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

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

PORTLAND DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

No. 3:16-cv-00438-JR

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



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

1. I am over 18 year of age and otherwise competent to testify.
2. I make this declaration in support of the Receiver's Request for Approval of Twentieth Interim Fee Application.
3. The March 31, 2021 Report of the Receiver [Dkt. 885] is incorporated herein by reference in Exhibit A. Exhibit A sets forth several ways in which the report can be obtained.
4. Attached as Exhibit B is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by the Receiver, for the period of January 1, 2021 through March 31, 2021. The Receiver is employed as a Senior Managing Director of FTI, which bills and collects for the Receiver's time as well as that of FTI professionals utilized by the Receiver. Also included in Exhibit B is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by FTI Consulting, Inc. ("FTI"), for the period of January 1, 2021 through March 31, 2021.
5. Attached hereto as Exhibit C is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by Schwabe Williamson & Wyatt ("Schwabe"), for the period of January 1, 2021 through March 31, 2021, together with the accompanying Certification.
6. Attached hereto as Exhibit D is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by Parsons Farnell & Grein, LLP ("Parsons Farnell"), for the period of January 1, 2021 through March 31, 2021, together with the accompanying Certification.
7. I have read the entirety of the Twentieth Interim Fee Application.

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

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

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

11. To the best of my knowledge, information and belief formed after reasonable inquiry, neither the Receiver nor any of the professional firms has included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

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

third party, the Receiver requests reimbursement only for the amount billed to the Receivership by the third-party vendor and paid to such vendor.

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

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

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

Dated this 12th day of July, 2021.

/s/ Ronald Greenspan

Ronald F. Greenspan, Receiver

EXHIBIT A

RECEIVER'S REPORT DATED

March 31, 2021

The Receiver's March 31, 2021 report is nearly 200 pages in length and is not being reproduced with this filing.

The report can be found on the Court website under Docket #885.

The report can also be found on the website established by the Receiver for this matter at www.kccllc.net, under Court docket #885.

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

EXHIBIT

B

RONALD F. GREENSPAN

COURT-APPOINTED RECEIVER FOR

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

(the “Receivership Entity”)

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

For professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from January 1, 2021 through March 31, 2021 (the “Application Period”), as described below:

Asset Disposition

- Reviewed documents and corresponded with counsel regarding planning of the Lux settlement implementation
- Provided guidance to the Receivership team regarding data gathering, operational transition, and closing preparations necessary to the execution of the Lux settlement
- Addressed new developments involving Portland Seed Fund investment
- Provide guidance to the Receivership staff, worked with counsel and potential buyers on FF&E sale and related matters
 - Reviewed and approved documentation related to FF&E sale

Business Operations

- Maintained oversight over the day-to-day operations of the Receivership Entity, the Qualified Settlement Fund, and remaining Aequitas staff and contractors
- Continued bank account management duties with respect to the control of the remaining 21 bank accounts
- Managed daily operational matters including, but not limited to:
 - Planning Receivership operations
 - Managing daily operational and financial issues related to active portfolios of receivables (collections, servicing, compliance etc.) in which the Receivership Entity has an interest – gross cash collections from the receivables were approximately \$349 thousand during the Application Period

- Reviewing and addressing daily correspondence from employees, service providers, investors, and various other parties
- Conducting weekly status call with Receivership staff and contractors, including addressing and responding to necessary COVID-19 protocols issued by the government and providing updates and guidance to the employees on ongoing Receivership matters
- Provided guidance to accounting team regarding upcoming transition of duties
- Addressed third-party contracts (including 1099-MISC issuance and mailing performed by Epiq) and invoices, approved expense reports
- Reviewed and approved checks
- Addressed office and IT system upgrade (two-factor authentication) and transition planning
- Maintained and updated content on the Receivership websites

Case Administration

- Attended case planning call with Receiver and counsel

Cash Management

- Continued to monitor cash balances, accounts payable, and accounts receivable, including cash activity related to the implementation of the Court-approved distributions
- Worked closely with Receivership treasury staff and managed daily cash activities, including approving transactions and releasing wires
- Coordinated various ad-hoc cash management related matters
- Worked with Union Bank and insurance representative on surety bond amendment

Claims Administration and Objections

- Continued to work closely with Receivership employees on the claims database updates
- Worked with counsel on preparation of and finalizing the clerical error correction motion (CIT and Rippey) and the related declaration
- Responded to various inquiries and ad-hoc requests from claimants and their counsel
- Worked closely with counsel on review of remaining open claims (including Goal Structured Solutions and Motolease tax claims) and potential objections matters
- The FTI Data & Analytics group performed the following tasks:
 - Integrated results and status of the second interim distribution in the master database
 - Maintained and updated “net winner” demand letter status

- Performed updates to investor and other claimants' data to analyze availability and reliability of tax ID information
- Researched and discussed tax ID verification procedures and process to prepare for tax reporting
- Participated in calls and meetings with the rest of the Receivership team to discuss IRS Form 1099-MISC preparation and mailing
- Assisted Receivership team with investor data analytics in preparation for the next distribution
- Prepared, reviewed, and performed investment transfers when identified
- Maintained database of investor information and filed claims; updated back-end data tables; performed various analyses of investor data for the benefit of Receivership operations, claims process, and distribution plan execution
- Performed ad hoc analyses and produced various data reports per requests from third parties
- Reviewed information related to SEC request and prepared relevant information

Distribution Plan

- Following Court approval of the Receiver's Motion to Approve Classification of Certain Claims (Administrative, Former-Employees, Convenience Class, Defrauded Investors, Creditors, Individual Defendants, and Pass-Through Investors), and Allow and Approve Distributions on Accounts of Certain Claims on November 10, 2020 [Dkt 861], completed the implementation of the Second Distribution, with approximately \$73.5 million going to Defrauded Investors
 - The Motion addressed 2,056 claims across seven different claim classes and was approved by the Court on November 10, 2020 [Dkt. 861]
- During the Application Period, the Receivership staff focused on various tasks to finalize the Second Distribution including, but not limited to:
 - Reviewing, evaluating, and approving re-issuing distributions on a case by case basis under special circumstances
 - Preparing various communications to share distribution status update
 - Addressing extensive inquiries from investors and investor counsel regarding various distribution related matters
- Worked with Receivership staff and counsel to address a variety of investor re-registration requests

Employee Retention / Matters

- Addressed employee management and retention plan matters:

- Considered future employee retention plans aimed at achieving efficient staffing levels going forward while facilitating retention of key staff
- Prepared retention analyses: reviewed, revised, approved, and communicated employee retention plans and agreements, including employee extension matters and employee compensation
- Oversaw transition of the accounting contractor duties and preparation for the transition of an employee to contractor status
- Communicated with Receivership employees on work transition and future involvement
- Continued to apprise staff regarding progress of the Receivership and next steps and to answer questions

Insurance Matters

- Engaged counsel and reviewed certain aspects of Receivership insurance coverage
- Oversaw procurement and review of a new cybersecurity policy, reviewed and approved related documentation

Investor Communications

- Communicated with various investor groups and individual investors and their legal counsel on an ad hoc basis as necessary
- Responded to numerous investor and counsel inquiries, including those related to investors' settlements with third parties and matters related to the distribution plan, including 1099-MISC reporting

Litigation Consulting

- Corresponded with counsel regarding demand letters related to “net winner” claw backs and other claw back demands; provided analytical and logistical support to counsel
- Finalized a number of “net winner” settlements
- Collaborated with counsel in developing strategy for certain other claw back actions and developing related documentation
- Conducted necessary research and provided information to the SEC to respond to an inquiry

Status Reports

- Collected data and prepared analyses required for the Receiver's quarterly status report and as necessary to comply with the reporting requirements outlined in the Final Receivership Order
- Drafted the Receiver's report for 4Q-2020 and filed with the Court on February 9, 2021. The 196-page report provided a detailed overview of the Receivership Entity status and operations,

including an exhibit containing an entity-level and consolidated report of cash receipts and disbursements

- Prepared for and participated in status update call with SEC and counsel

Tax Issues

- Prepared for issuance of distribution-related tax forms 1099-MISC including, but not limited to:
 - Providing guidance to Receivership team
 - Preparing, editing, and reviewing cover letter to be mailed with Form 1099
 - Researching IRS instructions on Form 1099 reporting
 - Reviewing drafts of Form 1099, providing comments for revision, and approving the reporting
- Researched, reviewed, and discussed assumptions and information necessary for Receivership Entity tax matters, including tax reporting requirement and distribution-related tax reporting matters, including but not limited to distributions to foreign parties
- Participated in discussions with Receivership tax staff and tax counsel regarding various tax matters and provided input and oversight as needed

Wind-Down of Operation

- Corresponded and reviewed with counsel on office leases
- Coordinated and reviewed plans and various documentation for office move and provided guidance to Receivership staff re the same
 - Downsizing and relocation of the Receivership office is expected to produce annualized rent savings of approximately \$202,000
- Worked closely with Receivership staff and counsel to review, negotiate, and finalize several IT vendor agreements for the IT infrastructure transition and completed transition to an off-site data center. Strengthened IT infrastructure security by implementing a two-factor authentication process
 - The implemented IT changes are estimated to result in annual cost savings of approximately \$200,000
- Continued to review entity wind down plans and discuss with Receivership staff

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

Summary of FTI Consulting, Inc. Fees and Expenses For
the Period January 1, 2021 Through March 31, 2021

Professional Fees	\$16,582.00
Expenses	<u>\$0.00</u>
Total	<u><u>\$16,582.00</u></u>

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

(the "Receivership Entity")

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

Summary of Professional Fees for Ronald F. Greenspan

For the Period January 1, 2021 Through March 31, 2021

Professional	Title	Rate	Hours	Total
Greenspan, Ronald F	Sr Managing Dir	\$825	20.1	\$16,582.00
Total Hours and Fees			20.1	\$16,582.00
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$9,447.00
Additional Written Off Professional Fees			1.7	\$2,201.50
Total Discounts and Reductions			1.7	\$11,648.50

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

**Summary of Professional Fees By Activity for Ronald F. Greenspan
For the Period January 1, 2021 Through March 31, 2021**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Asset Disposition</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.5	\$412.50
	Activity Total		0.5	\$412.50
<u>Business Operations</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	2.9	\$2,392.50
	Activity Total		2.9	\$2,392.50
<u>Case Administration</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	2.1	\$1,732.50
	Activity Total		2.1	\$1,732.50
<u>Claims Administration and Objections</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	2.4	\$1,980.00
	Activity Total		2.4	\$1,980.00
<u>Distribution Plan</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.6	\$495.00
	Activity Total		0.6	\$495.00
<u>Employee Retention/Matters</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.8	\$660.00
	Activity Total		0.8	\$660.00
<u>Litigation Consulting</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	5.1	\$4,207.50
	Activity Total		5.1	\$4,207.50
<u>Status Reports (SEC and court)</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	3.6	\$2,970.00
	Activity Total		3.6	\$2,970.00
<u>Tax Issues</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.0	\$825.00
	Activity Total		1.0	\$825.00

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Wind-Down of Operations</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.1	\$907.50
	Activity Total		1.1	\$907.50
	TOTALS		20.1	\$16,582.50

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

**Summary of Expenses By Expense Type for Ronald F. Greenspan
For the Period January 1, 2021 Through March 31, 2021**

Expense Type	Total
	\$0.00
Total Expenses	\$0.00

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

Summary of FTI Consulting, Inc. Fees and Expenses For
the Period January 1, 2021 Through March 31, 2021

Professional Fees	\$247,052.00
Expenses	<u>\$0.00</u>
Total	<u><u>\$247,052.00</u></u>

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

**Summary of FTI Consulting, Inc. Professional Fees By Professional
For the Period January 1, 2021 Through March 31, 2021**

Professional	Title	Rate	Hours	Total
Drago, Scott	Managing Dir	\$660	1.8	\$1,188.00
Foster, Charles	Managing Dir	\$660	3.2	\$2,112.00
Gotguelf, Larissa	Managing Dir	\$660	288.7	\$190,542.00
Allen, Jennifer	Senior Director	\$605	30.4	\$18,392.00
Chuck, Brenton	Senior Director	\$605	31.3	\$18,936.00
Oghia, Suzanne	Director	\$535	6.9	\$3,691.00
An, Yang	Sr Consultant	\$460	26.5	\$12,190.00
Total Hours and Fees			388.8	\$247,052.00
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$74,083.00
Additional Written Off Professional Fees			69.70	\$44,593.00
Total Discounts and Reductions			69.70	\$118,676.00

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

**Summary of FTI Consulting, Inc. Fees By Activity and Professional
For the Period January 1, 2021 Through March 31, 2021**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Asset Disposition</u>				
Gotguelf, Larissa	Managing Dir	\$660	22.6	\$14,916.00
	Activity Total		22.6	\$14,916.00
<u>Business Operations</u>				
Foster, Charles	Managing Dir	\$660	2.6	\$1,716.00
Gotguelf, Larissa	Managing Dir	\$660	40.7	\$26,862.00
	Activity Total		43.3	\$28,578.00
<u>Case Administration</u>				
Gotguelf, Larissa	Managing Dir	\$660	2.1	\$1,386.00
	Activity Total		2.1	\$1,386.00
<u>Cash Management</u>				
Gotguelf, Larissa	Managing Dir	\$660	4.5	\$2,970.00
	Activity Total		4.5	\$2,970.00
<u>Claims Administration and Objections</u>				
Gotguelf, Larissa	Managing Dir	\$660	23.0	\$15,180.00
	Activity Total		23.0	\$15,180.00
<u>Data & Analytics Claims Administration and Objections</u>				
Allen, Jennifer	Senior Director	\$605	30.4	\$18,392.00
An, Yang	Sr Consultant	\$460	26.5	\$12,190.00
Chuck, Brenton	Senior Director	\$605	31.3	\$18,936.50
	Activity Total		88.2	\$49,518.50
<u>Distribution Plan</u>				
Gotguelf, Larissa	Managing Dir	\$660	39.3	\$25,938.00
	Activity Total		39.3	\$25,938.00
<u>Employee Retention/Matters</u>				
Gotguelf, Larissa	Managing Dir	\$660	15.9	\$10,494.00
	Activity Total		15.9	\$10,494.00

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

**Summary of FTI Consulting, Inc. Fees By Activity and Professional
For the Period January 1, 2021 Through March 31, 2021**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Insurance Matters</u>				
Gotguelf, Larissa	Managing Dir	\$660	5.8	\$3,828.00
	Activity Total		5.8	\$3,828.00
<u>Investor Communications</u>				
Gotguelf, Larissa	Managing Dir	\$660	3.6	\$2,376.00
	Activity Total		3.6	\$2,376.00
<u>Litigation Consulting</u>				
Foster, Charles	Managing Dir	\$660	0.6	\$396.00
Gotguelf, Larissa	Managing Dir	\$660	16.5	\$10,890.00
	Activity Total		17.1	\$11,286.00
<u>Status Reports (SEC and court)</u>				
Gotguelf, Larissa	Managing Dir	\$660	21.2	\$13,992.00
	Activity Total		21.2	\$13,992.00
<u>Tax Issues</u>				
Drago, Scott	Managing Dir	\$660	1.8	\$1,188.00
Gotguelf, Larissa	Managing Dir	\$660	61.7	\$40,722.00
Oghia, Suzanne	Director	\$535	6.9	\$3,691.50
	Activity Total		70.4	\$45,601.50
<u>Wind-Down of Operations</u>				
Gotguelf, Larissa	Managing Dir	\$660	31.8	\$20,988.00
	Activity Total		31.8	\$20,988.00
TOTALS			388.8	\$247,052.00

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

**Summary of FTI Consulting, Inc. Expenses By Expense Type
For the Period January 1, 2021 Through March 31, 2021**

Expense Type	Total
	\$0.00
Total Expenses	\$0.00

EXHIBIT

C

Troy Greenfield, OSB #892534
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Lawrence R. Ream (Admitted Pro Hac Vice)
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Attorneys for Receiver for Defendants AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC; AEQUITAS COMMERCIAL FINANCE, LLC; AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT MANAGEMENT, LLC

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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

No. 3:16-cv-00438-JR

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

I, Lawrence R. Ream, certify as follows:

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

services rendered and expenses incurred on behalf of the Receivership Estate, by Schwabe Williamson & Wyatt, for the period of January 1, 2021 through March 31, 2021.

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

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

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

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

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

Dated this 12th day of July, 2021.

s/ Lawrence R. Ream

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

Schwabe Williamson & Wyatt

Summary of professional services rendered and expenses incurred in connection with the Aequitas Receivership matter for this Twentieth Application Period from January 1, 2021 through March 31, 2021, as summarized below.

Asset Analysis Recovery and Disposition

During this Twentieth Application Period, Schwabe continued to assist the Receiver in the implementation and closing of the Luxembourg settlement approved by the court. Work performed included:

- Extensive communications with the Receiver and the Receiver's professionals regarding the closing checklist and remaining closing issues related to the Luxembourg settlement.
- Review the settlement agreement and related documents and communicate with counsel for Luxembourg regarding certain terms of the complex settlement agreement.
- Extensive communications with the Receiver, Receiver's professionals and with counsel for Luxembourg as the parties worked toward closing the complex settlement agreement.
- Prepared for and conducted strategy conference with the Receiver and the Receiver's professional addressing the complicated execution of the settlement terms, including tax and treasury related issues.
- Addressed issues related to funds transfers prior to closing and servicing of the portfolio following closing, with review of file materials and communication with the Receiver and the Receiver's professionals.

Continued Business Operations Issues

As the Receiver's general counsel, Schwabe consults with the Receiver, the Receiver's professionals and the remaining Aequitas employees from time to time regarding operational issues. Work performed included:

Reviewing, analyzing and drafting or revising various business related documents, including service agreements, service orders, non-disclosure agreements, contracts, correspondence, change of ownership and other investor and Qualified Settlement Fund documents and issues. Extensive communications with the Receiver, Receiver's professionals and Aequitas employees via email, telephone calls and telephone conferences.

Reviewing, analyzing, and drafting or revising investor promissory notes, amendments, re-registration, subscription and transfer documents, as well as other investor related work.

Reviewing and responding to employment related questions, including independent contractor agreements, and termination issues.

Reviewing, analyzing, and revising the Aequitas Lake Oswego lease, including drafting amendments and correspondence with the landlord and the Receivership professionals.

Case Administration

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

- Communication regarding first quarter 2021 strategic planning.
- Work on the pre-trial schedule in the criminal matter, considering and advising the Receiver regarding issues affecting the Receivership.
- Receive and consider the notice of withdrawal of one of the attorneys representing Mr. Jesenik.
- Continued efforts to resolve issues relating to Oregon Federal Defender's access to the consolidated database.
- Prepare for conferences with a former Aequitas officer regarding the motion to approve settlements and related proposed limited judgment; conduct the conferences with the former officer and the Receiver's professionals.
- Communicate with the Receiver and counsel regarding issues related to counsel's withdrawal.
- Communicate with co-counsel regarding the projected timing, process, and related issues for ultimately winding up the Receivership.
- Coordinate requests for conflict waivers regarding non-Aequitas and non-defendant targets of the Receivership.
- Coordinate internal task management.
- Communicate with investor's counsel regarding possible distribution scenarios and eventual winding up of the receivership and respond to inquiries from creditors, investors, investor groups, and legal counsel related to Receivership issues, questions, or disputes, including requests regarding the first and second Court-approved distributions.
- Address tax reporting issues arising from the interim distribution; Address tax reporting issues in light of settlements and outstanding claims; Assist the Receiver with the various tax related issues for the QSF, entity tax return and other tax related issues.
- Assist and advise the Receiver regarding Receivership procedural issues, distribution related issues, consolidated database access and related issues, litigation and projected recoveries, and other administrative matters, disputes and demands.
- Prepare for and participate in discussions and conference calls with the Receiver and the SEC Staff on numerous Receivership issues, including for example, implementation and other issues related to the Court-approved distributions, class action related issues and insurance coverage issues.
- At the Receiver's direction, communicate with the SEC Staff Counsel regarding a conference to address planned litigation and payment of professional fees.
- Address issues relating to the passing of an investor, involving communication with the U.S. Attorney's Office Victim Witness Coordinator and members of the Receiver's professionals.
- Assist in the preparation of the Receiver's mandatory interim reports.
- Review and respond to inquiries from the Press.

- Research and draft memorandum regarding issues that arise in the ordinary course of the Receivership.

Claims Administration

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

- Address issues relating to distributions to parties with zero-balance accounts that are aggregated with other accounts.
- Review emails and documents regarding the three separate instances where the Receivership needed to resolve certain clerical errors related to distributions, a revised NOD after appropriate aggregation, proof of claim issues, and including the review of documents, communicating with the claimants or counsel and addressing procedural options.
- Draft separate pleadings, including the notice, motion, declaration and proposed order correcting the clerical errors.
- Address inquiries from counsel for investors and the U.S. Attorney's Office relating to distributions.
- Prepare for and participate in the conference with the Receiver, Receiver's professionals and Aequitas staff regarding unresolved and disputed creditor and administrative claim concerns.
- Work with the Receiver's professionals regarding Call Center Scripts (Form 1099-MISC).
- Continue addressing investor inquiries relating to the Distribution Plan and the last interim round of distributions.
- Continue to address issues relating to account transfers and inquiries relating to the last round of distributions.
- Communicate with counsel for two parties seeking distribution rights relating to a single investment, including file review and advice to the Receiver.
- Advise the Receiver regarding dissolution, disassociation, registration and registered agent issues for the affiliated Receivership entities.
- Research/draft memorandum re: viability of arguments related to offset claims and disgorgement of funds.
- Work with the Receiver and Receiver's professionals regarding foreclosure of residential trust deed, additional security, including advice regarding relevant Oregon authority, title policies, and title report issues.
- Draft security documentation securing settlement, including the promissory note, deeds of trust for commercial and residential property.
- Extensive communication with the Receiver and the Receiver's professionals to resolve outstanding issues prior to filing of the third distribution motion.
- Communicate with counsel for investors groups and other investors regarding continuing data requests and inquiries related to projected distributions.

- Review and respond to emails and participated in telephone calls with the Receiver and the Receivership professionals regarding claims questions, including issues related to competing claims for the same proceeds.
- Review file materials and consider issues related to possible distribution hold backs and offsets.
- Worked to secure W-9s and payment instructions necessary to execute portions of the second round of distributions.

Distribution Plan

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

- Review and respond to telephone calls and emails from numerous Defrauded Investors regarding their claims, the rising tide calculation, pre-receivership returns and the appropriateness of the resulting distribution.
- Communications with the Receiver and the Receiver's professionals regarding various tax reporting and other tax issues associated with the 2020 distributions.
- Performed legal research, drafted memorandums and communicated with the Receiver and the Receiver's professionals regarding various tax questions and issues, including correspondence to accompanying the 1099s to be sent out by the Receivership and regarding vendor/lender tax reporting issues and questions.
- Continued work on issues for the third distribution motion, including addressing options and issues for resolving and obtaining convenience class election.
- Communicate with the Receiver's professionals regarding split claim/distribution issues.
- Review various emails regarding service issues related to the mass mailing for the third distribution motion and discuss same with the Receiver and the Receiver's professionals.
- Review and discuss the final motion and exhibits with the SEC Staff and communicate the SEC Staff's support of the motion.
- Prepared for and participated in telephone conferences with the Receiver and the Receiver's professionals regarding the third distribution notice issues, group representation by counsel issues, mechanisms to deal with net winners and others that owe an obligation to the Receivership.
- Draft additional language regarding the unresolved and disputed creditor class claims.
- Review emails and related documents regarding an alleged account aggregation error, assess consequences and mechanisms for correcting the error.
- Prepare revisions to the draft clerical error motion, declaration and supporting documents to include the trust aggregation error.

Litigation

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

General Issues

- Schwabe continued to assist the Receiver in the pursuit of claims against net winners, focusing on those in certain investor groups, a number of net winners who also have net loss accounts and recovery from certain trusts. Work also included an analysis of various net winner defenses, including inability to pay, corporate dissolution and other purported defenses.
- Communicated with the Receiver and the Receiver's professionals and with counsel for the net winners and where appropriate with net winners directly. Communications were necessary to address net winners who initially refused to respond or repay net winnings, and notice of the Receiver's intent to file suit in the event of non-payment. Communications also included conducting conferences with counsel for various net winners and then conferring with the Receiver and the Receiver's professionals regarding settlement negotiations and future handling.
- Where negotiations were unsuccessful and for net winners that failed to respond to the Receiver's pre-litigation settlement offer, Schwabe began work on expansive net winner litigation.
- Work on the distribution analysis and other documents related to receipt of consulting fee and commission related litigation.
- Communicated with Judge Russo's Chambers regarding net winner procedural issues and communicated with the Receiver and the Receiver's professionals regarding those procedural issues.
- As a result of reviewing additional data and information provided by the Receiver's professionals, Schwabe determined that additional net winner claims existed and sent a second settlement offer letter to those net winners.
- Review Mr. Jesenik's motion for trial setting and supporting documents.
- Review file materials and communicate with Judge Simon's Chambers and the U.S. Attorney's Office regarding the consolidated database and related issues.
- Review order setting trial date and communicate with the Receiver and the U.S. Attorney's Office regarding trial setting issues.
- Work on the motion to intervene, to amend the protective order and related privileged communications.
- Review file materials and work on updates to the presentation to the SEC Staff, including updated net winner data.
- Legal research regarding various issues related to the net winner, fraudulent transfer, and other litigation claims being pursued on behalf of the Receivership estate and purported defenses thereto.
- Assist the Receiver and the Receiver's professionals regarding various settlement negotiation, documentation, other settlement agreement issues, including drafting promissory notes, deeds of trust and other security documents.
- Draft discovery, including interrogatories, requests for admission, and requests for production of documents in various pending matters.
- Extensive communications with the Receiver and the Receiver's professionals regarding additional documentation and information needed prior to filing suit against additional net winners.

- Communicated with the Receiver and the Receiver's professionals regarding post-judgment debtor issues, including certification of the judgment.
- Prepare for and confer with federal authorities and defense counsel regarding fraud and criminal issues.
- Review, evaluate and advise the Receiver regarding certain investor, litigation, and settlement issues related to implementation of the distribution plan.
- Review, evaluate and advise the Receiver regarding other litigation issues, including relief from the stay under seal to obtain Court approval to initiate new claims on behalf of the Receivership Estate.
- Extensive separate communications with counsel for the various plaintiff and other groups regarding settlement terms, the omnibus settlement approval process, and other plan related issues.
- Continue efforts to formalize the documentation of the various investor settlements, including process issues and extensive communications with investors' counsel in support of the omnibus settlements.
- Prepare notice, motion, memorandum, supporting declaration, order and other materials in support of various settlements. Prepared findings, recommendations and order in support of the various settlements and proposed limited judgment.
- Prepare comprehensive review of resolved, pending and potential litigation spreadsheet as requested by the Receiver.

Insurance Issues

- Consult with the Receiver, Receiver's professionals and coverage counsel regarding outstanding payment issues and work related to settlement with a remaining insurance carrier, addressing final settlement terms.
- Communicate with the various counsel for the carriers and the Receiver's coverage counsel regarding a proposed stipulated dismissal and related dismissal issues.
- Negotiate, draft and finalize revisions to the proposed settlement agreement and related documents with the remaining insurance carrier.

Former Officer and Other Litigation

- Extensive file review necessary in assessing claims and defenses against certain former officers, employees and insiders materials and directed necessary research, in preparation for initiating both a federal court action and a necessary arbitration.
- Extensive communications with the Receiver and the Receiver's professionals regarding strategy and the claims against certain insiders.
- Communicate with counsel for the different former officers and insiders regarding claim and defense issues and including demand letters.
- Review financial disclosures and otherwise assess settlement proposals presented to the Receiver and otherwise conduct settlement conferences with various defense counsel.
- Negotiate, draft and revise proposed settlement agreement and related documents, addressing collateral and other payment issues.

- Communicated with counsel for one of the defendant parties regarding the counter-offer and revisions to the settlement documents.

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Mountain View, CA

TAX ID# IRS-93-1130272

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

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

**Summary of Professional Fees and Expenses for Schwabe, Williamson & Wyatt P.C.
For the Period January 1, 2021 through March 31, 2021**

Professional Fees	\$309,167.00
Expenses	<u>\$2,326.16</u>
Total	\$311,493.16

TERMS: DUE AND PAYABLE UPON RECEIPT.

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

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

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 Entity")**

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

**Summary of Professional Fees by Professional for Schwabe, Williamson & Wyatt P.C.
 For the Period January 1, 2021 through March 31, 2021**

Professional	Title	Hours	Rate	Amount
Lee, Andrew J	N/EQ Sh/holder	34.50	465.00	16,042.50
Soleimanpour, Alee	Associate	18.80	330.00	6,204.00
Poust, Alex	Shareholder	3.90	510.00	1,989.00
Helton, Anna	N/EQ Sh/holder	16.80	465.00	7,812.00
Gamblin, Amanda T	Shareholder	5.60	510.00	2,856.00
Bowman, Blake K	Associate	22.10	330.00	7,293.00
Russillo, Craig G	Shareholder	0.40	510.00	204.00
Parker, Joel A	Shareholder	1.10	490.00	539.00
Dowen, Julie D	Staff	0.60	225.00	135.00
Chapman, Julie M	Legal Assistant	0.50	230.00	115.00
Way, M John	N/EQ Sh/holder	18.00	465.00	8,370.00
Wax, Katherine C	N/EQ Sh/holder	5.10	465.00	2,371.50
Ream, Lawrence R	Shareholder	189.90	510.00	96,849.00
Ivie, MaryAnn	Legal Assistant	3.20	230.00	736.00
Manulik, Mark A	Shareholder	11.00	510.00	5,610.00
Klingenberg, Nikos	Legal Assistant	0.60	230.00	138.00
Cotton, Sara C	N/EQ Sh/holder	3.00	465.00	1,395.00
Bermtsen, Stephanie P	Shareholder	1.90	510.00	969.00
Greenfield, Troy D	Shareholder	293.80	490.00	143,962.00
Payne, Thomas J	Associate	16.90	330.00	5,577.00
Total Hours/Fees		647.70		309,167.00

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

**Summary of Professional Fees by Task Code for Schwabe, Williamson & Wyatt P.C.
 For the Period January 1, 2021 through March 31, 2021**

Asset Analysis & Recovery – B101

Professional	Title	Rate	Hours	Amount
Troy D Greenfield	Shareholder	490.00	107.20	52,528.00
Julie D Dowen	Staff	225.00	0.60	135.00
Task Total			107.80	52,663.00

Asset Disposition – B102

Professional	Title	Rate	Hours	Amount
Blake K Bowman	Associate	330.00	2.20	726.00
Task Total			2.20	726.00

Ongoing Business Operations – B103

Professional	Title	Rate	Hours	Amount
Amanda T Gamblin	Shareholder	510.00	5.60	2,856.00
Mark A Manulik	Shareholder	510.00	11.00	5,610.00
Blake K Bowman	Associate	330.00	19.90	6,567.00
Thomas J Payne	Associate	330.00	2.50	825.00
Task Total			39.00	15,858.00

Case Administration – B105

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	15.10	7,701.00
Troy D Greenfield	Shareholder	490.00	60.70	29,743.00
Andrew J Lee	N/EQ Sh/holder	465.00	0.70	325.50
Task Total			76.50	37,769.50

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 Entity")**

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

**Summary of Professional Fees by Task for Schwabe, Williamson & Wyatt P.C.
 For the Period January 1, 2021 through March 31, 2021**

Claims Administration & Objections – B106

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	75.30	38,403.00
Craig G Russillo	Shareholder	510.00	0.40	204.00
Troy D Greenfield	Shareholder	490.00	29.80	14,602.00
Katherine C Wax	N/EQ Sh/holder	465.00	5.10	2,371.50
Andrew J Lee	N/EQ Sh/holder	465.00	33.00	15,345.00
Alee Soleimanpour	Associate	330.00	18.80	6,204.00
Stephanie P Berntsen	Shareholder	510.00	1.90	969.00
Task Total			164.30	78,098.50

Receiver Plan & Analysis Issues – B108

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	20.40	10,404.00
M John Way	N/EQ Sh/holder	465.00	18.00	8,370.00
Task Total			38.40	18,774.00

Litigation – B109

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	79.10	40,341.00
Alex Poust	Shareholder	510.00	3.90	1,989.00
Troy D Greenfield	Shareholder	490.00	20.10	9,849.00
Joel A Parker	Shareholder	490.00	1.10	539.00
Troy D Greenfield	Shareholder	490.00	76.00	37,240.00
Anna Helton	N/EQ Sh/holder	465.00	16.80	7,812.00
Andrew J Lee	N/EQ Sh/holder	465.00	0.80	372.00
Sara C Cotton	N/EQ Sh/holder	465.00	3.00	1,395.00
Thomas J Payne	Associate	330.00	14.40	4,752.00
MaryAnn Ivie	Legal Assistant	230.00	3.20	736.00
Nikos Klingenberg	Legal Assistant	230.00	0.60	138.00
Julie M Chapman	Legal Assistant	230.00	0.50	115.00
Task Total			219.50	105,278.00
Grand Total			647.70	309,167.00

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

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

**Summary of Expenses for Schwabe, Williamson & Wyatt P.C.
 For the Period January 1, 2021 through March 31, 2021**

Expense Type	Quantity	Rate	Amount
Court Access Fees	1	-	1.20
Certified Copies	1	-	12.50
Online Research	7	-	431.03
Copies/Print	121	0.15	18.15
Filing fees	1	-	402.00
Postage	7	-	91.17
Recording fee	4	-	853.00
Service fees	1	-	313.51
Shipping charges	8	-	203.60
Total Expenses			2,326.16

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EXHIBIT

D

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

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

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

Plaintiff,

v.

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

Defendants.

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

I, Michael E. Farnell, certify as follows:

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

services rendered on behalf of the Receivership Estate by Parsons Farnell & Grein, LLP, for the period from January 1, 2021 through March 31, 2021.

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

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

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

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

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

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

DATED this 26th day of April, 2021.

s/ Michael E. Farnell

Michael E. Farnell, OSB #922996

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

**SUMMARY OF WORK PERFORMED BY PARSONS FARNELL & GREIN, LLP
January 1, 2021 through March 31, 2021**

This Summary describes professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from January 1, 2021 through March 31, 2021, as described in more detail below. Also provided is a breakdown by billing codes, in conformity with the SEC billing guidelines.

Receivership Coverage Litigation and Proceedings

- Continued assessment of coverage strategies for the Receivership Entity in light of ongoing developments in SEC civil and criminal actions.
- Continued post-mediation discussions with Catlin Specialty Insurance Company and reached settlement.
- Began documenting settlement with Catlin Specialty Insurance Company, and requested extension from court regarding deadline to file motion for approval of settlement.
- Continued coverage audit of Receiver’s current coverage portfolio for potential coverage risks, including analysis of additional questions raised by Receiver.

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

SUMMARY OF PARSONS FARNELL & GREIN, LLP FEES AND EXPENSES
January 1, 2021 through March 31, 2021

Receivership Coverage Litigation and Proceedings

Professional Fees	\$ 6,684.75
Expenses	<u>\$ 0.00</u>
TOTAL	<u>\$ 6,684.75</u>

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

**SUMMARY OF PARSONS FARNELL & GREIN, LLP PROFESSIONAL FEES
BY PROFESSIONAL AND MATTER
January 1, 2021 through March 31, 2021**

Receivership Coverage Litigation and Proceedings

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	16.80	\$300.00	\$ 5,040.00
Michael E. Farnell	Partner	4.30	\$382.50	\$ 1,644.75
TOTAL:		21.10		\$ 6,684.75

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

**SUMMARY OF PARSONS FARNELL & GREIN, LLP PROFESSIONAL FEES
 BY TASK AND PROFESSIONAL
 January 1, 2021 through March 31, 2021**

Receivership Coverage Litigation and Proceedings

LA1 Asset Analysis and Recovery

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	13.10	\$300.00	\$ 3,930.00
Michael E. Farnell	Partner	1.50	\$382.50	\$ 573.75
Total Asset Analysis and Recovery		14.60		<u>\$ 4,503.75</u>

LA3 Business Operations

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	3.70	\$300.00	\$ 1,110.00
Michael E. Farnell	Partner	2.80	\$382.50	\$ 1,071.00
Total Business Operations		6.50		<u>\$ 2,181.00</u>

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

SUMMARY OF PARSONS FARNELL & GREIN, LLP EXPENSES
January 1, 2021 through March 31, 2021

Receivership Coverage Litigation and Proceedings

Expense Type	Total
None	
TOTAL EXPENSES:	<u>\$ 0,000.00</u>