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VIA ECF AND FEDERAL EXPRESS

Honorable Brian M. Cogan
United States District Judge
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

Re: *SEC v. Platinum Mgmt. (NY) LLC, et al., No. 1:16-cv-06848-BMC*

Dear Judge Cogan:

I write in my capacity as court-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 Opportunities Fund (BL) LLC, Platinum Liquid Opportunity Management (NY) LLC, Platinum Partners Liquid Opportunity Fund (USA) L.P., Platinum Partners Liquid Opportunity Master Fund L.P., Platinum Partners Credit Opportunities Fund International Ltd and Platinum Partners Credit Opportunities Fund International (A) Ltd (collectively, "***Platinum***" or, after the commencement of the above-referenced action, the "***Receivership***"), in order to apprise the Court, the parties, and Platinum's investors and creditors of certain potentially significant administrative expenses for which the Receivership may be liable in connection with a pending arbitration.

As I reported in the Receiver's Fourth Status Report to the Court [Dkt. No. 354], the Receiver "timely commenced a confidential arbitration action against a third party professional that had provided services to Platinum" during this year's second quarter (the "***Arbitration***"). *Id.*, at p. 7. The Arbitration is a non-administered arbitration in the International Institute for Conflict Prevention and Resolution ("***CPR***"). Both the 2007 and 2018 versions of the CPR Non-Administered Arbitration Rules (the "***Rules***") (the applicable version having yet to be determined) provide: "Unless the parties agree otherwise, the parties, the arbitrators and CPR shall treat the proceedings, any related discovery and the decisions of the Tribunal, as confidential, except in connection with judicial proceedings ancillary to the arbitration, such as a judicial challenge to, or enforcement of, an award, and unless otherwise required by law or to protect a legal right of a party. To the extent possible, any specific issues of confidentiality should be raised with and resolved by the Tribunal." I intend to raise with the Tribunal at the earliest opportunity the extent to which CPR's confidentiality restrictions apply to me as

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Receiver. In the meanwhile, and in an excess of caution, I have determined to keep the parties and nature of the arbitration confidential.

The Arbitration will be held before a Tribunal consisting of two party-arbitrators and a neutral. Under both versions of the Rules, "[t]he Tribunal shall fix the costs of arbitration [including the fees of the arbitrators] in its award." In the interim, under the 2018 version of the Rule, "[s]ubject to any agreement between the parties to the contrary, the parties shall be jointly and severally liable for such fees and expenses." Under both versions of the Rules, "[t]he Tribunal may request each party to deposit an appropriate amount as an advance for the costs referred to in Rule 17.2, except those specified in subparagraph (d), and, during the course of the proceeding, it may request supplementary deposits from the parties. Any such funds shall be held and disbursed in such a manner as the Tribunal may deem appropriate."

The Tribunal has scheduled the initial pre-hearing conference for August 8. I, therefore, am not yet in a position to report the amount of any deposits that the Receivership may be required to make in order to fund Arbitration costs. I will disclose the timing and amount of any deposits the Receivership is required to make on a quarterly basis in my quarterly status reports, and expect to disclose additional information concerning the nature and status of the Arbitration following discussion with the Tribunal.

I thank the Court for its continued attention to this matter.

Respectfully submitted,

/s/ Melanie L. Cyganowski

Melanie L. Cyganowski

cc: Counsel of Record (via ECF)