

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE  
COMMISSION,  
  
Plaintiff,

-v-

PLATINUM MANAGEMENT (NY) LLC;  
PLATINUM CREDIT MANAGEMENT, L.P.;  
MARK NORDLICHT;  
DAVID LEVY;  
DANIEL SMALL;  
URI LANDESMAN;  
JOSEPH MANN;  
JOSEPH SANFILIPPO; and  
JEFFREY SHULSE,  
  
Defendants.

No. 16-cv-6848 (DLI)(VMS)

**DECLARATION OF DANIEL M.  
BURSTEIN IN SUPPORT OF  
CONSENTED-TO MOTION TO  
LIFT THE LITIGATION STAY IN  
*PLATINUM PARTNERS VALUE  
ARBITRAGE FUND, LP, AND  
PLATINUM PARTNERS LIQUID  
OPPORTUNITY MASTER FUND  
LP V. CHICAGO BOARD OPTIONS  
EXCHANGE AND OPTIONS  
CLEARING CORPORATION, CH.  
DIV. CASE NO. 10CH54472 (ILL  
CIR CT., COOK CTY.)***

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I, Daniel M. Burstein, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a Senior Managing Director of Guidepost Solutions LLC (“Guidepost”), and as such work with Bart M. Schwartz, the court-appointed Receiver in this case. I am over 18 years old and a member of the bar of this Court. The Receiver will soon be making an application to retain Guidepost to assist it in this matter.

2. Under ¶ 25 of the order appointing the Receiver (Docket No. 6) (the “Receiver Order”) litigation of all Ancillary Proceedings<sup>1</sup> is stayed until further order of this Court.

3. *Platinum Partners Value Arbitrage Fund, LP and Platinum Partners Liquid Opportunity Master Fund LP v. Chicago Board Options Exchange and Options Clearing Corporation*, Ch. Div. Case No. 10CH54472 (Ill. Cir. Ct., Cook Cty.) is an Ancillary Proceeding

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<sup>1</sup> All undefined terms have the same meaning as in the Receivership Order.


because it involves Receivership Property. The case was filed in the Circuit Court of Cook County, Illinois Country Department, Chancery Division, and is assigned Case No. 10CH54472.

4. In this action, two Platinum entities—Platinum Partners Value Arbitrage Fund, LP and Platinum Partners Liquid Opportunity Master Fund LP—have brought suit against the Chicago Board Options Exchange and Options Clearing Corporation for violations of the Illinois Securities Law and the Illinois Consumer Fraud Act and for common law fraud. The case arises out of the defendants' private and premature disclosures in December 2010 that the strike price of India Fund options would be adjusted before that adjustment was publicly announced the afternoon of December 20, 2010. Plaintiffs were purchasing India Fund options during this period and were damaged by the defendants' actions. The Receiver has determined that it is in the best interests of the Receivership Estate for the stay of litigation in that case to be lifted so that the case against the defendants may be pursued.

5. I am informed by the Receiver's proposed counsel, Celia Goldwag Barenholtz, that the SEC consents to this motion.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on January 11, 2017  
New York, New York

  
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Daniel M. Burstein