

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

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SECURITIES AND EXCHANGE	:
COMMISSION,	:
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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.	:
-----X	

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

**DECLARATION OF MELANIE L. CYGANOWSKI,
ADOPTING, IN PART, APPLICATION OF BART M. SCHWARTZ
TO RETAIN AND PAY CERTAIN LIMITED SCOPE LEGAL PROFESSIONALS**

I, Melanie L. Cyganowski, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information and belief:

1. I make this declaration in my capacity as the duly appointed Receiver (the “*Receiver*”) of Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP (“PPCO”), Platinum Partners Credit Opportunities Fund (TE) LLC, Platinum Partners Credit Opportunities Fund LLC, Platinum Partners Credit Opportunity Fund (BL) LLC, Platinum Liquid Opportunity Management (NY) LLC (“PPLO”), and Platinum Partners Liquid Opportunity Fund (USA) L.P. (the “*Receivership Entities*”), to adopt, in part, the June 28, 2017 Letter Application for an Order Authorizing the Retention and Payment of Limited Scope Legal Professionals by Bart M. Schwartz, Esq., Dkt. No. 183 (the “*Application*”).

Introduction

2. Following his resignation, but prior to my appointment as Receiver, Bart Schwartz, Esq. (the “***Prior Receiver***”) filed the Application seeking an Order authorizing the retention and/or payment of nineteen law firms (the “***Proposed Professionals***”) to assist the Receivership Entities with legal matters throughout the United States and abroad. These matters include litigation, bankruptcy and transactional advice.

3. Since my appointment, my team and I have reviewed the Application, communicated with certain of the Proposed Professionals, and determined which parts of the Application to adopt and which parts to modify. My determinations in this regard are set forth below.

The Proposed Professionals

4. Specifically, following the name of each Proposed Professional below, is: (i) the purpose set forth in the Application for retention of the Proposed Professional; (ii) the fees incurred by the Proposed Professional (if any) as of the date of the Application (the “***Application Date***”); (iii) the anticipated future fees of the Proposed Professional as of the Application Date; and (iv) my position as to the retention and/or payment of the Proposed Professional. Any work to be performed by a Proposed Professional going forward will be under the direction and supervision of my counsel, Otterbourg P.C. (“***Otterbourg***”).

5. **Hoover Slovacek, LLP (Dkt. No. 183-2)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of Platinum Partners Credit Opportunities Master Fund LP in the Northstar Offshore Group, LLC bankruptcy case, filed as Case No. 16-34028, in the United States Bankruptcy Court for the Southern District of Texas, Houston Division.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$66,569.00 through May 31, 2017, as well as expenses of \$2,087.39 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application requests authorization for the Receiver to pay the firm up to \$20,000 for the six months following May 31, 2017 for reasonable fees and expenses based upon submission of written invoices. The firm has not filed any subsequent invoices.

(iv) ***Receiver’s Position*** – Due to its existing familiarity with the matter and local practice, as well as its physical location near the relevant court, the firm should be retained solely as local counsel under the direction and supervision of Otterbourg, and its post-receivership fees of \$66,569.00 and expenses of \$2,087.39 through and including May 31, 2017, should be approved for payment, by utilizing the \$75,000 retainer provided to the firm by the Prior Receiver. The Receiver should be permitted, but not required, to pay the firm up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017 without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

6. **Cooper & Scully, P.C. (Dkt. No. 183-3)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of the Receivership in the matter Richard Schmidt, Litigation Trustee for Black Elk Energy Offshore Operations LLC v. Platinum Partners Value Arbitrage Fund, L.P. et al., Adversary Proceeding 16-03237, in the United States Bankruptcy Court for the Southern District of Texas. The adversary proceeding has since been settled, but issues in the main bankruptcy case (In re Black Elk Energy Offshore Operations LLC, Case No. 15-34287) continue to arise.

(ii) ***Fees Incurred as of Application Date*** – According to the Application the firm incurred post-receivership legal fees of \$52,312.50 through May 31, 2017, as well as expenses of \$7,090.52 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application requests authorization for the Receiver to pay the firm up to \$20,000 for the six months following May 31, 2017 for reasonable fees and expenses based upon submission of written invoices. The firm has not submitted any subsequent invoices.

(iv) ***Receiver’s Position*** - Due to its existing familiarity with the matter and local practice, as well as its physical location near the relevant court, the firm should be retained solely as local counsel under the direction and supervision of Otterbourg, and its post-receivership fees of \$52,312.50 and expenses \$7,090.52 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017 without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

7. **Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. (Dkt. No. 183-4)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its provision of legal services in connection with a dispute between Maximilian Resources, LLC (a majority-owned subsidiary of a Receivership Entity) and Daybreak Oil and Gas, Inc., a borrower.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$5,370.00 through May 31, 2017. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – According to the Application, no future work by this firm is contemplated, and the firm did not submit any subsequent invoices.

(iv) ***Receiver’s Position*** - The Receiver does not contemplate future work for this firm. The firm’s post-receivership fees of \$5,370.00 through and including May 31, 2017, should be approved for payment. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

8. **Barrasso Usdin Kupperman Freeman & Sarver, LLC (Dkt. No. 183-5)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its provision of legal advice and representation to Pea and Eigh Company LLC, a wholly-owned subsidiary of Platinum Partners Credit Opportunities Master Fund LP, in connection with litigation captioned Extreme Energy Services, LLC v. Freedom Well Services, LLC, Case No. 175750, pending in the 32nd Judicial District Court for the Parish of Terrebonne, State of Louisiana. That case has been settled and the settlement fully implemented.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$13,717.50 through May 31, 2017, as well as expenses of \$1,462.87 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application requests authorization for the Receiver to pay the firm up to \$20,000 for the six months following May 31, 2017. The firm submitted invoices totaling \$9,873.28 for June and July, 2017, \$637.50 in fees and \$405.60 in expenses for August 2017 and additional invoices for limited work implementing the settlement in September 2017.

(iv) ***Receiver’s Position*** - The matter for which the firm was engaged was recently concluded. The firm’s post-receivership fees of \$13,717.50 and expenses of \$1,462.87 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

9. **Benesch, Friedland, Coplan & Aronoff LLP (Dkt. No. 183-6)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its provision of legal advice and representation to Platinum Partners Credit Opportunities Master Fund LP in connection with the bankruptcy case captioned In re Lily Group Inc., Case No. 13-81073-BHL-11, pending in the United States Bankruptcy Court for the Southern District of Indiana.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$28,608.75 through May 31, 2017, as well as expenses of \$861.60 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application requests authorization for the Receiver to pay the firm up to \$20,000 for the six months following May 31, 2017. The firm did not submit any subsequent invoices.

(iv) ***Receiver’s Position*** - Due to its existing familiarity with the matter and local practice, as well as its physical location near the relevant court, the firm should be retained solely as local counsel under the direction and supervision of Otterbourg, and its post-receivership fees of \$28,608.75 and expenses of \$861.60 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

10. **Ganfer & Shore LLP (Dkt. No. 183-7)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its provision of legal advice in connection with (a) efforts by Maximilian Resources, LLC (a majority owned subsidiary of a Receivership Entity) to enforce its rights under a loan agreement with AES Oil Field Services, LLC; (b) disputes between Platinum Management (NY) LLC and Platinum Liquid Opportunity Management (NY) LLC on the one hand, and a former employee, on the other hand; and (c) disputes between Hamilton Capital VII (a wholly owned subsidiary of a Receivership Entity) and Khorrami, LLP.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$86,491.50 through May 31, 2017, as well as expenses of \$1,182.52 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The firm submitted invoices totaling \$3,625.66 for June, July, and August of 2017.

(iv) ***Receiver’s Position*** - The firm’s services are no longer required and to the extent these matters require attention, they will be handled by Otterbourg. The firm’s post-receivership fees of \$86,491.50 and expenses of \$1,182.52 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$10,000 for any additional reasonable fees and expenses incurred from May 31, 2017 through August 23, 2017, based upon submission of written invoices, when its services were concluded, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

11. **Bryan Cave LLP (Dkt. No. 183-8)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of Maximilian Investors LLC, a majority-owned subsidiary of Platinum Partners Credit Opportunities Master Fund LP in connection with: (a) Maximilian Investors, LLC v. He-Man, LLC, et al., Case 2013CV030038, in the Colorado State District Court for Montezuma County; (b) Maximilian Investors, LLC v. American Patriot Gold, LLC, et al., Case 2013CV00052, in the Colorado State District Court for Montezuma County; and (c) In re Red Arrow Gold Corporation, Case 15-18720, in the U.S. Bankruptcy Court for the District of Colorado and a related adversary proceeding, Red Arrow Gold Corporation v. American Patriot Gold, LLC, et al., Adv. Pro. 16-AP-01075.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$23,852.50 through May 31, 2017, as well as expenses of \$1,840.55 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application requests authorization for the Receiver to pay the firm up to \$10,000 for the six months following May 31, 2017. The firm submitted one invoice in the amount of \$820 for the month of August 2017.

(iv) ***Receiver’s Position*** - Due to its familiarity with the matters and local practice, as well as its location near the relevant court, the firm should be retained solely as local counsel under the direction and supervision of Otterbourg, and its post-receivership fees of \$23,852.50 and expenses of \$1,840.55 through and including May 31, 2017, should be approved. The Receiver should be permitted, but not required, to pay the firm up to \$10,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

12. **Maslon LLP (Dkt. No. 183-9)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its provision of legal advice and services to West Ventures LLC, a wholly-owned subsidiary of PPCO Master Fund LP, in connection with the BLAB Ethanol Plant.

(ii) ***Fees Incurred as of Application Date*** – According to the Application the firm incurred post-receivership legal fees of \$79,065.60 through May 31, 2017, as well as expenses of \$595.71 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application requests authorization for the Receiver to pay the firm up to \$20,000 for the six months following May 31, 2017. The firm has submitted additional invoices as follows: (a) June 2017 - \$292 in fees and no costs; (b) July 2017 - \$625 in fees and \$12.70 in costs; and (c) August 2017 - \$4,346.50 in fees and \$92 in costs.

(iv) ***Receiver’s Position*** - Due to its existing familiarity with the matter and local practice and law, the firm should be retained solely as local counsel under the direction and supervision of Otterbourg, and its post-receivership fees of \$79,065.60 and expenses of \$595.71 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

13. **Morrison Cohen, LLP (Dkt. No. 183-10)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of Photon Management, LLC, and Voltage Energy Holdings Co. LLC, PPCO subsidiaries. in: Mark A. Finley v. Glacial Energy Holdings, LLC et al., Index No. 14-cv-00002, and Joel H. Finley v. Glacial Energy (V.I.) LLC, Index No. 3:13-ev-00122, in the U.S. District Court for the District of the Virgin Islands

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$21,379.50 through May 31, 2017, as well as expenses of \$79.31 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay up to \$15,000 in the next six months. The firm submitted invoices totaling \$3,445.20 for June, July, August and September 2017.

(iv) ***Receiver’s Position*** - The Receiver does not anticipate future work by this firm. Future work on this matter will be handled by Otterbourg, in conjunction with local counsel, Carol Ann Rich, Esq., of Dudley Rich Davis LLP (“Dudley”), located in St. Thomas, Virgin Islands (who was previously retained by Morrison Cohen, LLP, and not directly by Platinum, and whose direct retention shall be sought by the Receiver by separate application). However, the firm’s post-receivership fees of \$21,379.50 and expenses of \$79.31 through and including May 31, 2017, should be approved for payment. These include fees to Dudley. The Receiver should be permitted, but not required, to pay the firm up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, which include disbursements to Dudley Rich Davis LLP. Dudley’s future fees will be billed directly to the Receiver. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

14. **Paneth & O'Mahony, PLLC (Dkt. No. 183-11)**

(i) ***Purpose of Retention*** – According to the Application, the firm's retention was sought by the Prior Receiver to continue its representation of ALS Capital Ventures, LLC, an entity constituting Receivership Property, in an action pending in the United States District Court for the Eastern District of New York, entitled Lincoln Benefit Life Co. v. AEI Life, LLC, et al., Case No. 16-cv-2049 (JBW)(JO). The case is currently stayed for reasons other than the existence of this Receivership.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$9,807 through May 31, 2017. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$15,000 for the six months following May 31, 2017. The firm has not submitted any subsequent invoices.

(iv) ***Receiver's Position*** – Due to its specialized practice in the area of life insurance policy disputes, the firm should be retained under the direction and supervision of Otterbourg, and the firm's post-receivership fees of \$9,807 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

15. **Virtus Law LLP (Dkt. No. 183-12)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of PPCO subsidiary Northrock Financial, LLC in connection with matters concerning Singaporean law.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$10,474.63 and expenses of \$820.28 through May 31, 2017. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$15,000 for next six months following May 31, 2017. The firm has not submitted any subsequent invoices.

(iv) ***Receiver’s Position*** – Due to its expertise in Singaporean law, and location within the jurisdiction, the firm should be retained under the direction and supervision of Otterbourg, and the firm’s post-receivership fees of \$10,474.63 and expenses of \$820.28 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

16. **Strikeman Elliot LLP (Dkt. No. 183-13)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of PPCO in connection with Canadian securities laws.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm has not incurred any post-receivership fees or expenses, nor have any invoices been received since the Application Date.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$15,000 over the next six months.

(iv) ***Receiver’s Position*** – Due to its expertise in Canadian law and location within the relevant jurisdiction, the firm should be retained under the direction and supervision of Otterbourg. The Receiver should be permitted, but not required, to pay the firm up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

17. **Walkers (Dkt. No. 183-14)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of PPCO and PPLO in connection with matters involving Cayman Islands law and proceedings.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$11,374.50 through May 31, 2017, as well as expenses of \$477.49 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$40,000 for the six months following May 31, 2017. The firm has not submitted any subsequent invoices.

(iv) ***Receiver’s Position*** - Due to its expertise in Cayman law and location within the relevant jurisdiction, the firm should be retained under the direction and supervision of Otterbourg, and the firm’s post-receivership fees of \$11,374.50 and expenses of \$477.49 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$40,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

18. **Chediak Advogados (Dkt. No. 183-15)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of West Ventures, LLC (“West Ventures”), a wholly-owned subsidiary of Platinum Partners Credit Opportunities Master Fund LP in connection with Brazilian law, including, but not limited to, those involving mining. The firm is the main legal advisor for matters in Brazil for West Ventures and related interests.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$13,727.50 through May 31, 2017, as well as expenses of \$1,431.75 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$20,000 for the six months following May 31, 2017. The firm submitted invoices totaling \$19,700 for July, August, September and October 2017.

(iv) ***Receiver’s Position*** - Due to its existing familiarity with the matter, expertise in Brazilian law, location within the relevant jurisdiction, and ability to communicate in English and Portuguese, the firm should be retained under the direction and supervision of Otterbourg, and the firm’s post-receivership fees of \$13,727.50 and expenses of \$1,431.75 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$50,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

19. **Leite, Tosto E Barros Advogados Associados (Dkt. No. 183-16)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to continue its representation of PPCO in connection with Brazilian law, including, but not limited to, matters involving mining. The firm serves as local counsel in the jurisdiction where litigation involving PPCO’s mining interests are located.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$3,896.78 through May 31, 2017, as well as expenses of \$2,021.30 for that same period.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$5,000 for the six months following May 31, 2017.

(iv) ***Receiver’s Position*** – The Receiver is still communicating with the firm regarding the Application and the firm’s fees and will supplement this Declaration as appropriate.

20. **Allen & Overy LLP (Dkt. No. 183-17)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to represent PPCO in connection with Brazilian law, including, but not limited to, matters involving mining and supervising the local Brazilian law firms.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm has incurred post-receivership legal fees of \$6,577.00, through and including August 31, 2017. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm, along with Demarest Advogados (discussed below), up to \$30,000 over the next six months.

(iv) ***Receiver’s Position*** - The firm’s post-receivership fees of \$6,577.00 through and including August 31, 2017, based upon submission of written invoices, should be approved for payment by the Receiver in a time and manner determined by her in her reasonable business judgment. The Receiver should also be permitted, but not required, to pay the firm (and Demarest Advogados) up to \$30,000 for any additional reasonable fees and expenses incurred after August 31, 2017, based upon submission of written invoices, without further order of this Court.

21. **Demarest Advogados (Dkt. No. 183-18)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver to provide a due diligence report with an overview of the legal findings related to gold mining activity in Brazil, specifically with regards to: (i) environmental issues and permits to operate the mine in Brazil, (ii) customs issues and permits, (iii) tax matters related to these activities, (iv) analysis of status and risk assessment of a specific civil lawsuit, and (v) regulatory issues.

(ii) ***Fees Incurred as of Application Date*** – At the time the Application was filed, the firm had not yet submitted invoices for its work. Since the Application Date, the firm incurred post-receivership legal fees of \$27,056.08 through August 31, 2017. Upon review, the fees and expenses appear to be reasonable.

(i) ***Anticipated Future Fees*** – The report for which the firm was retained is complete, but there may be follow-up work.

(ii) ***Receiver’s Position*** - The firm’s post-receivership fees of \$27,056.08 through and including August 31, 2017, based upon submission of written invoices, should be approved for payment by the Receiver in a time and manner determined by her in her reasonable business judgment. The Receiver should also be permitted, but not required, to pay the firm (and Allen & Overy) up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court.

22. **Kessler Collins, P.C. (Dkt. No. 183-19)**

(i) ***Purpose of Retention*** – According to the Application, the firm’s retention was sought by the Prior Receiver in connection with legal matters relating to a loan by PPCO to Arabella Exploration, Inc.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$12,677.50 through May 31, 2017, as well as expenses of \$1,592.46 for that same period. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$20,000 over the next six months. The firm has not submitted additional invoices.

(iv) ***Receiver’s Position*** - Due to its existing familiarity with the matter and location within the relevant jurisdiction, the firm should be retained under the direction and supervision of Otterbourg, and the firm’s post-receivership fees of \$12,677.50 and expenses of \$1,592.46 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

23. **O'Connell Law, PLLC (Dkt. No. 183-20)**

(i) ***Purpose of Retention*** – According to the Application, the firm's retention was sought by the Prior Receiver in connection with legal matters relating to a loan by PPCO to Arabella Exploration, Inc., in particular, matters relating to oil and gas field titles.

(ii) ***Fees Incurred as of Application Date*** – According to the Application, the firm incurred post-receivership legal fees of \$10,040.00 through May 31, 2017. Upon review, the fees and expenses appear to be reasonable.

(iii) ***Anticipated Future Fees*** – The Application seeks authorization to pay the firm up to \$20,000 over the next six months. The firm has not submitted additional invoices.

(iv) ***Receiver's Position*** - Due to its existing familiarity with the matter and location within the relevant jurisdiction, the firm should be retained under the direction and supervision of Otterbourg, and the firm's post-receivership fees of \$10,040.00 through and including May 31, 2017, should be approved for payment. The Receiver should be permitted, but not required, to pay the firm up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court. The approved fees and expenses shall be paid by the Receiver in a time and manner determined by her in her reasonable business judgment.

Conclusion

24. In sum, my position on the Application is as follows:

Dkt.	Firm	Nature of Retention	Post-Receivership Fees/Expenses (through Application)	Post-Receivership Fees/Expenses (post Application)	Receiver's Position
183-2	Hoover Slovacsek, LLP	Local representation in <u>Northstar Offshore Group, LLC</u> bankruptcy Case No. 16-34028, U.S.B.C. Southern District of Texas	\$66,569.00/\$2,087.39	None submitted, but up to \$20,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision. This payment may be made from the retainer of \$75,000 provided to the firm by the Prior Receiver.
183-3	Cooper & Scully, P.C.	Local representation in <u>In re Black Elk Energy Offshore Operations LLC</u> , Case No. 15-34287	\$52,312.50/\$7,090.52	None submitted, but up to \$20,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-4	Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C.	Legal services and advice in connection with Maximilian Resources, LLC	\$5,370.00	Not applicable.	Fees should be paid and no further work by the firm is contemplated.
183-5	Barrasso Usdin Kupperman Freeman & Sarver, LLC	Local representation of Platinum affiliates in <u>Extreme Energy Services, LLC v. Freedom Well Services, LLC</u> , Case 175750, 32 nd Judicial District Court, Parish of Terrebonne, Louisiana	\$13,717.50/ \$1,462.87	\$10,916.38 in fees and expenses submitted for June, July, and August 2017. \$20,000 should be authorized to cover the June and July invoices and any unbilled additional amounts after May 31, 2017.	Fees should be paid and no further work by the firm is contemplated.

Dkt.	Firm	Nature of Retention	Post-Receivership Fees/Expenses (through Application)	Post-Receivership Fees/Expenses (post Application)	Receiver's Position
183-6	Benesch, Friedland, Coplan & Aronoff LLP	Local representation and advice in <u>In re Lily Group Inc.</u> , Case No. 13-81073-BHL-11, U.S. Bankruptcy Court, Southern District of Indiana.	\$28,608.75/\$861.60	None submitted, but up to \$20,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-7	Ganfer & Shore LLP	Legal advice re: connection with (a) fund's loan to AES Oil Field Services, LLC; (b) disputes with fund's former employee and (c) fund's loan to Khorrami, LLP.	\$86,491.50/\$1,182.52	\$3,625.66 in invoices submitted for June, July, and August 2017. \$10,000 should be authorized to cover the June and July invoices and any unbilled additional amounts prior to August 23, 2017.	Fees should be paid and no further work by the firm is contemplated.
183-8	Bryan Cave LLP	Local representation of Maximilian Investors LLC in connection with numerous proceedings in Colorado.	\$23,852.50/\$1,840.55	\$820 in invoices submitted for August, 2017. \$10,000 should be authorized to cover the June and July invoices and any unbilled additional amounts after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-9	Maslon LLP	Local representation in connection with the BLAB Ethanol Plant.	\$79,065.60/\$595.71	Additional invoices as follows: (a) June 2017 - \$292 in fees and no costs; (b) July 2017 - \$625 in fees and \$12.70 in costs; and (c) August 2017 - \$4,346.50 in fees and \$92 in costs. \$20,000 should be authorized to cover these invoices and any unbilled additional	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.

Dkt.	Firm	Nature of Retention	Post-Receivership Fees/Expenses (through Application)	Post-Receivership Fees/Expenses (post Application)	Receiver's Position
				amounts after May 31, 2017.	
183-10	Morrison Cohen, LLP	Supervision of local counsel in the Virgin Islands in: <u>Mark A. Finley v. Glacial Energy Holdings, LLC et al.</u> , Index No. 14-cv-00002 and <u>Joel H. Finley v. Glacial Energy (V.I.) LLC</u> , Index No. 3:13-ev-00122.	\$21,379.50/\$79.31	\$3,445.20 in invoices submitted for June, July, August and September 2017. \$15,000 should be authorized to cover these invoices and any unbilled additional amounts after May 31, 2017.	Fees should be paid and no further work by the firm is contemplated. Future work will be performed by Otterbourg in conjunction with local counsel, Dudley Rich Davis LLP.
183-11	Paneth & O'Mahony, PLLC	Representation of ALS Capital Ventures, LLC, in <u>Lincoln Benefit Life Co. v. AEI Life, LLC, et al.</u> , (E.D.N.Y.) Case No. 16-cv-2049 (JBW)(JO)	\$9,807.00	None submitted, but up to \$15,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-12	Virtus Law LLP	Local representation of PPCO subsidiary Northrock Financial, LLC in connection with matters concerning Singaporean law.	\$10,474.63/\$820.28	None submitted, but up to \$15,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-13	Strikeman Elliot LLP	Local representation of PPCO in connection with Canadian securities laws.	None.	None submitted, but up to \$15,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.

Dkt.	Firm	Nature of Retention	Post-Receivership Fees/Expenses (through Application)	Post-Receivership Fees/Expenses (post Application)	Receiver's Position
183-14	Walkers	Local representation and advice in connection with Cayman law and proceedings.	\$11,374.50/\$477.49	None submitted, but up to \$30,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-15	Chediak Advogados	Legal advice and representation in Brazil in connection with mining regulatory matters.	\$13,727.50/\$1,431.75	\$19,700 in invoices submitted for July, August, September and October 2017. \$50,000 should be authorized to cover this invoice and any unbilled additional amounts after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-16	Leite, Tosto E Barros Advogados Associados	Local representation litigation and mining regulatory matters in pertinent Brazilian jurisdiction.	\$3,896.78/\$2,021.30	The Receiver is still communicating with the firm regarding the Application and the firm's fees and will supplement this Declaration as appropriate.	The Receiver is still communicating with the firm regarding the Application and the firm's fees and will supplement this Declaration as appropriate.
183-17	Allen & Overy LLP	Supervised work of local Brazilian law firms in connection with litigation and mining regulatory matters.	\$6,577.00 (includes work performed contemporaneously with the Application) should be authorized to cover the firm's work through August 31, 2017.	The Receiver should be permitted, but not required, to pay the firm (and Demarest Advogados) up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court.	Fees should be paid and firm should continue its work as necessary under Otterbourg's direction and supervision.
183-18	Demarest Advogados	Provided a due diligence report regarding	\$27,056.08 in invoices submitted for work following the	The Receiver should be permitted, but not required, to pay the	Fees should be paid and firm should continue its work as

Dkt.	Firm	Nature of Retention	Post-Receivership Fees/Expenses (through Application)	Post-Receivership Fees/Expenses (post Application)	Receiver's Position
		Brazilian litigation and mining regulatory matters.	Application Date and through August 31, 2017.	firm (and Allen & Overy) up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, based upon submission of written invoices, without further order of this Court.	necessary under Otterbourg's direction and supervision.
183-19	Kessler Collins, P.C.	Continuing legal advice regarding bankruptcy issues regarding Arabella Exploration Inc.	\$12,677.50/\$1,592.46	None submitted, but up to \$30,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid and firm should continue its work under Otterbourg's direction and supervision.
183-20	O'Connell Law, PLLC	Local legal advice regarding oil and gas title issues Arabella Exploration Inc. in connection with title issues.	\$10,040.00	None submitted, but up to \$20,000 should be authorized to be paid for post-Application work after May 31, 2017.	Fees should be paid, but the firm does not need to be retained for future work as its assignment has been completed.

25. For the foregoing reasons, I respectfully submit that the Court should authorize, but not require me, as Receiver, to retain and/or pay the Proposed Professionals in the manner set forth herein, as well as in the accompanying proposed Order.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 15th day of November, 2017, at New York, New York.

/s/ Melanie L. Cyganowski
Melanie L. Cyganowski

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-v- :

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

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

**[PROPOSED] ORDER
AUTHORIZING THE
RECEIVER’S APPLICATION
TO RETAIN AND PAY
LIMITED SCOPE LEGAL
PROFESSIONALS**

Defendants. :
-----X

Upon the application for entry of an order authorizing the retention and payment of certain limited scope legal professionals dated June 27, 2017, Dkt. No. 183, (the “*Application*”),¹ filed by the prior Receiver, Bart M. Schwartz, Esq. (the “*Prior Receiver*”), upon the declaration in support of the Application and exhibits thereto by Daniel M. Burstein (the “*Burstein Decl.*”), and upon the Declaration of Melanie L. Cyganowski Adopting in Part, Application of Bart M. Schwartz to Retain and Pay Certain Limited Scope Legal Professionals (the “*Cyganowski Decl.*”), submitted by Melanie L. Cyganowski, as the Receiver (the “*Receiver*”) for Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP, Platinum Partners Credit Opportunity Fund (BL) LLC, Platinum Liquid Opportunity Management (NY) LLC and Platinum Partners Liquid Opportunity Fund (USA) L.P. (collectively, the “*Receivership Entities*”);

¹ Capitalized terms used but not defined herein have the meaning ascribed to them in the Cyganowski Decl.

NOW, THEREFORE after due deliberation and sufficient cause appearing therefor, it is hereby:

ORDERED, that the Receiver is hereby authorized to retain the Proposed Professionals and as more specifically set forth herein;

ORDERED, that the Receiver is hereby authorized to retain Hoover Slovacek, LLP ("**Hoover**") effective *nunc pro tunc* to the Appointment Date, to pay Hoover up to \$66,569.00 in fees and \$2,087.39 in expenses in connection with services rendered during the First Application Period, to be paid from the \$75,000 retainer provided to Hoover by the Prior Receiver, and the Receiver is authorized, but not required, to pay Hoover up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court.

ORDERED, that the Receiver is hereby authorized to retain Cooper & Scully, P.C. ("**Cooper**") effective *nunc pro tunc* to the Appointment Date, to pay Cooper & Scully up to \$52,312.50 in fees and \$7,090.52 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Cooper up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. ("**AZA**") effective *nunc pro tunc* to the Appointment Date, to pay AZA up to \$5,370.00 in connection with services rendered during the First Application Period;

ORDERED, that the Receiver is hereby authorized to retain Barrasso Usdin Kupperman Freeman & Sarver, LLC ("**Barrasso**") effective *nunc pro tunc* to the Appointment Date, to pay Barrasso up to \$13,717.50 in fees and \$1,462.87 in expenses in connection with services

rendered during the First Application Period, and authorized, but not required to pay Barrasso up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Benesch, Friedman, Coplan & Aronoff LLP (“*Benesch*”) effective *nunc pro tunc* to the Appointment Date, to pay Benesch up to \$28,608.75 in fees and \$861.60 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Benesch up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Ganfer & Shore, LLP (“*Ganfer*”) effective *nunc pro tunc* to the Appointment Date, to pay Ganfer up to \$86,491.50 in fees and \$1,182.52 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Ganfer up to \$10,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Bryan Cave LLP (“*Bryan Cave*”) effective *nunc pro tunc* to the Appointment Date, to pay Bryan Cave up to \$23,852.50 in fees and \$1,840.55 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Bryan Cave up to \$10,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Maslon LLP (“*Maslon*”) effective *nunc pro tunc* to the Appointment Date, to pay Maslon up to \$79,065.60 in fees and \$595.71 in expenses in connection with services rendered during the First Application Period,

and authorized, but not required to pay Maslon up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Morrison Cohen, LLP (“*Morrison Cohen*”) effective *nunc pro tunc* to the Appointment Date, to pay Morrison Cohen up to \$21,379.50 in fees and \$79.31 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Morrison Cohen up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized the Receiver requests authorized to retain Paneth & O’Mahony, PLLC (“*Paneth*”) effective *nunc pro tunc* to the Appointment Date, to pay Paneth up to \$9,807 in fees in connection with services rendered during the First Application Period, and authorized, but not required to pay Paneth up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Virtus Law LLP (“*Virtus*”) effective *nunc pro tunc* to the Appointment Date, to pay Virtus up to \$10,474.63 in fees and \$820.28 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Virtus up to \$15,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Stikeman Elliot LLP (“*Stikeman*”) effective *nunc pro tunc* to the Appointment Date, and to pay up to \$15,000 for any reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Walkers effective *nunc pro tunc* to the Appointment Date, to pay Walkers up to \$11,374.50 in fees and \$477.49 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Walkers up to \$40,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Chediak Advogados (“*Chediak*”) effective *nunc pro tunc* to the Appointment Date, to pay Chediak up to \$13,727.50 in fees and \$1,431.75 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Chediak up to \$50,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Allen & Overy LLP (“*A&O*”) effective *nunc pro tunc* to the Appointment Date, and to pay A&O up to \$6,577.00 in fees and expenses in connection with services rendered during the First Application Period, and through and including August 31, 2017, and authorized, but not required to pay Allen & Overy (along with Demarest Advogados) up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Demarest Advogados (“*Demarest*”) effective *nunc pro tunc* to the Appointment Date, and to pay Demarest up to \$27,056.08 in fees and expenses in connection with services rendered during the First Application Period, and through and including August 31, 2017, and authorized, but not required to pay Demarest Advogados (along with Allen & Overy) up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain Kessler Collins, P.C. (“*Kessler*”) effective *nunc pro tunc* to the Appointment Date, to pay Kessler up to \$12,677.50 in fees and \$1,592.46 in expenses in connection with services rendered during the First Application Period, and authorized, but not required to pay Kessler up to \$30,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

ORDERED, that the Receiver is hereby authorized to retain O’Connell Law, PLLC (“*O’Connell*”) effective *nunc pro tunc* to the Appointment Date, to pay O’Connell up to \$10,040.00 in fees in connection with services rendered during the First Application Period, and authorized, but not required to pay O’Connell up to \$20,000 for any additional reasonable fees and expenses incurred after May 31, 2017, without further order of this Court;

Dated: Brooklyn, New York
November ____, 2017

SO ORDERED:

THE HON. BRIAN M. COGAN
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK