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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 TWENTY-
FIRST 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 Twenty-First Interim Fee Application.
3. The June 30, 2021 Report of the Receiver [Dkt. 903] 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 April 1, 2021 through June 30, 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 April 1, 2021 through June 30, 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 April 1, 2021 through June 30, 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 April 1, 2021 through June 30, 2021, together with the accompanying Certification.
7. I have read the entirety of the Twenty-First Interim Fee Application.

8. To the best of my knowledge, information and belief formed after reasonable inquiry, the Twenty-First 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 Twenty-First 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 Twenty-First 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 22 day of September, 2021.

/s/ Ronald Greenspan

Ronald F. Greenspan, Receiver

EXHIBIT A

RECEIVER'S REPORT DATED

June 30, 2021

The Receiver's June 30, 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 #903.

The report can also be found on the website established by the Receiver for this matter at www.kccllc.net, under Court docket #903.

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 April 1, 2021 through June 30, 2021 (the “Application Period”), as described below:

Asset Disposition

- Reviewed documents, corresponded with counsel, and provided guidance to the Receivership staff regarding closing status of the Lux settlement, next steps, and operational impact of the delayed closing
- Reviewed status updates and attended annual LP meeting related to Portland Seed Fund investment
- Addressed inquiry from CPYT related to certain share certificates and coordinated, research, response, and delivery of the certificates

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 (as of June 30, 2021)
- Managed daily operational matters including, but not limited to:
 - Planning Receivership operations
 - Managing daily operational and financial issues related to active portfolios of receivables and investments (collections, servicing, compliance, etc.) in which the Receivership Entity has an interest – gross cash collections from the receivables were approximately \$373 thousand during the Application Period
 - Worked with Receivership staff and Motolease portfolio servicer (Autopay) on the preparation of the portfolio wind down

- Addressed consumer complaint matters
 - Reviewing and addressing daily correspondence from employees, service providers, investors, and various other parties
 - Providing guidance to the Receivership team and working with counsel on address change noticing preparation and planning
 - 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
- Addressed vendor contract renewals
- Reviewed and approved checks and expense reports
- Addressed various third-party operational invoices
- Worked with Receivership staff and counsel on investor account re-registration matters; reviewed, provided input, and finalized re-registration documentation
- Addressed entity registration renewal matters
- Maintained and updated content on the Receivership websites

Cash Management

- Continued to monitor cash balances, accounts payable, and accounts receivable, including check cashing activity related to 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

Claims Administration and Objections

- Worked closely with counsel on review and analysis of remaining open claims and resolution planning
- The FTI Data & Analytics group performed the following tasks:
 - Prepared and updated third distribution noticing list
 - Assisted Receivership team with investor data analytics in preparation for the third interim distribution
 - Integrated results and status of the second interim distribution in the master database
 - Maintained and updated “net winner” claw back status and responded to research inquiries

- Performed updates to investor and other claimants' data as needed
- 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

Distribution Plan

- Directed the work to prepare for the third interim distribution resulting in the filing of the Receiver's Third Motion to Approve Classification of Certain Claims (Administrative, Convenience Class, Creditors, and Defrauded Investors), Allow and Approve Distributions on Account of Certain Claims, and Approving Distributions to Claimants Who Elect Reclassification To Convenience Class Status (the "Third Distribution Motion") and related pleadings on July 19, 2021. The Third Distribution Motion was approved by the Court on August 5, 2021 [Dkt 895]. It covered 1,674 claims and authorized approximately \$22 million in distributions. Preparation tasks included but were not limited to:
 - Conducting analyses to determine the appropriate size of the distribution
 - Performing necessary updates to distribution plan calculations, determining allowed claims and distribution amounts, developing detailed exhibits and planning various logistical matters
 - Working with counsel on drafting and finalizing the necessary court filings
 - Verifying information related to distribution recipients and reconciling any discrepancies in recipient data
 - Planning and directing implementation of the Third Distribution Motion noticing process and related website and call center information updates
 - Preparing communications to share distribution status update with various constituents
 - Addressing inquiries from investors and investor counsel regarding distribution related matters
- Worked with Receivership staff and counsel to address a variety of investor re-registration requests and their impact on the distributions

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
- Developed performance-based retention incentives to accelerate IT wind down
- 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

- Addressed various insurance coverage matters and reviewed related documentation

Investor Communications

- Responded to inquiries from investors and provided input to Receivership staff and counsel

Litigation Consulting

- Worked with counsel on preparation for the “net winner” claw back complaint filing and related noticing, as well as other claw back demands; provided analytical and logistical support to counsel
- Reviewed and provided comments to counsel on two separate Receiver’s motions for order approving compromises of claims and authorizing performance of settlement agreements, both of which were subsequently approved by the Court [Dkt. 886 and Dkt. 898]
- Finalized numerous “net winner” and other claw back settlements
- Collaborated with counsel in developing strategy for certain other claw back actions and developing related documentation

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 1Q-2021 and filed with the Court on May 4, 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

Tax Issues

- Finalized preparations for issuance of distribution-related tax forms 1099-MISC including, but not limited to:
 - Reviewing and approving 1099-MISC reporting file

- Providing guidance to Receivership team on 1099-MISC re-issue related matters
- Reviewing drafts of re-issued Form 1099-MISC, 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 for unallocated tort settlement and distribution-related tax reporting matters, K-1 reporting, and future tax liabilities and contingency planning
- 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

- Oversaw final stages of prior office premises closedown and return to landlord expected to produce annualized rent savings of approximately \$202,000
- Worked with Receivership IT staff to continue downsizing the IT footprint and reducing associated costs, achieving an additional estimated annual reduction of approximately \$54,000
- Continued to work on entity wind down plans with Receivership staff and counsel

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

Summary of Professional Fees and Expenses for Ronald F. Greenspan
For the Period April 1, 2021 Through June 30, 2021

Professional Fees	\$7,672.50
Expenses	<u>\$0.00</u>
Total	<u><u>\$7,672.50</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 April 1, 2021 Through June 30, 2021

Professional	Title	Rate	Hours	Total
Greenspan, Ronald F	Sr Managing Dir	\$825	9.3	\$7,672.50
Total Hours and Fees			9.3	\$7,672.50
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$4,371.00
Additional Written Off Professional Fees			0.6	\$777.00
Total Discounts and Reductions			0.6	\$5,148.00

**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 Professional Fees By Activity for Ronald F. Greenspan
For the Period April 1, 2021 Through June 30, 2021**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Distribution Plan</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	3.5	\$2,887.50
	Activity Total		3.5	\$2,887.50
<u>Employee Retention/Matters</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.6	\$495.00
	Activity Total		0.6	\$495.00
<u>Litigation Consulting</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	3.7	\$3,052.50
	Activity Total		3.7	\$3,052.50
<u>Status Reports (SEC and court)</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.2	\$990.00
	Activity Total		1.2	\$990.00
<u>Tax Issues</u>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.3	\$247.50
	Activity Total		0.3	\$247.50
TOTALS			9.3	\$7,672.50

**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 April 1, 2021 Through June 30, 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 April 1, 2021 Through June 30, 2021

Professional Fees	\$189,046.50
Expenses	<u>\$0.00</u>
Total	<u><u>\$189,046.50</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 April 1, 2021 Through June 30, 2021**

Professional	Title	Rate	Hours	Total
Foster, Charles	Managing Dir	\$660	5.8	\$3,828.00
Gotguelf, Larissa	Managing Dir	\$660	222.5	\$146,850.00
Allen, Jennifer	Senior Director	\$605	2.9	\$1,754.00
Chuck, Brenton	Senior Director	\$605	44.4	\$26,862.00
An, Yang	Sr Consultant	\$460	21.2	\$9,752.00
Total Hours and Fees			296.8	\$189,046.50
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$57,752.50
Additional Written Off Professional Fees			29.20	\$19,843.00
Total Discounts and Reductions			29.20	\$77,595.50

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

**Summary of FTI Consulting, Inc. Fees By Activity and Professional
For the Period April 1, 2021 Through June 30, 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	8.6	\$5,676.00
	Activity Total		8.6	\$5,676.00
<u>Business Operations</u>				
Foster, Charles	Managing Dir	\$660	4.5	\$2,970.00
Gotguelf, Larissa	Managing Dir	\$660	64.8	\$42,768.00
	Activity Total		69.3	\$45,738.00
<u>Cash Management</u>				
Foster, Charles	Managing Dir	\$660	1.0	\$660.00
Gotguelf, Larissa	Managing Dir	\$660	5.4	\$3,564.00
	Activity Total		6.4	\$4,224.00
<u>Claims Administration and Objections</u>				
Gotguelf, Larissa	Managing Dir	\$660	4.6	\$3,036.00
	Activity Total		4.6	\$3,036.00
<u>Data & Analytics Claims Administration and Objections</u>				
Allen, Jennifer	Senior Director	\$605	2.9	\$1,754.50
An, Yang	Sr Consultant	\$460	21.2	\$9,752.00
Chuck, Brenton	Senior Director	\$605	44.4	\$26,862.00
	Activity Total		68.5	\$38,368.50
<u>Distribution Plan</u>				
Gotguelf, Larissa	Managing Dir	\$660	66.1	\$43,626.00
	Activity Total		66.1	\$43,626.00
<u>Employee Retention/Matters</u>				
Gotguelf, Larissa	Managing Dir	\$660	8.1	\$5,346.00
	Activity Total		8.1	\$5,346.00
<u>Insurance Matters</u>				
Gotguelf, Larissa	Managing Dir	\$660	0.8	\$528.00
	Activity Total		0.8	\$528.00

**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 April 1, 2021 Through June 30, 2021**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<u>Investor Communications</u>				
Gotguelf, Larissa	Managing Dir	\$660	0.6	\$396.00
	Activity Total		0.6	\$396.00
<u>Litigation Consulting</u>				
Foster, Charles	Managing Dir	\$660	0.3	\$198.00
Gotguelf, Larissa	Managing Dir	\$660	14.6	\$9,636.00
	Activity Total		14.9	\$9,834.00
<u>Status Reports (SEC and court)</u>				
Gotguelf, Larissa	Managing Dir	\$660	18.7	\$12,342.00
	Activity Total		18.7	\$12,342.00
<u>Tax Issues</u>				
Gotguelf, Larissa	Managing Dir	\$660	14.7	\$9,702.00
	Activity Total		14.7	\$9,702.00
<u>Wind-Down of Operations</u>				
Gotguelf, Larissa	Managing Dir	\$660	15.5	\$10,230.00
	Activity Total		15.5	\$10,230.00
TOTALS			296.8	\$189,046.50

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

FTI Consulting, Inc. Detailed Time and Fee Statement
For the Period April 1, 2021 Through June 30, 2021

<i>Professional</i>	<i>Rate</i>	<i>Date</i>	<i>Hours Billed</i>	<i>Total</i>	<i>Description</i>
Grand Total of Hours and Fees			296.8	\$189,046.50	

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

**Summary of FTI Consulting, Inc. Expenses By Expense Type
For the Period April 1, 2021 Through June 30, 2021**

Expense Type	Total
	\$0.00
Total Expenses	\$0.00

EXHIBIT

C

Troy Greenfield, OSB #892534
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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 TWENTY-
FIRST 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 April 1, 2021 through June 30, 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 22nd day of September, 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 Twenty-First Application Period from April 1, 2021 through June 30, 2021, as summarized below.

Asset Analysis, Recovery, and Disposition

During this Twenty-First Application Period, Schwabe continued to assist the Receiver in the implementation and closing of the various settlements approved by the court. Work performed included:

- Extensive communication with the Receiver and the Receiver's professionals regarding documenting and obtaining court approval of forty-seven settlement agreements.
- Extensive communication with the Receiver, Receiver's professionals and with counsel for various net winner defendants working toward documenting and obtaining court approval of various settlement agreements.
- Negotiate, draft and revise proposed settlement agreement and related documents, addressing collateral and other payment issues.
- Communicate with various counsel regarding the motion to approve settlements and related payment issues.
- Address issues relating to net winners who have repaid their net winnings but have failed to execute the related settlement agreements.
- Prepared for and conducted strategy conference with the Receiver and the Receiver's professionals addressing strategies for additional pre-litigation recoveries and other opportunities for negotiated resolutions.
- 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.

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:

- Review and respond to emails and telephone calls with the Receiver's professionals regarding Servicer Agreement obligations, remedies, and performance issues.
- Review and respond to emails and telephone calls with the Receiver's professionals regarding entity registration, entity closure, and disassociation issues, as well as distribution plan related issues.
- Analyze and formulate plan for dissolving receivership and extended entities.
- Review and respond to emails and telephone calls with the Receiver's professionals regarding QSF tax issues, transfer structure, current ownership of assets and entities, authorization structure, and implication on re-registration and dissolutions.

- Analysis and preparation of draft re-registration acknowledgment letter and CarePayment related stock certificates.

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:

- 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.
- Review and respond to inquiries from the Press.
- Address issues with the Receiver, Receiver's professionals and counsel regarding the projected timing, process, and related issues for ultimately winding up the Receivership.
- 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.
- Address issues related to the criminal matter, including document production and other issues for advising the Receiver regarding issues affecting the Receivership.
- Address issues related to an investor's FINRA arbitration, involving extensive communication with other members of the Receiver's team, review of data, consideration of expense, and communication with the investor's counsel.
- Communicate with various investors, counsel, and Integrity regarding distribution issues, 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.
- Communication regarding first quarter 2021 strategic planning.
- Receive and consider the Mr. Jesenik's motion related to travel to Mexico and advise the Receiver thereafter.
- Coordinate internal task management.
- Assist in the preparation of the Receiver's mandatory interim reports.
- Communicate with the SEC Staff on numerous Receivership issues, including for example, the status of net winner litigation, implementation and other issues related to the Court-approved distributions, and settlements.
- Address issues involving communications with the U.S. Attorney's Office and members of the Receiver's professionals.
- 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:

- Continue work on claims analysis and issues related to disputed administrative claims.
- Address issues relating to distribution proceeds subject to registered investment advisor fees.
- Review and respond to inquiries from investors regarding distribution issues and timing.
- Review and respond to numerous inquiries regarding the Receiver's objections to claims and attempted resolutions.
- Prepare for and participate in the conference with the Receiver, Receiver's professionals and Aequis staff regarding unresolved and disputed creditor and administrative claim concerns.
- Communicate with the Receiver and the Receiver's professionals regarding specific claim objections, next distribution issues, including claim status and classification.
- Extensive communication with the Receiver and the Receiver's professionals to resolve outstanding issues prior to filing of the third distribution motion and regarding claims questions.

Distribution Plan

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

- Communicate with the Receiver's professionals regarding additional 1099 questions, Form 1096 issues, and Oregon trust code issues.
- Continue work on issues for the third distribution motion, including addressing methodology, options and issues for resolving and obtaining convenience class election.
- Communicate with the Receiver and Receiver's professionals regarding the class election issues and draft election notice and election form.
- Finalize pleadings to resolve the clerical error motion, including declaration and supporting documents.
- Review and advise the Receiver and Receiver's professionals regarding the exhibits to the third distribution motion.
- 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.
- Review and discuss the final motion and exhibits with the SEC Staff and communicate the SEC Staff's support of the motion.
- Prepare for and participate 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.

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

- Coordinate with local counsel to comply with state filing requirements for obtaining personal and real property collateral in support of a negotiated settlement of obligations owed to the Receivership.
- Prepare complaints and related pleadings for filing against non-settling recipients of commissions, consulting fees and advisory fees.
- Extensive investigation of file materials necessary in assessing claims and defenses related to certain former officers, employees and insider recipients of fraudulent conveyances, commissions, and consulting fees in preparation for initiating court action as necessary.
- 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, tax returns, and other information provided in order to assess settlement proposals presented to the Receiver and otherwise conduct settlement conferences with various defense counsel.
- Communicate with the Receiver and the Receiver's professionals regarding the Litigation Summary utilized to inform litigation strategy, track litigation status and recoveries.
- Continue work on discovery, including interrogatories, requests for admission, and requests for production of documents in various pending matters.
- Review and analyze discovery responses from various defendants.
- Legal research regarding various issues related to the net winner, fraudulent transfer, and other litigation claims, including pass-through entity, real party in interest, subsequent transferee, bankruptcy, and administratively dissolved LLC issues.
- Continue to assist the Receiver in the pursuit of claims against net winners. Work included an analysis of various purported net winner defenses.
- Communicate with the Receiver and the Receiver's professionals and with counsel for the net winners 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.
- Conduct conferences with counsel for various net winners and then communicate with the Receiver and the Receiver's professionals and with counsel regarding settlement negotiations and future handling.
- Extensive communications with the Receiver and the Receiver's professionals regarding additional documentation and information needed prior to filing suit against additional net winners where pre-litigation settlement was unsuccessful.
- Communicate with chambers regarding net winner procedural issues and communicated with the Receiver and the Receiver's professionals regarding those procedural issues.
- Work on documents related to receipt of consulting fee and commission related litigation.

- 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.

Data Base & Investigation Issues

- Addressed issues relating to access to the consolidated database requested by certain defense counsel, including separate communication with the Receiver, Receiver's professionals and defense counsel.
- Extensive database searches for consulting or other agreements in preparation for filing numerous complaints in federal court.
- Log demand letters, complaints, registered states, domiciles, and further searches related to additional litigation targets.
- Extensive database searches to verify trust representatives, administrators, holders of certificates of beneficial interests, addresses for service and related litigation issues.

Other Litigation

- Extensive research regarding real and personal property of judgment debtors for further collection efforts.
- Prepare and E-record Judgment in furtherance of post-judgment collection efforts.
- Communicate with chambers regarding debtor exam dates and related issues.
- Work on post-judgment financial interrogatories and communicate with defendant's counsel to discuss and schedule the related judgment debtor exam.
- Prepare questions for and conduct judgment debtor examination.
- Extensive file review necessary in assessing claims and defenses against certain substantial and disputed claimants.
- Extensive research and analysis regarding authorities governing state and federal court complaints and related consolidation issues.
- Extensive review of the dockets and pleadings from two newly discovered bankruptcy filings relevant to an outstanding claim and supplemental related research.
- Check dockets for any material updates in the bankruptcy and collateral proceedings.

Schwabe

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Seattle, WA
Vancouver, WA
Bend, OR
Salem, OR
Eugene, Or
Mountain View, CA

TAX ID# IRS-93-1130272

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

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

**Summary of Professional Fees and Expenses for Schwabe, Williamson & Wyatt P.C.
For the Period April 1, 2021 through June 30, 2021**

Professional Fees	\$301,762.50
Expenses	<u>\$ 3,025.68</u>
Total	\$304,788.18

TERMS: DUE AND PAYABLE UPON RECEIPT.

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

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

ATTORNEY-CLIENT COMMUNICATION, PRIVILEGED AND CONFIDENTIAL.

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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 April 1, 2021 through June 30, 2021**

Professional	Title	Hours	Rate	Amount
Lee, Andrew J	N/EQ Sh/holder	33.70	465.00	15,670.50
Soleimanpour, Alee	Associate	5.90	330.00	1,947.00
Helton, Anna	N/EQ Sh/holder	84.20	465.00	39,153.00
Bowman, Blake K	Associate	10.30	330.00	3,399.00
Aldred, David T	Legal Assistant	1.10	230.00	253.00
Downen, Julie D	Staff	2.50	225.00	562.50
Chapman, Julie M	Legal Assistant	40.10	230.00	9,223.00
Way, M John	N/EQ Sh/holder	8.50	465.00	3,952.50
Ream, Lawrence R	Shareholder	220.00	510.00	112,200.00
Ivie, MaryAnn	Legal Assistant	2.20	230.00	506.00
Cotton, Sara C	N/EQ Sh/holder	7.60	465.00	3,534.00
Greenfield, Troy D	Shareholder	217.10	490.00	106,379.00
Payne, Thomas J	Associate	15.10	330.00	4,983.00
Total Hours/Fees		648.30		301,762.50

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

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

**Summary of Professional Fees by Task Code for Schwabe, Williamson & Wyatt P.C.
 For the Period April 1, 2021 through June 30, 2021**

Asset Analysis & Recovery – B101

Professional	Title	Rate	Hours	Amount
Troy D Greenfield	Shareholder	490.00	108.60	53,214.00
Task Total			108.60	53,214.00

Asset Disposition – B102

Professional	Title	Rate	Hours	Amount
Blake K Bowman	Associate	330.00	2.40	792.00
Task Total			2.40	792.00

Ongoing Business Operations – B103

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	19.40	9,894.00
Blake K Bowman	Associate	330.00	7.90	2,607.00
Task Total			27.30	12,501.00

Case Administration – B105

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	11.80	6,018.00
Troy D Greenfield	Shareholder	490.00	48.10	23,569.00
Andrew J Lee	N/EQ Sh/holder	465.00	1.10	511.50
Task Total			61.00	30,098.50

Claims Administration & Objections – B106

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	48.50	24,735.00
Troy D Greenfield	Shareholder	490.00	26.60	13,034.00
Alee Soleimanpour	Associate	330.00	2.10	693.00
Task Total			77.20	38,462.00

TERMS: DUE AND PAYABLE UPON RECEIPT.

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

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

**Summary of Professional Fees by Task for Schwabe, Williamson & Wyatt P.C.
 For the Period April 1, 2021 through June 30, 2021**

Receiver Plan & Analysis Issues – B108

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510	79.1	40,341.00
M John Way	N/EQ Sh/holder	465	8.5	3,952.50
Andrew J Lee	N/EQ Sh/holder	465	7.4	3,441.00
Task Total			95.00	47,734.50

Litigation – B109

Professional	Title	Rate	Hours	Amount
Lawrence R Ream	Shareholder	510.00	61.20	31,212.00
Troy D Greenfield	Shareholder	490.00	33.80	16,562.00
Sara C Cotton	N/EQ Sh/holder	465.00	7.60	3,534.00
Andrew J Lee	N/EQ Sh/holder	465.00	25.20	11,718.00
Anna Helton	N/EQ Sh/holder	465.00	84.20	39,153.00
Alee Soleimanpour	Associate	330.00	3.80	1,254.00
Thomas J Payne	Associate	330.00	15.10	4,983.00
David T Aldred	Legal Assistant	230.00	1.10	253.00
Julie M Chapman	Legal Assistant	230.00	40.10	9,223.00
MaryAnn Irie	Legal Assistant	230.00	2.20	506.00
Julie D Dowen	Staff	225.00	2.50	562.50
Task Total			276.80	118,960.50
Grand Total			648.30	301,762.50

TERMS: DUE AND PAYABLE UPON RECEIPT.

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

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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 April 1, 2021 through June 30, 2021**

Expense Type	Quantity	Rate	Amount
Online Research	5	-	1,919.78
Copies/Print	14	0.15	2.10
Postage	1	-	7.65
Recording fee	1	-	43.00
Service fees	2	-	1,053.15
Total Expenses			3,025.68

TERMS: DUE AND PAYABLE UPON RECEIPT.

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ATTORNEY-CLIENT COMMUNICATION, PRIVILEGED AND CONFIDENTIAL.

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 April 1, 2021 through June 30, 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 19th day of July, 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
April 1, 2021 through June 30, 2021**

This Summary describes professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from April 1, 2021 through June 30, 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

- Finalized and executed settlement with Catlin Specialty Insurance Company, including filing court dismissal documents.
- Continued coverage audit of Receiver’s current coverage portfolio for potential coverage risks, including analysis of insurance binder documents provided 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
April 1, 2021 through June 30, 2021

Receivership Coverage Litigation and Proceedings

Professional Fees	\$ 1,148.25
Expenses	<u>\$ 0.00</u>
TOTAL	<u>\$ 1,148.25</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
April 1, 2021 through June 30, 2021**

Receivership Coverage Litigation and Proceedings

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	2.60	\$300.00	\$ 780.00
Kevin T. Sasse	Associate	.10	\$240.00	\$ 24.00
Michael E. Farnell	Partner	.90	\$382.50	\$ 344.25
TOTAL:		3.60		\$ 1,148.25

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
April 1, 2021 through June 30, 2021**

Receivership Coverage Litigation and Proceedings

LA1 Asset Analysis and Recovery

Name	Title	Hours	Rate	Fees
Jason M. Gauss	Associate	2.60	\$300.00	\$ 780.00
Kevin T. Sasse	Associate	.10	\$240.00	\$ 24.00
Michael E. Farnell	Partner	.90	\$382.50	\$ 344.25
Total Asset Analysis and Recovery		3.60		<u>\$ 1,148.25</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
April 1, 2021 through June 30, 2021

Receivership Coverage Litigation and Proceedings

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