



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
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July 5, 2017

Filed on ECF

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

**Re: SEC v. Platinum Management (NY) LLP, et al., No. 16-6848
(DLI)(VMS)/Request for Leave to Substitute Docket Number 211-1**

Dear Judge Irizarry:

Earlier today the staff of the Securities and Exchange Commission ("SEC") caused to be filed on the ECF docket the SEC's Reply in Further Support of its Application for Entry of a Second Amended Order Appointing Receiver and Appointment of a Substitute Receiver ("Reply") [Dkt.#211]. After filing the Reply, the staff noticed that in the process of the ECF filing, the signature of Bart Schwartz on the second letter attached as Exhibit 1 to the Reply was docketed as an electronic signature, rather than as an actual signature as is reflected on the PDF document that was emailed to the staff by counsel to the Joint Official Liquidators earlier today. [Dkt.#211-1] Although the staff does not know how this error occurred, it appears to have been a function of the PDF file itself. In order to complete the record on the Reply with a true and correct exhibit, the SEC respectfully requests that the Court substitute the document attached hereto as Exhibit 1 in place of Exhibit 1 that is currently docketed as Docket Number 211-1.

Respectfully,

/s/ Neal Jacobson
Neal Jacobson

Cc By email: All Counsel of Record



Mr. Bart Schwartz
As Receiver of Platinum Partners Credit Opportunities Fund, L.P.
c/o Guidepost Solutions
1325 Avenue of the Americas
27th Floor
Suite 2717
New York, New York 10019

5 July, 2017

Dear Bart,

Platinum Partners Value Arbitrage Fund L.P. (in liquidation) ("PPVA")

I refer to the meeting held at the offices of GLC on 17 February, 2017 between your colleagues, Mr. Ritteriser and Mr. Klett; Messrs. Han, Anderson and Hagamen of GLC Advisors & Co., LLC ("GLC"); and, myself and my fellow joint official liquidator of PPVA, Mr. Wright (the "JOLs") (the "Meeting"). I also refer to the countersigned letter agreement dated 2 March, 2017 which was sent by Mr. Wright to you (the "Letter Agreement"). I enclose a copy of the Letter Agreement for your convenience.

During the meeting and as subsequently confirmed in the Letter Agreement, the JOLs and GLC noted to your colleagues (and you) that they had become aware that Platinum Management (NY) LLC had made a series of transfers and assignments of the assets of PPVA and its subsidiaries to Platinum Partners Credit Opportunities Fund, L.P. ("PPCO") during the years and months immediately prior to the liquidation of PPVA (the "Asset Transfers and Assignments"). The JOLs have consistently expressed their concerns to you and your team that they are unable to determine the validity of any of the Asset Transfers and Assignments as a result of the complete insufficiency of books, records and supporting documentation, relating to those Asset Transfers and Assignments. Notwithstanding those legitimate concerns, it has taken the better part of 6 months to obtain agreement to the Information-Sharing Stipulation in order for the JOLs to investigate the validity of the Asset Transfers and Assignments.

Despite having entered into an Information-Sharing Stipulation the JOLs have yet to receive any documentation or information from Guidepost relating to PPVA or PPCO and their various dealings. Consequently, the JOLs continue to harbour specific concerns regarding what appears to be the total lack of consideration provided by PPCO to PPVA in respect of the Asset Transfers and Assignments and, as a result, we again place you on notice that the JOLs dispute the validity/enforceability of all of the Asset Transfers and Assignments.

Importantly and of immediate concern: one of the specific items that was discussed during the Meeting and referenced in the Letter Agreement was the impending repayment of a loan by Navidea Biopharmaceuticals

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Inc. ("**Navidea**"). It was expected that a payment of approximately \$9.6 million would be due and owing under a note issued by Navidea to Platinum-Montaur Life Sciences LLC, a wholly owned subsidiary of PPVA ("**Navidea Note**"). However, it transpired that a portion of the Navidea Note was purportedly assigned to PPCO on or around March 22, 2016, and that no consideration is known to have been given by PPCO in respect of that assignment.

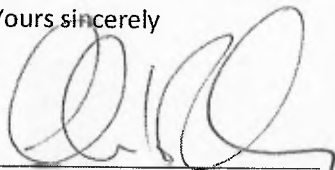
The JOLs have consistently expressed their concern to you that the proceeds of the Navidea Note were, in all likelihood, due, owing and payable to PPVA and its subsidiaries and that the purported assignment of the Navidea Note to PPCO was invalid for lack of consideration. Whilst the JOLs did not wish to spend their limited money and resources on bringing a legal challenge to intervene in the payment of a portion of the proceeds of the Navidea Note to PPCO, they have consistently reserved their right to claim repayment of those proceeds from PPCO, in due course and pending further investigation.

I am disappointed to now learn that despite the JOLs' clear and consistent communication to you and your team that the validity of the assignment of the Navidea Note was the subject of a dispute between PPVA and PPCO; despite your own personal knowledge of the lack of access that the JOLs have to information, books, records and documentation relating to PPVA generally; and, despite their being a complete lack of appropriate documentation evidencing the validity of that assignment to PPCO: Guidepost nonetheless considers the proceeds from the Navidea Note to constitute part of PPCO's free and unencumbered cash pool. As a fiduciary with specific responsibilities, it would be entirely inappropriate for Guidepost to encumber the proceeds of the Navidea Note in any way, until such time as the purported assignment of the proceeds to PPCO is clearly evidenced as being valid and enforceable.

It was our clear understanding that as fellow fiduciaries, the JOLs and Guidepost would seek to cooperate and resolve the numerous issues affecting PPVA and PPCO, insofar as was possible, without having to incur the unnecessary costs of Court proceedings. However, should the absence of such cooperation as evidenced above continue, PPVA will be forced to take all steps necessary to protect the proceeds of the Navidea Note until such time as the validity of the assignment is proven. Consequently, we hereby request your unconditional confirmation per return that the proceeds of the Navidea Note will be ring-fenced by Guidepost pending, either, the agreement between the JOLs and Guidepost as to the appropriate use of those proceeds or, the final determination of the validity of the purported assignment of the proceeds to PPCO, whichever is sooner.

I am available to discuss at your convenience.

Yours sincerely



Christopher Kennedy
Joint Official Liquidator of Platinum Partners Value Arbitrage Fund L.P. (in liquidation)

Encl.

Letter dated 2 March, 2017

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Mr. Bart M. Schwartz
as Receiver of Platinum Partners Credit Opportunities Fund, L.P.
c/o Guidepost Solutions
1325 Avenue of the Americas
27th Floor
Suite 2717
New York, New York 10019

March 2, 2017

Dear Bart,

**Platinum Partners Value Arbitrage Fund L.P. – In Official Liquidation (the “Master Fund” or “PPVA”)
Re: Reservation of Rights**

As you know, on October 27, 2016, the Financial Services Division of the Grand Court of the Cayman Islands (the “Grand Court”) issued a Winding Up Order (the “Winding Up Order”), directing the winding up of the Master Fund and appointing my colleague, Christopher Kennedy and I, as the interim joint official liquidators (“JOLs”) thereof. On December 16, 2016, the Grand Court issued an Order appointing Mr. Kennedy and I as the JOLs of PPVA.

We are aware that you have been appointed as the Receiver for certain funds including Platinum Partners Credit Opportunities Fund L.P. (“PPCO”) pursuant to an order of the United States District Court for the Eastern District of New York entered in the action styled *Securities and Exchange Commission v. Platinum Management (NY) LLC, et al.*, Civil Action No. 16-CV-6848 (the “SEC Action”). Before the entry of the Winding Up Order and the Commencement of the SEC Action, we understand that both PPVA and PPCO were managed by Platinum Management (NY) LLC (the “Platinum Manager”) and the persons employed thereby.

In connection with our review of the books and records and assets of PPVA, we have become aware that the Platinum Manager transferred or assigned ownership of certain assets owned by PPVA or its direct or indirect subsidiaries to PPCO at various points during the past several years (the “Transfers”). The Transfers include, but are not limited to, the March 22, 2016 assignment to PPCO of \$7,022,715.21 of principal and accrued outstanding interest (the “Navidea Loan Assignment”) owed by Navidea Biopharmaceuticals, Inc. (“Navidea”) to Platinum-Montaur Life Sciences LLC (“Platinum-Montaur”), a subsidiary of PPVA, pursuant to that certain loan agreement dated July 25, 2012 between Platinum-Montaur as lender and Navidea as borrower and all related notes issued thereunder (as at any time amended the “Navidea Loan”).

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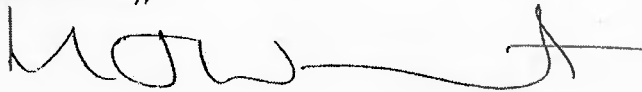
Please note that the JOLs, on behalf of PPVA, reserve all rights with respect to the Transfers. This reservation of rights includes, but is not limited to, the right to seek to avoid any transfers or assignments to PPCO of assets that previously belonged to PPVA or its subsidiaries, and the right to seek to recover such assets or the value thereof for the benefit of PPVA, its creditors and its stakeholders, without any deduction or setoff, irrespective of the following understanding regarding investment in joint PPVA-PPCO interests. We understand that the Receiver retains all rights that he, PPCO or any of the entities under his supervision have to object to the assertion or exercise of any such claimed rights.

We also understand that PPCO intends to provide funding through secured, interest-bearing loans or such other means that the Receiver determines to be in the best interest of the Receivership to help preserve certain investments in which both PPCO and PPVA have interests, and we recognize that such funding by PPCO will benefit PPVA as well as PPCO. Such funding is in the Receiver's sole discretion, and includes \$500,000 in connection with the Desert Hawk investment, which was funded on February 24, 2017, as well as potential future funding of \$5 million in connection with the Northstar investment and \$500,000 in connection with the Urigen investment. We understand that the Northstar and Urigen payments are subject to approvals by the SEC or the Court. We will not attempt to avoid any such funding agreements made by PPCO, or dispute or interfere with PPCO's right to be repaid pursuant to the terms of the applicable funding agreements.

As you know, Navidea expects to repay the Navidea Loan on or before March 3, 2016. We have agreed that notwithstanding PPVA's potential avoidance claims, PPCO may receive the proceeds of such repayment which equals approximately \$7,714,109.47 including principal and accrued interest through March 1, 2017 plus all related accrued and outstanding interest thereon, subject to the above reservation of rights, and PPCO does not claim ownership to the balance of the Navidea Loan which equals approximately \$1,913,963.48 including principal and accrued interest through March 1, 2017 plus all related accrued and outstanding interest thereon, to which amount PPCO does not claim ownership. Please countersign a copy of this letter to acknowledge your agreement to these terms.

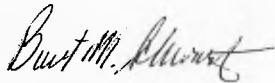
Please contact me if you have any questions.

Yours faithfully,



Matthew Wright
Joint Official Liquidator

ACKNOWLEDGED AND AGREED



As Receiver

Bart M. Schwartz
as Receiver for Platinum Partners Credit Opportunities Fund L.P.