

Troy Greenfield, OSB #892534
Email: tgreenfield@schwabe.com
Lawrence R. Ream, (Admitted *Pro Hac Vice*)
Email: lream@schwabe.com
Anna Helton, OSB #054424
Email: ahelton@schwabe.com
SCHWABE, WILLIAMSON & WYATT, P.C.
1211 SW Fifth Avenue, Suite 1900
Portland, OR 97204
Telephone: 503-222-9981
Facsimile: 503-796-2900

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

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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

No. 3:16-cv-00438-JR

DECLARATION OF RONALD F.
GREENSPAN IN SUPPORT OF RECEIVER’S
MOTION TO ABANDON ALL RIGHT,
TITLE, AND INTEREST IN CERTAIN
TANGIBLE PERSONAL PROPERTY OF
MOTOLEASE FINANCIAL, LLC

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



1. I am over 18 years of age and otherwise competent to testify. I am providing this declaration in support of the Receiver's Motion to Abandon All Right, Title, and Interest in Certain Tangible Personal Property of Motolease Financial, LLC (the "Motion").

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

3. I, the Receivership staff, and agents have diligently worked to locate assets and distribute proceeds from those assets to the Claimants that hold Allowed Claims, as approved by various orders of this court.

4. During the course of the Receivership, it has been discovered that a large number of motorcycles are still titled in the name of Motolease Financial, LLC ("Motolease Financial"), notwithstanding that the motorcycles cannot be located. Potentially, there may also be other circumstances with additional motorcycles where the title still appears under Motolease Financial LLC (which is a Receivership Entity), but where Motolease Financial should otherwise have been removed from the title.

5. The Receivership does not have possession of the motorcycles and the servicer of the Motolease Financial portfolio, Autopay Services, LLC (the "Servicer"), has searched for, but has not been able to locate them.

6. Based on information from the Servicer, once an account went into default, the Servicer undertook and pursued recovery of the collateral pursuant to its standard repossession process.

7. Efforts to resolve the default or obtain the collateral continued until the account

reached 30 days past due, including utilizing various contact attempt times and locations.

8. If initial efforts were unsuccessful, the account was escalated to a late-stage collection agent for review and further attempted resolution.

9. When an account was determined to require collateral recovery, various national vendor agencies were available and utilized within the repossession and liquidation process, with a combined network of over 1500 active repossession companies.

10. Assignments were monitored for efficiency and if an initial assignment for recovery was unsuccessful, the Servicer moved the repossession account to a different vendor. Skip tracing was also utilized in an attempt to locate the account holder and/or the collateral.

11. The policies and procedures utilized by the Servicer resulted in over 1800 repossessions within the Motolease Financial portfolio.

12. Continued ownership of the Motolease Tangible Property is burdensome to the Receivership as certain of the Motolease Tangible Property continues to be assessed personal property taxes, even though it is unknown whether any Motolease Tangible Property is actually located within the jurisdiction of those certain taxing authorities.

13. The Motolease Tangible Property is of inconsequential value and provides no benefit to the Receivership Estate.

14. Even if located, the Motolease Tangible Property has limited if any value, given that the cost to find, repossess, and liquidate the Motolease Tangible Property far exceeds any reasonable estimated recovery value. I am requesting abandonment retroactive to December 31, 2021 as the Receivership did not receive any cash collections related to these underlying motorcycle contracts since at least December 31, 2020, as the Motolease Tangible Property is of inconsequential value, burdensome to the estate, and provides no benefit to the Receivership Estate.

15. I have been advised there are a number of motorcycles, which have not been found and are of inconsequential value, even if they could be located.

16. Despite the efforts undertaken by the Servicer these motorcycles cannot be located and have been deemed unrecoverable.

17. In the exercise of my business judgement, the continued administration of these assets is burdensome to the estate, as the motorcycles are of inconsequential value.

18. Further, given that it is unlikely to the motorcycles can be found, there is very little chance of Receivership Claimants receiving any benefit from the Motolease Tangible Property.

19. Given that the expected recovery and administration costs exceed the liquidation value, if any, I am requesting that the Court approve the Receivership's abandonment of the Motolease Tangible Property.

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

Dated this 21st day of June, 2022.

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