

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

v.

EQUITYBUILD, INC., EQUITYBUILD
FINANCE, LLC, JEROME H. COHEN, and
SHAUN D. COHEN,

Defendants.

Case No. 1:18-cv-5587

Hon. Manish S. Shah

**STATEMENT OF BC57, LLC REGARDING GROUP 1 BRIEFING
AND ISSUES FOR DETERMINATION**

Group 1 claimant BC57, LLC (“BC57”) respectfully submits this statement to ensure that its counsel’s comments at the October 17, 2022 are not misinterpreted.

At the October 17, 2022 hearing, the Court inquired about the significance of the release of the Investor-Lenders Mortgages¹. Given the facts surrounding Group 1, all counsel present agreed that issue is important to determining lien priority related to those particular properties.

To be clear, though, BC57 maintains that other issues are equally important to the Group 1 determinations, including the reasonableness of its reliance upon the associated payoff statements and, among the competing claimants before the Court, which of those claimants put EquityBuild in power to commit the acts that it did. *See, e.g.*, Position Statement of Claimant BC57, LLC (Docket Entry No. 1152) (“BC57 Position Statement”) at pp. 15-18, 23-28, and 33-

¹ Capitalized terms used in this Statement are defined in the BC57 Position Statement (Docket Entry No. 1152).

34, and Responsive Statement of Claimant BC57, LLC (Docket Entry No. 1217) (“BC57 Responsive Statement”) at pp. 17-18.

In short, BC57 continues to assert all of the arguments that were presented in the BC57 Position Statement and the BC57 Responsive Statement, as it is sure that all other claimants, the Receiver, and the SEC preserve the arguments raised in their briefing.

Dated: October 18, 2022

Respectfully submitted,

/s/ Todd Gale

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