u>Distribution Plan</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	15.0	\$12,375.00
	Activity Total		15.0	\$12,375.00
<u>Employee Retention/Matters</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.3	\$1,072.50
	Activity Total		1.3	\$1,072.50
<u>Investor Communications</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.3	\$1,072.50
	Activity Total		1.3	\$1,072.50
<u>Litigation Consulting</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	20.9	\$17,242.50
	Activity Total		20.9	\$17,242.50
<u>Status Reports (SEC and court)</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	6.1	\$5,032.50
	Activity Total		6.1	\$5,032.50
<u>Tax Issues</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	3.5	\$2,887.50
	Activity Total		3.5	\$2,887.50

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
TOTALS			54.9	\$45,292.50

**AQUITAS MANAGEMENT, LLC, AQUITAS HOLDINGS, LLC, AQUITAS COMMERCIAL FINANCE, LLC,
AQUITAS CAPITAL MANAGEMENT, INC., AQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR**

**Summary of Expenses By Expense Type for Ronald F. Greenspan
For the Period October 1, 2020 Through December 31, 2020**

Expense Type	Total
	\$0.00
Total Expenses	\$0.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR

Summary of FTI Consulting, Inc. Fees and Expenses For
the Period October 1, 2020 Through December 31, 2020

Professional Fees	\$569,290.00
Expenses	<u>\$0.00</u>
Total	<u><u>\$569,290.00</u></u>

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Professional Fees By Professional
For the Period October 1, 2020 Through December 31, 2020**

Professional	Title	Rate	Hours	Total
Drago, Scott	Managing Dir	\$660	5.0	\$3,300.00
Foster, Charles	Managing Dir	\$660	4.1	\$2,706.00
Gotguelf, Larissa	Managing Dir	\$660	419.4	\$276,804.00
Allen, Jennifer	Senior Director	\$605	288.5	\$174,542.00
Chuck, Brenton	Senior Director	\$605	120.7	\$73,023.00
An, Yang	Sr Consultant	\$460	47.8	\$21,988.00
An, Yang	Sr Consultant	\$420	40.3	\$16,926.00
Total Hours and Fees			925.8	\$569,290.00
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$118,511.50
Additional Written Off Professional Fees			41.70	\$27,014.00
Total Discounts and Reductions			41.70	\$145,525.50

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Fees By Activity and Professional
For the Period October 1, 2020 Through December 31, 2020**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Asset Disposition</u>				
Foster, Charles	Managing Dir	\$660	0.7	\$462.00
Gotguelf, Larissa	Managing Dir	\$660	14.3	\$9,438.00
	Activity Total		15.0	\$9,900.00
<u>Business Operations</u>				
Foster, Charles	Managing Dir	\$660	2.4	\$1,584.00
Gotguelf, Larissa	Managing Dir	\$660	18.5	\$12,210.00
	Activity Total		20.9	\$13,794.00
<u>Cash Management</u>				
Gotguelf, Larissa	Managing Dir	\$660	5.6	\$3,696.00
	Activity Total		5.6	\$3,696.00
<u>Claims Administration and Objections</u>				
Gotguelf, Larissa	Managing Dir	\$660	6.5	\$4,290.00
	Activity Total		6.5	\$4,290.00
<u>Data & Analytics Claims Administration and Objections</u>				
Allen, Jennifer	Senior Director	\$605	288.5	\$174,542.50
An, Yang	Sr Consultant	\$460	47.8	\$21,988.00
An, Yang	Sr Consultant	\$420	40.3	\$16,926.00
Chuck, Brenton	Senior Director	\$605	120.7	\$73,023.50
	Activity Total		497.3	\$286,480.00
<u>Distribution Plan</u>				
Gotguelf, Larissa	Managing Dir	\$660	221.2	\$145,992.00
	Activity Total		221.2	\$145,992.00
<u>Employee Retention/Matters</u>				
Gotguelf, Larissa	Managing Dir	\$660	7.0	\$4,620.00
	Activity Total		7.0	\$4,620.00

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Fees By Activity and Professional
For the Period October 1, 2020 Through December 31, 2020**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Insurance Matters</u>				
Gotguelf, Larissa	Managing Dir	\$660	2.4	\$1,584.00
	Activity Total		2.4	\$1,584.00
<u>Investor Communications</u>				
Gotguelf, Larissa	Managing Dir	\$660	6.1	\$4,026.00
	Activity Total		6.1	\$4,026.00
<u>Litigation Consulting</u>				
Gotguelf, Larissa	Managing Dir	\$660	63.8	\$42,108.00
	Activity Total		63.8	\$42,108.00
<u>Status Reports (SEC and court)</u>				
Gotguelf, Larissa	Managing Dir	\$660	17.7	\$11,682.00
	Activity Total		17.7	\$11,682.00
<u>Tax Issues</u>				
Drago, Scott	Managing Dir	\$660	5.0	\$3,300.00
Foster, Charles	Managing Dir	\$660	1.0	\$660.00
Gotguelf, Larissa	Managing Dir	\$660	13.8	\$9,108.00
	Activity Total		19.8	\$13,068.00
<u>Wind-Down of Operations</u>				
Gotguelf, Larissa	Managing Dir	\$660	42.5	\$28,050.00
	Activity Total		42.5	\$28,050.00
TOTALS			925.8	\$569,290.00

**AQUITAS MANAGEMENT, LLC, AQUITAS HOLDINGS, LLC, AQUITAS COMMERCIAL FINANCE, LLC,
AQUITAS CAPITAL MANAGEMENT, INC., AQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN
RELATED ENTITIES (the "Receivership Entity")
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Expenses By Expense Type
For the Period October 1, 2020 Through December 31, 2020**

Expense Type	Total
	\$0.00
Total Expenses	\$0.00

Ivan B. Knauer (Admitted *Pro Hac Vice*)
SNELL & WILMER L.L.P.
1101 Pennsylvania Avenue N.W., Ste. 312
Washington DC, 20004
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Email: iknauer@swlaw.com

Attorneys for Receiver and for Defendants
AEQUITAS MANAGEMENT, LLC;
AEQUITAS HOLDINGS, LLC;
AEQUITAS COMMERCIAL FINANCE, LLC;
AEQUITAS CAPITAL MANAGEMENT, INC.;
AEQUITAS INVESTMENT MANAGEMENT, LLC

**IN THE UNITED STATE DISTRICT COURT
FOR THE DISTRICT OF OREGON, PORTLAND DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION**

Plaintiff,

v.

AEQUITAS MANAGEMENT, LLC, et al

Defendants.

**CERTIFICATION OF IVAN B. KNAUER
IN SUPPORT OF RECEIVER'S
MOTION FOR APPROVAL OF FEE
APPLICATION**

No. 3:16-cv-00438-JR

I, Ivan B. Knauer, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Estate, by Snell & Wilmer L.L.P., for the period of October 1, 2020 through October 31, 2020.

2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.

3. To the best of my knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the "Billing Instructions").

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Snell & Wilmer L.L.P. has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Snell & Wilmer L.L.P. requests reimbursement only for the amount billed to Snell & Wilmer L.L.P. by the third-party vendor and paid to such vendor.

DATED this 31st day of October, 2020.

/s/ Ivan B. Knauer

Ivan B. Knauer

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES
(the “Receivership Entity”)

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

SUMMARY OF WORK PERFORMED BY SNELL & WILMER L.L.P.

October 1, 2020 through October 31, 2020

This Summary describes professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from October 1, 2020 through October 31, 2020, as described in more detail below. Also provided below is a breakdown by billing codes, in conformity with the SEC billing guidelines.

- Performed ongoing legal work in support of the Receiver’s efforts to respond to ongoing regulatory investigations, requirements, and other litigation-related requests.

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")

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

**SUMMARY OF PROFESSIONAL FEES AND EXPENSES
PERFORMED BY SNELL & WILMER L.L.P.**

October 1, 2020 through October 31, 2020

Professional Fees	\$4,185.00
Expenses	\$0.00
TOTAL	\$4,185.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")

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

SUMMARY OF PROFESSIONAL FEES PERFORMED BY SNELL & WILMER L.L.P.

October 1, 2020 through October 31, 2020

Name	Title	Hours	Rate	Fees
I.B. Knauer	Partner	6.20	\$675.00	\$4,185.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")

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

SUMMARY OF SNELL & WILMER L.L.P. FEES BY TASK AND PROFESSIONAL
October 1, 2020 through October 31,2020

B110 Case Administration

Name	Title	Hours	Rate	Fees
I.B. Knauer	Partner	6.20	\$675.00	\$4,185.00
TOTAL				\$4,185.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")

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

SUMMARY OF SNELL & WILMER L.L.P. FEES BY ACTIVITY CODE

October 1, 2020 through October 31, 2020

01 SEC Enforcement Action

Name	Title	Hours	Rate	Fees
I.B. Knauer	Partner	6.20	\$675.00	\$4,185.00

18 Federal (non-SEC)

Name	Title	Hours	Rate	Fees
I.B. Knauer	Partner	0	\$675.00	\$0.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")

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

SUMMARY OF SNELL & WILMER L.L.P. EXPENSES

October 1, 2020 through October 31, 2020

Expense Type	Total
Hotels	\$0.00
Airfare	\$0.00
Meals	\$0.00
Transportation	\$0.00
Parking	\$0.00
TOTAL	\$0.00

Troy Greenfield, OSB #892534
Email: tgreenfield@schwabe.com
Lawrence R. Ream (Admitted Pro Hac Vice)
Email: lream@schwabe.com
SCHWABE, WILLIAMSON & WYATT, P.C.
1211 SW 5th Ave., Suite 1900
Portland, OR 97204
Telephone: 503-222-9981
Facsimile: 503-796-2900

Attorneys for Receiver for Defendants AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC; AEQUITAS COMMERCIAL FINANCE, LLC; AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT MANAGEMENT, LLC

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON
PORTLAND DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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.

No. 3:16-cv-00438-JR

**CERTIFICATION OF LAWRENCE R.
REAM IN SUPPORT OF RECEIVER'S
MOTION FOR APPROVAL OF
NINETEENTH INTERIM FEE
APPLICATION**

I, Lawrence R. Ream, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional

services rendered and expenses incurred on behalf of the Receivership Estate, by Schwabe Williamson & Wyatt, for the period of October 1, 2020 through December 31, 2020.

2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.

3. To the best of my knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the “Billing Instructions”).

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Schwabe Williamson & Wyatt has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Schwabe Williamson & Wyatt requests reimbursement only for the amount billed to Schwabe Williamson & Wyatt by the third-party vendor and paid to such vendor.

Dated this 30th day of March, 2021.

s/ Lawrence R. Ream

Lawrence R. Ream, on behalf of Schwabe
Williamson & Wyatt, P.C.

Schwabe Williamson & Wyatt

Summary of professional services rendered and expenses incurred in connection with the Aequitas Receivership matter for this Nineteenth Application Period from October 1, 2020 through December 31, 2020, as summarized below:

Asset Analysis Recovery and Disposition

During this Nineteenth Application Period, Schwabe had extensive communications with the Receiver, the Receiver's professionals and the remaining Aequitas employees regarding various issues related to the Receivership Estate's claims against net winners and others, including certain insiders. Work included an analysis for the recovery of consulting fees, commissions and other value provided by Aequitas, as well as an analysis of purported defenses.

Schwabe continued to assist the Receiver in the pursuit of claims against net winners, focusing on those in certain investor groups, a number of net winners who also have net loss accounts and recovery from certain trusts. Work also included an analysis of various net winner defenses, including inability to pay, corporate dissolution and other purported defenses. Schwabe's assistance included communication with the Receiver and the Receiver's professionals and communications with counsel for the net winners and where appropriate with net winners directly. Communications were necessary to address net winners who initially refused to respond or repay net winnings, and notice of the Receiver's intent to file suit in the event of non-payment.

Schwabe assisted in processing net winner recoveries, including the preparation of demand letters and related documents, settlement agreements, and other actions to process net winner recoveries.

Schwabe reviewed data and communicated with the Receiver and other members of the Receiver's professionals regarding progress and strategy related to the global settlement agreements. Schwabe prepared settlement agreements and assisted in securing payments to the Receivership from the insurance carriers. Schwabe assisted the Receiver in analyzing legal arguments raised by counsel and advised the Receiver regarding the efficacy of those arguments.

Schwabe assisted the Receiver on various issues related to the possible sale of the Receivership's interest in PipelineRx, including the review of documents and recent corporate action. Schwabe consulted with the Receiver regarding certain strategic issues, and prepared requested legal analysis. Schwabe conducted a conference with the PipelineRx CEO, CFO and outside counsel, as well as the Receiver and the Receivership's professionals. Schwabe consulted with the Receiver following the conference and analyzed documents relating to the October 2018 equity event. Schwabe reviewed file materials regarding numerous financing events of PipelineRx from October 2018 to the present; communicated with the Receiver's professionals; and communicated with the present leadership of PipelineRx regarding an NDA and the production of documents.

Continued Business Operations Issues

Schwabe researched applicable law regarding member/manager liability for debts of an administratively dissolved limited liability company and prepared the related legal memorandum. Schwabe also advised the Receiver regarding the applicable law for the winding up and dissolution of limited liability companies. The Receiver also requested advice and legal analysis regarding applicable law for taking action against dissolved entities and its former members/managers.

Schwabe assisted the Receiver regarding lease issues, including telephone calls and emails with the Receivership's professionals. Issues include whether an Aequitas entity or the Qualified Settlement Fund ("QSF") should execute the lease and whether Aequitas Enterprise Services could be the alternate tenant should the landlord oppose the QSF being the tenant.

Schwabe assisted the Receiver by reviewing certain IT agreements and relevant background regarding the Lumen Master Service Agreement ("MSA") and related service order. Additional work included the review, evaluation and revision of the MSA to align its terms with the service order. Schwabe reviewed and evaluated Lumen's responsive edits and comments to the MSA and service order and discussed those with the Receivership's professionals. Thereafter Schwabe prepared redline revisions to the MSA.

Schwabe also evaluated, revised, and provided comments on the Atmosera customer service agreement and service orders, which were then communicated to the Receiver's professionals. Schwabe prepared redline revisions to the service agreement. Schwabe reviewed and evaluated the Atmosera responsive edits and comments and discussed that analysis with the Receiver's professionals. Schwabe conducted a call with counsel for Atmosera regarding remaining edits to service agreement, confirmed the final revisions and communicated with the Receiver's professionals the completion of the service agreement.

Case Administration

As general counsel to the Receiver, Schwabe consults with the Receiver regarding the day-to-day issues that arise in the administration of this Receivership case. Work performed includes:

- Communicate with the Receiver regarding discovery in the criminal matter.
- Work on the motion to intervene, to amend the protective order and related privileged communications.
- Prepare for conferences with a former Aequitas officer regarding the motion to approve settlements and related proposed limited judgment; conduct the conferences with the former officer and the Receiver's professionals.
- Communicate with the Receiver and counsel regarding issues related to counsel's withdrawal.
- Communicate with co-counsel regarding the projected timing, process, and related issues for ultimately winding up the Receivership.

- Coordinate requests for conflict waivers regarding non-Aequitas and non-defendant targets of the Receivership.
- Coordinating internal task management.
- Respond to inquiries from creditors, investors, investor groups, and legal counsel related to Receivership issues, questions, or disputes, including requests regarding the first and second Court-approved distributions.
- Assist the Receiver with the various tax related issues for the QSF, entity tax return and other tax related issues.
- Preparing for and participating in conference calls with the Receiver and his various professionals regarding the division of tasks for efficiency and avoidance of duplication.
- Assist and advise the Receiver regarding Receivership procedural issues, distribution related issues, consolidated database access and related issues, litigation and projected recoveries, and other administrative matters, disputes and demands.
- Preparing for and participating in discussions and conference calls with the Receiver and the SEC Staff on numerous Receivership issues, including for example, implementation and other issues related to the Court-approved distributions, class action related issues and insurance coverage issues.
- Assisting in the preparation of the Receiver's mandatory interim reports.
- Reviewing and responding to inquiries from the Press.
- Researching and drafting memorandum regarding issues that arise in the ordinary course of the Receivership.

Claims Administration

Schwabe continues to assist the Receiver with issues related to the administration of claims and the claims process, including the following efforts:

- Confer with co-counsel addressing necessary revisions to the motion to approve the second round of distributions, declaration and proposed order.
- Extensive communication with the Receiver and the Receiver's professionals to resolve outstanding issues prior to filing of the second distribution motion.
- Review orders granting the second distribution motion and the settlement motions and address the same with the Receiver.
- Communications with Judge Russo's Courtroom Deputy addressing the order approving the settlements.
- Communicate with counsel for investors groups and other investors regarding continuing data requests and inquiries related to projected distributions.
- Address various issues related to the implementation of the order approving settlements and the orders approving the first and second distribution motions.
- Schwabe worked on obtaining a stipulation from certain plaintiff investor groups and in addressing issues related to their request for revised notices of determination ("NOD") regarding claim aggregation.
- Schwabe addressed issues relating to the tort claim settlement in the context of the second contemplated distribution process, including anticipated timing and the logistics of the distributions related to the second motion.

- Researched, analyzed and advised the Receiver regarding various state and federal law issues raised by counsel for net winners and other defendant targets.
- Schwabe communicated with counsel regarding a clerical error regarding the claims of an affiliated entity and the manner in which the error would be corrected by the Court.
- Schwabe drafted the pleadings necessary to correct the clerical error regarding the affiliated entities and resolve an instance where accounts were not aggregated.
- Schwabe reviewed and responded to emails and participated in telephone calls with the Receiver and the Receivership professionals regarding claims questions, including issues related to competing claims for the same proceeds and other claims issues.
- Schwabe responded to numerous telephone calls and emails from claimants with questions related to their specific claim classification, treatment, and the calculation of their distribution under the second distribution motion approved by the Court.
- Schwabe analyzed draft provisions and comments addressing issues related to the tort claims settlement.
- Reviewed file materials and considered issues related to possible distribution hold backs and offsets.
- Communicated with the Receiver and the Receiver's professionals regarding the terms of the distribution plan, the schedules and footnotes attached to the motion and numerous issues related to noticing the second distribution motion.
- Communicated with the SEC Staff regarding the settlement agreement motion and the second distribution and advise the Receiver of the SEC Staff's support of the motions.
- Telephone calls with the Bankruptcy Unit of the New York Taxation Department regarding its inquiry of the status of the receivership and whether NY will be receiving a distribution.
- Reviewed additional information from the Receiver's professionals prior to additional discussions with the New York Taxation Department and its acceptance of the network outage as resolution for the abatement of the purported late filing penalty.
- Worked to secure W-9s and payment instructions necessary to execute portions of the second round of distributions.
- Communicated with investors' counsel regarding allocation data and net winner offsets.
- Performed legal research regarding Box 16 & 17 on Form 1099-MISC related questions, Section 6511 statute of limitations questions, as well as SSN v. EIN distribution questions.
- Prepare memorandums summarizing legal research results and draft tax statements to be issued with distributions.
- Addressed investor's request to make two separate distributions on accounts sharing the same TIN.
- Continued communication with counsel for investor groups and the Receiver's professionals in preparation for the large group distributions.
- Communicated with the Receiver's professionals and conduct legal research regarding foreign withholdings requirements and Form W-8 questions and draft memorandum summarizing legal research results.

Distribution Plan

Schwabe assisted the Receiver with issues related to the implementation of the Court-approved distribution plan, including the following efforts:

- Review various emails regarding service issues related to the mass mailing for the second distribution motion and discuss same with the Receiver and the Receiver's professionals.
- Review and discuss the final motion and exhibits with the SEC Staff and communicate the SEC Staff's support of the motion.
- Schwabe assisted the Receiver's professionals in drafting the cover letters to be sent with the distribution checks and developing updated communications posted to the Receivership websites, including FAQ's regarding the second classification, allowance and distribution motion.
- Prepared for and participated in telephone conferences with the Receiver and the Receiver's professionals regarding the second distribution notice issues, group representation by counsel issues, mechanisms to deal with net winners and others that owe an obligation to the Receivership, and the net winner template letter.
- Coordinated the filing and approval process for the settlement motion and the second distribution motion, including conferral, notice and posting issues.
- Draft additional language regarding the unresolved and disputed creditor class claims.
- Review communications from investor counsel regarding investor confidentiality issues.
- Review and respond to various investor inquiries regarding whether distribution will be sent to individuals or the custodian of record, and updating mailing and custodian information.
- Review and respond to various inquiries from investors regarding classification and questions on how distributions are calculated.
- Performed legal research regarding various California estate and trust creditor claim issues.
- Communicate with the Receiver's professionals regarding tax reporting issues for investors that are trusts, discuss multiple questions regarding matching of TIN with payee, payments to Texas taxing entities, questions regarding the completion of Form 1099s, tax questions related to the claw back of significant overpayments to investors, and the application of IRC 1341 providing a loss/credit to "net winner" investor for claw back amounts.
- Performed legal research and drafted memorandums as needed to address the tax questions and issues and discussed those with the Receiver's professionals.
- Review emails and related documents regarding an account aggregation error, assess consequences and mechanisms for correcting the error.
- Prepare revisions to the draft clerical error motion, declaration and supporting documents to include the trust aggregation error.
- Work on outline of third distribution motion issues and options for resolving convenience class election.

Litigation

Schwabe provides litigation-related services and advice to the Receiver for matters including general litigation issues, insurance issues, database issues, and issues related to the assertion and resolution of claims/disputes with investors, creditors and other interested parties, as partially detailed below. Work has included the following:

General Issues

- Prepare for and confer with federal authorities and defense counsel regarding fraud and criminal issues.
- Review, evaluate and advise the Receiver regarding certain investor, litigation, and settlement issues related to implementation of the distribution plan.
- Review, evaluate and advise the Receiver regarding other litigation issues, including relief from the stay under seal to obtain Court approval to initiate new claims on behalf of the Receivership Estate.
- Extensive separate communications with counsel for the various plaintiff and other groups regarding settlement terms, the omnibus settlement approval process, and other plan related issues.
- Continue efforts to formalize the documentation of the various investor settlements, including process issues and extensive communications with investors' counsel in support of the omnibus settlements.
- Prepare notice, motion, memorandum, supporting declaration, order and other materials in support of various settlements. Prepared findings, recommendations and order in support of the various settlements and proposed limited judgment.
- Prepare motion to intervene and motion for protective order related to the pending criminal matter.
- Review and respond to various emails from Judge Simon in connection with procedural matters.
- Prepare comprehensive review of resolved, pending and potential litigation spreadsheet as requested by the Receiver.
- Continued assessment of additional claims against the remaining net winners and other recovery targets.
- Separate communications with the Receiver's insurance coverage counsel regarding various settlement related issues.
- Conduct research regarding various issues needed in defense of the Receiver's recovery and related litigation.
- Review file materials and discuss strategy considerations with the Receiver and the Receiver's professionals related to recovery actions in light of probable order classifying certain claims as subordinated creditor claims, including an assessment of potential claims and defenses.

Luxembourg

- Review the Luxembourg related agreements and communicate with counsel for Luxembourg regarding issues related to execution of the terms of the complex settlement agreement.
- Extensive communications with the Receiver, Receiver's professionals and with counsel for Luxembourg as the parties worked toward closing the complex settlement agreement.
- Prepared for and conducted strategy conference with the Receiver and the Receiver's professional addressing the complicated execution of the settlement terms.
- Addressed issues related to funds transfers prior to closing and servicing of the portfolio following closing, with review of file materials and communication with the Receiver and the Receiver's professionals.
- Conduct separate communications with representatives of Freedom Financial and the Receiver's professionals regarding the necessity of Luxembourg having a domestic account at the time of closing.

Insurance Issues

- Finalize the motion, memorandum, declaration of the Receiver and other pleadings in support of the omnibus motion to approve settlement agreements.
- Extensive separate communications with counsel for the advisory board, counsel for insureds, the Receiver's coverage counsel, and the SEC staff counsel regarding insurance coverage litigation matters.
- Consider and advise the Receiver regarding the approval process issues, in consultation with the Receiver's coverage counsel.
- Communicate with the various counsel relating to a necessary revision to the settlement agreement.
- Conduct legal research regarding the effect of case consolidation and resolution of less than all claims in one of the consolidated matters.
- Review and revise the stipulation and order proposed by counsel for the insurance carriers to include a proposed judgment and other revisions in light of recent U.S. Supreme Court authority.
- Communicate with counsel for the insurance carriers with outstanding signatories to the insurance coverage settlement agreement.
- Communicate with all counsel regarding the court status conference and the additional drafts of the stipulation and proposed order.
- Communicate with all counsel regarding the fully-executed settlement agreement and proceeding with the motion to approve the settlements.
- Review file materials and direct payment instructions to counsel for the carriers in order to satisfy their respective obligations.

Database & Investigation Issues

- Addressed issues relating to access to the consolidated database by the government and criminal defendants, involving extensive, separate communication with representatives of

the U.S. Attorney's Office, the Receiver's professionals, representatives of FTI Tech and criminal defense counsel.

- Reviewed and revised drafts of the motion for protective order and the corresponding order, research and analysis of authorities governing the associated issues.
- Review file materials and confer with the Receiver and the Receiver's professionals regarding issues related to the criminal defendants' efforts to gain access to post-receivership documents.
- Prepare communication to counsel for the criminal defendants and the Assistant U.S. Attorney regarding the standards governing discovery of third parties in criminal matters.
- Revise and complete work on the motion to intervene for limited purposes, motion to amend protective order, the motion regarding privileged communications and related declarations and communicate with counsel for the Government and Defendants regarding the motions.
- Receive and consider communication from Judge Simon regarding the Receiver's motions, communicate with the Receiver, review the position of the U.S. Attorney's Office, and respond to the Court's email.
- Review file materials and prepare the Receiver's position statement for presentation to Judge Simon in the criminal matter.
- Review communication and attached tentative orders from Judge Simon and confer with the Receiver and Receiver's professionals.
- Extensive communication amongst the Court, all counsel, the Receiver, and FTI Tech regarding the defendants' acceptance of the tentative order and next steps.
- Prepare for and participate in hearing/conference in the criminal matter.
- Receive and review Judge Simon's multiple orders and conduct conference with the Receiver, the Receiver's professionals and the administrator of the consolidated database.

Former Officer and Other Litigation

- Reviewed file materials and directed necessary research, in preparation for initiating both a federal court action and a necessary arbitration.
- Reviewed prior and conducted new uniform commercial code searches and reviewed the applicable commercial security agreement in preparation for the filing of a complaint and lodging an arbitration demand.
- Communicated with counsel for one of the defendant parties regarding an amended and restated settlement agreement negotiated with the professional firms and the plaintiff investor groups.
- In another matter, Schwabe analyzed the latest offer and supporting arguments proffered by a defendant target and communicated with the Receiver and the Receiver's professionals regarding the offer and purported defenses.
- Reviewed and communicate with the Receiver's professionals regarding the accumulated data and materials refuting the defendant's contentions.
- Communicated with counsel for the defendant party regarding the accumulated data and other materials refuting the defendant's claims.
- Analyzed additional claims against the defendant party.

- Communicated with the defendant's counsel regarding potential settlement and terms of resolution.

Schwabe

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 Eugene, Or
 Mountain View, CA

TAX ID# IRS-93-1130272

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,
 AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership
 Entity")**

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

**Summary of Professional Fees and Expenses for Schwabe, Williamson & Wyatt P.C.
 For the Period October 1, 2020 through December 31, 2020**

Professional Fees	\$296,701.50
Expenses	<u>\$ 373.76</u>
Total	\$297,075.26

TERMS: DUE AND PAYABLE UPON RECEIPT.

AMOUNTS UNPAID MORE THAN 30 DAYS AFTER INVOICING ARE SUBJECT TO A LATE PAYMENT CHARGE OF 9% PER ANNUM.

IOLTA PARTICIPANTS • PROCEEDS SUPPORT PUBLIC INTEREST OBJECTIVES OF THE LAW FOUNDATIONS.

ATTORNEY-CLIENT COMMUNICATION, PRIVILEGED AND CONFIDENTIAL.

EXHIBIT D
Page 13 of 17

Schwabe

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 Entity")**

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

**Summary of Professional Fees by Professional for Schwabe, Williamson & Wyatt P.C.
 For the Period October 1, 2020 through December 31, 2020**

Professional	Title	Hours	Rate	Amount
Lee, Andrew J	N/EQ Sh/holder	37.00	465.00	17,205.00
Soleimanpour, Alee	Associate	10.40	330.00	3,432.00
Poust, Alex	Shareholder	22.60	510.00	11,526.00
Bowman, Blake K	Associate	18.00	330.00	5,940.00
Fullerton, Emily S B	Associate	12.30	330.00	4,059.00
Chapman, Julie M	Legal Assistant	0.90	230.00	207.00
Wiyrick Flores, June M	N/EQ Sh/holder	0.20	465.00	93.00
Way, M John	N/EQ Sh/holder	20.90	465.00	9,718.50
Ream, Lawrence R	Shareholder	173.60	510.00	88,536.00
Hodaie, Neeka	Associate	10.30	330.00	3,399.00
Greenfield, Troy D	Shareholder	311.40	490.00	152,586.00
Total Hours/Fees		617.60		296,701.50

TERMS: DUE AND PAYABLE UPON RECEIPT.

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 Entity")**

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

**Summary of Professional Fees by Task Code for Schwabe, Williamson & Wyatt P.C.
 For the Period October 1, 2020 through December 31, 2020**

Asset Analysis & Recovery – B101

Professional	Title	Rate	Hours	Amount
Troy D Greenfield	Shareholder	490.00	98.60	48,314.00
Neeka Hodaie	Associate	330.00	10.30	3,399.00
Task Total			108.90	51,713.00

Asset Disposition – B102

Professional	Title	Rate	Hours	Amount
Blake K Bowman	Associate	330.00	1.50	495.00
Task Total			1.50	495.00

Ongoing Business Operations – B103

Professional	Title	Rate	Hours	Amount
Blake K Bowman	Associate	330	16	5,280.00
Task Total			16.00	5,280.00

Case Administration – B105

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	18.30	9,333.00
Troy D Greenfield	Shareholder	490.00	70.70	34,643.00
Task Total			89.00	43,976.00

Claims Administration & Objections – B106

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	18.50	9,435.00
Troy D Greenfield	Shareholder	490.00	53.20	26,068.00
June M Wiyrick Flores	N/EQ Sh/holder	465.00	0.20	93.00
Andrew J Lee	N/EQ Sh/holder	465.00	37.00	17,205.00
Alee Soleimanpour	Associate	330.00	10.40	3,432.00
Task Total			119.30	56,233.00

TERMS: DUE AND PAYABLE UPON RECEIPT.

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 Mountain View, CA

TAX ID# IRS-93-1130272

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,
 AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership
 Entity")**

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

**Summary of Professional Fees by Task for Schwabe, Williamson & Wyatt P.C.
 For the Period October 1, 2020 through December 31, 2020**

Receiver Plan & Analysis Issues – B108

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	79.80	40,698.00
M John Way	N/EQ Sh/holder	465.00	20.90	9,718.50
Task Total			100.70	50,416.50

Litigation – B109

Professional	Title	Rate	Hours	Amount
Alex Poust	Shareholder	510.00	22.60	11,526.00
Lawrence R Ream	Shareholder	510.00	57.00	29,070.00
Troy D Greenfield	Shareholder	490.00	88.90	43,561.00
Blake K Bowman	Associate	330.00	0.50	165.00
Emily S B Fullerton	Associate	330.00	12.30	4,059.00
Julie M Chapman	Legal Assistant	230.00	0.90	207.00
Task Total			182.20	88,588.00
Grand Total			617.60	296,701.50

TERMS: DUE AND PAYABLE UPON RECEIPT.

AMOUNTS UNPAID MORE THAN 30 DAYS AFTER INVOICING ARE SUBJECT TO A LATE PAYMENT CHARGE OF 9% PER ANNUM.

IOLTA PARTICIPANTS • PROCEEDS SUPPORT PUBLIC INTEREST OBJECTIVES OF THE LAW FOUNDATIONS.

ATTORNEY-CLIENT COMMUNICATION, PRIVILEGED AND CONFIDENTIAL.

Schwabe

WILLIAMSON & WYATT®

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 Mountain View, CA

TAX ID# IRS-93-1130272

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,
 AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the “Receivership
 Entity”)**

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

**Summary of Expenses for Schwabe, Williamson & Wyatt P.C.
 For the Period October 1, 2020 through December 31, 2020**

Expense Type	Quantity	Rate	Amount
Online Research	4	-	373.76
Total Expenses			373.76

TERMS: DUE AND PAYABLE UPON RECEIPT.

AMOUNTS UNPAID MORE THAN 30 DAYS AFTER INVOICING ARE SUBJECT TO A LATE PAYMENT CHARGE OF 9% PER ANNUM.

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**EXHIBIT D
 Page 17 of 17**

MICHAEL E. FARNELL (Oregon Bar No. 922966)
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Attorneys for Receiver and for Defendants
AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC;
AEQUITAS COMMERCIAL FINANCE, LLC; AEQUITAS
CAPITAL MANAGEMENT, INC; AEQUITAS INVESTMENT
MANAGEMENT, LLC

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Case No: 3:16-cv-00438-JR

Plaintiff,

v.

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

Defendants.

**CERTIFICATION OF
MICHAEL E. FARNELL IN SUPPORT
OF RECEIVER'S MOTION FOR
APPROVAL OF FEE APPLICATION**

I, Michael E. Farnell, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional

Page 1 – CERTIFICATION OF MICHAEL E. FARNELL
IN SUPPORT OF RECEIVER'S MOTION FOR
APPROVAL OF FEE APPLICATION

O:\10700001\QUARTERLY BILLING TO SEC\Q 4 Oct-Dec 2020\Certif. of MEF ISO Receiver's Mtn for Approval of Fee App.doc

services rendered on behalf of the Receivership Estate by Parsons Farnell & Grein, LLP, for the period from October 1, 2020 through December 31, 2020.

2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.

3. To the best of my knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission (the “Billing Instructions”).

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Parsons Farnell & Grein, LLP has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a

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third party, Parsons Farnell & Grein, LLP requests reimbursement only for the amount billed to Parsons Farnell & Grein, LLP by the third-party vendor and paid to such vendor.

DATED this 25th day of January, 2021.

s/Michael E. Farnell

Michael E. Farnell, OSB #922996

AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC;
AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT
MANAGEMENT, LLC; AND CERTAIN RELATED ENTITIES
(the “Receivership Entity”)
Case No. 3:16-cv-00438-JR

**SUMMARY OF WORK PERFORMED BY PARSONS FARNELL & GREIN, LLP
October 1, 2020 through December 31, 2020**

This Summary describes professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from October 1, 2020 through December 31, 2020, as described in more detail below. Also provided is a breakdown by billing codes, in conformity with the SEC billing guidelines.

Receivership Coverage Litigation and Proceedings

- Continued assessment of coverage strategies for the Receivership Entity in light of ongoing developments in SEC civil and criminal actions
- Continued post-mediation discussions with Catlin Specialty Insurance Company regarding possibility of settlement
- Finalized settlement with insurers except for Catlin Specialty Insurance Company, including expediting execution of settlement agreement, seeking court approval, and coordinating payment by insurers
- Participated in court status conference regarding settlement with insurers except for Catlin Specialty Insurance Company
- Began coverage audit of Receiver’s current coverage portfolio for potential coverage risks

AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC;
AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT
MANAGEMENT, LLC; AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")
Case No. 3:16-cv-00438-JR

SUMMARY OF PARSONS FARNELL & GREIN, LLP FEES AND EXPENSES
October 1, 2020 through December 31, 2020

Receivership Coverage Litigation and Proceedings

Professional Fees	\$ 13,117.50
Expenses	<u>\$ 0.00</u>
TOTAL	<u>\$ 13,117.50</u>

AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC;
AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT
MANAGEMENT, LLC; AND CERTAIN RELATED ENTITIES
(the "Receivership Entity")
Case No. 3:16-cv-00438-JR

**SUMMARY OF PARSONS FARNELL & GREIN, LLP PROFESSIONAL FEES
BY PROFESSIONAL AND MATTER
October 1, 2020 through December 31, 2020**

Receivership Coverage Litigation and Proceedings

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	34.80	\$300.00	\$ 10,440.00
Michael E. Farnell	Partner	7.00	\$382.50	\$ 2,677.00
TOTAL:		41.80		\$ 13,117.50

AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC;
 AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT
 MANAGEMENT, LLC; AND CERTAIN RELATED ENTITIES
 (the "Receivership Entity")
 Case No. 3:16-cv-00438-JR

**SUMMARY OF PARSONS FARNELL & GREIN, LLP PROFESSIONAL FEES
 BY TASK AND PROFESSIONAL
 October 1, 2020 through December 31, 2020**

Receivership Coverage Litigation and Proceedings

LA1 Asset Analysis and Recovery

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	16.70	\$300.00	\$ 5,010.00
Michael E. Farnell	Partner	7.00	\$382.50	\$ 2,677.50

Total Asset Analysis and Recovery **\$ 7,687.50**

LA3 Business Operations

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	18.10	\$300.00	\$ 5,430.00

Total Business Operations **\$ 13,117.50**

AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC;
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(the “Receivership Entity”)
Case No. 3:16-cv-00438-JR

SUMMARY OF PARSONS FARNELL & GREIN, LLP EXPENSES
October 1, 2020 through December 31, 2020

Receivership Coverage Litigation and Proceedings

Expense Type	Total
N/A – no expenses this quarter	
TOTAL EXPENSES:	<u>\$ 0.00</u>