

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

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SECURITIES AND EXCHANGE	:
COMMISSION,	:
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Plaintiff,	:
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-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)

**NOTICE OF MOTION TO APPROVE PROCEDURES FOR THE
RETENTION AND PAYMENT OF ADDITIONAL LIMITED SCOPE PROFESSIONALS**

PLEASE TAKE NOTICE that, upon the accompanying declaration and memorandum in support of motion by Melanie L. Cyganowski, as Receiver duly appointed by the Court (the “*Receiver*”) for Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP, 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, and Platinum Partners Liquid Opportunity Fund (USA) L.P. (collectively, the “*Receivership Entities*”), the Receiver moves before the Honorable Brian M. Cogan, United States District Judge for the United States District Court for the Eastern District of New York, located at the United States District Court for the Eastern District of New York, 225 Cadman Plaza East, Brooklyn, New York 11201, for an Order Approving Proposed

Procedures for the Retention and Payment of Additional Limited Scope Professionals (the “*Motion*”).

PLEASE TAKE FURTHER NOTICE that any opposition to the Motion must be (i) made in writing; (ii) if by a party, electronically filed with the District Court; (iii) if by a non-party, electronically mailed to the Receiver, at her e-mail address, platinumreceiver@otterbourg.com, so as to be actually received no later than December 28, 2017.

PLEASE TAKE FURTHER NOTICE that, in the absence of any timely filed or served written opposition, the Court may grant the relief requested in the Motion, without further hearing or notice.

Dated: December 14, 2017

OTTERBOURG P.C.

By: /s/Adam C. Silverstein
Adam C. Silverstein
A Member of the Firm
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104
asilverstein@otterbourg.com

Attorneys for Melanie L. Cyganowski, as Receiver

5012809.1

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X	
SECURITIES AND EXCHANGE	:
COMMISSION,	:
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Plaintiff,	:
	:
-v-	:
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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)

**DECLARATION OF MELANIE L. CYGANOWSKI,
AS RECEIVER, IN SUPPORT OF MOTION FOR ENTRY
OF AN ORDER APPROVING PROPOSED PROCEDURES FOR THE
RETENTION AND PAYMENT OF ADDITIONAL LIMITED SCOPE 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, 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, and Platinum Partners Liquid Opportunity Fund (USA) L.P. (the “Receivership Entities”). I submit this declaration in support of my Motion for Entry of an Order Approving Proposed Procedures for the Retention and Payment of Additional Limited Scope Professionals (the “*Motion*”).

PRELIMINARY STATEMENT

2. By this Motion, I respectfully request authority to engage the services of, and to pay, certain additional limited scope professionals on behalf of the Receivership Entities, without the necessity of further applications to this Court, within the bounds of a protocol set forth in further detail herein, and in her business judgment.

3. The proposed procedures are necessary to allow me to move expeditiously to address exigent circumstances that may arise as I continue my efforts to wind down the diverse and geographically widespread Platinum portfolio. With the assistance of these procedures, and the professionals to be retained thereunder, I will be better able to safeguard the interests of the Receivership Entities, which face various legal and often unexpected business challenges around the world, so that the value of these assets may be preserved and maximized for the investors.

4. For the reasons set forth herein, as well as in the contemporaneously filed Memorandum in Support of Motion for Entry of an Order Approving Proposed Procedures for the Retention and Payment of Additional Limited Scope Professionals, the Motion should be granted.

**THE PROPOSED PROCEDURES AND
RETENTIONS WILL BENEFIT THE RECEIVERSHIP ESTATE**

5. I have determined, that in addition to the professionals whose retention and payment was sought by both the prior Receiver's Letter Application for an Order Authorizing the Retention and Payment of Limited Scope Legal Professionals, Dkt. No. 183, and my Declaration regarding the same, filed on November 15, 2017, Dkt. No. 281, the assistance of certain additional limited scope professionals (the "*Additional Limited Scope Professionals*") is necessary to provide limited services to the Receivership Entities to preserve and maximize the value of various Receivership assets.

6. Specifically, as of the date hereof, I have identified the need to engage: (i) the Lavan law firm located in Perth, Australia, in connection with Platinum Partners Credit Opportunities Master Fund LP's interests in Cleveland Mining Company Limited, an Australian publicly traded company; (ii) Dudley Rich Davis LLP, for the reasons set forth in my declaration at Dkt. No. 281, Par. 13, namely, to serve as local counsel in connection with two matters currently pending in the United States District Court of the Virgin Islands; and (iii) Schwartz Flansburg of Las Vegas, Nevada, in connection with a matter currently pending in the United States District Court for the District of Nevada.

7. In addition, I anticipate that in the future, additional needs may arise for further retentions of professionals due to circumstances such as challenges to the interests of the Receivership Entities and/or in connection with asset disposition. Such circumstances may require me to act to retain such professionals on a timeframe more accelerated than would be possible were I required to first move this Court, on notice to parties and parties-in-interest, as to such retentions.

8. I submit that the proposed employment of the Additional Limited Scope Professionals and the payment of monthly compensation pursuant to the procedures set forth below (the "*Procedures*") are in the best interests of the Receivership Entities and their creditors. The relief requested will save the Receivership Entities the expense and time associated with applying separately to retain each Additional Limited Scope Professionals and will avoid the incurrence of additional fees for the preparation and prosecution of fee applications in this case. In addition, it will allow me to use my business judgment to act expeditiously as events in the Receivership warrant.

9. I propose the following Procedures

- a) In the event I identify a need to retain an Additional Limited Scope Professional, I will conduct a reasonable search (in view of the exigency, nature of the services, and amount at issue) to identify a qualified Additional Limited Scope Professional to fulfill the particular objective and/or need identified by me;
- b) Thereafter, I shall request, review, negotiate and execute a written retention agreement with the selected Additional Limited Scope Professional, including, if necessary, the requirement of a reasonable retainer amount;
- c) Contemporaneously with the execution of a written retention agreement, the Additional Limited Scope Professional shall execute and provide to me, a declaration, substantially in the form annexed hereto as Exhibit A, setting forth: (i) the scope of the engagement; (ii) the fees for the engagement; and; (iii) that the professional has conducted an appropriate conflict check, including by searching for conflicts with the parties specifically named in this case, me, my primary legal counsel (Otterbourg), my financial advisor (Goldin) and such other parties and/or counsel as may be appropriate given the circumstances of the particular retention;
- d) Any retained Additional Limited Scope Professional shall provide written invoices to me on a monthly basis. Following my review of such written invoices, I shall be authorized to pay the Additional Limited Scope Professional's reasonable fees and expenses up to an aggregate of \$25,000 over the course of the Additional Limited Scope Professional's engagement by the Receiver. Should the Additional Limited Scope Professional's fees exceed an aggregate of \$25,000, such professional shall make an application to this Court for approval of any fees and/or expenses in excess of \$25,000. Alternatively, I shall be permitted to engage Additional Limited Scope Professionals on a contingency fee basis, with fees of up to 33 1/3% of the gross benefit to the receivership estate.

10. The Receivership Entities reserve their rights to (i) dispute any invoice submitted by any Additional Limited Scope Professionals; (ii) terminate the services of any Additional Limited Scope Professional; and (iii) retain such further Additional Limited Scope Professionals from time to time as the need arises.

11. A proposed form of order granting the relief requested in the Motion is attached hereto as Exhibit B.

CONCLUSION

12. For the reasons set forth herein, I respectfully request entry of an order, in substantially the form annexed hereto as Exhibit B, allowing me to engage such Additional

Limited Scope Professionals as I, in my business judgment, deem necessary to carry out my duties under the Receivership Order and to further the legal and business interests of the Receivership Entities and that I be granted such other and further relief as the Court deems appropriate.

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

Executed this 14th day of December, 2017, at New York, New York.

/s/ Melanie L. Cyganowski
Melanie L. Cyganowski

EXHIBIT A

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

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SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
Plaintiff,	:	
-v-	:	
	:	
PLATINUM MANAGEMENT (NY) LLC;	:	No. 16-cv-6848 (BMC)(VMS)
PLATINUM CREDIT MANAGEMENT, L.P.;	:	
MARK NORDLICHT;	:	
DAVID LEVY;	:	
DANIEL SMALL;	:	
URI LANDESMAN;	:	
JOSEPH MANN;	:	
JOSEPH SANFILIPPO; and	:	
JEFFREY SHULSE,	:	
Defendants.	:	
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**DECLARATION OF ___[INSERT NAME] ON
BEHALF OF ___[INSERT FIRM] IN SUPPORT OF RETENTION
BY THE RECEIVER AS A LIMITED SCOPE LEGAL PROFESSIONAL**

I, _____, 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 Limited Scope Professionals Declaration in my capacity as _____ [INSERT POSITION] of the _____ [INSERT FIRM NAME], which has been retained by the Receiver (the “*Receiver*”) of Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP, 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, and Platinum Partners Liquid Opportunity Fund (USA) L.P. (the “*Receivership Entities*”), as an Additional Limited Scope Professional, pursuant to the Order Approving Proposed Procedures for the Retention and

Payment of Additional Limited Scope Professionals, Dkt. No. ____ (the “***Additional Professionals Order***”).

2. _____ [INSERT FIRM NAME] has been retained by the Receiver to represent ____ [INSERT RECEIVERSHIP ENTITY NAME] in connection with _____ [INSERT DESCRIPTION OF SCOPE OF RETENTION] (the “***Engagement***”)

3. _____’s [INSERT FIRM NAME] will charge _____ [INSERT RECEIVERSHIP ENTITY NAME] as follows in connection with the Engagement: ____ [INSERT FEE SCHEDULE]

4. _____ [INSERT FIRM NAME] has conducted a conflict of interest search which is appropriate for the engagement, and has not identified any actual or potential conflicts of interest which would preclude the Engagement.

5. _____ [INSERT FIRM NAME] will provide the Receiver (or her designee) with monthly written invoices for our services rendered and expenses incurred, in connection with the Engagement.

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

Executed this _____ day of _____, 2017, at _____.

EXHIBIT B – PROPOSED ORDER

UNITED STATES DISTRICT COURT
 EASTERN DISTRICT OF NEW YORK

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 SECURITIES AND EXCHANGE COMMISSION, :
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 Plaintiff, :
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 -v- :
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 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)

**[PROPOSED] ORDER
 AUTHORIZING APPROVING
 PROPOSED PROCEDURES FOR
 THE RETENTION AND
 PAYMENT OF ADDITIONAL
 LIMITED SCOPE
 PROFESSIONALS**

Upon the motion of Melanie L. Cyganowski, the duly appointed Receiver (the “*Receiver*”) of Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP, 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, and Platinum Partners Liquid Opportunity Fund (USA) L.P. (the “*Receivership Entities*”), for Entry of an Order Approving Proposed Procedures for the Retention and Payment of Additional Limited Scope Professionals (the “*Motion*”), and based on the Memorandum in Support of Motion (the “*Memorandum*”), the relief requested in the Motion is warranted.

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

ORDERED, that the Receiver is hereby authorized to retain and pay: (i) the Lavan law firm located in Perth, Australia; (ii) Dudley Rich Davis LLP of the U.S. Virgin Islands; and (iii) Schwartz Flansburg of Las Vegas, Nevada;

ORDERED, that in the event the Receiver identifies a need to retain one or more certain additional limited scope professionals (the “*Additional Limited Scope Professionals*”), the Receiver will utilize the following procedures:

1. The Receiver shall conduct a reasonable search (in view of the exigency, nature of the services, and amount at issue) to identify a qualified Additional Limited Scope Professional to fulfill the particular objective and/or need identified by the Receiver;
2. Thereafter, the Receiver shall request, review, negotiate and execute a written retention agreement with the selected Additional Limited Scope Professional, including, if necessary, the requirement of a reasonable retainer amount;
3. Contemporaneously with the execution of a written retention agreement, the Additional Limited Scope Professional shall execute and provide to the Receiver, a declaration, substantially in the form annexed hereto as Exhibit A, setting forth: (i) the scope of the engagement; (ii) the fees for the engagement; and; (iii) that the professional has conducted an appropriate conflict check, including by searching for conflicts with the parties specifically named in this case, the Receiver, the Receiver’s primary legal counsel (Otterbourg P.C.), the Receiver’s financial advisor (Goldin Associates LLC) and such other parties and/or counsel as may be appropriate given the circumstances of the particular retention;
4. Any retained Additional Limited Scope Professional shall provide written invoices to the Receiver on a monthly basis. Following the Receiver’s review of such written

invoices, the Receiver shall be authorized to pay the Additional Limited Scope Professional's reasonable fees and expenses up to an aggregate of \$25,000 over the course of the Additional Limited Scope Professional's engagement by the Receiver. Should the Additional Limited Scope Professional's fees exceed an aggregate of \$25,000, such professional shall make an application to this Court for approval of any fees and/or expenses in excess of \$25,000. Alternatively, the Receiver shall be permitted to engage Additional Limited Scope Professionals on a contingency fee basis, with fees of up to 33 1/3% of the gross benefit to the receivership estate.

5. **ORDERED** that the Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: Brooklyn, New York
December ____, 2017

SO ORDERED:

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

5015469.1

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

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SECURITIES AND EXCHANGE	:
COMMISSION,	:
	:
Plaintiff,	:
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-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)

**MEMORANDUM IN SUPPORT OF MOTION OF
MELANIE L. CYGANOWSKI, AS RECEIVER, FOR ENTRY
OF AN ORDER APPROVING PROPOSED PROCEDURES FOR THE
RETENTION AND PAYMENT OF ADDITIONAL LIMITED SCOPE PROFESSIONALS**

Melanie L. Cyganowski, the duly appointed Receiver (the “*Receiver*”) of Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP, 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, and Platinum Partners Liquid Opportunity Fund (USA) L.P. (the “*Receivership Entities*”), through her counsel, Otterbourg P.C., respectfully submits this memorandum in support of her Motion for Entry of an Order Approving Proposed Procedures for the Retention and Payment of Additional Limited Scope Professionals (the “*Motion*”). In support of the Motion, the Receiver states as follows:

PRELIMINARY STATEMENT

By this Motion, the Receiver respectfully requests authority to engage the services of, and to pay, certain additional limited scope professionals on behalf of the Receivership Entities, without the necessity of further applications to this Court, within the bounds of a protocol set forth in further detail herein, and in her business judgment.

The proposed procedures are necessary to allow the Receiver to move expeditiously to address exigent circumstances that may arise as the Receiver continues her efforts to wind down the diverse and geographically widespread Platinum portfolio. With the assistance of these procedures, and the professionals to be retained thereunder, the Receiver will be better able to safeguard the interests of the Receivership Entities, which face various legal and often unexpected business challenges around the world, so that the value of these assets may be preserved and maximized for the investors. Cyganowski Dec. ¶3.

For the reasons set forth herein, as well as in the Declaration of Melanie L. Cyganowski, as Receiver, in Support of Motion for Entry of an Order Approving Proposed Procedures for the Retention and Payment of Additional Limited Scope Professionals (the “*Cyganowski Dec.*”), the Motion should be granted.

PROCEDURAL HISTORY

A. Case Filing and Appointment of Receivers

On December 19, 2016, in the above-captioned matter (the “*Receivership Case*”), the United States District Court for the Eastern District of New York (the “*Court*”) entered the Order Appointing Receiver, which was amended on January 30, 2017. [Docket Nos. 6 and 59]. On July 6, 2017, the Court accepted the resignation of the original receiver, Bart M. Schwartz, Esq., (the “*Prior Receiver*”) and appointed Melanie L. Cyganowski as Receiver effective immediately (*i.e.*, July 6, 2017). [Docket No. 216].

On October 16, 2017, this Court entered the Second Amended Order Appointing Receiver, Dkt. No. 276 (the “*Receivership Order*”). Among other powers, the Receivership Order granted the Receiver:

- a. “all the powers, authorities, rights and privileges heretofore possessed by the officers, directors, managers, managing members, and general and limited partners of the Receivership Entities under applicable state and federal law, by the governing charters, by-laws, articles and/or agreements in addition to all powers and authority of a receiver at equity, and all powers conferred upon a receiver by the provisions of 28 U.S.C. 754, 959 and 1692, and Fed.R.Civ.P. 66.” Receivership Order Section I(3).
- b. “To take custody, control and possession of all Receivership Property and records relevant thereto from the Receivership Entities; to sue for and collect, recover, receive and take into possession from third parties all Receivership Property and records relevant thereto.” Receivership Order Section I(6)(B).
- c. “To engage and employ persons in the Receiver’s discretion to assist the Receiver in carrying out the Receiver’s duties and responsibilities hereunder, including, but not limited to, accountants, attorneys, securities traders, registered representatives, financial or business advisers, liquidating agents, real estate agents, forensic experts, brokers, traders or auctioneers, subject to Court approval.” Receivership Order Section I(6)(F).

B. Prior Retention of Limited Scope Professionals

On June 28, 2017, following his resignation, but prior to the Receiver’s appointment, the Prior Receiver filed a Letter Application for an Order Authorizing the Retention and Payment of Limited Scope Legal Professionals, Dkt. No. 183, (the “*Original Limited Scope Professionals Application*”). The Original Limited Scope Professionals Application sought an Order authorizing the retention and payment of 19 law firms to assist the Receivership Entities with legal matters throughout the United States and abroad. These matters include litigation, bankruptcy and transactional advice.

Following her appointment, the Receiver and her team undertook to review the Original Limited Scope Professionals Application, communicated with certain of the Proposed Professionals, and determined which portions of the Application to adopt and which portions to

modify. The Receiver's positions in that regard were set forth in the Limited Scope Professionals Declaration, filed on November 15, 2017, Dkt. No. 281 (the "*Limited Scope Professionals Declaration*"). The Original Limited Scope Professionals Application is *sub judice*.

C. The Necessity for Additional Limited Scope Professionals

During her tenure as Receiver, the Receiver has determined that the assistance of certain additional limited scope professionals (the "*Additional Limited Scope Professionals*") is necessary to provide limited services to the Receivership Entities to preserve and maximize the value of various Receivership assets. Specifically, as of the date hereof, the Receiver has identified the need to engage: (i) the Lavan law firm located in Perth, Australia, in connection with Platinum Partners Credit Opportunities Master Fund LP's interests in Cleveland Mining Company Limited, an Australian publicly traded company; (ii) Dudley Rich Davis LLP, for the reasons set forth in the Limited Scope Professionals Declaration, at Par. 13, namely, to serve as local counsel in connection with two matters currently pending in the United States District Court of the Virgin Islands; and (iii) Schwartz Flansburg of Las Vegas, Nevada, in connection with a matter currently pending in the United States District Court for the District of Nevada. Cyganowski Dec. ¶¶5, 6.

In addition, the Receiver anticipates that in the future, additional needs may arise for further retentions of professionals due to circumstances such as challenges to the interests of the Receivership Entities and/or in connection with asset disposition. Such circumstances may require the Receiver to act to retain such professionals on a timeframe more accelerated than would be possible were the Receiver required to first move this Court, on notice to parties and parties-in-interest, as to such retentions. Cyganowski Dec. ¶7.

ARGUMENT

Pursuant to Sections I(3) and (6)(b),(F) of the Receivership Order, the Receiver seeks authority to

- a. Establish certain procedures to retain and compensate additional limited scope professionals that the Receiver deems in her business judgment appropriate to employ (collectively, the “***Additional Limited Scope Professionals***”), effective *nunc pro tunc* to the date of the execution of their retention agreements with the Receiver on behalf of the Receivership Entities, without (i) the submission of separate employment applications or (ii) the issuance of separate retention orders for each individual Additional Limited Scope Professionals; and
- b. Compensate and reimburse such any individual Additional Limited Scope Professionals without individual fee applications, except as provided herein.

The Receiver submits that the proposed employment of the Additional Limited Scope Professionals and the payment of monthly compensation pursuant to the procedures set forth below (the “***Procedures***”) are in the best interests of the Receivership Entities and their creditors. The relief requested will save the Receivership Entities the expense and time associated with applying separately to retain each Additional Limited Scope Professionals and will avoid the incurrence of additional fees for the preparation and prosecution of fee applications in this case. In addition, it will allow the Receiver to use her business judgment to act expeditiously as events in the Receivership warrant. Cyganowski Dec. ¶8.

The Receiver proposes the following Procedures

- a. In the event the Receiver identifies a need to retain an Additional Limited Scope Professional, the Receiver will conduct a reasonable search (in view of the exigency, nature of the services, and amount at issue) to identify a qualified Additional Limited Scope Professional to fulfill the particular objective and/or need identified by the Receiver;
- b. Thereafter, the Receiver shall request, review, negotiate and execute a written retention agreement with the selected Additional Limited Scope Professional, including, if necessary, the requirement of a reasonable retainer amount;
- c. Contemporaneously with the execution of a written retention agreement, the Additional Limited Scope Professional shall execute and provide to the Receiver, a

- declaration, substantially in the form annexed as Exhibit A to the Cyganowski Dec., setting forth: (i) the scope of the engagement; (ii) the fees for the engagement; and; (iii) that the professional has conducted an appropriate conflict check, including by searching for conflicts with the parties specifically named in this case, the Receiver, the Receiver's primary legal counsel (Otterbourg), the Receiver's financial advisor (Goldin) and such other parties and/or counsel as may be appropriate given the circumstances of the particular retention;
- d. Any retained Additional Limited Scope Professional shall provide written invoices to the Receiver on a monthly basis. Following the Receiver's review of such written invoices, the Receiver shall be authorized to pay the Additional Limited Scope Professional's reasonable fees and expenses up to an aggregate of \$25,000 over the course of the Additional Limited Scope Professional's engagement by the Receiver. Should the Additional Limited Scope Professional's fees exceed an aggregate of \$25,000, such professional shall make an application to this Court for approval of any fees and/or expenses in excess of \$25,000. Alternatively, the Receiver shall be permitted to engage Additional Limited Scope Professionals on a contingency fee basis, with fees of up to 33 1/3% of the gross benefit to the receivership estate.

Cyganowski Dec. ¶9.

The Receivership Entities reserve their rights to (i) dispute any invoice submitted by any Additional Limited Scope Professionals; (ii) terminate the services of any Additional Limited Scope Professional; and (iii) retain such further Additional Limited Scope Professionals from time to time as the need arises.

A proposed form of order granting the relief requested in the Motion is attached as Exhibit B to the Cyganowski Decl. (the "***Proposed Order***").

CONCLUSION

For the reasons set forth herein, the Receiver respectfully requests entry of an order, in substantially the form annexed as Exhibit B to the Cyganowski Dec., allowing the Receiver to engage such Additional Limited Scope Professionals as she, in her business judgment, deems necessary to carry out her duties under the Receivership Order and to further the legal and business interests of the Receivership Entities and that she be granted such other and further relief as the Court deems appropriate.

Dated: New York, New York
December 14, 2017

OTTERBOURG P.C.

By: /s/ Adam C. Silverstein
Adam C. Silverstein
A Member of the Firm
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104
asilverstein@otterbourg.com

Attorneys for Melanie L. Cyganowski, as Receiver