

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

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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. :

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No. 16-CV-6848 (BMC)

**TWENTY-SIXTH JOINT INTERIM APPLICATION OF THE RECEIVER  
AND OTTERBOURG P.C. FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES INCURRED DURING THE PERIOD  
OCTOBER 1, 2023 THROUGH AND INCLUDING DECEMBER 31, 2023**

Melanie L. Cyganowski, the receiver (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 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”), and Otterbourg P.C., as counsel to the Receiver (“Otterbourg” and, together with the Receiver, “Applicants”), hereby submit this Twenty-Sixth Joint Interim Application (the “Twenty-Sixth Interim Application”) for Allowance

of Compensation and Reimbursement of Expenses Incurred During the Period from October 1, 2023 through and including December 31, 2023 (the “Application Period”). There are two components to this Application: (i) the Receiver’s services and (ii) the services of her counsel (Otterbourg). The Receiver requests interim approval of fees in the amount of \$1,910.40 for the Application Period. Otterbourg requests interim approval of fees in the amount of \$55,093.50 and reimbursement of expenses in the amount of \$256.30 for the Application Period, for a combined total of fees for Applicants in the amount of \$57,003.90,<sup>1</sup> and expenses in the amount of \$256.30 for the Application Period.

This Twenty-Sixth Interim Application contains the following sections:

**Section I** provides a preliminary statement of the Receiver’s activities during the Application Period.

**Section II** summarizes the background of the receivership and also contains case status information required by Section C.2 of the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission (the “SEC Billing Guidelines”). Section II also describes the procedures used by Otterbourg in compiling its billing records and provides other information as requested by the SEC Billing Guidelines, including a description of each exhibit to this Twenty-Sixth Interim Application and the reduction in fees agreed to in connection with the appointment of the Receiver.

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<sup>1</sup> As agreed to by the Receiver, this total amount reflects several accommodations voluntarily made by Applicants: (1) a public service accommodation of a twenty percent (20%) reduction in the Receiver’s recorded time charges; (2) a ten percent (10%) reduction in Otterbourg’s recorded time charges for all project code categories except for any related to certain litigation matters (the previously resolved Beechwood Action and a previously resolved arbitration proceeding), for which Applicants have agreed to a twenty-five percent (25%) reduction in Otterbourg’s time charges (none were incurred during this Application Period), subject to Applicants requesting partial repayment of such reduction later in the case; and (3) a reduction in the Receiver’s aggregate fees (prior to application of the public service accommodation) to discount for the customary annual increases in her billable rate since her appointment. Therefore, during the Application Period, the Receiver’s recorded time charges before application of these accommodations were \$4,440.00 and Otterbourg’s recorded time charges were \$61,215.00, for a combined gross legal fees total (before the application of any accommodations) of \$65,655.00.

**Section III** contains a narrative description of the work Applicants performed on behalf of the Receivership estate during the Application Period, under each project category, in accordance with Section D of the SEC Billing Guidelines. All such categories correspond with the SEC's Billing Guidelines.

**Section IV** contains a summary of all expenses for which Applicants seek reimbursement and the procedures and policies adopted by Applicants to ensure compliance with Section E of the SEC Billing Guidelines.

**Section V** briefly summarizes the standards to be applied by the Court in determining fee awards in SEC receivership cases.

## **I. PRELIMINARY STATEMENT**

During the Application Period the Receiver and her team<sup>2</sup> (i) implemented the terms of the settlement reached with Mark Nordlicht ("Nordlicht"), which became effective during the Application Period; (ii) continued to monitor the few remaining assets of the estate that have not been liquidated and that may have potential value; and (iii) continued to attend to administrative matters in the receivership case while awaiting the resolution of certain claim related issues that may impact the completion of any proposed plan of distribution.

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 and will not be disclosing details of *any* settlements, including the identity of the settling parties, the amounts agreed to be paid by such parties, whether such amounts are to be paid in structured payouts and over what period of time, and/or

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<sup>2</sup> 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 Associates) and, together with Otterbourg, the "Receivership Team").

the source of any litigation-related funds received in any quarter, unless such details are matters of public record by virtue of a motion for Court approval of such settlement or otherwise.

**A. Analysis and Disposition of Receivership Assets**

During the Application Period, the Receivership received \$59,375. This is in addition to the approximately \$88.44 million received by the Receivership since the date of the Receiver's appointment. 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 litigation known as Beechwood and the agreement with Heartland Bank.

In addition to the settlement payments to be received as a result of the settlement with Nordlicht (see below), there are currently five remaining assets that the Receiver continues to monitor,<sup>3</sup> including assets in which the Receiver retained a residual interest and assets that are jointly held with PPVA that have potential value, but do not require outlays of capital to maintain. While there are additional assets that remain as property of the estate (*See* The Receiver's Twenty-Sixth Status Report to the Court, Exhibit B, Dkt. No. 696), the Receiver has determined that these other remaining assets do not have any value, are not being actively monitored, and will most likely be subject to a request to abandon in a proposed plan of distribution.

**B. Administrative Matters**

The Receiver and the Receivership Team speak, as necessary and on a periodic basis, with various interested parties and groups, including the Joint Liquidators for PPVA,<sup>4</sup> Cayman

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<sup>3</sup> The assets that the Receiver continues to monitor are: (i) China Horizon/Yellow River; (ii) Acceleration Bay litigation (Receivership has a residual interest); (iii) Agera litigation; (iv) Decision Diagnostics equity; and (v) Pro Player revenue sharing agreement.

<sup>4</sup> 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.

counsel, 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 a quarterly report and fee applications in this Court during the Application Period.

## II. CASE BACKGROUND AND STATUS

### A. Case Background

#### SEC Complaint

On December 19, 2016, the United States Securities and Exchange Commission (the "SEC") filed its Complaint (the "SEC Complaint") against individual defendants Nordlicht, David Levy ("Levy"), Daniel Small ("Small"), Uri Landesman,<sup>5</sup> Joseph Mann, Joseph SanFilippo ("SanFilippo"), Jeffrey Shulse, and both Platinum Management (NY) LLC and Platinum Credit Management, L.P. (collectively, the "Defendants").

The SEC Complaint alleged, *inter alia*, that the Defendants conducted a fraudulent scheme to inflate asset values and illicitly moved investor money to cover losses and liquidity problems. This was an allegedly multi-pronged fraud perpetrated by Platinum Management (NY) LLC and Platinum Credit Management, L.P., the managers of PPVA and Platinum Credit Opportunities Master Fund L.P. (together with its feeder funds, "PPCO"), respectively, involving multiple individuals led by Nordlicht, the founder of the Platinum Entities and the Co-Chief Investment Officer of PPVA and PPCO. The SEC further alleged that Nordlicht and the managers of the Platinum Entities overstated the value of an oil company (Black Elk Offshore Operations LLC) that was among the funds' largest assets, and that they concealed a growing

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<sup>5</sup> Uri Landesman passed away in September 2018.

liquidity crisis by transferring money between the funds, making redemptions to favored investors and using misrepresentations to attract new investors to the struggling funds.

In a parallel action, the U.S. Attorney's Office for the Eastern District of New York brought criminal charges against Nordlicht and the individual Defendants. Following the criminal trial of Nordlicht, Levy and SanFilippo, the jury returned a verdict convicting Nordlicht and Levy of defrauding bondholders in portfolio company 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 appealed those decisions and on November 5, 2021, the Court of Appeals for the Second Circuit vacated the Court's order and remanded to the Court for further proceedings consistent with its decision. Following the decision, Nordlicht and Levy requested that the Second Circuit reconsider its decision and/or hear the appeal anew *en banc*, which requests were denied on December 29, 2021.

On March 29, 2022, Nordlicht and Levy filed a petition for a writ of certiorari with the United States Supreme Court. On October 3, 2022, the United States Supreme Court declined to hear the appeal. On October 14, 2022, Nordlicht filed a motion with the Court seeking a new trial. Levy joined in Nordlicht's request and on July 12, 2023, the Court issued a Memorandum Decision & Order [Case No. 16-00640 (BMC), Dkt. No. 1004], denying Nordlicht and Levy's motion for a new trial with respect to the securities fraud conviction, granting the motion with respect to the wire fraud conviction, and, further, vacating the wire fraud conspiracy convictions. On August 11, 2023, Nordlicht and Levy each filed a Notice of Appeal of the Court's order.

Daniel Small's jury trial in the Eastern District of New York began in July 2022 and following a two-week trial, Small was convicted by a jury on charges of securities fraud and securities fraud conspiracy for his role in connection with Black Elk. Small filed a motion seeking to have his conviction overturned by the Court or, in the alternative, requesting a new trial. On July 6, 2023, the Court issued a Memorandum Decision & Order [Case No. 16-00640 (BMC), Dkt. No. 1003], denying Small's motion.

On July 18, 2023, in advance of the sentencing hearings of Nordlicht, Levy and Small, the Court issued its Order on Loss Calculation [Case No. 16-00640 (BMC), Dkt. No. 1005] with respect to losses that may be attributable to each of them as a result of the Defendants' conduct. Following briefing by the Defendants and the United States Government on the issue, and a hearing to consider the parties' different theories of the amount of loss, if any, attributable to the Defendants' conduct, the Court found that the amount of loss was zero.

At Small's sentencing hearing on November 15, 2023, Small was sentenced to less than 1-year probation and no fine. At Levy's sentencing hearing on January 10, 2024, Levy was sentenced to time served, a \$5,000 fine and no probation. Levy is appealing the conviction portion of the judgment. Nordlicht's sentencing hearing is currently scheduled for March 26, 2024.

*Appointment of Receiver and Receivership Order*

To prevent further diversion of funds and dissipation of the assets of the Platinum Entities, the SEC sought, *inter alia*, the appointment of a receiver to take control of the Platinum Entities and their assets.

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 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 previously held by the Prior Receiver under the current Receivership Order. [Dkt. No. 216]. On October 16, 2017, the Court entered the Second Amended Order Appointing Receiver (the “Receivership Order”). [Dkt. No. 276]. The Court amended the Receivership Order on December 29, 2017 to add the following Cayman Islands entities to the receivership: Platinum Partners Liquid Opportunity Master Fund L.P., Platinum Partners Credit Opportunities Fund International, Ltd. and Platinum Partners Credit Opportunities Fund International (A), Ltd. [Dkt. No. 297].

Under the terms of the Receivership 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. Case Status<sup>6</sup>**

In accordance with Section C.2. of the SEC Billing Guidelines, Applicants state as follows:

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<sup>6</sup> The Receiver and Otterbourg base the information in this section primarily on the Receivership’s Standardized Fund Accounting Reports covering the period October 1, 2023 through December 31, 2023.



(a) As of December 31, 2023, the Receivership Entities had approximately \$17.3 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 and an agreement with Heartland Bank.

It is estimated that, as of December 31, 2023, accrued and unpaid administrative expenses amount to approximately \$5 million. This amount includes the fees and expenses that have been incurred by the Receiver, Otterbourg and Teneo during this Application Period and that are being requested herein, holdbacks for prior applications of the Receiver and her professionals, 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 Application Period. Going forward, operating expenses will be significantly reduced as a result of the transition from the full time employment of the CFO to a consultancy status. In addition to the cost savings attributable to the reduced compensation and benefits, the Receiver terminated the office space that it was renting for the CFO. These cost savings will be reflected in future status reports. The Receivership Estate has budgeted approximately \$15,000-\$30,000 per month going forward to pay the consultant agreements (the CFO and information technology consultant) and to cover other operating expenses, such as payments to Epiq for maintenance of the website and periodic mailings to creditors. Pursuant to the Court's order approving the disposal of obsolete documents, the Receiver is no longer paying for the retention of obsolete documents. To the extent any third

party requested that certain documents be maintained, that party is paying the expense of such retention.

(b) Cash disbursements during the Application Period totaled \$222,569.00. This amount was disbursed for payment of the fees of the Receiver and her professionals and business asset expenses (primarily consisting of payroll and related expenses paid to Platinum employees, office rent, and payments to Epiq).

Cash receipts during the Application Period totaled \$59,375, consisting of the initial payment from the Nordlicht Settlement Agreement and installment payments by the Schafer and Weiner law firm in connection with a previously approved settlement agreement.

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 and claims for unpaid redemptions were not required to file proofs of claim. Requests for payment of administrative claims, if any, incurred on or prior to June 30, 2022 were required to be filed by October 21, 2022. None were filed. A description of the claims reconciliation process is described in Section IV.C below.

The Receiver cannot at this time state what distributions will ultimately be to creditors and investors, as it will in large part be dependent upon the outcome of the claims resolution process.

As of December 31, 2023, the primary assets of the estate (“Receivership Property”) consisted of the following:

- (i) Cash and cash equivalents of approximately \$17.3 million;

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

(iii) Potential litigation claims.

(c) The Receiver and the Receivership Team have analyzed 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 were warranted, the Receiver has sought and obtained such releases. Whether and the extent to which the Receiver may commence additional affirmative actions against, among others, insiders of Platinum, if any, will likely be addressed as part of the proposed plan of distribution and likely reservation of rights.

### **III. FEES AND EXPENSES REQUESTED**

In connection with the Application Period, the Receiver requests interim approval of her fees in the amount of \$1,910.40. Otterbourg requests interim approval of fees in the amount of \$55,093.50 and reimbursement of expenses in the amount of \$256.30. Thus, the combined total of fees for Applicants of \$57,003.90 plus expenses of \$256.30, is \$57,260.20.

The Receiver has assembled a team of Otterbourg professionals to prosecute the litigations commenced by the Receiver, to address different investments and to assist with the administration and wind down of the case. The Otterbourg professionals communicate with each other and the other retained professionals regularly to keep others informed of each's activities and avoid duplication of efforts.

The fees requested are determined on the basis of the hours worked by Otterbourg attorneys and paraprofessionals, as well as the Receiver, and the hourly rates in effect at the time

the services were rendered, as modified by a public service accommodation, described below. The fees requested also take into account all relevant circumstances and factors as set forth in the New York Lawyer's Rules of Professional Responsibility, as applied to Otterbourg as attorneys, including the nature of the services performed, the amount of time spent, the experience and ability of the lawyers and legal assistants working on this engagement, the novelty and complexity of the specific issues involved, the time limitations imposed by the circumstances, and the responsibilities undertaken by Applicants.

Pursuant to the public service accommodation applicable to this matter, a 20% accommodation has been applied across the board to the Receiver's recorded time. Furthermore, fees for legal services performed by Otterbourg professionals have been reduced by 10% from the aggregate recorded time charges for all project codes, except for those relating to the previously resolved Beechwood litigation and an arbitration proceeding, for which Applicants have applied a 25% discount to the aggregate recorded time charges, subject to the right of Applicants to request a partial repayment of the discount later in the case. (No fees were billed to these project codes during the Application Period.) In addition, the Receiver has agreed to provide a further discount in an amount that represents the increase in her fees since her appointment. (In accordance, with Otterbourg's regular practice, its hourly rates are reviewed and potentially increased on October 1<sup>st</sup> of each year.)

Pursuant to the public service and rate increase accommodations described above, the recorded time charges for the Receiver have been reduced from \$4,440.00 to \$1,910.40, a reduction in the amount of \$2,529.60. In addition, the recorded time charges for the Otterbourg professionals have been reduced from \$61,215.00 to \$55,093.50, a reduction in the amount of \$6,121.50. Therefore, the total reduction for fees incurred during the Application Period by the

Receiver and Otterbourg professionals is \$8,651.10. This does not include other voluntary reductions in the work recorded with respect to certain matters, which are taken in connection with Applicant's customary review of its recorded time detail and the Receiver's agreement not to bill for any professionals billing less than fifteen (15) hours for the Application Period.

All non-working travel time is billed at half of the amount of the actual non-working travel time of the professional. There was no travel time during the Application Period.

As required by the SEC Billing Guidelines, the Receiver and Otterbourg submitted Applicants' time detail to the SEC for its review.

This Twenty-Sixth Interim Application includes certain exhibits:

(a) The SFAR for the period of October 1, 2023 through December 31, 2023 is attached as **Exhibit A** hereto.

(b) A Fee Schedule showing the total fees billed and hours worked during the Application Period by the Receiver and each Otterbourg professional, along with the billing rates of each such professional, is attached as **Exhibit B** hereto.

(c) In accordance with Section D.3.c of the SEC Billing Guidelines, a summary reflecting the total fees billed and the hours worked by the Receiver and each professional organized by project category, including a chart showing the amounts being requested after application of the accommodations discussed above, is attached as **Exhibit C** hereto.

(d) In accordance with the Section D.5 of the SEC Billing Guidelines, the time records of the Receiver and the Otterbourg professionals for the Application Period, arranged in chronological order within each activity category, are attached as **Exhibits D** and **E**, respectively, hereto.

(e) In accordance with Section E.1.a. of the SEC Billing Guidelines, a summary of all expenses for which Applicants seek reimbursement organized by expense category, are attached as **Exhibit F** hereto.

(f) In accordance with Section E.1.a. of the SEC Billing Guidelines, the expense record of Otterbourg for the Application Period is attached as **Exhibit G** hereto.

(g) Also submitted herewith as **Exhibit H** is the Certification required by Section A.1 of the SEC Billing Guidelines.

This is the Receiver and Otterbourg's Twenty-Sixth request for fees and expenses in this case. Otterbourg received no retainer in this case and the Receivership Order limits the Receiver and Otterbourg to obtaining compensation solely from the Receivership estate.

The Receivership Order permits the Receiver and her advisors to be paid on a quarterly basis. In accordance with the SEC Billing Guidelines, and as noted above, the Receiver and Otterbourg submitted its time records for the Twenty-Sixth Interim Application to SEC counsel prior to filing the Application with the Court, and SEC counsel has reviewed such time records and fee and expenses being requested pursuant to this Application

The Receiver and Otterbourg professionals recorded all services performed in time increments of one tenth (0.1) of an hour. All services by Otterbourg paralegals and other paraprofessionals were professional in nature and, if not performed by the indicated paraprofessionals, would have been performed by attorneys.

Three attorneys billed time during the Application Period (in addition to the Receiver).<sup>7</sup> Because of the diversity of issues confronting the Receiver, this case necessitated the

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<sup>7</sup> The Receiver has requested that Otterbourg voluntarily not bill the time of any professional that billed less than fifteen (15) hours to the case during the Application Period. Accordingly, other attorneys and paraprofessionals may have worked on the matter, but payment for their time is not being requested and is not reflected in the time detail.

involvement of attorneys with background and experience in the litigation and bankruptcy disciplines relevant to this receivership during the Application Period.

The particular Otterbourg professionals who billed time during the Application Period and their specific roles were as follows:

(a) Erik B. Weinick (Partner) (1.8 Hours to P01; 9.6 Hours to P04; 4.5 Hours to P05) – Mr. Weinick is a senior litigator and is also a member of Otterbourg’s bankruptcy department. He has served as the Receiver’s “hub and spoke,” coordinating the work of the Receiver’s professionals and Platinum’s Chief Financial Officer on almost every matter confronting the Receivership from asset dispositions, to litigation matters, and administrative matters, including responding to investor inquiries, preparing or reviewing documents filed in this case, communicating with Cayman counsel, and communicating with counsel for the joint liquidators of PPVA on matters of mutual interest. During the Application Period, Mr. Weinick spearheaded matters relating to the Nordlicht Bankruptcy Case and remaining claims objection issues, assisted with the preparation of status reports and monitored the status of remaining assets.

(b) Jennifer S. Feeney (Partner) (14.9 Hours to P01; 14.3 Hours to P04; .7 Hours to P05) – Ms. Feeney is a senior member of Otterbourg’s bankruptcy department. During the Application Period, Ms. Feeney attended to case administration matters, including preparing the Receiver’s quarterly report and updating other reports regarding the status of open matters and an overview of the disposition of estate assets . Additionally, Ms. Feeney, along with Erik Weinick, worked to keep the Receiver apprised of all activities being undertaken by the Receivership Team.

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The description of services provided in Section IV below may include a description of services rendered for which the attorney billed less than fifteen (15) hours and, accordingly, such time was not billed.

(c) Michael A. Pantzer (Associate) (7.2 Hours to P04; 9.8 Hours to P05) – Mr. Pantzer is an associate in the bankruptcy department. During the Application Period, Mr. Pantzer finalized letters that were sent to the PPLO investors and implemented the terms of the settlement agreement with Nordlicht, including filing an amended complaint and proof of claim per the terms of the settlement.

#### **IV. SERVICES RENDERED BY RECEIVER AND OTTERBOURG DURING APPLICATION PERIOD**

In accordance with Section D.3 of the SEC Billing Guidelines, Applicants segregated their time during the Application Period into three (3) project categories.<sup>8</sup> Narrative summaries of these activity categories follow:

##### **A. Asset Analysis & Recovery – Total Fees: \$19,306.50**

The review of the assets in the Receivership's asset portfolio is complete. There are only a few remaining assets that the Receiver continues to monitor, including shared assets with PPVA that may have potential value to the Receivership Estate. During the Application Period, the Receivership Team also reviewed the assets that were in the initial portfolio of assets upon the Receiver's appointment to prepare a summary of the work done with respect to each asset and the ultimate disposition of the asset, or determination by the Receiver that the asset had no value. This review will aid in the wind up of the Receivership at the appropriate time. The Receiver is also periodically called upon to address certain follow-up issues regarding previously sold or resolved assets. During the Application Period, counsel for the Receiver did not expend a significant amount of time monitoring the remaining assets, but continues to keep apprised of their status, market for the sale of stock holdings and other options for monetization, including

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<sup>8</sup> As noted above, **Exhibit C** hereto shows each professional working on a particular project category and the total hours he or she billed in that category prior to the agreed-upon reduction to the aggregate recorded time charges. The fees for each activity category are stated herein *without* showing the agreed upon reductions.



the previously described China Horizon/Yellow River asset that is jointly held with PPVA through a company called PGS. The Joint Liquidators of PPVA and the Receiver continue to monitor this asset and explore options for monetizing the asset, if possible. This asset may ultimately add value to the Receivership Estate, although it is still speculative and any amount that may be realized and the timing of such monetization is still in flux and indeterminate.

**B. Case Administration (P04) - Total Fees: \$34,005.50**

This category includes tasks that may not be directly related to a specific investment or transaction, but impact the overall administration of the Receivership Estate, including attention to the plan of distribution, communications with investors, preparing status reports, and activities in the Nordlicht Bankruptcy Case. The tasks recorded under this category include the following:

**1. 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 Case No. 20-22782 (the “Nordlicht Bankruptcy Case”) and is currently pending before Judge David S. Jones. The Receiver has been monitoring and 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 “Receiver’s Proof of Claim”). 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. Pursuit of the Receiver’s objection to the Nordlicht proof of claim has been stayed during the Nordlicht Bankruptcy. The Receiver, however, continues to speak with the Chapter 7 Trustee with respect to, among other things, resolution of the claims held by each against the other’s

estate with the goal of reaching a consensual agreement regarding treatment of Nordlicht's claim against the Receivership Entities.

Additionally, following Nordlicht's refusal to continue to toll the Receiver's time to do so, on December 7, 2020, to protect and preserve estate assets and causes of action that can be asserted by creditors against Nordlicht, the Receiver commenced an adversary proceeding against Nordlicht by filing a complaint objecting to the discharge of Nordlicht (the "Discharge Complaint").<sup>9</sup> The Discharge Complaint alleged, 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. Nordlicht asserted a counterclaim essentially seeking dismissal of the Receiver's Proof of Claim filed against Nordlicht's estate.

Following mediation, the parties reached a settlement, entered into a settlement agreement ("Settlement Agreement") and filed motions with the Bankruptcy Court and this Court to approve the Settlement Agreement. On August 23, 2023 the Bankruptcy Court entered an Order granting the motion to enter into the Settlement Agreement. [Nordlicht Adv. Pro. Dkt. No. 60.] On September 26, 2023, this Court entered an order approving the Settlement Agreement. [Dkt. No. 682]. The terms of the Settlement Agreement can be found in each of the motions seeking their approval and in the Receiver's prior status report, but the following is an overview of the economic terms of the Settlement Agreement:

- a. On the first business day following the Effective Date (as defined in the Settlement Agreement), Nordlicht shall pay the Receiver \$50,000 (the "Initial Payment").

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<sup>9</sup> The First Amended Complaint was filed on November 5, 2021 and on October 26, 2023, the Receiver filed her Second Amended Complaint as required by the terms of the Settlement Agreement (defined below).

- b. Within ninety (90) calendar days of the Effective Date, Nordlicht shall pay the Receiver an additional \$50,000 (the “Subsequent Payment”).
- c. In addition to the Initial Payment and the Subsequent Payment, Nordlicht shall make payments to the Receiver based on Nordlicht’s future income paid over time in monthly payments (the “Monthly Payments”) in the minimum amount of \$250,000 and the maximum amount of \$5,000,000 and in the event of default the Receiver may file a non-dischargeable affidavit of judgment by confession against Nordlicht in the amount of \$5,000,000, minus any credits for Monthly Payments previously paid. Any amounts required to be paid by Nordlicht for Monthly Payments will be offset by any amount paid by Nordlicht as restitution pursuant to an Order and Judgment in the Criminal Action.

The Effective Date occurred on October 26, 2023, and the Receiver has since received the Initial Payment and the Subsequent Payment. During the Application Period, Applicants spent time implementing the additional provisions of the Settlement Agreement that were triggered by the Effective Date, including amending the Receiver’s Proof of Claim and further amending the Discharge Complaint. There are subsequent deadlines and payment dates over the course of the next several years, which the Receiver will continue to monitor and enforce.

**2. Plan of Distribution.** While the Receiver awaits the resolution of the disputed indemnification claims (for which the establishment of reserves may be required if not resolved prior to the approval of a plan of distribution) her team has considered issues relevant to a potential plan of distribution. However, Applicants did not expend a significant amount of time to the plan of distribution during the Application Period. Because the outcome of the claim issues may materially impact the plan, the Receivership Team has held off on filing a proposed plan of distribution. 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.

3. **Website and Investor Communications.** The Receiver retained Epiq to create and maintain the Receiver's website ([www.PlatinumReceivership.com](http://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.** Applicants continue to monitor the criminal proceedings of the Defendants. The description of the status of the criminal trials and the appeal is discussed in Section II.A above.

5. **Receivership Estate Oversight and General Case Administration.** The Receiver and the Receivership Team also devoted time during the Application Period to the general oversight of the Platinum Entities and the estate. Conferences with the Receiver and members of the Receivership Team occurred as needed to facilitate the exchange of relevant information, including the status of certain assets being monitored, the claims process, the Nordlicht Bankruptcy 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 cash management and other administrative issues of the Receivership estate.

During the Application Period, the Receiver and Platinum's CFO discussed transitioning the CFO to a consultant status given the current requirements of the CFO position. Accordingly, effective as of the first of this year, Platinum's CFO began to be paid as a consultant at a reduced monthly fee. The Receivership is no longer be responsible for the CFO's health insurance and other employment benefits. The leased office space that was periodically used by the CFO was also terminated and any remaining hard copies of documents are being stored at Oterbourg's offices. This will result in significant cost savings to the Receivership estate, estimated to be in excess of \$24,000 on a monthly basis. Pursuant to the consulting agreement entered into with the CFO, he has agreed to devote the time necessary to perform the services he is currently and in the future expected to perform for the Receivership and is not precluded from performing services for, and being employed by other persons or companies as long as there is no conflict with his work for the Receivership.

**C. Claims Review (P05) – Total Fees: \$12,343.00**

The Receiver has now substantially completed the claims reconciliation process. The only outstanding claims related issues, which will determine the amount and priority of claims asserted against PPCO and PPLO, are (i) the Court's ruling on the Claims Motion (defined below), which primarily objects to priority claims for indemnification asserted by certain insiders; (ii) the appeal of the Court's ruling on the SHIP Escrow Motion (described below); and (iii) the resolution of the proof of claim filed by Nordlicht. The following is a review of the claims review and analysis that was previously undertaken by the Receiver and the current status.

1. **Administrative Claim Bar Date.** Although the Receiver has been paying administrative expenses in the ordinary course of business, to eliminate the risk of having to address potentially unknown administrative claims of unknown amount prior to proposing a plan of distribution, the Receiver sought to establish an administrative bar date. On July 19, 2022, the Receiver filed a motion seeking the entry of an order [dkt. no. 643] (the “Admin Bar Date Motion”) (i) establishing a deadline for filing administrative claims, if any, arising on or after December 19, 2016 through and including June 30, 2022, (ii) approving (a) a proof of administrative claim form, (b) the form and manner of notice of the administrative claim bar date, and (c) procedures for filing proofs of administrative claim. The Admin Bar Date Motion was approved by the Court on August 18, 2022. [Dkt. No. 653] The deadline to file an administrative claim in accordance with the Bar Date Order was October 21, 2022. No administrative claims were filed.

2. **Review of Claims and Interests.** Pursuant to 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], 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 filed claims. [Dkt. No. 564] Certain claims were allowed as filed or pursuant to previously reached settlements, others disallowed in total, and others partially allowed.

Thirteen claimants, asserting multiple claims, objected to the Receiver’s determinations in the Claims Report. Certain of the objections were consensually resolved or the claims withdrawn. With respect to certain claim objections for which no resolution was reached, in accordance with the procedures set forth in the Claims Procedures and Verification Order, on

November 12, 2021, the Receiver filed an Omnibus Motion to Confirm Receiver's Determinations [Dkt. Nos. 597] (the "Claims Motion") and subsequent briefing occurred. On March 13, 2024, the Court heard oral argument on that aspect of the Claims Motion addressing the validity and allowed amount of the asserted claims, and reserved judgment.

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, but solely on the basis that the books and records of the Receivership Entities are inaccurate, which was required to be supported by documentation from the investor.

During the Application Period, the Receiver prepared similar letters to be sent to investors in PPLO regarding that investor's interest in one or more of the PPLO entities (the "PPLO Investor Statement" and, together with the PPCO Investor Statements, the "Investor Statements"). The PPLO investors had until February 16, 2024 to respond to the PPLO Investor Statements.

**3. SHIP Escrow Motion.** In connection with the completion of the Receiver's claim review and final determination of all claims, on March 18, 2022, the Receiver filed her Motion for an Order (I) Permanently Enjoining any Prosecution of Claim No. 145 and (II) Confirming the Receiver's Authority to Consent to the Release of the Indemnity Escrow Amount

(the “SHIP Escrow Motion”). The SHIP Escrow Motion has its roots in the Court’s earlier approval of the Receiver’s July 1, 2020 settlement with Senior Health Insurance Company of Pennsylvania in Rehabilitation (“SHIP”) and Fuzion Analytics, Inc. (“Fuzion”), Dkt. No. 536-2 (the “Settlement”). The Settlement required that within two (2) business days of the Effective Date (as defined by the Settlement), the Receiver make a wire transfer of \$4,530,155.68 (the “Indemnity Escrow Amount”) to the “Indemnity Escrow Agent” (as defined by the Settlement), with the Indemnity Escrow Amount to serve as indemnification by SHIP of the Receiver to the extent that certain parties listed on the Debt Registry<sup>10</sup> with respect to putative ownership by (i) PBLA ULICO 2017; (ii) BBIL ULICO 2014; and (iii) OMNIA Ltd. (the “Putative Lenders”) of some portion of the debt (the “Unresolved Portion”), or their agent, BAM Administrative Services, LLC (“BAM”), acting on their behalf, sought payment on the Unresolved Portion.

To satisfy the condition precedent to the release of the Indemnity Escrow Amount, pursuant to the SHIP Escrow Motion, the Receiver requested that the Court: (i) confirm the effect of the Receiver’s Disallowance by permanently enjoining any further prosecution of the BAM claim; and (ii) under certain circumstances, confirm the Receiver’s authority to release the \$4,530,155.68 Indemnity Escrow Amount to SHIP. On November 2, 2023, the Court entered an Order approving the SHIP Escrow Motion, which confirmed the Receiver’s disallowance of Claim No. 145 and the Receiver’s authority to consent to the release of the Indemnity Escrow Amount (the “SHIP Escrow Order”). [Dkt. No. 685] On December 1, 2023, John Johnston and Edward Willmott of Deloitte Financial Advisory Ltd. Bermuda, in their capacities as the Joint Provisional Liquidators and authorized foreign representatives of Omnia, filed a Notice of Appeal, appealing to the United States Court of Appeals for the Second Circuit from the SHIP

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<sup>10</sup> The “*Debt Registry*” refers to a document that is attached to the Settlement as Exhibit A. See Dkt. No. 536-1 at 20 of 33.



Order. The Receiver and the Receivership Team have reviewed the appellate filings and have been in communication with counsel for Omnia. During the Application Period, Applicant spent time communicating with counsel for SHIP, reviewing the SHIP Escrow Order, reviewing the appellate filings and speaking with counsel for the Appellants.

## V. EXPLANATION OF EXPENSES AND RELATED POLICIES

Applicants seek reimbursement of its out-of-pocket costs in the amount of \$256.30. **Exhibit F** sets forth the various categories of expenses for which Applicants seek reimbursement. Applicants will retain the documentation supporting these expenses for a period of seven years in accordance with the SEC Billing Guidelines and will provide the SEC with copies upon request.

Applicants observed the following policies in connection with its expenses during the Application Period:

(a) In accordance with Section E.2.b. of the SEC Billing Guidelines, Applicants seek reimbursement for photocopying and laser printing expenses performed in-house (listed as Photocopies and Laser Copies in **Exhibit F**) at a rate of \$.15 per page. Otterbourg made 132 internal photocopies during the Application Period at the rate of 0.15 cents per page, totaling \$19.80 for all in-house copies.

(b) In accordance with Section E.2.g., Applicant would normally seek reimbursement of outgoing facsimile charges at a rate of \$1.00 per page for outgoing transmissions. However, Otterbourg did not make any outgoing facsimile transmissions during the Application Period. Similarly, Otterbourg has not received any incoming facsimile transmissions, nor would it seek to charge anything for them.

(c) With respect to all expenses, Applicants seek reimbursement only for the actual cost of its filing and court reporting fees, postage and overnight delivery fees and long distance

telephone charges. Applicants have not included in any request for expense reimbursement the amortization of the cost of any investment, equipment or capital outlay (except to the extent that any such amortization is included within the permitted allowable amounts set forth in the SEC Billing Guidelines). Whenever possible, Applicants have used email to transmit documents via portable document format, thereby reducing facsimile, overnight courier and copying costs otherwise chargeable to the Receivership Estate.

(d) In accordance with Section E.2.h of the SEC Billing Guidelines, Applicants have charged for computerized research only to the extent of the actual discounted invoiced cost of its vendor, Westlaw.

(e) In accordance with Section E.2.j. of the SEC Billing Guidelines, Applicants have neither sought reimbursement for local travel expenses for late night travel home or travel to court (including mileage, taxis, etc.) nor for meals.

(f) In accordance with Section E.2.K of the SEC Applicants have not sought reimbursement for secretarial, word processing, proofreading or document preparation expenses (other than by professionals or paraprofessionals), data processing and other staff services (exclusive of paraprofessional services) or clerical overtime.

(g) The Receiver has created a website to provide updates to investors and other interested parties and to answer frequently asked questions. This service is only charged to the extent of the invoiced cost from the vendor Epiq, which is billed directly to the Receivership Estate.

(h) In some instances, cost incurred during a particular application period will not be reflected in Applicants' records until a subsequent application period. Applicants will seek reimbursement for such "trailing" expenses in subsequent fee application periods.

## VI. FACTORS TO BE CONSIDERED BY THE COURT IN AWARDING FEES

The case law on equity receiverships sets forth the standards for approving receiver compensation and the fees and expenses for the receiver's counsel. This Court has discretion to determine compensation to be awarded to a court-appointed equity receiver and his or her counsel and "may consider all of the factors involved in a particular receivership in determining an appropriate fee." *Gaskill v. Gordon*, 27 F.3d 248, 253 (7th Cir. 1994). Many authorities (even if dated) provide "convenient guidelines", but in the final analysis, "the unique fact situation of each case renders direct reliance on precedent impossible." *Securities & Exchange Comm'n v. W.L. Moody & Co.*, 374 F. Supp. 465, 480 (S.D. Tex. 1974), *aff'd sub nom*, 519 F.2d 1087 (5th Cir. 1975).

In allowing counsel fees in Securities Act receiverships, "[t]he court will consider . . . the complexity of problems faced, the benefit to the receivership estate, the quality of work performed, and the time records presented." *Securities & Exchange Comm'n v. Fifth Ave. Coach Lines, Inc.*, 364 F. Supp. 1220, 1222 (S.D.N.Y. 1973); *see also United States v. Code Prods. Corp.*, 362 F.2d 669, 673 (3d Cir. 1966) (court should consider the time, labor and skill required (but not necessarily expended), the fair value of such time, labor and skill, the degree of activity, the dispatch with which the work is conducted and the result obtained). "[R]esults are always relevant." *Securities & Exchange Comm'n v. Elliott*, 953 F.2d 1560, 1577 (11th Cir. 1992) (quoting *Moody*, 374 F Supp. at 480). However, a good result may take a form other than a bare increase in monetary value. *Id.* ("Even though a receiver may not have increased, or prevented a decrease in, the value of the collateral, if a receiver reasonably and diligently discharges his duties, he is entitled to compensation.").

Another "basic consideration is the nature and complexity of the legal problems confronted and the skill necessary to resolve them." *Moody*, 374 F. Supp. at 485. Moreover,

“[t]ime spent cannot be ignored.” *Id.* at 483. Another “significant factor ... is the amount of money involved.” *Id.* at 486; *see also Gasser v. Infanti Int’l, Inc.*, 358 F. Supp. 2d 176, 182 (E.D.N.Y. 2005) (receiver’s legal fees “must be reasonable in light of the services rendered by counsel and the amount of property held in the receivership”).

Under these standards, Applicants have adequately demonstrated that the amount of fees requested is appropriate and warranted. Applicants acted quickly to take control of and monetize the assets of the Platinum Entities and have taken action to finalize the resolution of claims and proceed to file a plan of distribution.

## **VII. HOLDBACKS**

Earlier in the Receivership, in an effort to preserve assets while the Receiver was actively litigating certain matters, including the removal of the purported blanket liens on the Receivership’s assets, Applicants agreed to hold back twenty percent (20%) of the allowed fees requested with respect to all project codes other than with respect to the fees approved for Otterbourg with respect to certain litigation matters, for which Applicants agreed to hold back five percent (5%) in view of the additional fee accommodation being taken with respect to those project codes<sup>11</sup> (collectively, the “Holdback Amount”). Accordingly, the total Holdback Amount for this Twenty-Sixth Interim Fee Application if the requested fees are approved is \$11,400.78 (\$382.08 for the Receiver and \$11,018.70 for Otterbourg). All payments will be made from the Receivership assets.

WHEREFORE, PREMISES CONSIDERED, the Receiver and Otterbourg respectfully request that the Court:

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<sup>11</sup> No time was spent during this Application Period with respect to those project codes in which Applicants agreed to an additional accommodation.

(a) grant interim approval of the Receiver's compensation in the amount of \$1,910.40 (the "Allowed Receiver Fees");

(b) grant interim approval of Otterbourg's compensation in the amount of \$55,093.50 (the "Allowed Otterbourg Fees" and, together with the Allowed Receiver Fees, the "Allowed Fees");

(c) grant interim approval of Otterbourg's request for reimbursement of its out-of-pocket expenses in the amount of \$256.30;

(d) authorize the Receiver to immediately pay to Applicants from the Receivership assets (i) the Allowed Fees, less the Holdback Amount, plus (ii) 100% of the allowed out-of-pocket expenses of Applicants; and

(e) grant such other relief as the Court deems appropriate.

Dated: March 19, 2024

Otterbourg P.C.

By: Erik B. Weinick

Erik B. Weinick

Jennifer S. Feeney

230 Park Avenue

New York, New York 10169

Tel.: (212) 661-9100

Fax: (212) 682-6104

eweinick@otterbourg.com

On Behalf of Melanie L. Cyganowski, as Receiver,  
and Otterbourg P.C., as Counsel to the Receiver

**EXHIBIT A**

SFAR

<b>PLATINUM PARTNERS CREDIT OPPORTUNITIES MASTER FUND LP AND AFFILIATED ENTITIES</b>				
STANDARDIZED FUND ACCOUNTING REPORT				
Reporting Period from 10/01/2023 to 12/31/2023				
FUND ACCOUNTING (See Instructions)				
		Period from 10/1/2023 to 12/31/2023		
		PPCO	PPLO	Total
Line 1	Beginning Balance (As of 10/01/2023)	\$ 13,984,200	\$ 3,484,524	\$ 17,468,724
<b><i>Increases in Fund Balance:</i></b>				
Line 2	Business Income	-	-	-
Line 3	Cash and Securities	-	-	-
Line 4	Interest/Dividend Income	-	-	-
Lines 5, 6, 7	Asset Liquidations and Third-Party Litigations Income	59,375	-	59,375
Line 8	Miscellaneous - Other	-	-	-
	<b>Total Funds Available (Lines 1-8)</b>	<b>\$ 14,043,575</b>	<b>\$ 3,484,524</b>	<b>\$ 17,528,099</b>
<b><i>Decreases in Fund Balance:</i></b>				
Line 9	Disbursements to Investors/Claimants	-	-	-
Line 10	Disbursements for Receivership Operations	-	-	-
Line 10a	Disbursements to Receiver or Other Professionals	(99,170)	-	(99,170)
Line 10b	Business Asset Expenses	(123,399)	-	(123,399)
Line 10c	Personal Asset Expenses	-	-	-
Line 10d	Investment Expenses	-	-	-
Line 10e	Third-Party Litigation Expenses	-	-	-
	1. Attorney Fees	-	-	-
	2. Litigation Expenses	-	-	-
	<b>Total Third-Party Litigation Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments			
	<b>Total Disbursements for Receivership Operations</b>	<b>\$ (222,569)</b>	<b>\$ -</b>	<b>\$ (222,569)</b>
Line 11	Disbursements for Distribution Expenses Paid by the Fund	-	-	-
Line 12	Disbursements to Court/Other	-	-	-
	<b>Total Funds Disbursed</b>	<b>\$ (222,569)</b>	<b>\$ -</b>	<b>\$ (222,569)</b>
Line 13	Ending Balance (As of 12/31/2023)	\$ 13,821,006	\$ 3,484,524	\$ 17,305,530

# **EXHIBIT B**

## Fee Schedule by Professional



**SUMMARY OF HOURS BILLED BY PROFESSIONALS AND PARAPROFESSIONALS  
FOR THE STATEMENT PERIOD OF  
OCTOBER 1, 2023 THROUGH AND INCLUDING DECEMBER 31, 2023**

Professional	Year Admitted	Rate Per Hour	No. of Hrs.	Total Compensation <sup>1</sup>
Melanie L. Cyganowski ("MLC") Partner	1982	\$1850.00 <sup>2</sup>	2.4	\$4,400.00
Jennifer S. Feeney ("JSF") Partner	1998	\$1115.00	29.9	\$31,978.50
Erik B. Weinick ("EBW") Partner	2002	\$1085.00	15.9	\$17,251.50
Michael A. Pantzer ("MAP") Associate	2017	\$625.00	17.0	\$10,625.00
	<b>TOTAL</b>		<b>65.2</b>	<b>\$64,255.00</b>

<sup>1</sup> These amounts reflect the recorded fees prior to application of the agreed upon fee accommodations.

<sup>2</sup> The Receiver's hourly billable rate at the time of retention in July 2017 was \$995. As previously agreed with the SEC, the Receiver's aggregate fees have been reduced to discount for any increase in her billable rate since being retained.

# **EXHIBIT C**

## Fees by Project Code

**OCTOBER 2023 - DECEMBER 2023 SUMMARY OF COMPENSATION BY PROJECT CODE FOR RECEIVER  
(WITH DISCOUNTS)**

<b>Project Code</b>	<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees Recorded</b>	<b>Billable Rate Accommodation<sup>1</sup></b>	<b>Public Service Accommodation<sup>2</sup></b>	<b>Total Accommodation</b>	<b>Total Fees Requested</b>
P01	Asset Analysis & Recovery	.4	\$740.00	\$342.00	\$79.60	\$421.60	\$318.40
P04	Case Administration	1.7	\$3,145.00	\$1,453.50	\$338.30	\$1,791.80	\$1,353.20
P05	Claims Administration & Objections	.3	\$555.00	\$256.50	\$59.70	\$316.20	\$238.80
	<b>TOTALS:</b>	<b>2.4</b>	<b>\$4,440.00</b>	<b>\$2,052.00</b>	<b>\$477.60</b>	<b>\$2,529.60</b>	<b>\$1,910.40</b>

**OCTOBER 2023 – DECEMBER 2023 SUMMARY OF COMPENSATION BY PROJECT CODE FOR OTTERBOURG  
(WITH DISCOUNTS)**

<b>Project Code</b>	<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees Recorded</b>	<b>Public Service Accommodation<sup>3</sup></b>	<b>Total Fees Requested</b>
P01	Asset Analysis & Recovery	16.7	\$18,566.50	\$1,856.65	\$16,709.85
P04	Case Administration	31.1	\$30,860.50	\$3,086.05	\$27,774.45
P05	Claims Administration & Objections	15.0	\$11,788.00	\$1,178.80	\$10,609.20
	<b>TOTALS:</b>	<b>62.8</b>	<b>\$61,215.00</b>	<b>\$6,121.50</b>	<b>\$55,093.50</b>

<sup>1</sup> The billable rate accommodation is a reduction in the Receiver's aggregate fees (prior to application of the public service accommodation) to discount for the customary annual increases in her billable rate since October 1, 2017.

<sup>2</sup> The public service accommodation is a twenty percent (20%) reduction in the Receiver's recorded time charges.

<sup>3</sup> The public service accommodation is a ten percent (10%) reduction in Otterbourg's recorded time charges.

**P01– ASSET DISPOSITION  
SUMMARY OF HOURS BILLED BY PROFESSIONALS AND PARAPROFESSIONALS  
FOR PROJECT CODE P01**

Professional	Year Admitted	Rate Per Hour	No. of Hrs.	Total Compensation <sup>1</sup>
Melanie L. Cyganowski ("MLC") Partner	1982	\$1850.00 <sup>2</sup>	.4	\$740.00
Jennifer S. Feeney ("JSF") Partner	1998	\$1115.00	14.9	\$16,613.50
Erik B. Weinick ("EBW") Partner	2002	\$1085.00	1.8	\$1,953.00
	<b>TOTAL</b>		<b>17.1</b>	<b>\$19,306.50</b>

<sup>1</sup> These amounts reflect the recorded fees prior to application of the agreed upon fee accommodations.

<sup>2</sup> The Receiver's hourly billable rate at the time of retention in July 2017 was \$995. As previously agreed with the SEC, the Receiver's aggregate fees have been reduced to discount for any increase in her billable rate since being retained.

**P04 – CASE ADMINISTRATION  
SUMMARY OF HOURS BILLED BY PROFESSIONALS AND PARAPROFESSIONALS  
FOR PROJECT CODE P04**

<b>Professional</b>	<b>Year Admitted</b>	<b>Rate Per Hour</b>	<b>No. of Hrs.</b>	<b>Total Compensation<sup>1</sup></b>
Melanie L. Cyganowski ("MLC") Partner	1982	\$1850.00 <sup>2</sup>	1.7	\$3,145.00
Jennifer S. Feeney ("JSF") Partner	1998	\$1115.00	14.3	\$15,944.50
Erik B. Weinick ("EBW") Partner	2002	\$1085.00	9.6	\$10,416.00
Michael A. Pantzer ("MAP") Associate	2017	\$625.00	7.2	\$4,500.00
	<b>TOTAL</b>		<b>32.8</b>	<b>\$34,005.50</b>

<sup>1</sup> These amounts reflect the recorded fees prior to application of the agreed upon fee accommodations.

<sup>2</sup> The Receiver's hourly billable rate at the time of retention in July 2017 was \$995. As previously agreed with the SEC, the Receiver's aggregate fees have been reduced to discount for any increase in her billable rate since being retained.

**P05 – CLAIMS ADMINISTRATION & OBJECTIONS**  
**SUMMARY OF HOURS BILLED BY PROFESSIONALS AND PARAPROFESSIONALS**  
**FOR PROJECT CODE P05**

Professional	Year Admitted	Rate Per Hour	No. of Hrs.	Total Compensation <sup>1</sup>
Melanie L. Cyganowski ("MLC") Partner	1982	\$1850.00 <sup>2</sup>	.3	\$555.00
Jennifer S. Feeney ("JSF") Partner	1998	\$1115.00	.7	\$780.50
Erik B. Weinick ("EBW") Partner	2002	\$1085.00	4.5	\$4,882.50
Michael A. Pantzer ("MAP") Associate	2017	\$625.00	9.8	\$6,125.00
	<b>TOTAL</b>		<b>15.3</b>	<b>\$12,343.00</b>

<sup>1</sup> These amounts reflect the recorded fees prior to application of the agreed upon fee accommodations.

<sup>2</sup> The Receiver's hourly billable rate at the time of retention in July 2017 was \$995. As previously agreed with the SEC, the Receiver's aggregate fees have been reduced to discount for any increase in her billable rate since being retained.

# **EXHIBIT D**

## Receiver Time Records

OTTERBOURG P.C.  
 230 PARK AVENUE  
 NEW YORK, NY 10169-0075

February 2, 2024  
 BILL NO. 237084

Client/Matter No.: 22126/0901  
 Matter Name: SEC v. PLATINUM MANAGEMENT (NY) LLC,  
 et al  
 Billing Partner: ML CYGANOWSKI

For Services Rendered Through December 31, 2023:

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Phase: P01 Asset Analysis & Recovery

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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/27/23		Review Documents	.40	740.00
	MLC	Review of report re China Horizon		
TOTAL PHASE P01			.40	\$740.00

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Phase: P04 Case Administration

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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/15/23		Review Documents	.20	370.00
	MLC	Review of report from Court re Small sentencing and Judge Cogan comments		
11/21/23		Review Documents	.30	555.00
	MLC	Review of financial expense summary prepared by Teneo		



OTTERBOURG P.C.  
230 PARK AVENUE  
NEW YORK, NY 10169-0075

Client/Matter: 22126/0901  
Page 2

February 2, 2024  
BILL NO. 237084

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/24/23	MLC	Review Documents Review of financial expenses and payment of same	.40	740.00
11/27/23	MLC	Review Documents Attention to financial expenses and payment of same	.20	370.00
11/30/23	MLC	Correspondence Correspondence with Schaeffer & Weiner re monies paid and owing	.30	555.00
12/01/23	MLC	Review Documents Review of financial expenses and payment of same	.30	555.00
TOTAL PHASE P04			1.70	\$3,145.00

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Phase: P05 Claims Administration & Objections

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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
12/01/23	MLC	Review Documents Review of notice of Appeal of SHIP order	.30	555.00
TOTAL PHASE P05			.30	\$555.00
			TOTAL FOR SERVICES	\$4,440.00

OTTERBOURG P.C.  
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NEW YORK, NY 10169-0075

Client/Matter: 22126/0901  
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February 2, 2024  
BILL NO. 237084

TOTAL THIS STATEMENT \$4,440.00

# **EXHIBIT E**

## Otterbourg Time Records

OTTERBOURG P.C.  
 230 PARK AVENUE  
 NEW YORK, NY 10169-0075

February 27, 2024  
 BILL NO. 237433

Client/Matter No.: 22126/0902  
 Matter Name: COUNSEL TO RECEIVER IN SEC v. PLATINUM  
 MANAGEMENT  
 Billing Partner: ML CYGANOWSKI

For Services Rendered Through December 31, 2023:

<u>Phase: P01</u>		<u>Asset Analysis &amp; Recovery</u>		
<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/04/23	JSF	Memo Memo re: Overview of Asset Dispositions	2.40	2,676.00
10/05/23	JSF	Review Files at Warehouse Prepare Summary Overview of Assets Reviewed by Receiver and Outcome	4.40	4,906.00
10/05/23	JSF	Examine Documents Review of Teneo Goldin Reports re: Asset Review and Dispositions	1.60	1,784.00
10/19/23	JSF	Examine Documents Attention to Remaining Asset List	.80	892.00
11/16/23	JSF	Examine Documents Review of Asset Overview Summaries	1.40	1,561.00
11/17/23	JSF	Examine Documents Review of Update on Assets Being Monitored	.30	334.50

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February 27, 2024  
BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/17/23	EBW	Correspondence Assets - attention to asset status.	.30	325.50
11/27/23	JSF	Examine Documents Review of Asset Updates and Transition of Monitoring	1.50	1,672.50
11/28/23	JSF	Examine Documents Review of Black Elk Docket re: Status of Case and Potential Distribution to Subordinated Claims	.60	669.00
11/28/23	EBW	Telephone Call(s) Assets - teleconference with Teneo; CFO and J. Feeney regarding asset status.	.50	542.50
11/28/23	EBW	Correspondence Assets - correspondence with parties regarding assets.	.20	217.00
11/29/23	JSF	Examine Documents Review of Asset Review Memo	.70	780.50
11/29/23	EBW	Review Documents Assets - attention to asset status.	.20	217.00
11/30/23	JSF	Examine Documents Review of Memo to Receiver re: China Horizon/Yellow River Asset	.40	446.00

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 NEW YORK, NY 10169-0075

Client/Matter: 22126/0902  
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February 27, 2024  
 BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
12/01/23	JSF	Examine Documents Examine Revised Asset Review Overview Memo	.40	446.00
12/01/23	JSF	Telephone Call(s) Participate in Call with team re: Asset Status.	.40	446.00
12/01/23	EBW	Telephone Call(s) Assets - teleconference with team regarding asset status.	.40	434.00
12/04/23	EBW	Telephone Call(s) Agera - teleconference with PPVA counsel.	.20	217.00
TOTAL PHASE P01			16.70	\$18,566.50

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Phase: P04	Case Administration
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/03/23	EBW	Preparation for Conference Administrative - preparation for teleconference regarding subpoena (Staudtmauer)	.30	325.50
10/04/23	EBW	Telephone Call(s) Administrative - teleconference with counsel for Staudtmauer regarding subpoena.	.30	325.50

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Client/Matter: 22126/0902  
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February 27, 2024  
BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/05/23	EBW	Correspondence Administrative - correspondence regarding Staudtmauer subpoena.	.20	217.00
10/10/23	EBW	Conference(s) in Office Cayman - conference with Cayman director regarding status.	.20	217.00
10/10/23	EBW	Correspondence Subpoena - attention to Staudtmauer subpoena response.	.20	217.00
10/12/23	EBW	Conference(s) in Office Plan - conference with T. Rogers regarding status of various assets.	.80	868.00
10/12/23	EBW	Correspondence Administrative - attention to Staudtmauer subpoena.	.30	325.50
10/16/23	JSF	Prepare Legal Papers Preparation of Status Report	1.40	1,561.00
10/17/23	EBW	Correspondence Administrative - correspondence with counsel for Staudtmauer regarding subpoena.	.10	108.50
10/17/23	MAP	Review Documents Review documents in Platinum Receivership regarding status of criminal matter.	.30	187.50

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February 27, 2024  
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/18/23	JSF	Prepare Legal Papers Review and Revise Status Report	1.60	1,784.00
10/18/23	JSF	Examine Documents Defendants - Review Criminal Docket re: Updates	.40	446.00
10/18/23	JSF	Examine Documents Nordlicht - Review Summary of Settlement and Upcoming Deadlines	.30	334.50
10/18/23	EBW	Telephone Call(s) Administrative - teleconference with counsel for Staudtmauer regarding subpoena.	.20	217.00
10/18/23	EBW	Preparation of Memorandum Administrative - preparation of status report.	.80	868.00
10/18/23	MAP	Correspondence Correspondence with Nordlicht Chapter 7 Trustee regarding settlement agreement.	.10	62.50
10/19/23	JSF	Examine Documents Review Schedule of Disbursements and Receipts	.30	334.50
10/19/23	JSF	Examine Documents Attention to Updates on Receivership Matters	1.20	1,338.00



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<u>DATE</u> <u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/20/23 JSF	Prepare Legal Papers Review and Finalize Status Report.	1.20	1,338.00
10/24/23 EBW	Correspondence Nordlicht - attention to settlement implementation.	.20	217.00
10/24/23 EBW	Correspondence Investors - correspondence with team regarding investor inquiries	.20	217.00
10/24/23 EBW	Correspondence Administrative - correspondence with counsel for Staudtmauer and P. Poteat/T. Rogers regarding subpoena.	.20	217.00
10/24/23 MAP	Correspondence Correspondence with Otterbourg and counsel for Nordlicht regarding Effective Date of Settlement Agreement and other terms.	.70	437.50
10/25/23 MAP	Draft/revise Prepare for "Effective Date" of settlement agreement; prepare pleadings to be filed on Effective Date; draft letter to Bankruptcy Court regarding Effective Date; communications with counsel for Debtor.	2.70	1,687.50

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February 27, 2024  
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/26/23	MAP	Draft/revise Nordlicht Bankruptcy - Finalize Letter to Court; Amended Complaint; and Amended Proof of Claim for filing; and correspondence regarding filing.	1.90	1,187.50
10/27/23	JSF	Examine Documents Attention to Nordlicht Settlement and Upcoming Dates	.30	334.50
10/27/23	EBW	Telephone Call(s) Defendants - teleconference with counsel for defendant.	.10	108.50
10/27/23	EBW	Correspondence Correspondence with investors.	.10	108.50
10/27/23	MAP	Correspondence Nordlicht Bankruptcy - Correspondence with Receiver regarding settlement agreement.	.20	125.00
11/02/23	MAP	Correspondence Correspondence regarding Nordlicht settlement.	.10	62.50
11/03/23	EBW	Correspondence Administrative - attention to Staudtmauer subpoena.	.20	217.00

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February 27, 2024  
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/03/23	MAP	Correspondence Correspondence with Epic and Otterbourg team regarding Receivership Website information.	.20	125.00
11/04/23	MAP	Correspondence Review documents and pleadings in criminal action and correspondence with Receiver regarding the same.	.30	187.50
11/07/23	JSF	Telephone Call(s) Participate in Conference Call with T. Rogers re: Catch Up on Open Items	.30	334.50
11/13/23	EBW	Telephone Call(s) Investors - Investor call	.20	217.00
11/13/23	EBW	Telephone Call(s) Status - teleconference with CFO regarding status.	.20	217.00
11/13/23	EBW	Analysis of Legal Papers Defendants - Attention to sentencing filings.	.10	108.50
11/13/23	EBW	Correspondence Defendants - correspondence with counsel for defendant.	.20	217.00

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February 27, 2024  
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/15/23	JSF	Examine Documents Attention to Updates in the Case re: Defendants	.30	334.50
11/15/23	MAP	Correspondence Correspondence regarding Daniel Small sentencing.	.10	62.50
11/17/23	JSF	Prepare Legal Papers Attention to Status Report	1.80	2,007.00
11/27/23	JSF	Examine Documents Attention to Plan - Open Issues	.70	780.50
11/29/23	JSF	Telephone Call(s) Call with Receiver re: CFO Transition to Consultant Role	.50	557.50
11/29/23	EBW	Correspondence Administrative - attention to CFO-related matters.	.20	217.00
11/30/23	JSF	Memo Review and Comment on Revised Memo re: Assets and Status of Remaining Assets in Portfolio	1.40	1,561.00
11/30/23	JSF	Conference(s) in Office Meeting with EBW and Trey Rogers re: Status of Open Matters and Next Steps	.70	780.50

OTTERBOURG P.C.  
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February 27, 2024  
BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/30/23	EBW	Conference(s) in Office Administrative - conference with T. Rogers and J. Feeney regarding status and strategy.	.70	759.50
12/05/23	EBW	Correspondence SHIP - correspondence with PPVA regarding document production.	.10	108.50
12/12/23	EBW	Correspondence Administrative - attention to administrative matters.	.20	217.00
12/13/23	MAP	Correspondence Review recent filings on civil and criminal docket and correspondence with J Hildebrandt regarding the same.	.40	250.00
12/15/23	JSF	Examine Documents Review of Report to Court re: Solsvig	.20	223.00
12/15/23	EBW	Preparation of Memorandum Administrative - disclosure to Court regarding Solsvig	.80	868.00
12/19/23	EBW	Analysis of Legal Papers Admin - review of proposed consulting agreement.	.40	434.00

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February 27, 2024  
BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
12/21/23	JSF	Telephone Call(s) Administrative - Call with Trey Rogers re: Consultant Arrangement	.30	334.50
12/21/23	JSF	Examine Documents Review of Proposed Consulting Arrangement and Estate Savings re: CFO	.60	669.00
12/21/23	EBW	Analysis of Legal Papers Administrative - review of pending matters.	.80	868.00
12/21/23	EBW	Telephone Call(s) Administrative - teleconference with CFO and J. Feeney regarding consulting agreement.	.50	542.50
12/21/23	MAP	Correspondence Correspondence with E. Weinick regarding issues related to Nordilcht bankruptcy case.	.20	125.00
12/22/23	JSF	Examine Documents Administrative - Review of Records to be Transferred from Office Space to Hold in Storage	.30	334.50
12/22/23	EBW	Preparation of Legal Papers Administrative - attention to consulting agreement.	.20	217.00

OTTERBOURG P.C.  
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February 27, 2024  
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
12/27/23	JSF	Examine Documents Review and Comment on Consulting Agreement with Trey Rogers	.50	557.50
12/27/23	EBW	Preparation of Legal Papers Administrative - revisions to consulting agreement	.60	651.00
TOTAL PHASE P04			31.10	\$30,860.50

Phase: P05

Claims Administration & Objections

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/11/23	EBW	Telephone Call(s) SHIP - teleconference with counsel for SHIP regarding status of motion.	.20	217.00
10/11/23	EBW	Correspondence SHIP - correspondence with Receiver regarding correspondence with counsel for SHIP.	.20	217.00
10/17/23	EBW	Correspondence SHIP - correspondence with counsel for SHIP regarding motion status.	.10	108.50

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February 27, 2024  
BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
10/18/23	EBW	Correspondence SHIP - correspondence/teleconference with counsel for SHIP regarding motion status.	.20	217.00
10/27/23	EBW	Correspondence SHIP - attention to SHIP request for filing.	.20	217.00
10/30/23	EBW	Preparation of Motion Papers SHIP - notice of correspondence from SHIP	.20	217.00
11/01/23	EBW	Analysis of Legal Papers SHIP - attention to filing of notice.	.10	108.50
11/02/23	JSF	Examine Documents Review SHIP Escrow Order and Next Steps	.20	223.00
11/02/23	EBW	Analysis of Legal Papers SHIP - analysis of order and correspondence regarding same.	.30	325.50
11/07/23	EBW	Telephone Call(s) Plan - teleconference with team regarding status and strategy.	.30	325.50
11/07/23	MAP	Review Documents Review documents in connection with investor statements and correspondence with T. Rogers regarding the same.	.50	312.50



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February 27, 2024  
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<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/14/23	EBW	Telephone Call(s) Defendants - teleconference with counsel for defendant regarding indemnification	.20	217.00
12/01/23	EBW	Analysis of Legal Papers SHIP - attention to notice of appeal.	.30	325.50
12/05/23	EBW	Correspondence SHIP - correspondence with SHIP re: appeal	.10	108.50
12/11/23	EBW	Correspondence Cayman - attention to communications with Cayman directors and representatives.	.30	325.50
12/14/23	EBW	Correspondence Indemnification - attention to matters relating to indemnification claims motion.	.40	434.00
12/18/23	EBW	Analysis of Legal Papers Indemnification - attention to defendants' filing.	.10	108.50
12/19/23	EBW	Analysis of Legal Papers SHIP - review of appellate filings and correspondence with SHIP counsel regarding same.	.60	651.00
12/21/23	EBW	Analysis of Legal Papers SHIP - attention to appellate matters.	.30	325.50

OTTERBOURG P.C.  
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NEW YORK, NY 10169-0075

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February 27, 2024  
BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
12/21/23	MAP	Telephone Call(s) Call with T. Rogers to discuss PPLO Investor Letters and related correspondence.	.50	312.50
12/21/23	MAP	Review Documents Review and update documents regarding PPLO Investor Letters.	1.60	1,000.00
12/22/23	JSF	Examine Documents Review of Letters to PPLO Investors	.50	557.50
12/22/23	MAP	Correspondence Review and revise documents in connection with PPLO Investor letters and correspondence with Otterbourg team regarding the same.	2.10	1,312.50
12/26/23	MAP	Review Documents Review documents and pleadings in connection with appeal of Escrow Motion and correspondence with E. Weinick regarding the same.	.50	312.50
12/26/23	MAP	Draft/revise Review and revise PPLO letters for mailing to investors.	.80	500.00
12/27/23	EBW	Correspondence PPLO - attention to PPLO letters.	.40	434.00

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 NEW YORK, NY 10169-0075

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February 27, 2024  
 BILL NO. 237433

<u>DATE</u>	<u>ATTORNEY</u>	<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
12/27/23	MAP	Correspondence Review and revise PPLO Letters and email to Epiq regarding mailing of letters.	1.60	1,000.00
12/28/23	MAP	Review Documents Review draft PPLO investor statements and correspondence with Epiq regarding the same.	.40	250.00
12/29/23	MAP	Review Documents Review draft PPLO investor letters and correspondence with Epiq regarding the same.	1.80	1,125.00
TOTAL PHASE P05			15.00	\$11,788.00
			TOTAL FOR SERVICES	\$61,215.00

# **EXHIBIT F**

## Expense Summary

**SUMMARY OF ACTUAL AND NECESSARY DISBURSEMENTS  
FOR THE STATEMENT PERIOD OF  
OCTOBER 1, 2023 THROUGH AND INCLUDING DECEMBER 31, 2023**

<b>Expense Category</b>	<b>Service Provider (if applicable)</b>	<b>Total Expenses<sup>1</sup></b>
Air Freight	Federal Express	\$76.75
Electronic Research	Westlaw, Pacer	\$159.75
Photocopies		\$19.80
<b>TOTAL:</b>		<b>\$256.30</b>

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<sup>1</sup> The date that appears on the annexed disbursement detail associated with a particular disbursement is as to certain disbursements the date the disbursement is recorded in Otterbourg computer records and not the actual date the disbursement was incurred.

# **EXHIBIT G**

## Otterbourg Expense Records

OTTERBOURG P.C.  
230 PARK AVENUE  
NEW YORK, NY 10169-0075

Client/Matter: 22126/0902  
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February 27, 2024  
BILL NO. 237433

DISBURSEMENTS FOR YOUR ACCOUNT

Electronic Research	159.75
Air Freight	76.75
Photocopies	19.80
	<hr/>
TOTAL DISBURSEMENTS	256.30
TOTAL THIS STATEMENT	\$61,471.30

# **EXHIBIT H**

## Certification



Melanie L. Cyganowski  
Erik B. Weinick  
OTTERBOURG P.C.  
230 Park Avenue  
New York, New York 10169  
Telephone: (212) 661-9100  
Facsimile: (212) 682-6104

*Counsel to the Receiver*

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

-----X	
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.	:
-----X	

No. 16-CV-6848 (BMC)

**CERTIFICATION IN SUPPORT OF TWENTY-SIXTH JOINT INTERIM APPLICATION OF THE RECEIVER AND OTTERBOURG P.C. FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES INCURRED DURING THE PERIOD OCTOBER 1, 2023 THROUGH AND INCLUDING DECEMBER 31, 2023**

I, Erik B. Weinick (the “Certifying Professional”), hereby certify that Melanie L. Cyganowski (the “Receiver”) and Otterbourg P.C. (“Otterbourg”) have designated me as the Certifying Professional with respect to the Certification required by Section A of the Billing

Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission (the “SEC Billing Guidelines”) and further certify that:

1. I am an attorney admitted to practice law in the Eastern District of New York since June, 2002 and in the State of New York since April, 2002 and am a partner at Otterbourg.

2. I have read the Twenty-Sixth Joint Interim Application of the Receiver and Otterbourg P.C. for Allowance of Compensation and Reimbursement of Expenses Incurred during the Period October 1, 2023 through and including December 31, 2023 (the “Twenty-Sixth Interim Application”).

3. To best of my knowledge, information, and belief formed after reasonable inquiry, the Twenty-Sixth Interim Application and all fees and expenses sought therein are true and accurate and comply with the SEC Billing Guidelines, except as noted:

(a) Otterbourg has made every reasonable effort to insure that all billing professionals placed all related time entries in a single activity category (designated by task code). However, some variations may have occurred.

4. All fees contained in the Twenty-Sixth Interim Application are based on the rates listed in the Fee Schedule (Exhibit B to the Application), subject to the discounts described in the Twenty-Sixth Interim Application, and all such fees are reasonable, necessary, and commensurate with the skill and experience required for the activity performed.

5. All necessary and reasonable expenses contained in the Twenty-Sixth Interim Application are based on the actual cost incurred by Otterbourg. Otterbourg has not included in the amounts for which expense reimbursement is sought any amortization of the cost

of any investment, equipment, or capital outlay (except to the extent any such amortization is included within the permitted allowable amounts for photocopies and fax transmission).

6. In seeking reimbursement for an outside vendor service, which Otterbourg justifiably purchased or contracted for from a third party (such as court reporting services, electronic research, and overnight courier), Otterbourg requests reimbursement only for the actual amount billed to Otterbourg by the third party vendor and paid by Otterbourg to such vendor. Neither the Receiver nor Otterbourg is making a profit on such reimbursable service.

7. I represent that (i) the fees and expenses included therein were incurred in the best interests of the Receivership Estate; and, (ii) with the exception of the SEC Billing Guidelines, the Receiver has not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership Estate, or any sharing thereof.

Dated: March 19, 2024

/s/ Erik B. Weinick  
Erik B. Weinick  
Certifying Professional

UNITED STATES DISTRICT COURT  
 EASTERN DISTRICT OF NEW YORK

-----X		
SECURITIES AND EXCHANGE COMMISSION, :	:	
	:	
Plaintiff, :	:	
	:	
-v- :	:	No. 16-cv-6848 (BMC)
	:	
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		

**[PROPOSED] ORDER APPROVING TWENTY-SIXTH JOINT INTERIM APPLICATION OF THE RECEIVER AND OTTERBOURG P.C. FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES INCURRED DURING THE PERIOD OCTOBER 1, 2023 THROUGH AND INCLUDING DECEMBER 31, 2023**

THIS MATTER coming before the Court on the Twenty-Sixth Joint Interim Application of Melanie L. Cyganowski, the duly appointed receiver herein (the “Receiver”) and Otterbourg P.C. (“Otterbourg”), counsel for the Receiver, for Allowance of Compensation and Reimbursement of Expenses Incurred During the Period October 1, 2023 through and including December 31, 2023 (the “Twenty-Sixth Interim Application”)<sup>1</sup> [Dkt. No. \_\_\_\_]; and the Court having considered the Twenty-Sixth Interim Application and exhibits and other documents filed in support of the Twenty-Sixth Interim Application; and the Court having found that the Twenty-Sixth Interim Application complies with applicable standards for awarding fees and expenses; and after due deliberation and for good and sufficient cause shown; it is hereby

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<sup>1</sup> Capitalized terms utilized but not otherwise defined herein shall have the meaning ascribed to them in the Twenty First Interim Application.

**ORDERED** that the Twenty-Sixth Interim Application for the period covering October 1, 2023 through and including December 31, 2023 (the “Twenty-Sixth Application Period”) is granted; and it is further

**ORDERED** that the Receiver’s compensation for the Twenty-Sixth Application Period is allowed on an interim basis in the amount of \$1,910.40 (the “Allowed Receiver Fees”); and it is further

**ORDERED** that the fees requested by Otterbourg for the Twenty-Sixth Application Period are allowed on an interim basis in the amount of \$55,093.50 (the “Allowed Otterbourg Fees” and, together with the Allowed Receiver Fees, the “Allowed Fees”); and it is further

**ORDERED** that Otterbourg’s request for reimbursement of its out-of-pocket expenses for the Twenty-Sixth Application Period is allowed on an interim basis in the amount of \$256.30; and it is further

**ORDERED** that the Receiver is authorized to immediately pay from the Receivership assets (i) the Allowed Fees, less the Holdback Amount, plus (ii) 100% of the allowed out-of-pocket expenses of Applicants.

Dated: \_\_\_\_\_, 2024  
Brooklyn, New York

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