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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. JESENIK; BRIAN A. OLIVER;  
and N. SCOTT GILLIS,

Defendants.

No. 3:16-cv-00438-JR

DECLARATION OF RONALD F.  
GREENSPAN IN SUPPORT OF RECEIVER'S  
MOTION FOR ORDER APPROVING  
COMPROMISES OF CLAIMS AND  
AUTHORIZING PERFORMANCE OF  
SETTLEMENT AGREEMENTS

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

1. I am over 18 years of age and otherwise competent to testify. I am providing this declaration in support of the Receiver's Motion For Order Approving Compromises Of Claims And Authorizing Performance Of Settlement Agreements (the "Motion").

2. On March 16, 2016, pursuant to the Interim Receivership Order, I was appointed as Receiver for the Receivership Entity on an interim basis. On April 14, 2016, pursuant to the Final Receivership Order, I was appointed as Receiver of the Receivership Entity on a final basis.

3. On behalf of the Receivership Entity, the Receiver has entered numerous settlement agreements with counterparties all of which are expressly subject to approval of this Court.

4. On April 12, 2021, the Receivership Entity entered a Settlement Agreement with Donna Miles. Under the Settlement Agreement, Ms. Miles paid the Receivership Entity \$25,000 and released any claims against the Receivership Entity, in exchange for a release of the Receivership Entity's claims. Attached hereto as Exhibit 1 is a true and accurate copy of the Settlement Agreement entered with Ms. Miles.

5. Ms. Miles served on the Aequis Advisory Board. She also provided separate professional consulting services to Aequis prior to and during the Ponzi period. The Receiver reviewed the consulting services provided by Ms. Miles and concluded she provided a measure of value to Aequis. Accordingly, the Receiver required that Ms. Miles repay all of the funds received in relation to her service as an Advisory Board member during the Ponzi period as well as a portion of the funds she received in relation to her consulting services, totaling \$25,000.

6. On May 24, 2021, the Receivership Entity entered a Settlement Agreement with Thomas Sidley. Under the Settlement Agreement, Mr. Sidley is obligated to pay the Receivership Entity \$324,000 and release any claims against the Receivership Entity, in exchange for a release of the Receivership Entity's claims. Attached hereto as Exhibit 2 is a true and accurate copy of the Settlement Agreement entered with Mr. Sidley.

7. Mr. Sidley was a party to certain contracts with the Receivership Entity, including contracts governing the issuance or sale of Aequis securities.

8. On March 25, 2021, the Receiver issued a demand letter to Mr. Sidley, outlining the grounds upon which the Receivership Entity is entitled to recover certain transfers he received prior to and during the Ponzi period, and demanding repayment of \$424,471.96.

9. Through counsel, Mr. Sidley readily engaged in good faith settlement negotiations with the Receiver. He made full financial disclosures and provided information relating to other personal circumstances supporting the compromise resolution outlined above.

10. On June 7, 2021, the Receivership Entity entered a Settlement Agreement with Patricia Brown. Pursuant to the Settlement Agreement, Ms. Brown is obligated to pay the Receivership Entity \$175,500 and release any claims against the Receivership Entity, in exchange for a release of the Receivership Entity's claims. Attached hereto as Exhibit 3 is a true and accurate copy of the Settlement Agreement entered with Ms. Brown.

11. Ms. Brown was party to certain contracts with the Receivership Entity including, but not limited to, contracts governing the issuance or sale of Aequis securities and received certain transfers of value.

12. On March 25, 2021, the Receiver issued a demand letter to Ms. Brown, outlining the grounds upon which the Receivership Entity is entitled to recover certain transfers that she received prior to and during the Ponzi period, and demanding repayment of \$230,832.88.

13. Through counsel, Ms. Brown readily engaged in good faith settlement negotiations with the Receiver. She made full financial disclosures and provided information relating to other personal circumstances supporting the compromise resolution outlined above.

14. On June 28, 2021 the Receivership Entity entered a Settlement Agreement with Jeffrey C. Sica, Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC

(collectively, the “Sica Parties”). Pursuant to that Agreement, the Sica Parties are obligated to pay \$800,000 to the Receivership Entity and release any claims against the Receivership Entity, in exchange for a release of the Receivership Entity’s claims. The payment obligation is secured by a Security Agreement containing a pledge of the assets of Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC, as well as a mortgage on the home of Mr. Sica and his wife. Attached hereto as Exhibit 4 is a true and accurate copy of the Settlement Agreement entered with the Sica Parties.

15. Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC were parties to certain contracts with the Receivership Entity including, but not limited to, contracts governing consulting relationships and loans from the Receivership Entity. Both received transfers of value prior to and during the Ponzi period.

16. Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC subsequently transferred certain funds received from the Receivership Entity to Jeffrey C. Sica.

17. On October 26, 2020, the Receiver provided courtesy copies of the draft complaint and arbitration demand to counsel for the Sica Parties, and indicated a willingness to explore a negotiated resolution before initiation of litigation.

18. Through their counsel, the Sica Parties readily engaged in good faith settlement negotiations. Over the course of the next nine months, each of the Sica Parties completed extremely thorough financial disclosures. Mr. Sica and his wife are working to retire substantial existing debts including federal and state tax liens. Mr. Sica also advised the Receiver of other personal circumstances material to the Receiver’s determination that the terms of settlement are in the best interests of the Receivership Entity.

19. The Receiver deems investors in Aequitas securities who received distributions during the Ponzi period in excess of their investment balance, determined as of July 1, 2014, to be

“net winners.” It is well settled that net winners in a Ponzi scheme such as Aequitas are obligated to repay the net winnings and, in most cases, interest on those net winnings to the receivership estate. Accordingly, the Receiver is pursuing recovery of the net winnings received by Aequitas investors.

20. The Receiver issued written pre-litigation demand letters to net winners, offering to release the Receivership Entity’s claims relating to the net winnings in exchange for repayment of 90% of the net winnings.

21. Many of the net winners have accepted the Receiver’s pre-litigation offer and made the required repayment. The Receiver will soon file suit against those who have not settled with the Receivership Entity.

22. Since the filing of the Receiver’s last motion to approve settlements, the Receivership Entity has executed Settlement Agreements with three additional net winners, acknowledging the repayments and mutually releasing claims. The combined value of the settlements with the additional three net winners is \$148,895.71, bringing the pre-litigation net winner recovery to \$2,921,309.70. Attached hereto as Exhibits 5 - 7 are true and accurate copies of the Settlement Agreements entered with the three additional net winners.

23. The terms of the Settlement Agreements outlined above are the result of good faith negotiations among the Receiver on behalf of the Receivership Entity and the various counterparties. After diligent investigation by the Receiver and, in the exercise of the Receiver’s business judgment, the Settlement Agreements are in the best interests of the creditors of, and investors in, the Receivership Entity.

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**I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING  
STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE,  
INFORMATION, AND BELIEF.**

Dated this 29th day of June, 2021.

*s/ Ronald F. Greenspan*  
Ronald F. Greenspan, Receiver

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below) and Donna J. Miles (“Miles”), each a “Party” and collectively, the “Parties.”

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission (“SEC”) filed a complaint against Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, after July 1, 2014, Miles received \$12,000.00 designated “Advisory Fees” while a member of the Aequis Advisory Board;

F. WHEREAS, Miles provided human resources consulting services to Aequis and received corresponding monthly retainer transfers prior to and after July 1, 2014; and

G. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court (defined below).

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.

2. Definitions. The following defined terms are incorporated into this Agreement:

a. **Aequis Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any entity included within the Receivership Entity.

b. **Court** refers to the court in the SEC enforcement action titled *SEC v. Aequitas Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.

c. **Payment** means the payment of \$25,000.00 by Miles to the Receivership Entity, as set forth in Paragraph 4 below.

d. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.

e. **Receivership Entity** means, individually and collectively, Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Commercial Finance, LLC, Aequitas Capital Management, Inc., Aequitas Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.

f. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].

g. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and the Qualified Settlement Fund Irrevocable Trust.

h. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved by the Court for any reason and/or if the Court's decision is appealed and the Ninth Circuit Court of Appeals holds that the Agreement is not approved, and any such decision shall become final, then this Agreement shall be without effect and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment.

A. On or before May 14, 2021, Miles will pay \$25,000.00, by wire transfer to an account held by the Qualified Settlement Fund Irrevocable Trust and designated by the Receiver.

B. The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against Miles as set forth in Paragraph 6 below.

5. Bankruptcy. In the event Miles files for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, Miles is responsible for the difference between the total Payment figure and any portion of the Payment retained by the Receivership Entity ("Replacement Obligation"). If the Replacement Obligation is not fully satisfied within ten (10) business days of the Receivership Entity surrendering all or any portion of the Payment to a bankruptcy estate of Miles, the Receivership Entity may retain any portion of



the Payment already received, rescind its Release of Miles and, thereby, retain all rights and remedies for the full amount of its claims against Miles. Miles' Release of the Receivership Entity, its former officers, directors and other Advisory Board members, the Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and/or the Qualified Settlement Fund Irrevocable Trust, set forth in Paragraph 6 below, shall not be affected by a failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of Miles.

6. Mutual Releases.

The Receivership Entity releases Miles and Miles releases the Receivership Released Parties from:

A. All claims which the Parties had or held in any capacity, currently have, or may in the future have against one another, regardless of whether any such claims are direct or indirect, known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, now existing or hereinafter arising, specifically including but not limited to the following:

i. All claims related in any way to the purchase, issuance, sale or solicitation of the sale of any Aequitas Securities;

ii. All claims related to or arising out service as an Advisory Board member and HR consultant, including but not limited to those for receipt of any form of compensation, payment or reimbursement; and

iii. All claims against Receivership Property, the Receivership Estates (as those terms are defined in the Receivership Order) or any other assets of the Receivership Entity, including but not limited to any claim under any Court-approved distribution plan.

B. These Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

D. Effective Date of Releases. The Releases shall become effective immediately upon final Court approval. The Receivership Entity's Release of Miles may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties agree that this Agreement is made without admission of wrongdoing or wrongful intent on the part of Miles, and nothing in this Agreement shall be construed as an admission of any wrongful act, whether negligent, intentional or otherwise, or any wrongful intent by Miles.

8. Entire Agreement. This Agreement sets forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect to this Agreement. This Agreement supersedes and replaces any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties.

9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. In the event of any suit or action, to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
tgreenfield@schwabe.com

If to Miles:

Donna Miles  
325 Stone Mountain Way  
Denver, NC 28037-4211  
Phone: (310) 941-5736  
miles@usc.edu

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Miles upon the final, non-appealable approval of this Agreement by the Court. Miles represents that she has the authority to enter into this Agreement, providing the Release to the Receivership Released Parties.

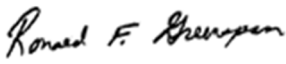
18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: \_\_\_\_\_  
Donna J. Miles

DATED: \_\_\_\_\_

By:  \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: April 12, 2021

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

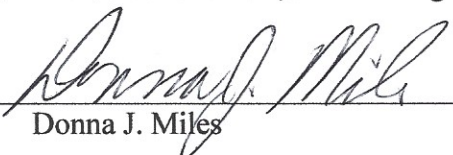
16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Miles upon the final, non-appealable approval of this Agreement by the Court. Miles represents that she has the authority to enter into this Agreement, providing the Release to the Receivership Released Parties.

18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By:   
Donna J. Miles

DATED: 4-10-2021

By: \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: \_\_\_\_\_

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below) and Thomas Sidley, each a “Party” and collectively the “Parties.”

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission (“SEC”) filed a complaint against Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, Mr. Sidley was party to certain contracts with the Receivership Entity including, but not limited to, contracts governing the issuance or sale of Aequis Securities (defined below) and received certain transfers of value; and

F. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.

2. Definitions. The following defined terms are incorporated into this Agreement:

a. **Aequis Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any Receivership Entity.

b. **Court** refers to the court in the SEC enforcement action titled *SEC v. Aequis Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.



c. **Effective Dates** means the dates upon which the respective releases become effective as set forth in Paragraph 6 below.

d. **Payment** means the payment of \$324,000 by Mr. Sidley to the Receivership Entity, as set forth in Paragraph 4 below.

e. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.

f. **Receivership Entity** means, individually and collectively, Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.

g. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].

h. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and the Qualified Settlement Fund Irrevocable Trust.

i. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved by the Court and, if the Court's decision is appealed, any appellate court, for any reason, it shall be without effect and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment. The first installment payment of \$108,000 is due on or before June 30, 2021. The second installment payment of \$108,000 is due on or before March 31, 2022. The third and final installment payment of \$108,000 is due on or before March 31, 2023. All installment payments will be made by wire transfer, to an account held by the Qualified Settlement Fund Irrevocable Trust and designated by the Receiver.

The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against Mr. Sidley as set forth in Paragraph 6 below.

5. Bankruptcy. In the event Mr. Sidley files for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, Mr. Sidley is liable for the difference between the Payment obligation of \$324,000 and any portion of the Payment actually received and retained by the Receivership Entity ("Replacement Obligation"). The Replacement Obligation will be satisfied within ten (10) business days of the Receivership Entity either not receiving the full Payment or surrendering all or any portion of the Payment to a bankruptcy estate. In the event the Replacement Obligation is not timely satisfied, the Receivership Entity may retain any portion of the Payment already received and rescind its Release of Mr. Sidley and, thereby, retain all rights and remedies for the full amount of its claims against Mr. Sidley. The Releases of

the Receivership Released Parties, set forth in Paragraph 6 below, shall not be affected by a failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of Mr. Sidley.

6. Releases. On the respective Effective Dates, the Receivership Entity releases Mr. Sidley and Mr. Sidley releases the Receivership Released Parties from:

A. All claims which the Parties had or held in any capacity, currently have, or may in the future have against one another, regardless of whether any such claims are direct or indirect, known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, now existing or hereinafter arising, for actions, events or circumstances occurring prior to execution of this Agreement, specifically including but not limited to the following:

i. All claims related in any way to the purchase, issuance, sale, solicitation of the sale or redemption of any Aequitas Securities;

ii. All claims related to or arising out of receipt of any form of compensation, payment or reimbursement from the Receivership Entity; and

iii. All claims against Receivership Property, the Receivership Estates (as those terms are defined in the Receivership Order) or any other assets of either the Receivership Entity or the Qualified Settlement Fund Irrevocable Trust.

B. These Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

C. Effective Dates of Releases. The Receivership Entity's Release of Mr. Sidley shall become effective immediately upon final Court approval and receipt of the full Payment. The Release of the Receivership Released Parties, by Mr. Sidley shall become effective upon final Court approval. The Receivership Entity's Release of Mr. Sidley may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties enter into this Agreement for the express purpose of avoiding the expense and risk of litigation. This Agreement is not and may not be construed as an admission or acknowledgement of liability or wrongdoing on the part of any of the Parties, all of whom deny any and all liability.

8. Entire Agreement. This Agreement sets forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect to this Agreement. This Agreement supersedes and replaces any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties.

9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. In the event of any suit or action, to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
tgreenfield@schwabe.com

If to Mr. Sidley:

Jay Kornfeld  
Bush Kornfeld LLP  
601 Union Street, Suite 5000  
Seattle, Washington 98101  
Phone: (206) 292-2110  
jkornfeld@bskd.com



14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on all of the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Mr. Sidley upon the final, non-appealable approval of this Agreement by the Court. Mr. Sidley represents that he has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties.

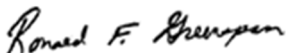
18. Representation by Counsel. The Parties are represented by counsel and have consulted with their counsel regarding the terms and legal meaning of this Agreement.

19. Further Assurances. The parties to this Agreement shall execute and deliver such additional documents and instruments and to take such actions as may be reasonably necessary in order to further evidence and carry out the purposes, goals, and intent of this Agreement.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: \_\_\_\_\_  
Thomas Sidley

DATED: \_\_\_\_\_

By:  \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: May 24, 2021

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

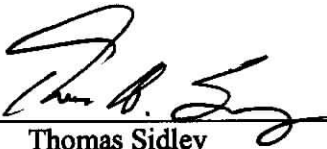
16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on all of the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Mr. Sidley upon the final, non-appealable approval of this Agreement by the Court. Mr. Sidley represents that he has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties.

18. Representation by Counsel. The Parties are represented by counsel and have consulted with their counsel regarding the terms and legal meaning of this Agreement.

19. Further Assurances. The parties to this Agreement shall execute and deliver such additional documents and instruments and to take such actions as may be reasonably necessary in order to further evidence and carry out the purposes, goals, and intent of this Agreement.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By:   
Thomas Sidley

DATED: May 21, 2021

By: \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: \_\_\_\_\_

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below) and Patricia Brown, each a “Party” and collectively the “Parties.”

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission (“SEC”) filed a complaint against Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, Ms. Brown was party to certain contracts with the Receivership Entity including, but not limited to, contracts governing the issuance or sale of Aequis Securities (defined below) and received certain transfers of value; and

F. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.

2. Definitions. The following defined terms are incorporated into this Agreement:

a. **Aequis Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any Receivership Entity.

b. **Court** refers to the court in the SEC enforcement action titled *SEC v. Aequis Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.

c. **Effective Dates** means the dates upon which the respective releases become effective as set forth in Paragraph 6 below.

d. **Payment** means the payment of \$175,500 to the Receivership Entity, as set forth in Paragraph 4 below.

e. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.

f. **Receivership Entity** means, individually and collectively, Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.

g. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].

h. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and the Qualified Settlement Fund Irrevocable Trust.

i. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved by the Court and, if the Court's decision is appealed, any appellate court, for any reason, it shall be without effect and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment. The first installment payment of \$58,500 is due on or before June 30, 2021. The second installment payment of \$58,500 is due on or before March 31, 2022. The third and final installment payment of \$58,500 is due on or before March 31, 2023. All three installment payments will be made by wire transfer, to an account held by the Qualified Settlement Fund Irrevocable Trust and designated by the Receiver.

The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against Ms. Brown as set forth in Paragraph 6 below.

5. Bankruptcy. In the event Ms. Brown files for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, Ms. Brown is liable for the difference between the Payment obligation of \$175,500 and any portion of the Payment actually received and retained by the Receivership Entity ("Replacement Obligation"). The Replacement Obligation will be satisfied within ten (10) business days of the Receivership Entity either not receiving the full Payment or surrendering all or any portion of the Payment to a bankruptcy estate. In the event the Replacement Obligation is not timely satisfied, the Receivership Entity may retain any portion of the Payment already received and rescind its Release of Ms. Brown and, thereby, retain all rights and remedies for the full amount of its claims against Ms. Brown. The Releases

of the Receivership Released Parties, set forth in Paragraph 6 below, shall not be affected by a failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of Ms. Brown.

6. Releases. On the respective Effective Dates, the Receivership Entity releases Ms. Brown and Ms. Brown releases the Receivership Released Parties from:

A. All claims which the Parties had or held in any capacity, currently have, or may in the future have against one another, regardless of whether any such claims are direct or indirect, known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, now existing or hereinafter arising, for actions, events or circumstances occurring prior to execution of this Agreement, specifically including but not limited to the following:

i. All claims related in any way to the purchase, issuance, sale, solicitation of the sale or redemption of any Aequitas Securities;

ii. All claims related to or arising out of receipt of any form of compensation, payment or reimbursement from the Receivership Entity; and

iii. All claims against Receivership Property, the Receivership Estates (as those terms are defined in the Receivership Order) or any other assets of either the Receivership Entity or the Qualified Settlement Fund Irrevocable Trust.

B. These Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

C. Effective Dates of Releases. The Receivership Entity's Release of Ms. Brown shall become effective immediately upon final Court approval and receipt of the full Payment. The Release of the Receivership Released Parties by Ms. Brown shall become effective upon final Court approval. The Receivership Entity's Release of Ms. Brown may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties enter into this Agreement for the express purpose of avoiding the expense and risk of litigation. This Agreement is not and may not be construed as an admission or acknowledgement of liability or wrongdoing on the part of any of the Parties, all of whom deny any and all liability.

8. Entire Agreement. This Agreement sets forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect to this Agreement. This Agreement supersedes and replaces any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties.

9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. In the event of any suit or action, to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
tgreenfield@schwabe.com

If to Ms. Brown:

Jay Kornfeld  
Bush Kornfeld LLP  
601 Union Street, Suite 5000  
Seattle, Washington 98101  
Phone: (206) 292-2110  
jkornfeld@bskd.com



14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on all of the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Ms. Brown upon the final, non-appealable approval of this Agreement by the Court. Ms. Brown represents that she has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties.

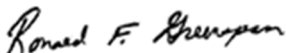
18. Representation by Counsel. The Parties are represented by counsel and have consulted with their counsel regarding the terms and legal meaning of this Agreement.

19. Further Assurances. The parties to this Agreement shall execute and deliver such additional documents and instruments and to take such actions as may be reasonably necessary in order to further evidence and carry out the purposes, goals, and intent of this Agreement.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: \_\_\_\_\_  
Patricia Brown

DATED: \_\_\_\_\_

By:  \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: June 7, 2021

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on all of the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Ms. Brown upon the final, non-appealable approval of this Agreement by the Court. Ms. Brown represents that she has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties.

18. Representation by Counsel. The Parties are represented by counsel and have consulted with their counsel regarding the terms and legal meaning of this Agreement.

19. Further Assurances. The parties to this Agreement shall execute and deliver such additional documents and instruments and to take such actions as may be reasonably necessary in order to further evidence and carry out the purposes, goals, and intent of this Agreement.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: Patricia J. Brown  
Patricia Brown

DATED: June 4, 2021

By: \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: \_\_\_\_\_



## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below), Jeffrey C. Sica, Lori A. Granato, Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC, each a “Party” and collectively, the “Parties.”

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission (“SEC”) filed a complaint against Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Commercial Finance, LLC, Aequitas Capital Management, Inc., Aequitas Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, at all relevant times, Jeffrey C. Sica and Lori A. Granato were and are married;

F. WHEREAS, Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC were parties to certain contracts with the Receivership Entity including, but not limited to, contracts governing consulting relationships and loans from the Receivership Entity;

G. WHEREAS, Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC received certain transfers of value from the Receivership Entity;

H. WHEREAS, Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC subsequently transferred funds received from the Receivership Entity to Jeffrey C. Sica;

I. WHEREAS, Jeffrey C. Sica and Lori A. Granato agree they shall not form or utilize any other entity to operate the same or similar business and/or provide the same or similar services as Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC;

J. WHEREAS, Jeffrey C. Sica and Lori A. Granato agree they shall not transfer assets between themselves and/or any third parties with the intent to hinder or delay the Payment (defined below) or otherwise act to defraud any of the Receivership Released Parties (defined below); and

K. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court.

## AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.
2. Definitions. The following defined terms are incorporated into this Agreement:
  - a. **Aequitas Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any Receivership Entity.
  - b. **Court** refers to the court in the SEC enforcement action titled *SEC v. Aequitas Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.
  - c. **Effective Dates** means the dates upon which the respective releases become effective as set forth in Paragraph 6 below.
  - d. **Sica Parties** means Jeffrey C. Sica, Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC.
  - e. **Payment** means the payment of \$800,000 plus interest by the Sica Parties to the Receivership Entity, as set forth in Paragraph 4 below.
  - f. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.
  - g. **Receivership Entity** means, individually and collectively, Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Commercial Finance, LLC, Aequitas Capital Management, Inc., Aequitas Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.
  - h. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].
  - i. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Aequitas Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and the Aequitas Qualified Settlement Fund Irrevocable Trust.
  - j. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved by the Court and, if the Court's decision is appealed, any appellate court, for any reason, it shall be without effect and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment. The Sica Parties shall pay the Receivership Entity \$800,000 plus interest of 5% per annum that begins to accrue on June 15, 2021. The first installment payment of \$200,000 is due on or before December 31, 2022. The second installment payment of \$200,000 is due on or before December 31, 2023. The third installment payment of \$200,000 is due on or before December 31, 2024. The fourth and final installment payment of \$200,000 together with all accrued and unpaid interest being due and payable not later than December 31, 2025. All installment payments will be made by wire transfer, to an account held by the Aequitas Qualified Settlement Fund Irrevocable Trust and designated by the Receiver.

A. Reasonably Equivalent Value. The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against the Sica Parties as set forth in Paragraph 6 below.

B. Security. As collateral and security for the Payment obligation and indebtedness due and owing by the Sica Parties to the Receivership Entity pursuant to this Agreement, the Sica Parties shall execute a Promissory Note, together with a Mortgage, Absolute Assignment of Leases and Rents and Fixtures Filing on certain real property in Brookside (Mendham Township), New Jersey (the "Mortgage"), and Security Agreement providing liens against all of the assets of Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC. For good and valuable consideration including the Receivership Entity's Release of claims against the Sica Parties, Lori A. Granato hereby agrees to execute the Mortgage.

5. Bankruptcy – Joint and Several Liability. The Sica Parties are jointly and severally liable for the Payment obligation to the Receivership Entity. In the event one or more of the Sica Parties file for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, the Sica Parties are jointly and severally liable for the difference between the Payment obligation of \$800,000 plus 5% per annum interest and any portion of the Payment actually received and retained by the Receivership Entity ("Replacement Obligation"). The Replacement Obligation will be satisfied within ten (10) business days of the Receivership Entity either not receiving the full Payment or surrendering all or any portion of the Payment to a bankruptcy estate. In the event the Replacement Obligation is not timely satisfied, the Receivership Entity may retain any portion of the Payment already received and rescind its Release of the Sica Parties and, thereby, retain all rights and remedies for the full amount of its claims against the Sica Parties. The Releases of the Receivership Released Parties, set forth in Paragraph 6 below, shall not be affected by a failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of the Sica Parties.

6. Releases. On the respective Effective Dates, the Receivership Entity releases the Sica Parties and the Sica Parties release the Receivership Released Parties from:

A. All claims which the Parties had or held in any capacity, currently have, or may in the future have against one another, regardless of whether any such claims are direct or

indirect, known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, now existing or hereinafter arising, for actions, events or circumstances occurring prior to execution of this Agreement, specifically including but not limited to the following:

i. All claims related in any way to the purchase, issuance, sale or solicitation of the sale of any Aequitas Securities;

ii. All claims related to or arising out of receipt of any form of compensation, payment or reimbursement for serving as consultant on behalf of the Receivership Entity;

iii. All claims in any way related to loans made by the Receivership Entity to any of the Sica Parties; and

iv. All claims against Receivership Property, the Receivership Estates (as those terms are defined in the Receivership Order) or any other assets of either the Receivership Entity or the Aequitas Qualified Settlement Fund Irrevocable Trust.

B. These Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

C. Effective Dates of Releases. The Receivership Entity's Release of the Sica Parties shall become effective upon final Court approval and receipt of the full Payment. The Releases of the Receivership Released Parties, by the Sica Parties shall become effective upon final Court approval. The Receivership Entity's Release of the Sica Parties may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties enter into this Agreement for the express purpose of avoiding the expense and risk of litigation. This Agreement is not and may not be construed as an admission or acknowledgement of liability or wrongdoing on the part of any of the Parties, all of whom deny any and all liability.

8. Entire Agreement. This Agreement together with the Promissory Note, Security Agreement, Mortgage and other collateral documents set forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect thereto. This Agreement together with the associated documents supersede and replace any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties.

9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. In the event of any suit or action, to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
tgreenfield@schwabe.com

If to the Sica Parties:

Mary P. Hansen  
Duane Morris LLP  
30 South 17<sup>th</sup> Street  
Philadelphia, PA 19103-4196  
Phone: (215) 979-1110  
mphansen@duanemorris.com

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.



15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on all of the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to the Sica Parties upon the final, non-appealable approval of this Agreement by the Court. The corporate representative executing this Agreement on behalf of Sica Wealth Management, LLC and Circle Squared Alternative Investments, LLC represents that he has the power and authority to enter into this Agreement and provide the Release to the Receivership Released Parties.

18. Representation by Counsel. The Parties are represented by counsel and have consulted with their counsel regarding the terms and legal meaning of this Agreement.

19. Further Assurances. The parties to this Agreement shall execute and deliver such additional documents and instruments and to take such actions as may be reasonably necessary in order to further evidence and carry out the purposes, goals, and intent of this Agreement.


IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By:   
Jeffrey C. Sica

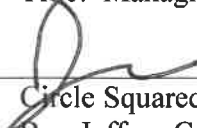
DATED: 6-28-2021

By:   
Lori A. Granato

DATED: 6-27-2021

By:   
Sica Wealth Management, LLC  
By: Jeffrey C. Sica  
Title: Managing Member

DATED: 6-28-2021

By:   
Circle Squared Alternative Investments, LLC  
By: Jeffrey C. Sica  
Title: Managing Member

DATED: 6-28-2021

By: Ronald Greenspan  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: 6-28-2021

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below) and The Stanley L. & Roberta Kampner Charitable Remainder Annuity Trust (“Net Winner”), each a “Party” and collectively, the “Parties.”

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission (“SEC”) filed a complaint against Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Commercial Finance, LLC, Aequitas Capital Management, Inc., Aequitas Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, Net Winner’s initial investment in Aequitas Securities (defined below) was returned and, in addition, Net Winner received \$30,271.38 (“Net Winnings”); and

F. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court (defined below).

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.

2. Definitions. The following defined terms are incorporated into this Agreement:

**a. Aequitas Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any entity included within the Receivership Entity.

**b. Court** refers to the court in the SEC enforcement action titled *SEC v. Aequitas Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.



c. **Payment** means the payment of \$27,244.24 by Net Winner to the Receivership Entity, as set forth in Paragraph 4 below.

d. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.

e. **Receivership Entity** means, individually and collectively, Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.

f. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].

g. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and the Qualified Settlement Fund Irrevocable Trust.

h. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved in its entirety by the Court and/or any appellate court for any reason and any such decision becomes final, then this Agreement shall be without effect, the mutual releases in Section 6 below shall be null and void, and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment.

A. Upon execution of this Settlement Agreement by the Receivership Entity and Net Winner, within two (2) business days Net Winner shall wire transfer \$27,244.24 (the "Payment"). If this Agreement is not approved in its entirety, for any reason, by any court, following the passage of all appeal periods, the Receivership Entity shall return the Settlement Payment to the Net Winner.

B. The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against Net Winner as set forth in Paragraph 6 below.

5. Bankruptcy. In the event Net Winner and/or any of its beneficiaries files for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, Net Winner and Roberta Kampner shall be jointly and severally responsible for the difference between the total Payment amount and any portion of the Payment retained by the Receivership Entity ("Replacement Obligation"). If the Replacement Obligation is not fully satisfied within ten (10) business days of the Receivership Entity surrendering all or any portion of the Payment to a bankruptcy estate of Net Winner and/or any of its beneficiaries, the Receivership Entity may retain any portion of the Payment already received, rescind its Release of Net Winner and, thereby, retain all rights and remedies for the full amount of its claims against Net Winner. Net Winner's Release

of the Receivership Entity, its former officers, directors and Advisory Board members, the Receiver, and all professionals and other agents serving the Receiver and the Receivership Entity, set forth in Paragraph 6 below, shall not be affected by a failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of Net Winner.

6. Releases.

A. The Receivership Entity releases Net Winner, including but not limited to (as applicable) each of Net Winner's current/former representatives, trustees, agents, attorneys, officers, directors, managers, shareholders, members, owners (including owners of the managers, shareholders or members), affiliates, parents, subsidiaries, employees, and insurers from all claims in any way relating to Net Winner's purchase of Aequitas Securities including but not limited to those for return of the Net Winnings.

B. Net Winner releases the Receivership Released Parties from all claims, including but not limited to the following:

i. Claims related in any way to the purchase, issuance, sale, recommendation or solicitation of the sale of any Aequitas Securities; and

ii. Claims against Receivership Property, the Receivership Estates (as those terms are defined in the Receivership Order) or any other assets of the Receivership Entity, including but not limited to any claim under the Court-approved distribution plan.

C. The foregoing Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, beneficiaries, fiduciaries, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

D. Effective Date of Releases. The Releases shall become effective immediately upon final non-appealable Court approval. The Receivership Entity's Release of Net Winner may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties agree that this Agreement is made without admission of wrongdoing or wrongful intent on the part of Net Winner, and nothing in this Agreement shall be construed as an admission of any wrongful act, whether negligent, intentional or otherwise, or any wrongful intent by Net Winner.

8. Entire Agreement. This Agreement sets forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect to this Agreement. This Agreement supersedes and replaces any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties. The terms of this Agreement are substantially similar to the terms of agreements previously executed by and between the Receiver and other parties who received “net winnings” from Aequis.

9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. If the Receiver, Net Winner and/or J. Scott Benson commence any suit or action to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
[tgreenfield@schwabe.com](mailto:tgreenfield@schwabe.com)

If to Net Winner and/or Roberta Kamper:

Roberta Kamper  
2142 Century Park Lane,  
Apt. 308  
Los Angeles, CA 90067-  
3324  
[ducksgalor@sbcglobal.net](mailto:ducksgalor@sbcglobal.net)

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement binding on the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Net Winner upon the final, non-appealable approval of this Agreement by the Court. Trustee of Net Winner represents that she has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties. Any corporate representatives executing this Agreement represent that they have the power and authority to enter into this Agreement and provide the Release to the Receivership Released Parties. The Receivership Entity further warrants and represents that it has not assigned its rights to any claims that it has or had against Net Winner to any other party prior to the execution of this Agreement.

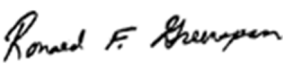
18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. Inadmissibility. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: \_\_\_\_\_  
By: Roberta Kampner, Individually and as  
Trustee of the Stanley L. & Roberta Kampner  
Charitable Remainder Annuity Trust

DATED: May \_\_\_, 2021

By:   
\_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: May 17, 2021

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.


16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement binding on the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Net Winner upon the final, non-appealable approval of this Agreement by the Court. Trustee of Net Winner represents that she has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties. Any corporate representatives executing this Agreement represent that they have the power and authority to enter into this Agreement and provide the Release to the Receivership Released Parties. The Receivership Entity further warrants and represents that it has not assigned its rights to any claims that it has or had against Net Winner to any other party prior to the execution of this Agreement.

18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. Inadmissibility. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By:   
By: Roberta Kampner, Individually and as  
Trustee of the Stanley L. & Roberta Kampner  
Charitable Remainder Annuity Trust

DATED: May 13, 2021

By: \_\_\_\_\_  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: May \_\_, 2021



## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below), Robert and Mignon Ervin (“Net Winners”) each a “Party” and collectively, the “Parties.”

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission (“SEC”) filed a complaint against Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, Net Winners’ initial investment in Aequis Securities (defined below) was returned and, in addition, they received \$13,906.86 (“Net Winnings”); and

F. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court (defined below).

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.

2. Definitions. The following defined terms are incorporated into this Agreement:

a. **Aequis Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any entity included within the Receivership Entity.

b. **Court** refers to the court in the SEC enforcement action titled *SEC v. Aequis Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.

c. **Payment** means the payment of \$12,516.17 by Net Winners to the Receivership Entity, as set forth in Paragraph 4 below.

d. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.

e. **Receivership Entity** means, individually and collectively, Aequis Management, LLC, Aequis Holdings, LLC, Aequis Commercial Finance, LLC, Aequis Capital Management, Inc., Aequis Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.

f. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].

g. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Qualified Settlement Fund Irrevocable Trust, the Receiver, and all professionals and other agents serving the Receiver, the Receivership Entity and the Qualified Settlement Fund Irrevocable Trust.

h. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved by the Court for any reason and/or if the Court's decision is appealed and the Ninth Circuit Court of Appeals holds that the Agreement is not approved, and any such decision shall become final, then this Agreement shall be without effect and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment.

A. The Receivership Entity acknowledges receipt of the Payment - \$12,516.17.

B. The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against Net Winners as set forth in Paragraph 6 below.

5. Bankruptcy. In the event either of the Net Winners files for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, Net Winners are jointly and severally responsible for the difference between the total Payment figure and any portion of the Payment retained by the Receivership Entity ("Replacement Obligation"). If the Replacement Obligation is not fully satisfied within ten (10) business days of the Receivership Entity surrendering all or any portion of the Payment to a bankruptcy estate of a Net Winner, the Receivership Entity may retain any portion of the Payment already received, rescind its Release of Net Winners and, thereby, retain all rights and remedies for the full amount of its claims against Net Winners. Net Winners' Release of the Receivership Entity, its former officers, directors and Advisory Board members, the Receiver, and all professionals and other agents serving the Receiver and the Receivership Entity, set forth in Paragraph 6 below, shall not be affected by a

failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of Net Winners.

6. Releases.

A. The Receivership Entity releases Net Winners, including but not limited to (as applicable) each of Net Winners' current/former representatives, agents, attorneys, officers, directors, managers, shareholders, members, owners (including owners of the managers, shareholders or members), affiliates, parents, subsidiaries, employees, and insurers from all claims in any way relating to Net Winners' purchase of Aequis Securities including but not limited to those for return of the Net Winnings.

B. Net Winners release the Receivership Released Parties from all claims, including but not limited to the following:

i. Claims related in any way to the purchase, issuance, sale, recommendation or solicitation of the sale of any Aequis Securities; and

ii. Claims against Receivership Property, the Receivership Estates (as those terms are defined in the Receivership Order) or any other assets of the Receivership Entity, including but not limited to any claim under the Court-approved distribution plan.

C. These Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

D. Effective Date of Releases. The Releases shall become effective immediately upon final Court approval. The Receivership Entity's Release of Net Winners may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties agree that this Agreement is made without admission of wrongdoing or wrongful intent on the part of Net Winners, and nothing in this Agreement shall be construed as an admission of any wrongful act, whether negligent, intentional or otherwise, or any wrongful intent by Net Winners.



8. Entire Agreement. This Agreement sets forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect to this Agreement. This Agreement supersedes and replaces any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties.

9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. In the event of any suit or action, to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
tgreenfield@schwabe.com

If to Net Winners:

Robert Ervin  
2240 Prestwick Road  
Lake Oswego, OR 97034  
Phone: (503) 803-9180  
bobandmignon@comcast.net

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

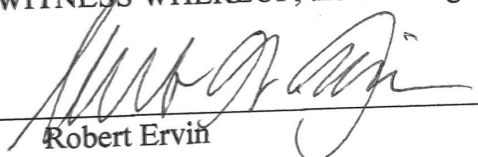
16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement, binding on the Parties.

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Net Winners upon the final, non-appealable approval of this Agreement by the Court. Net Winners represent that they have the authority to enter into this Agreement and provide the Release to the Receivership Released Parties. The Receivership Entity further warrants and represents that it has not assigned its rights to any claims that it has or had against Net Winners to any other party prior to the execution of this Agreement.


18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.


IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By:   
Robert Ervin

DATED: 6/22/2021

By:   
Mignon Ervin

DATED: 22 June 2021

By:   
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

DATED: June 16, 2021

## SETTLEMENT AGREEMENT

This Settlement Agreement (also referred to herein as the "Agreement") is entered into by and among the Receivership Entity (defined below) and The J. Scott Benson Living Trust ("Net Winner"), each a "Party" and collectively, the "Parties."

### **RECITALS**

A. WHEREAS, on March 10, 2016, the Securities and Exchange Commission ("SEC") filed a complaint against Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Commercial Finance, LLC, Aequitas Capital Management, Inc., Aequitas Investment Management, LLC, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis;

B. WHEREAS, on March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, Ronald F. Greenspan was appointed as Receiver for the Receivership Entity on an interim basis;

C. WHEREAS, on April 14, 2016, pursuant to the Receivership Order (defined below), Mr. Greenspan was appointed as Receiver for the Receivership Entity on a final basis;

D. WHEREAS, pursuant to the Receivership Order, the Receiver is charged with the duty of marshalling and preserving the assets of the Receivership Entity;

E. WHEREAS, Net Winner's initial investment in Aequitas Securities (defined below) was returned and, in addition, Net Winner received \$121,261.44 ("Net Winnings"); and

F. WHEREAS, in accordance with the Receivership Order, the Receiver is authorized to compromise and/or settle claims of the Receivership Entity subject to approval by the Court (defined below).

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree as follows:

1. Recitals Incorporated. The Recitals set forth above are incorporated herein by reference.

2. Definitions. The following defined terms are incorporated into this Agreement:

a. **Aequitas Securities** means any security, including but not limited to promissory notes, other debt instruments, and equity interests, issued or sold by any entity included within the Receivership Entity.

b. **Court** refers to the court in the SEC enforcement action titled *SEC v. Aequitas Management, LLC, et al.*, 3:16-CV-00438-JR, currently pending in the U.S. District Court for the District of Oregon.



c. **Payment** means the payment of \$109,135.30 by Net Winner to the Receivership Entity, as set forth in Paragraph 4 below.

d. **Receiver** refers to Ronald F. Greenspan, in his capacity as the Court-appointed Receiver for the Receivership Entity, pursuant to the Receivership Order.

e. **Receivership Entity** means, individually and collectively, Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Commercial Finance, LLC, Aequitas Capital Management, Inc., Aequitas Investment Management, LLC and each of their 43 subsidiaries and/or majority-owned affiliates, as set forth on Exhibit A of the Receivership Order.

f. **Receivership Order** means the Order Appointing Receiver, entered on or about April 14, 2016 [Dkt. 156].

g. **Receivership Released Parties** means the Receivership Entity, its former officers, directors, Advisory Board members, employees and agents, as well as the Receiver, and all professionals and other agents serving the Receiver and the Receivership Entity.

h. **Releases** means the mutual releases set forth in Paragraph 6 below.

3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved in its entirety by the Court and/or any appellate court for any reason and any such decision becomes final, then this Agreement shall be without effect, the mutual releases in Section 6 below shall be null and void, and all of the rights, remedies, claims, and defenses of the Parties shall be preserved as if this Agreement did not exist.

4. Payment.

A. Upon execution of this Settlement Agreement by the Receivership Entity and Net Winner, within two (2) business days Net Winner shall wire transfer One Hundred and Nine Thousand and One Hundred and Thirty-Five Dollars and 30/100 (\$109,135.30) (the "Payment"). The Receivership Entity shall hold at least the amount of the Payment in an account of the Aequitas Qualified Settlement Fund pending entry of the final non-appealable order or decision. If this Agreement is not approved in its entirety, for any reason, by any court, following the passage of all appeal periods, the Receivership Entity shall return the Settlement Payment to the Net Winner.

B. The Parties agree that the Payment constitutes reasonably equivalent value exchanged for the Receivership Entity's release of its claims against Net Winner as set forth in Paragraph 6 below.

5. Bankruptcy. In the event Net Winner and/or any of its beneficiaries files for bankruptcy protection and the Receivership Entity is deprived of all or any portion of the Payment, Net Winner and J. Scott Benson are jointly and severally responsible for the difference between the total Payment amount and any portion of the Payment retained by the Receivership Entity ("Replacement Obligation"). If the Replacement Obligation is not fully satisfied within ten (10) business days of the Receivership Entity surrendering all or any portion of the Payment to a bankruptcy estate of Net Winner and/or any of its beneficiaries, the Receivership Entity may retain



any portion of the Payment already received, rescind its Release of Net Winner and, thereby, retain all rights and remedies for the full amount of its claims against Net Winner. Net Winner's Release of the Receivership Entity, its former officers, directors and Advisory Board members, the Receiver, and all professionals and other agents serving the Receiver and the Receivership Entity, set forth in Paragraph 6 below, shall not be affected by a failure to timely satisfy the Replacement Obligation and/or rescission of the Receivership Entity's release of Net Winner.

6. Releases.

A. The Receivership Entity releases Net Winner and Net Winner releases the Receivership Released Parties from all claims in any way relating to the purchase, issuance, sale, recommendation or solicitation of the sale of any Aequitas Securities, including but not limited to those for return of Net Winnings.

B. The foregoing Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, beneficiaries, fiduciaries, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

C. Effective Date of Releases. The Releases shall become effective immediately upon final non-appealable Court approval. The Receivership Entity's Release of Net Winner may be rescinded in accordance with the provisions of Paragraph 5 above.

7. No Admission of Liability. The Parties agree that this Agreement is made without admission of wrongdoing or wrongful intent on the part of Net Winner, and nothing in this Agreement shall be construed as an admission of any wrongful act, whether negligent, intentional or otherwise, or any wrongful intent by Net Winner.

8. Entire Agreement. This Agreement sets forth the full and complete agreement of the Parties with respect to its subject matter, and there is no mistake of law or fact with respect to this Agreement. This Agreement supersedes and replaces any earlier representations, inducements, promises, settlements, compromises, agreements, or understandings, written or oral, between the Parties. The terms of this Agreement are substantially similar to the terms of agreements previously executed by and between the Receiver and other parties who received "net winnings" from Aequitas.



9. No Oral Modification. This Agreement may not be amended, modified, or revoked except by means of a supplemental writing that is signed by the Party against whom the amendment, modification or revocation is to be enforced.

10. Binding Agreement. This Agreement is binding on the Parties and their respective successors, legal representatives, heirs and assigns.

11. Governing Law and Venue. This Agreement has been executed under and shall be construed in accordance with the laws of the State of Oregon and the laws of federal common law receiverships. If there is any litigation or other proceeding to enforce or interpret any provision of this Agreement, jurisdiction and venue shall be exclusively in the Court.

12. Attorney Fees and Costs. If the Receiver, Net Winner and/or J. Scott Benson commence any suit or action to interpret or enforce the provisions of this Agreement, the prevailing Party as defined in ORS 20.077, shall be entitled to an award of reasonable attorney fees, costs and expenses incurred in such suit or action and in any appeal therefrom, in addition to all other remedies afforded the prevailing Party.

13. Notices. All notices shall be effective upon receipt, shall be in writing, and shall be sent by U.S. Certified Mail, overnight courier, hand delivery, or email as follows:

If to the Receivership Entity:

Troy Greenfield  
Schwabe, Williamson & Wyatt  
1420 Fifth Avenue, Suite 3400  
Seattle, WA 98101  
Phone: (206) 624-1711  
[tgreenfield@schwabe.com](mailto:tgreenfield@schwabe.com)

If to Net Winner and/or J. Scott Benson:

Sean W. Gilligan, Esq.  
Gesmer Updegrove LLP  
40 Broad Street, Suite 300  
Boston, MA 02109  
Phone: (617) 350-6800  
[sean.gilligan@gesmer.com](mailto:sean.gilligan@gesmer.com)

14. Construction. The rule of construction that an agreement is to be construed against the drafting Party is not to be applied in interpreting this Agreement. The Parties acknowledge that they have each read this Agreement, that they understand its meaning and intent, and that this Agreement has been executed voluntarily.

15. Severability. The invalidity of all or any part of any paragraph or any provision of this Agreement shall not render invalid the remainder of this Agreement to the extent it represents the intent of the Parties in all material respects if interpreted without the invalid provision.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which is to be deemed an original. All counterparts may be consolidated into one Agreement binding on the Parties.





17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Net Winner upon the final, non-appealable approval of this Agreement by the Court. Trustee of Net Winner represents that he has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties. Any corporate representatives executing this Agreement represent that they have the power and authority to enter into this Agreement and provide the Release to the Receivership Released Parties. The Receivership Entity further warrants and represents that it has not assigned its rights to any claims that it has or had against Net Winner to any other party prior to the execution of this Agreement.

18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. Inadmissibility. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: \_\_\_\_\_ DATED: May \_\_\_, 2021  
By: J. Scott Benson, Individually and as  
Trustee of the J. Scott Benson Living Trust

By: Ronald F. Greenspan DATED: May 10, 2021  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver

17. Representation Regarding Authority to Execute Agreement. The Receiver, on behalf of the Receivership Entity, represents that, to the extent prescribed in the Receivership Order, he has the power and authority to enter into this Agreement and provide the Release to Net Winner upon the final, non-appealable approval of this Agreement by the Court. Trustee of Net Winner represents that he has the authority to enter into this Agreement and provide the Release to the Receivership Released Parties. Any corporate representatives executing this Agreement represent that they have the power and authority to enter into this Agreement and provide the Release to the Receivership Released Parties. The Receivership Entity further warrants and represents that it has not assigned its rights to any claims that it has or had against Net Winner to any other party prior to the execution of this Agreement.

18. Representation by Counsel. All Parties have had a reasonable opportunity to consult with legal counsel regarding the terms and legal meaning of this Agreement.

19. Inadmissibility. This Agreement (whether executed or not executed, revoked, or made ineffective for any reason) and any proceedings or discussions related to this Agreement are inadmissible as evidence of any liability or wrongdoing whatsoever by the Parties in any court or tribunal in any state, territory, or jurisdiction.

IN WITNESS WHEREOF, the undersigned executed this Agreement as of the dates noted below.

By: J. Scott Benson DATED: May 6, 2021  
By: J. Scott Benson, Individually and as  
Trustee of the J. Scott Benson Living Trust

By: \_\_\_\_\_ DATED: May \_\_, 2021  
Receivership Entity  
By: Ronald F. Greenspan  
Title: Receiver