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Via ECF

May 31, 2017

Chief Judge Dora L. Irizarry
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

Re: *SEC v. Platinum Management (NY) LLC et al*, Civil Case No. 16-cv-6848 (DLI)(VMS)

Dear Chief Judge Irizarry:

We are counsel to Bart M. Schwartz (the "Receiver"), the court-appointed receiver for defendant Platinum Credit Management, L.P. ("Platinum Credit") and certain related entities (collectively, the "Receivership Entities"). On May 30, 2017, Alexander Novak submitted a letter to the Court requesting a status conference to discuss employee claims against the Receivership Entities [Docket No. 148, the "Novak Letter"].

Pursuant to the order appointing the Receiver entered on December 19, 2016 by Judge Matsumoto, which Your Honor amended on January 30, 2017 [Docket No. 6 (the "Receiver Order")]¹, the Receiver is empowered to "conduct an orderly wind down including a responsible liquidation of assets and orderly and fair distribution of those assets to investors" and "authorized, empowered and directed to develop a plan for the fair, reasonable, and efficient recovery and liquidation and distribution of all remaining, recovered, and recoverable Receivership Property (the 'Liquidation Plan')." Receiver Order at 2, ¶ 44. The Receiver Order also stays litigation involving the Receiver, Receivership Property, the Receivership Entities, or the Receivership Entities' past or present officers, directors, managers, managing members, agents, or general or limited partners. Receiver Order ¶¶ 25-27. These provisions protect all creditors and investors from inequitable distributions by ensuring an orderly claims process.

The wind-down process is already underway: creditors (including Mr. Novak's clients) may file claims against the Receivership Entities by submitting a proof of claim form located on the Receiver's website, www.platinumpartnersreceiver.com. Nothing in the Novak Letter suggests Mr. Novak's clients are entitled to be treated differently than the many other creditors of the Receivership Entities. Accordingly, the Receiver respectfully requests that the Court deny the relief requested in the Novak Letter.

¹ Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Receiver Order.



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Respectfully submitted,

/s/ Celia Goldwag Barenholtz

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cc: All counsel of record (via ECF)