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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 MOTION  
FOR ORDER APPROVING COMPROMISE  
OF CLAIMS AND AUTHORIZING  
PERFORMANCE OF SETTLEMENT  
AGREEMENTS



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

1. I am over 18 years of age and otherwise competent to testify. I am providing this declaration in support of the Receiver’s Motion for Order Approving Compromise of Claims and Authorizing Performance of Settlement Agreements (“Motion”).<sup>1</sup>

2. On March 16, 2016, pursuant to the Interim Receivership Order entered in this Court (also referred to as the “Oregon District Court” and cited as “Dkt.”), I was appointed as Receiver for the Receivership Entity on an interim basis. (Dkt. No. 30). On April 14, 2016, pursuant to the Final Receivership Order entered in this Court, I was appointed as Receiver of the Receivership Entity on a final basis. (Dkt. No. 156).

3. By their terms, the two settlement agreements (“Settlement Agreements”) addressed in this Motion are expressly subject to approval of this Court.

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

5. Prior to necessarily filing suit, 64 of the net winners accepted the pre-litigation offer and made the required repayment. Those pre-litigation settlements resulted in a combined recovery totaling \$2,921,309.70. (Dkt. No. 889, p. 5, ¶¶ 24 and 25).

6. On June 28, 2021, the Receiver filed suit relating to 49 net winner accounts – *Greenspan v. Kingstrom, et. al.*, U.S. District Court for the District of Oregon, Case No. 3:21-cv-00954-JR (“Net Winner Lawsuit”).

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<sup>1</sup> Capitalized terms not otherwise defined in this declaration shall have the meanings ascribed to them in the Motion.

7. Many of the defendants in the Net Winner Lawsuit readily engaged, seeking to resolve the Receivership Entity's claims.

8. As of December 12, 2022, when the Receiver last sought an order approving compromises of claims against net winners (Dkt. No. 1010), the Receiver had reached settlements with the holders of 41 net winner accounts who were named in the Net Winner Lawsuit.

9. Since the filing of the latest Motion (Dkt. No. 1010), the Receiver reached settlements with the holders of two additional net winner accounts who were named in the Net Winner Lawsuit. True and accurate copies of the two additional net winner settlement agreements are attached hereto as Exhibits 1 and 2.

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

**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 22nd day of August, 2023.

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

# **EXHIBIT 1**

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below), Aalii Fund, LP (“Net Winner”), and Bluestone Capital Management, LLC (“Bluestone”), each a “Party” and collectively, the “Parties.”

### **RECITALS**

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

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

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

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

E. WHEREAS, Net Winner’s initial investment in Aequitas Securities (defined below) was returned and, in addition, Net Winner received \$179,331 (“Net Winnings”); and

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

### **AGREEMENT**

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

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

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

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

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

c. **Payment** means the total payment of \$100,000 by Net Winner to the Receivership Entity, as set forth in Paragraph 4 below.

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

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

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

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

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

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

4. Payment.

A. The Payment is due and contingent upon Net Winner receiving any recovery from any one or any combination of the following matters (collectively, the "Litigation"): *Aalii Fund, LP v. CohnReznick, LLP*, Index No. 160770/2020 (N.Y. Sup.) (the "CohnReznick Litigation"); *Aalii Fund, LP et al. v. Industrial and Commercial Bank of China Financial Services LLC*, Index No. 652446/2022 (N.Y. Sup.) (the "ICBC Litigation"), and the arbitration arising from *2004 Parker Family LP et al. v. BDO USA LLP et al.*, Index No. 657152/2019 (N.Y. Sup.) (the "BDO Arbitration"). The Payment obligation shall be in first position with regard to any recovery in the Litigation. Neither Net Winner, its investor beneficiaries, its counsel, Bluestone, nor any other related parties shall receive any monetary benefit from the Litigation before the Payment obligation is fully satisfied. Notwithstanding the foregoing, should Net Winner receive any recovery from the CohnReznick Litigation or the BDO Arbitration prior to the conclusion of the ICBC Litigation, any such recovery up to the amount of the Payment (the "Held Funds") shall be held in a separate account until the resolution of the ICBC Litigation. No later than fourteen days after the final resolution of the ICBC Litigation (including receipt of any settlement or judgment payment), the Held Funds shall be released to the Receivership Entity and applied to any remaining balance owed on the Payment. Should the Held Funds exceed the remaining balance owed on the

Payment, all Held Funds above the remaining balance owed on the Payment shall be released to Net Winner.

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

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

6. Releases.

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

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

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

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

C. These Releases shall bind the Parties, as well as their respective members, officers, directors, receivers, trustees, insurers, marital communities, successors, subrogees, transferees, and assigns to the maximum extent allowable by law. The Parties acknowledge that they may discover facts in addition to or different from those that they now know to be true with respect to the subject matter of the claims that they have released pursuant to this provision of the Agreement, but that it is their intention to fully, finally, and forever settle and release the claims addressed in this provision of the Agreement, whether known or unknown, suspected or unsuspected, and without regard to the subsequent discovery or existence of such additional or

different facts concerning the subject matter of the claims that have been released. Accordingly, the Release set forth in this provision of this Agreement shall extend to claims that the Parties do not know or suspect to exist in their favor at the time that they execute this Agreement, which if known, might have affected their decision to enter into the Release and this Agreement. The Parties shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of the United States, any state or territory of the United States, any foreign law or any principle of common law that may have the effect of limiting this Release, including but not limited to those that are similar, comparable or equivalent to California Civil Code Section 1542.

D. Effective Date of Releases. Net Winner's and Bluestone's Release of the Receivership Released Parties shall become effective upon final Court approval. The Receivership Entity's Release of Net Winner and Bluestone shall become effective upon final Court approval. The Receivership Entity's Release of Net Winner may be rescinded in accordance with the provisions of Paragraph 5 above. Upon execution of this Agreement, the Receivership Entity will file a notice of settlement in the matter titled *Greenspan v. Kingstrom, et. al.*, Case No. 3:21-cv-00954, pending before the U.S. District Court for the District of Oregon. Upon final Court approval, the claims against Net Winner and Bluestone shall be dismissed.

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

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

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

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

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

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

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



If to the Receivership Entity:

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

If to Net Winner or Bluestone:

Richard Baldwin  
Nystrom Beckman & Paris LLP  
One Marina Park Drive, 15<sup>th</sup> Floor  
Boston, MA 02210  
Phone: (617) 778-9115  
rbaldwin@nbparis.com

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

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

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

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

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

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

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

By: \_\_\_\_\_  
Aalii Fund, LP

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

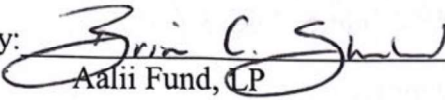
By: \_\_\_\_\_  
Bluestone Capital Management, LLC

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

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

DATED: August 9, 2023

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

By:   
Aalii Fund, LP

DATED: 8/9/23

By:   
Bluestone Capital Management, LLC

DATED: 8/9/23

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

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

## **EXHIBIT 2**

## SETTLEMENT AGREEMENT

This Settlement Agreement (also referred to herein as the “Agreement”) is entered into by and among the Receivership Entity (defined below), Sue T. Noack, Kenneth B. Noack, Jr., Karen N. Chickering, Charles T. Noack and the Sue T. Noack Family Partnership (“Net Winners”) each a “Party” and collectively, the “Parties.”

### RECITALS

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

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

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

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

E. WHEREAS, Net Winners’ initial investment in Aequitas Securities (defined below) was returned and, in addition, they received \$22,886 (“Net Winnings”); and

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

### AGREEMENT

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

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

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

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

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

c. **Payment** means the payment of \$16,500 by Net Winners to the Receivership Entity, as set forth in Paragraph 4 below.

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

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

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

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

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

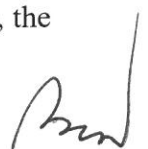
3. Agreement Subject to Court Approval. This Agreement is subject to approval by the Court. If this Agreement is not approved in its entirety by the Court for any reason, or, if the Court's decision is appealed and the Ninth Circuit Court of Appeals shall hold that the Agreement in whole or in part shall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

4. Payment.

A. The Receivership Entity acknowledges receipt of the Payment - \$16,500.

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

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



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

6. Releases.

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

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

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

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

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



D. Effective Date of Releases. Net Winners' Release of the Receivership Released Parties shall become effective upon final Court approval. The Receivership Entity's Release of Net Winners shall become effective upon final Court approval and the Receivership Entity's receipt of the entire Payment. The Receivership Entity's Release of Net Winners may be rescinded in accordance with the provisions of Paragraph 5 above. Upon execution of this Agreement and receipt of the Payment, the Receivership Entity will file a notice of settlement in the matter titled *Greenspan v. Kingstrom, et. al.*, Case No. 3:21-cv-00954, pending before the U.S. District Court for the District of Oregon. Upon final Court approval, the claims against Net Winners shall be dismissed.

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

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

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

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

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

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

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

If to the Receivership Entity:

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





If to Net Winners:

Arnold M. Willig  
Hacker & Willig, Inc., P.S.  
520 Pike Street, Suite 2500  
Seattle, Washington 98101  
Phone: (206) 971-0433  
arnie@hackerwillig.com

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

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

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

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

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


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

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

By: Sue T. Noack  
Sue T. Noack

DATED: 5/4/23

*Arnold M. Willig*

By:   
Kenneth B. Noack, Jr.

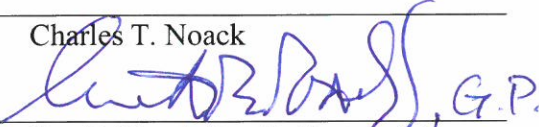
DATED: 5/4/2023

By: \_\_\_\_\_  
Karen N. Chickering

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

By: \_\_\_\_\_  
Charles T. Noack

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

By:   
Sue T. Noack Family Partnership

DATED: 5/4/2023

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

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

By: \_\_\_\_\_  
Kenneth B. Noack, Jr.

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

By:   
Karen N. Chickering

DATED: 4/4/2023

By: \_\_\_\_\_  
Charles T. Noack

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

By: \_\_\_\_\_  
Sue T. Noack Family Partnership

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

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

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

By: \_\_\_\_\_  
Kenneth B. Noack, Jr.

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

By: \_\_\_\_\_  
Karen N. Chickering

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

By: Charles T. Noack  
Charles T. Noack

DATED: 5-4-2023

By: \_\_\_\_\_  
Sue T. Noack Family Partnership

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

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

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

By: \_\_\_\_\_  
Kenneth B. Noack, Jr.

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

By: \_\_\_\_\_  
Karen N. Chickering

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

By: \_\_\_\_\_  
Charles T. Noack

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

By: \_\_\_\_\_  
Sue T. Noack Family Partnership

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

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

DATED: May 5, 2023