UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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 (BMC)

THE RECEIVER'S SEVENTEENTH STATUS REPORT TO THE COURT

Melanie L. Cyganowski, the duly appointed Receiver (the "Receiver") of Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP,[1] 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, the "Receivership Entities," the "Platinum Entities" or "Platinum"), by her undersigned counsel, hereby submits this Seventeenth Status Report, covering the period from July 1, 2021 through and including September 30, 2021 (the "Reporting Period").

[1] Platinum Partners Credit Opportunities Master Fund LP and its feeder funds are collectively referred to herein as "PPCO" or "PPCO Funds" and Platinum Partners Liquid Opportunity Master Fund L.P., and its feeder funds are collectively referred to as "PPLO" or "PPLO Funds".

This quarterly status report is being filed in accordance with the requirements of the Second Amended Order Appointing Receiver (the "Receiver Order"), entered on October 16, 2017 by the District Court for the Eastern District of New York (the "Court"). [Dkt. No. 276].

I. PRELIMINARY STATEMENT

During the Reporting Period, the Receiver and her team[2] (i) continued to address objections to the Receiver's determinations regarding claims filed in the receivership case (the "Receivership"); (ii) worked with investors to reconcile any differences regarding the Receivership's record of investors' holdings; (iii) monitored and exercised rights as a creditor in the personal bankruptcy case of Mark Nordlicht ("Nordlicht"), including the pursuit of the objection to discharge action filed by the Receiver against Nordlicht; (iv) drafted documents and addressed open issues in connection with the settlement of the litigation commenced by the Receiver to enforce her interests with respect to the Receivership's interests in Decision Diagnostics; (v) continued to analyze inter-estate issues between the Receivership Entities and the joint liquidators for Platinum Partners Value Arbitrage Fund L.P. (together with its feeder funds, "PPVA" or "PPVA Funds") regarding common assets and the resolution of inter-estate claims; and (vi) prepared for the conclusion of the Receivership by, among other things, preparing and filing a motion seeking the disposal of certain obsolete electronic and hardcopy documents.

As previously reported, certain of the settlements that the Receiver reached during the course of the Receivership are confidential. To preserve the confidentiality of these settlements, the Receiver advised that she would not disclose and will not be disclosing details of *any* settlements, including the identity of the settling parties, the amounts agreed to be paid by such

[2] To assist her with her duties, the Receiver retained, with the approval of the Court (on July 21, 2017), Otterbourg P.C. ("Otterbourg") as her legal counsel [Dkt. No. 231] and Teneo Company as her financial advisor [Dkt. No. 232] ("Teneo" (f/k/a Goldin) and, together with Otterbourg, the "Receivership Team").

parties, whether such amounts are to be paid in structured payouts and over what period of time, and/or the source of any litigation-related funds received in any reporting period, unless such details are matters of public record by virtue of a motion for Court approval of such settlement or otherwise.

II. SUMMARY OF OPERATIONS OF THE RECEIVERSHIP

A. Appointment of Receiver and Duties

On December 19, 2016, the District Court entered an Order Appointing Receiver [Dkt. Nos. 6 and 16], which appointed Bart Schwartz as receiver (the "Prior Receiver"). At the time of his appointment, the Prior Receiver was serving as a monitor for the Platinum Entities.

On June 23, 2017, after six months, the Prior Receiver resigned and, upon the recommendation of the Securities and Exchange Commission ("SEC"), by Order dated July 6, 2017, Melanie L. Cyganowski was appointed as Receiver, effective immediately (*i.e.*, July 6, 2017), and ordered to assume all authority held by the Prior Receiver. [Dkt. No. 216].

Under the terms of the Receiver Order, the Receiver is, among other things, required to preserve the *status quo*, ascertain the extent of commingling of funds, ascertain the true financial condition of the Platinum Entities, prevent further dissipation of property and assets of those entities, prevent the encumbrance or disposal of property or assets of the Platinum Entities, preserve the books, records, and documents of the Platinum Entities, be available to respond to investors' inquiries, protect investors' assets, conduct an orderly wind down, including a responsible disposition of assets and an orderly and fair distribution of those assets, and determine whether one or more of the Receivership Entities should undertake bankruptcy filings.

B. Analysis and Disposition of Receivership Assets

There are currently four remaining assets that the Receiver continues to monitor, including assets in which the Receiver retained a residual interest and assets that are jointly held

with PPVA that have potential value. The Receiver periodically is called upon to address certain post-closing matters with respect to certain assets that were previously sold. In addition, during the Reporting Period, the Receiver sought to resolve a litigation that she previously commenced to enforce her rights with respect to the Decision Diagnostics investment, as described further below.

During the current Reporting Period, the Receivership received approximately $27,000. This amount is in addition to the approximately $87 million received by the Receivership from the date of appointment of the Receiver. Certain parties have asserted secured claims to all or part of the proceeds of such liquidated investments, most of which have been resolved pursuant to the settlement in the Beechwood litigation or with Heartland Bank.

C. Investigation of Pre-Receivership Activities and Litigation

The Receiver previously settled substantially all claims in the Beechwood litigation. During the Reporting Period, the Receivership Team monitored, as necessary, the litigation that PPVA is pursuing against many of the same defendants. The litigation by PPCO, however, has ended.

D. Administrative Matters

During the Reporting Period, the Receiver and the Receivership Team continued to speak with various interested parties and groups, including the joint liquidators for PPVA,[3] the SEC and Platinum investors and creditors. The Receiver updates the Receiver's website with key documents, answers to frequently asked questions and status reports to investors. The Receivership Team also filed and responded to other applications made before the Court and in other court proceedings involving Platinum, including with respect to the Nordlicht Bankruptcy

[3] PPVA is the subject of insolvency proceedings pending in the Cayman Islands and a Chapter 15 bankruptcy proceeding in the U.S. Bankruptcy Court for the Southern District of New York.

Case (defined below) both in the Court and in the Bankruptcy Court in which the Nordlicht Bankruptcy is pending.

1. PPVA. Since the Receiver's appointment, she and the Receivership Team have kept in frequent communication with the Joint Liquidators for the PPVA Master Fund and the PPVA Feeder Fund and/or their staff to discuss issues of mutual interest. PPVA and PPCO have each analyzed and discussed potential claims against the estate of the other stemming from pre-Receivership transactions. Upon the Receiver's appointment, the Receiver and the Joint Liquidators agreed to hold the resolution of any such purported claims in abeyance during the cases. The Receiver has been engaged in a series of discussions with the Joint Liquidators of PPVA regarding a resolution of such purported claims and any remaining mutual interests, including their joint interest in Agera Energy LLC and Agera Holdings, LLC (collectively, "Agera").[4] A resolution between the two estates is understandably complex, and the parties are continuing to discuss the details of the settlement. In the interim, the Receiver is continuing to monitor the status and progress of the Agera Litigation and the China Horizon/Yellow River asset discussed below, both of which are held jointly with PPVA through PGS.

2. Nordlicht Bankruptcy Case. Nordlicht filed a Chapter 7 bankruptcy petition on June 29, 2020 in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). The case was assigned to Judge Robert D. Drain and assigned Case No. 20-22782-rdd (the "Nordlicht Bankruptcy Case"). The Receiver has been monitoring and

[4] Agera is a retail energy service company. In June 2016, prior to the receivership, Principal Growth Strategy, LLC ("PGS"), which is owned 55% by PPVA and 45% by PPCO, sold a portion of its interests in Agera to certain entities affiliated and/or associated with Beechwood Re Investments LLC. Pursuant to their respective interests in PGS, both PPVA and PPCO agreed that PGS would pursue certain claims and causes of action relating to its ownership of a certain promissory note convertible into 95% of the common equity of Agera's subsidiary, energy reseller Agera Energy. In connection with such agreement, a complaint was filed in the Court of Chancery of the State of Delaware on June 7, 2019 against numerous defendants, including AGH Parent LLC, SHIP and CNO (the "Agera Litigation").

exercising rights as a creditor in the Nordlicht Bankruptcy Case. The Receiver previously filed a proof of claim on behalf of PPCO in the Nordlicht Bankruptcy Case, asserting a claim in the amount of not less than $219 million. The claim is subject to review and objection by the Chapter 7 Trustee. It is uncertain, even if allowed in whole or in part, what recovery, if any, may be available from the Nordlicht Bankruptcy Case, which currently has extensive claims filed against it and has limited disclosed assets with which to satisfy those claims. Nordlicht previously filed a proof of claim against the Receivership Estate. That claim is now the property of Nordlicht's bankruptcy estate and is under the control of the Chapter 7 Trustee to pursue. The Receiver continues to periodically engage in discussions with the Chapter 7 Trustee with respect to, among other things, resolution of the claims held by each against the other's estate.

Additionally, to protect and preserve estate assets and causes of action that can be asserted by creditors against Nordlicht, the Receiver filed a complaint objecting to the discharge of Nordlicht (the "Discharge Complaint"). The Discharge Complaint, alleges, among other things, that Nordlicht knowingly and fraudulently made a false oath in the Nordlicht Bankruptcy Case by failing to list significant assets and financial transactions in his bankruptcy schedules, and concealed his property with the intent to hinder, delay, or defraud his creditors.

During the first quarter of 2021, Nordlicht filed a Motion to Dismiss the Discharge Complaint, which the Receiver opposed. A hearing was held on June 14, 2021 and a decision was read into the record. The Bankruptcy Court granted in part and denied in part the Motion to Dismiss, finding the Receiver had general statutory standing to prosecute the Discharge Complaint and had satisfactorily stated claims for which relief could be granted, but staying the action until the Court in the Receivership Case permitted or approved the prosecution of the Discharge Complaint or finds that no such permission or approval is necessary to prosecute the

Discharge Complaint. Following the Bankruptcy Court's oral ruling, the Receivership Team prepared a proposed formal order and exchanged drafts with Nordlicht's counsel, ultimately presenting competing proposed orders to the Bankruptcy Court. The Bankruptcy Court entered a formal order on July 6, 2021, which was based on the proposed order submitted by the Receiver.

Pursuant to the Bankruptcy Court's oral ruling, the Receiver filed a motion with the Court on June 22, 2021 [Dkt. No. 569] seeking a determination regarding the Receiver's authority pursuant to the Receiver Order to file and prosecute the Discharge Complaint absent leave of the Court. Subsequent motion practice ensued and in an Order dated July 24, 2021 [Dkt. No. 587], the Court concluded that the Receiver Order authorized the Receiver to file and pursue the Discharge Complaint without seeking leave of Court.

Following the Court's decision, during the Reporting Period, the Receiver prepared and filed a Motion for Leave to Amend the Discharge Complaint (the "Motion to Amend") and drafted a proposed Amended Complaint. The Motion to Amend was filed with the Bankruptcy Court on August 24, 2021 and Nordlicht filed his Objection to the Motion to Amend on September 30, 2021. The Receiver is in the process of preparing a response to the Objection, which will be filed on October 20, 2021. A hearing on the Motion to Amend will be held by the Bankruptcy Court on October 27, 2021 at 10:00 am (ET).

If the Receiver is successful in the Discharge Complaint, the Receiver, and other creditors of Nordlicht, will be able to continue to assert claims against Nordlicht, and his assets, post-bankruptcy and will not be limited to a recovery from the assets of his bankruptcy estate. Further, as to claims asserted against the Receivership Estate for which Nordlicht and a Receivership Entity have alleged co-liability, a creditor's ability to continue to recover against

Nordlicht, if successful, may reduce the claims such creditor has asserted against the Receivership.

3. **Website and Investor Communications**. The Receiver retained Epiq to create and maintain the Receiver's website (www.PlatinumReceivership.com) and provide other services to the estate, including official communications with stakeholders. This website provides investors and other interested parties with, among other things, periodic status reports, access to court documents and answers to frequently asked questions. The Receiver revises the website as necessary to update the "Frequently Asked Questions" section and to add "key documents." The website allows interested parties to sign up to receive daily notices whenever there are new filings on the Receivership docket. The Receiver and the Receivership Team have attempted to respond to investor inquiries and continue to regularly respond and react to inquiries and requests for information.

4. **Criminal Trial**. Following the criminal trial of Nordlicht, David Levy and Joseph SanFilippo, the jury returned a verdict convicting Nordlicht and Levy of defrauding bondholders in Black Elk Offshore Operations LLC, but acquitting each of them on the remaining charges. SanFilippo was acquitted on all counts with which he was charged. The Court thereafter overturned the jury verdict with respect to Levy and ordered a new trial with respect to Nordlicht. The Department of Justice has appealed those decisions, and in the interim, two additional criminal trials have been delayed. The Receivership Team continues to monitor the appellate process, and as of the date hereof, there has not been a ruling on the appeals.

5. **SEC Meetings**. The Receiver has frequent communications with SEC staff to keep them apprised of ongoing matters as to which SEC input is appropriate, to alert them to certain filings by the Receiver and to keep the SEC apprised of the status of the claims process

and wind down of the estate. The Receiver and the Receivership Team also had periodic communications with SEC personnel about pending matters before the Court and in the Nordlicht Bankruptcy Case for which SEC input was appropriate. During the Reporting Period, the Receiver and the Receivership Team had a videoconference meeting with the SEC, providing an update on the status of the Receivership Estate, ongoing matters and next steps.

6. **Receivership Estate Oversight**. The Receiver and the Receivership Team also devoted time during the Reporting Period to the general oversight of the Platinum Entities and the estate. Conferences with the Receiver and members of the Receivership Team, via conference call or videoconference, occurred on a regular basis to facilitate the exchange of relevant information, including the status of certain assets being monitored, the claims process, the plan of distribution and other administrative matters. The Receiver maintained direct oversight over all legal and financial-related work being done by her Receivership Team. Otterbourg attorneys assisted the Receiver, along with assistance from Platinum's CFO and Teneo, in analyzing budget, cash management and other administrative issues of the Receivership estate.

7. **Obsolete Document Disposal**. During the Reporting Period, to reduce overhead expenses, the Receivership Team examined its document retention platforms, for which it pays regular fees, to reduce the amount of estate expenses. Following such review, on October 6, 2021, the Receiver filed a Motion for Authority to Discontinue the Preservation of Certain Receivership Estate Electronic and Hardcopy Records [Dkt. No. 590] (the "Obsolete Document Disposal Motion"). As set forth in the Obsolete Document Disposal Motion, since her appointment, the Receiver has maintained the integrity of the Receivership Entities' books and records (in both hard copy and electronic form). At this point in the Receivership, however, the

Receiver determined in her business judgment, and in consultation with the Receivership Team, that the cost and risk of maintaining all of these books and records exceeds the benefit.

As a result, in the Obsolete Document Disposal Motion, the Receiver is seeking authority to dispose of certain obsolete and/or duplicative material. Specifically, the Receiver seeks to destroy approximately 460 boxes of pre-Receivership hardcopy documents and permanently delete and/or destroy certain electronic data and related media (collectively, the "Obsolete Materials"). The Obsolete Material is either no longer necessary for the administration of the Receivership Estate and/or is duplicative of other information that will continue to be maintained on behalf of the Receivership Estate. All other documents, data and related media, including, but not limited to, the post-Receivership materials, will continue to be maintained in accordance with the Receivership Order, unless otherwise ordered by the Court.

Disposal of the Obsolete Materials will reduce the administrative costs associated with the continued preservation and maintenance of the Obsolete Materials, which are presently in the estimated amounts of $32,000 per year and $160,000 over five years. By comparison, the one-time cost to destroy the Obsolete Materials is about $9,400, which would translate into a potential savings of $22,600 per year and $150,600 over five years. Prior to filing the Obsolete Document Disposal Motion, any parties with an interest were offered an opportunity to inspect the hardcopy materials, and only one accepted the Receiver's offer. In any event, parties will have another opportunity to access the hardcopy documents prior to their disposal.

III. CASH, EXPENSES AND UNENCUMBERED ASSETS

A schedule summarizing cash receipts and disbursements, as well as cash on hand for the Reporting Period, is set forth in the Schedule of Receipts and Disbursements attached hereto as **Exhibit A**.

As of September 30, 2021, the Receivership Entities had approximately $20.7 million in funds. Certain parties have claimed an interest in certain sold assets and have asserted claims to a portion of the sale proceeds of such assets (as opposed to a general claim against the Receivership Entities). Other parties have presented documentation which purportedly grant them security interests in all or certain of Platinum's assets. These secured claims were challenged and have been substantially resolved pursuant to settlements in the Beechwood litigation.

Cash disbursements during the Reporting Period totaled $943,385. This amount consisted primarily of (i) $783,625 in professional expenses; and (ii) $153,825 in business asset expenses (payroll and related expenses paid to Platinum employees, as well as office rent, which was reduced starting on July 1, 2021).

It is estimated that, as of September 30, 2021, accrued and unpaid administrative expenses amount to approximately $5.7 million. This amount includes the estimate of fees and expenses that have been incurred by the Receiver, Otterbourg and Teneo during the Reporting Period and that will be requested in future applications, holdbacks for prior applications of the Receiver, Otterbourg and Teneo and holdbacks to the Prior Receiver's counsel (Cooley) with respect to its interim fee application. In addition to these unpaid administrative expenses, the Receiver paid remaining in-house Platinum staff and other operating expenses during the Reporting Period.

Cash receipts during the Reporting Period totaled $27,093, consisting of interest and a return of a security deposit with respect to a prior office lease.

IV. RECEIVERSHIP PROPERTY

As of September 30, 2021, the primary assets of the estate ("Receivership Property") consisted of the following:

(i) Cash and cash equivalents of approximately $20.7 million;

(ii) Remaining stock and royalty interests, litigation financing and other miscellaneous investments; and

(iii) Potential litigation claims.

A list of Receivership Property – namely, each asset of the PPCO and PPLO entities – is attached hereto as **Exhibit B**.[5]

The review of the assets in the Receivership's asset portfolio is substantially complete. In addition to the litigation seeking the turnover of the Receivership's equity interest in Decision Diagnostics, there are a few remaining assets that the Receiver continues to actively monitor, including shared assets with PPVA that may have potential value to the Receivership Estate.

Below is an overview of certain of non-litigation assets (although the assets may be subject to litigation) in which the Receiver and the Receivership Team have focused on during the Reporting Period.

1. Decision Diagnostics – refers to Decision Diagnostics Corp. ("Decision Diagnostics"), a company that describes itself on its website as "a leading manufacturer of low cost home testing devices and test strips for use with legacy meters." Despite that description, Decision Diagnostics announced in March 2020 that it had developed a COVID-19 test, causing its publicly-traded stock to jump in price and the SEC to institute a suspension in trading. On December 17, 2020, the United States Government unsealed an indictment of Decision Diagnostics' CEO, Keith Berman, for securities and other fraud in connection with Decision Diagnostics' purported COVID-19 testing capabilities. That same day, the SEC commenced a

[5] The Receivership Property List has been updated to reflect realizations in the current quarter, as well as, corporate actions or events that resulted in a divestment or cancellation of the Funds' interest in an investment.

civil enforcement action against Decision Diagnostics and Berman related to the same conduct. Decision Diagnostics' stock price is now trading at or near its pre-COVID-19 level.

Alpha Credit Resources LLC ("Alpha Credit"), a wholly-owned subsidiary of PPCO, holds certain common and preferred shares, convertible into common shares, in Decision Diagnostics. According to certain of Decision Diagnostics' financial statements, Decision Diagnostics purported to cancel certain of Alpha Credit's shares in Decision Diagnostics. Decision Diagnostics also took active steps to prevent the Receiver from liquidating Alpha Credit's shares, by, among other things, refusing to remove a restrictive legend from Alpha Credit's shares in Decision Diagnostics and to convert Alpha Credit's preferred shares in Decision Diagnostics into common shares. The Receiver believes that Decision Diagnostics' actions in purporting to cancel, refusing to remove the restrictive legend from, and refusing to convert Alpha Credit's shares are unjustified, constitute a contempt of the Receiver Order and violate applicable law.

Consequently, after refusing the Receiver's repeated demands to restore, recognize and convert, as applicable, Alpha Credit's shares, on February 19, 2021, the Receiver initiated a proceeding in the United States District Court for the Eastern District of New York to enforce her rights with respect to the Receivership's holdings in Decision Diagnostics. *See Melanie L. Cyganowski, as Receiver and Agent v. Decision Diagnostics, Inc.,* 2:21-cv-00888-JMA-ST. Following the commencement of the litigation, the Receiver and Decision Diagnostics engaged in discussions and a settlement in principle has been reached, subject to final documentation. During the Reporting Period, the Receivership Team prepared a Settlement Agreement and certain ancillary documents. The Receivership Team has continued to negotiate the documents with Decision Diagnostics and review the underlying documents as issues have arisen.

2. **China Horizon/Yellow River** – refers to an asset that is jointly held with PPVA through a company called PGS. PGS owns equity and debt interests in China Horizon and Yellow River—two companies created to build a chain of franchised convenience stores in rural China. The promissory note from China Horizon held by PGS has a face value of approximately $9.0 million and PGS also holds approximately 6.5 million shares of common stock in Yellow River. During the course of the Receivership, the Receiver and the Joint Liquidators of PPVA periodically received inquiries regarding the sale of PGS's and PPVA's collective interests in the China Horizon notes and the Yellow River equity position. These inquiries never resulted in a firm offer. The Receiver, however, has continued to monitor the assets, particularly the equity interests in Yellow River. This asset may ultimately add material value to the Receivership Estate, although the amount that may be realized and the timing of such monetization is still in flux and indeterminate. The Receiver continues to actively monitor and engage in discussions with Yellow River and other parties, including the joint liquidators of PPVA in their capacity as representatives of both PPVA and as the current manager of PGS. The Receivership Team is continuing to explore a variety of options to monetize the asset, if possible.

V. LIQUIDATED AND UNLIQUIDATED CLAIMS HELD BY THE ESTATE/INVESTIGATION OF TRANSACTIONS

The Receiver and the Receivership Team have analyzed other pre-Receivership activities, including transfers made by PPCO and PPLO to other entities and individuals, and the professional services provided by, among others, valuation agents, fund administrators, auditors and legal advisors, to determine if any additional causes of action exist that, on a cost-benefit basis, warrant the commencement of litigation. Where mutual releases are warranted, the Receiver has sought and obtained such releases. Additionally, during the Reporting Period, the Receiver continued to engage in conversations with certain of the insiders regarding the

allowance or disallowance of their claims. Whether and the extent to which the Receiver may commence additional affirmative actions will likely be addressed as part of the proposed plan of distribution.

VI. LIABILITIES OF THE RECEIVERSHIP ESTATE

Pursuant to Paragraph 47 of the Receiver Order, below please find a description of the Receivership Estate's potential liabilities. Certain liabilities described herein, particularly those pertaining to creditor claims, are uncertain, and will remain as such until the Receivership Team concludes the claims reconciliation process.

A. Creditors. The creditor-related information presented below is based on prior management's books and records, which are as of December 19, 2016, the date Platinum entered receivership. The Receivership Team has been testing the veracity of these numbers and the underlying liability as part of its claims analysis and plan preparation processes. The validity and amount of claims may differ materially from the values reported by prior management.

- PPCO lenders: PPCO owed approximately $69.1 million in principal (not including interest) to certain lenders. As a result of the settlement in the Beechwood litigation and an expected resolution with PPVA, almost all of this debt has been, or will be, eliminated.
- PPCO unpaid redemptions: $28.2 million in unpaid redemption requests were made by 21 PPCO investors.
- PPLO unpaid redemptions: $6.5 million in unpaid redemption requests were made by 3 PPLO investors.

- PPCO and PPLO outstanding payables: PPCO and PPLO had $2.7 million of outstanding payables attributable to 23 vendors.[6]

Additional claims were filed through the claims process, including claims of former employees of Platinum. In connection with the claims process, the Receiver is seeking to disallow or reduce many of these claims. The total amount of allowed claims will not be known until the claims reconciliation process has concluded. Certain of the claimants have asserted a priority status. The Receiver expects that those Claims which have not been resolved by the date hereof will be the subject of motion practice beginning in the fourth quarter of 2021.

B. Accrued Administrative Expenses. As of September 30, 2021, accrued and unpaid administrative expenses amounted to approximately $5.7 million. These administrative expenses primarily consist of accrued and unpaid professional fees. In addition to these unpaid administrative expenses, the Receivership Estate has budgeted approximately $65,000 per month to pay the remaining in-house Platinum staff (the CFO and information technology consultant) and to cover other operating expenses, such as office rent, which has been meaningfully reduced by entering into a new lease for smaller office space that went effective on July 1, 2021. Further, the Receiver has reduced the fees to the information technology consultant from $14,584 per month to $2,500 per month as of September 1, 2021. The Receiver anticipates additional reductions in expenses if the Obsolete Document Disposal Motion is granted.

C. Disbursements to Preserve the Value of Certain Investments. No significant expenses were incurred by the Platinum Entities to maintain any of the remaining portfolio investments. No significant expenses, other than overhead expenses and the professional fees of the Receivership Team, are expected going forward.

[6] This amount reflects PPCO's books and records, but may be revised based upon the review of the filed pre-Receivership general unsecured claims.

D. Investors. The Receiver currently believes that there are 286 known investors in the Platinum Entities. Platinum's books and records reflect that unaffiliated investor claims total at least $337.1 million, including claims for unpaid redemptions by unaffiliated investors totaling at least $34.5 million, and that affiliated investor claims currently total at least $19.7 million after taking into account amounts settled in the Beechwood litigation. After conferring with the SEC, at this time, to protect the privacy of such investors, the Receiver is not filing with this Status Report a list of the names of each investor and the amount of such investor's net cash investment. Pursuant to the approved claims reconciliation process, and as described further in the next section, certain investors have been notified of the total investments in and distributions from the Platinum entities as reflected in Platinum's books and records.

VII. CLAIMS ANALYSIS AND PLAN OF DISTRIBUTION

Pursuant to the previously-approved bar date procedures motion [Dkt. No. 453], the bar date to file a proof of claim asserting a claim arising before the Receivership was March 29, 2019 and the bar date for governmental units to file a proof of claim was April 12, 2019. In excess of 300 claims were filed. Parties holding investor claims, claims for unpaid redemptions and unpaid administrative claims were not required to file proofs of claim.

A. Review of Claims

In accordance with the Order approving the procedures to reconcile claims and verify interests, entered on December 1, 2020 (the "Claims Procedures and Verification Order") [Dkt. No. 554], Platinum's CFO and the Receivership Team engaged in an extensive review of each of the filed claims, analyzed the documents provided in support of each claim, compared the claims to Platinum's books and researched legal issues when necessary. Following this review, on March 9, 2021, the Receiver filed a Notice of Receiver's Claims Analysis Report (the "Claims Report"), which set forth her determinations with respect to each of the claims. [Dkt. No. 564]

Certain claims were allowed as filed or pursuant to previously reached settlements, others disallowed in total, and others partially allowed. The Claims Report provides the basis for the disallowance or partial disallowance for each of the claims, as applicable.

Claimants had until April 23, 2021 (unless an extension was mutually agreed upon in writing) to object to the Receiver's determinations in the Claims Report. Thirteen claimants, asserting multiple claims, objected to the Receiver's determinations in the Claims Report. The Receivership Team has been in contact with each of the claimants that objected to the claim determinations. During the Reporting Period, the Receivership Team's primary focus was on reviewing the objections and seeking to reach resolutions, if possible, regarding the allowed claim amount. Certain of these discussions resulted in consensual resolutions or possibly the withdrawal of claims. Other discussions reached an impasse and, pursuant to the procedures set forth in the Claims Procedures and Verification Order, the parties agreed to mediate the issues. Two such mediations occurred during the Reporting Period, one of which resulted in a resolution that is currently in the process of being finalized. With respect to those claim objections for which no resolution has been reached, in accordance with the procedures set forth in the Claims Procedures and Verification Order, the Receiver intends to commence summary proceedings before the Court for adjudication of the disputed claims during the current calendar quarter. There are certain claims issues, such as the assertion of priority, which could significantly impact the distribution, if any, to be made to creditors and investors. Accordingly, the Receiver has determined that it is important for certain claims issues to be resolved prior to presenting a plan of distribution to the court.

B. Review of Investor Interests

The Claims Report solely relates to general unsecured claims and secured claims. In accordance with the Claims Procedures and Verification Order, investors in PPCO, including unpaid redeemers, received a letter that contains information regarding that investor's equity interest in one or more Receivership Entities (the "PPCO Investor Statement"). The PPCO Investor Statement sets forth the amounts invested in one or more Receivership Entities and the amounts previously received as distributions on account of the investor's equity interest, all as reflected in the books and records of the Receivership Entities. Investors had an opportunity to review the information provided and to refute the information provided, but solely on the basis that the books and records of the Receivership Entities are inaccurate, which must be supported by documentation from the investor. The Receivership Team is continuing to reconcile the responses received from the PPCO investors. The limited partners in Platinum Partners Liquid Opportunity Master Fund L.P., and its feeder funds, will not receive a PPCO Investor Statement, but will be sent a separate letter. The Receivership Team has been coordinating with Cayman counsel regarding the reconciliation of the claims of any PPLO investors.

C. Plan of Distribution

The amounts reflected in the Claims Report and the PPCO Investor Statement are not necessarily equal to or indicative of any recoveries a creditor or investor may receive from one or more Receivership Entities. The Receiver continues to work on a plan of distribution, the filing of which has been delayed as she and the Receivership Team continue to consider issues that are impacted by, among other things, the claims reconciliation process and priority of distribution asserted by certain creditors. The possible monetization of the Yellow River asset, including the timing and likelihood of any monetization, may also impact the Receiver's analysis of when to

file a plan of distribution and/or make any distributions pursuant to a plan of distribution. The timing of distributions may be impacted by, among other things, the resolution of certain of the larger disputed claims (for which the establishment of reserves may be required if not resolved prior to the approval of a plan of distribution) and the assets available for distribution.

Although the filing of the plan of distribution has been temporarily put on hold, during the Reporting Period, the Receivership Team continued to review issues relevant to the plan of distribution, including an analysis of the potential distribution waterfall to creditors and investors of PPCO and PPLO. Ultimately, through a motion seeking approval of a plan of distribution, the Receiver will seek the Court's approval of, among other things, (i) the distribution methodology to apply in calculating the distribution to be made on account of each claim and equity interest and (ii) the treatment of claims and equity interests under the plan of distribution.

Investors and creditors will have the opportunity to object to the plan of distribution and any of its provisions, including the distribution methodology and treatment of claims and equity interests. The Receiver cannot at this time state what distributions will ultimately be to creditors and investors.

VIII. RECOMMENDATIONS FOR CONTINUATION OR DISCONTINUATION OF RECEIVERSHIP

As during prior Reporting Periods, the Receiver believes that continuation of the receivership is in the best interests of the creditors of and investors in the Platinum Entities. For the reasons stated in the Receiver's previous Status Reports and in the Receiver's Response to Minute Order [Dkt. No. 516], the Receiver continues to believe that winding down the case, administering claims and seeking approval of a plan of distribution is in the best interest of creditors and investors.

A more detailed explanation and reasoning for why the Receiver believes that, at this time, the interests of all stakeholders would be best served by continuing to administer the Receivership outside of bankruptcy is set forth in the Receiver's Response to Minute Order. On January 22, 2020, the Court issued an Order on the docket finding that compelling the Receiver to file a bankruptcy petition at that point would not be in the best interest of all parties. The Receiver believes the Court's finding is particularly applicable at this time as the Receiver is in the midst of the claims reconciliation process and formulation of a plan of distribution.

IX. CONCLUSION

The Receiver is attending to a couple of remaining assets, such as Decision Diagnostics and a few shared assets with PPVA. The Receivership currently is primarily focused on the claims reconciliation process.

Dated: October 20, 2021

Otterbourg P.C.

By: /s/ *Adam C. Silverstein*
Adam C. Silverstein
Erik B. Weinick
Jennifer S. Feeney
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104
asilverstein@otterbourg.com
platinumreceiver@otterbourg.com
On Behalf of Melanie L. Cyganowski, as Receiver

EXHIBIT A

	Period from 7/1/2021 to 9/30/2021			Cumulative Total from 7/7/2017 to 9/30/2021		
	PPCO	PPLO	Total	PPCO	PPLO	Total
Cash (Beginning of Period)	$ 18,180,023	$ 3,508,514	$ 21,688,536	$ 7,788,872	$ 1,617,492	$ 9,406,363
Receipts						-
Business Income	-	-	-	-	-	-
Cash and Securities	24,596	-	24,596	24,596	-	24,596
Interest/Dividend Income	2,497	-	2,497	112,528	91,472	204,000
Asset Sales and Third-Party Litigations Proceeds	-	-	-	84,504,835	1,818,681	86,323,516
Other Receipts	-	-	-	801,896	3,294	805,190
Total Receipts	$ 27,093	$ -	$ 27,093	$ 85,443,855	$ 1,913,447	$ 87,357,302
Disbursements						
Disbursements to Investors/Claimants	-	-	-	(17,874,754)	-	(17,874,754)
Disbursements for Receivership Operations	-	-	-	-	-	-
Disbursements to Receiver or Other Professionals	(783,625)	-	(783,625)	(28,755,109)	(2,575)	(28,757,684)
Business Asset Expenses	(153,825)	-	(153,825)	(7,120,976)	(810)	(7,121,786)
Personal Asset Expenses	-	-	-	-	-	-
Investment Expenses	-	-	-	(19,698,926)	-	(19,698,926)
Third-Party Litigation Expenses	(5,935)	-	(5,935)	-	-	-
Tax Administrator Fees and Bonds	-	-	-	(115,814)	(19,039)	(134,854)
Federal and State Tax Payments	-	-	-	-	-	-
Disbursements for Distribution Expenses Paid by the Fund	-	-	-	(2,174,611)	-	(2,174,611)
Disbursements to Court/Other[1]	-	-	-	(228,806)	-	(228,806)
Total Disbursements	$ (943,385)	$ -	$ (943,385)	$ (75,968,996)	$ (22,425)	$ (75,991,421)
			-			-
Cash (End of Period)	$ 17,263,731	$ 3,508,514	$ 20,772,245	$ 17,263,731	$ 3,508,514	$ 20,772,245

1 Disbursement to PPVA for its share of proceeds from the sale of interest in Cokal Limited

EXHIBIT B

Receivership Property List

PPCO Assets

	Asset Name	Asset Type
1)	Abdala Tailings Project	Royalty Stream
2)	Acceleration Bay	Back-end proceeds from litigation
3)	Activision TV, Inc.	Patent Portfolio
4)	Agera Energy LLC	Preferred Stock
5)	Carbon Credits	Participations in PPVA deals
6)	Celsius Resources Ltd	Common Stock
7)	China Horizon Investment Group Ltd.	Loan Receivable
8)	Claus Shelling Family Trust	Life Settlements Portfolio
9)	Credit Card Receivables Portfolio	Loan Receivable
10)	Decision Diagnostics Corp.	Preferred Stock
11)	Environmental Service Professionals, Inc.	Common Stock
12)	Khorrami Pollard & Abir, LLP	Loan Receivable
13)	Golden Gate Oil LLC	Notes Receivable
14)	Millennium Healthcare, Inc.	Common Stock
15)	MMP Resources Limited (f/k/a Sino Construction)	Common Stock
16)	Montsant Partners LLC	Loan Receivable
17)	Nisayon International Inc.	Loan Receivable
18)	Over Everything LLC	1) Loan Receivable 2) Common Stock
19)	Urigen Pharmaceuticals, Inc.	1) Note Receivable 2) Preferred Stock
20)	Xcell Energy Inc.	Loan Receivable
21)	Yellow River	Common Stock

Receivership Property List

PPLO Assets

	Company Name	Asset Description
1)	Alcyone Resources Limited	1) Common Stock 2) Note Receivable
2)	Black Elk Energy Offshore Operations LLC	Note Receivable
3)	China Cablecom Holdings Ltd.	1) Common Stock 2) Preferred Stock
4)	Misung Polytech	Loan Receivable
5)	Ochre Group Holdings Limited	Common Stock
6)	Wexford Petroleum Corporation	Common Stock

Receivership Property List

Jointly Held PPCO / PPLO Assets

	Company Name	Asset Description
1)	Platinum Partners Value Arbitrage Fund	Loan Receivable