

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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| 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, | : |
| | : |
| Defendants. | : |
| -----X | |

**RECEIVER’S NOTICE REGARDING FIRST APPLICATION OF COOLEY LLP
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES INCURRED FROM DECEMBER 19, 2016 THROUGH MARCH 31, 2017**

Melanie L. Cyganowski, the duly appointed Receiver in this action, through her undersigned counsel, hereby provides notice that she is recommending that the *First Application Of Cooley LLP For Allowance Of Compensation And Reimbursement Of Expenses Incurred From December 19, 2016 Through March 31, 2017*, filed on May 24, 2017 [Dkt. No. 144] (the “*Cooley Fee Application*”) be placed back on the Court’s calendar for consideration by the Court.

Cooley LLP (“*Cooley*”), counsel to Bart M. Schwartz, Esq., as the prior receiver (the “*Prior Receiver*”), requested interim approval of \$982,896.21 in fees and reimbursement of \$7,495.57 in expenses for the period from December 19, 2016 through March 31, 2017. Following its review of the Cooley Fee Application, the Securities and Exchange Commission (the “*SEC*”) filed a letter with the Court on June 8, 2017 [Dkt. No. 164] stating that, subject to the Court’s ultimate discretion, the SEC did not object to the Court allowing the \$982,896.21 in fees and \$7,495.57 in expenses

requested in the Cooley Fee Application subject to a holdback of 45% of the requested fees. The SEC further noted that Cooley had written off time that the SEC asked to be written off and that Cooley had agreed to the SEC's request to apply a 45% holdback of the fees requested. [Dkt. No. 162]. The defendants in this matter took no position with respect to the Cooley Fee Application. *See* Dkt. Nos. 154-158.

Subsequent to the submission of the Cooley Fee Application, the Prior Receiver resigned and Cooley's role in this case terminated. In her first Status Report to the Court, dated August 10, 2017 [Dkt. No. 237] (the "***Status Report***"), the Receiver recommended that the Court defer consideration of the Cooley Fee Application without date.

Following discussions with the SEC and with Cooley, the Receiver believes that it is appropriate that the Cooley Fee Application be placed back on the Court's calendar for consideration. The Receiver does not object to the agreement between the SEC and Cooley that a 45% holdback be applied to Cooley's allowed fees, with the understanding that such holdbacks shall remain in place until the end of the case, but takes no further position with respect to the Cooley Fee Application.

The Receiver also recommended in her Status Report that consideration of the First Interim Fee Application of the Prior Receiver and his firm, Guidepost Solutions, LLC [Dkt. No. 143] (the "***Guidepost Fee Application***") be deferred without date. At this time, the Receiver continues to recommend that the Guidepost Fee Application remain adjourned without date.

WHEREFORE, the Receiver respectfully requests that the Cooley Fee Application be placed back on the Court's calendar for consideration and that Cooley be permitted to submit in a manner so provided by the Court a proposed order with respect to the Cooley Fee Application.

Dated: November 20, 2017

OTTERBOURG P.C.

By: /s/ Adam C. Silverstein
Adam C. Silverstein

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