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10 *Attorneys for David Stapleton of the*
11 *Stapleton Group, QSF Trustee*

12 UNITED STATES DISTRICT COURT

13 FOR THE DISTRICT OF OREGON

14 PORTLAND DIVISION

15 SECURITIES AND EXCHANGE COMMISSION,

No. 3:16-cv-00438-JR

16 Plaintiff,

**QSF TRUSTEE’S APPLICATION TO
EMPLOY COUNSEL**

17 v.

18 AEQUITAS MANAGEMENT, LLC; AEQUITAS
19 HOLDINGS, LLC; AEQUITAS COMMERCIAL
20 FINANCE, LLC; AEQUITAS CAPITAL
21 MANAGEMENT, INC.; AEQUITAS
22 INVESTMENT MANAGEMENT, LLC; ROBERT
23 J. JESENİK; BRIAN A. OLIVER; and N. SCOTT
GILLIS,

Defendants.

LR 7-1 CERTIFICATION

On May 21, 2024, the undersigned circulated to the approximately 70 counsel of record, via email, a version of this motion (and supporting declaration and proposed form of order) that is substantially the same as this filed version. The conferral requested that counsel respond by 12:00

**QSF TRUSTEE’S APPLICATION TO EMPLOY
COUNSEL**

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1 noon (Pacific Time) on May 28, 2024, as to whether their clients object or consent to the motion. As
2 of the time of filing this motion the undersigned has received five consents and no objections.

3 APPLICATION

4 David Stapleton of the Stapleton Group (the “QSF Trustee”) as successor
5 Trustee/Administrator of the Aequitas Qualified Settlement Fund Irrevocable Trust (the “QSF”),
6 hereby applies to this Court for entry of an order, *nunc pro tunc* to November 9, 2023, employing
7 Bush Kornfeld LLP (“Bush Kornfeld”), as counsel for Stapleton.

8 This Application is supported by the Declaration of Christine M. Tobin-Presser. In further
9 support of this Application, Stapleton represents as follows:

10 A. Procedural and Factual Background

11 1. On March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, the
12 Receiver was appointed as receiver for the Receivership Entity on an interim basis (the “Interim
13 Receivership Order”). On April 14, 2016, pursuant to the final order (the “Order Appointing
14 Receiver”), the Receiver was appointed as receiver for the Receivership Entity on a final basis.

15 2. On October 17, 2023, the Receiver filed his motion seeking termination of the
16 Receivership Estate and requesting further and additional relief (the “Closing Motion”)¹, which the
17 Court granted on November 1, 2023 (the “Closing Order”).² The Closing Order, among other

18 _____
19 ¹ Motion of the Receiver, Ronald F. Greenspan, For Entry of An Order: (1) Approving the Final Report and
20 Accounting; (2) discharging and releasing the Receiver; (3) enjoining claims against the Receiver and the
21 Receiver’s professional advisors; (4) authorizing the appointment of a successor Trustee/Administrator of the
Aequitas Qualified Settlement Fund Irrevocable Trust (“QSF”) to complete the administrative functions of the
QSF after the termination of the Receivership Estate; and (5) terminating the Receivership (the “Closing
Motion”) [Dkt. 1042].

22 ² Order (1) Approving the Final Report and Accounting; (2) Discharging and Releasing the Receiver; (3)
23 Enjoining Claims Against the Receiver and the Receiver’s Professional Advisors; (4) Authorizing the
Appointment of a Successor Trustee/Administrator of the Aequitas Qualified Settlement Fund Irrevocable Trust
 (“QSF”) and (5) Terminating the Receivership [Dkt. 1045].

1 provisions, (i) discharged and released the Receiver from the duties and responsibilities set forth in the
2 Order Appointing Receiver, (ii) authorized the appointment of David Stapleton of the Stapleton Group
3 as successor Trustee/Administrator of the QSF to take appropriate actions to complete the remaining
4 functions of the QSF and termination of the Receivership, effective upon the filing of this joint notice
5 of termination by the Receiver and David Stapleton; and (iii) retained Court jurisdiction over the QSF
6 until its termination prior to the dismissal of the captioned matter *SEC v. Aequitas Management, LLC,*
7 *et al.*, 3:16-CV-00438-JR.

8 3. On March 29, 2024, the Receiver filed the Notice of Termination of Receivership and
9 Transfer of Authority and Control to David Stapleton as the Successor Trustee/Administrator of the
10 QSF (“Notice of Termination”). Dkt. 1052.

11 4. Pursuant to the Closing Order, “...the QSF Trustee shall have all of the powers,
12 authorities and duties granted to the Receiver by the Order Appointing Receiver...” Closing Order,
13 ¶1(o).

14 5. Pursuant to the Order Appointing Receiver as made applicable to the QSF Trustee in
15 the Closing Order, the QSF Trustee, is authorized, “[t]o engage and employ persons in his discretion
16 to assist him in carrying out his duties and responsibilities hereunder, including...attorneys...” Order
17 Appointing Receiver, ¶ 6.F. Court approval is required for the Receiver to retain professionals other
18 than those previously approved in the Order Appointing Receiver. Order Appointing Receiver, ¶ 44.
19 Retention of professionals *nunc pro tunc* is authorized, subject to the Court’s discretion. *Id.*

20 6. The QSF Trustee requires the assistance and advice of counsel for general matters in
21 connection with its duties and obligations related to the administration of the QSF Trust.
22
23

1 B. Proposed Counsel for the QSF Trustee

2 1. The QSF Trustee has retained Bush Kornfeld to serve as general counsel to represent it
3 in the above captioned case. The QSF Trustee anticipates Bush Kornfeld's representation will include,
4 but will not be limited to (i) advising the QSF Trustee of its rights, duties, responsibilities and powers
5 in administering the QSF; (ii) attending meetings and conferences and otherwise communicating and
6 negotiating with representatives of creditors and other parties in interest as to matters arising in or
7 related to the administration of the QSF; (iii) assisting the QSF Trustee in the review, analysis,
8 negotiation and approval of any transactions; (iv) to generally prepare on behalf of the QSF Trustee all
9 appropriate and necessary motions, applications, responses, replies, answers, orders, reports, and other
10 papers and pleadings in support and furtherance of the administration of the QSF; (v) to appear on
11 behalf of the QSF Trustee, as appropriate, before this Court, appellate courts, and other courts or
12 regulatory bodies in which matters may be heard; and (vi) perform such other legal services as may be
13 required or deemed to be in the interests of the QSF and the QSF Trustee.

14 2. The QSF Trustee wishes to employ Bush Kornfeld as outlined above because of its
15 experience and knowledge in receivership matters.

16 3. Bush Kornfeld has indicated its willingness to serve as counsel for the QSF Trustee
17 and to follow the directions of the QSF Trustee regarding the scope of its activities on its
18 behalf, and to receive compensation for professional services rendered and expenses incurred in
19 accordance with the provisions of the Order Appointing Receiver.

20 4. The hourly rates for the Bush Kornfeld timekeepers primarily responsible for providing
21 services to the QSF Trustee and the QSF, are as follows:

Timekeeper	Position	Standard 2024 Hourly Rate
Christine M. Tobin-Presser	Partner	\$525
Lesley Bohleber	Associate	\$420
Paula Sutton	Paralegal	\$175
Eric Yocom	Paralegal	\$175

5. To the best of the QSF Trustee’s knowledge, the proposed professionals have no connection with the QSF or the Receivership Entity.

WHEREFORE, the QSF Trustee requests that it be authorized to employ Bush Kornfeld as set forth above.

DATED this 28th day of May, 2024.

BUSH KORNFELD LLP

By /s/ Christine M. Tobin-Presser
 Christine M. Tobin-Presser, WSBA #27628
 (Admitted *pro hac vice*)
 Lesley Bohleber, OSB #180098
 Attorneys for David Stapleton of the Stapleton Group, QSF Trustee