

**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.**

**Civil Case No. 16-6848 (DLI) (VMS)**

**ECF CASE**

**ORDER ON CONSENT IMPOSING PRELIMINARY  
INJUNCTION AND OTHER RELIEF**

The Securities and Exchange Commission (“SEC”) having filed a Complaint on December 19, 2016, and the SEC that same day having filed an Emergency Application for an Order to Show Cause, Temporary Restraining Order, Preliminary Injunction, Appointment of a Receiver, and Other Relief; and the Court having entered on consent of Mark Nordlicht (“Nordlicht”) and Platinum Credit Management L.P. (“Platinum Credit” and, together with Nordlicht, the “TRO Defendants”) an Order Appointing Receiver (“Receiver Order”) and an Order to Show Cause, Temporary Restraining Order, Order Appointing Receiver, and Granting Other Relief (“OSC”) on December 19, 2016, as amended by Order dated January 30, 2017; and the TRO Defendants having each (1) entered a general appearance; (2) consented to the Court’s

jurisdiction over them and the subject matter of this action; (3) consented to this Order on Consent Imposing a Preliminary Injunction and Other Relief against them (“PI Order”) without admitting or denying the allegations of the Complaint (except as to jurisdiction); and waived findings of fact and conclusions of law; and (4) waived any right to appeal from this PI Order.

**I.**

**IT IS HEREBY ORDERED** that, pending final disposition of this action, Platinum Credit is preliminarily restrained and enjoined from violating, directly or indirectly, Sections 206(1), 206(2), 206(4), of the Advisers Act, 15 U.S.C. §§ 80b-6(1), (2), and (4), and Rule 206(4)-8 thereunder, 17 C.F.R. § 275.206(4)-8, by using the mails or any means or instrumentality of interstate commerce, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud any client or prospective client;
- (b) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client; or
- (c) to engage in any act, practice, or course of business which is fraudulent, deceptive, or manipulative, including (1) making any untrue statement of a material fact or omitting to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading, to any investor or prospective investor in a pooled investment vehicle; or (2) otherwise engaging in any act, practice, or course of business that is fraudulent, deceptive, or manipulative with respect to any investor or prospective investor in a pooled investment vehicle.

**IT IS FURTHER ORDERED** that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this

Order by personal service or otherwise: (a) Platinum Credit's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Platinum Credit or with anyone described in (a).

**II.**

**IT IS HEREBY ORDERED** that, pending final disposition of this action, Platinum Credit is preliminarily restrained and enjoined from violating, directly or indirectly Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;  
or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Platinum Credit's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Platinum Credit or with anyone described in (a).

**III.**

**IT IS HEREBY ORDERED** that, pending final disposition of this action, Platinum Credit is preliminarily restrained and enjoined from violating, directly or indirectly Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Platinum Credit’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Platinum Credit or with anyone described in (a).

**IV.**

**IT IS HEREBY ORDERED** that, pending final disposition of this action, Platinum Credit and any person or entity acting at its direction or on its behalf, and any other third party, be and hereby are (1) enjoined and restrained from destroying, altering, concealing or otherwise interfering with the access of Plaintiff SEC and the Receiver to any and all documents,

books, and records that are in the possession, custody or control of Platinum Credit, and each of its respective officers, agents, employees, servants, accountants, financial or brokerage institutions, or attorneys-in-fact, subsidiaries, affiliates, predecessors, successors and related entities, that refer, reflect or relate to the allegations in the Complaint, including, without limitation, documents, books and records referring, reflecting or relating to Platinum Credit's and the Receivership Entities' finances or business operations, or the offer, purchase or sale of securities and the use of proceeds therefrom; and (2) ordered to provide all reasonable cooperation to the Receiver in carrying out his duties set forth herein. Notwithstanding the foregoing, the Receiver will not knowingly and intentionally make available to the SEC or to any third party any of the foregoing described documents that are subject to the attorney-client privilege, the attorney work product doctrine or any other applicable privilege, without first giving reasonable notice and an opportunity to be heard to the individual defendants so that they may assert any privilege they may have as to such documents.

**V.**

**IT IS FURTHER ORDERED** that Bart Schwartz, pending further order of this Court, shall continue to act as Receiver over the Receivership Entities (as that term is defined in the Receiver Order) subject to all of the terms and conditions set forth in the Receiver Order, as amended January 30, 2017, and as may be further amended on notice and an opportunity to be heard.

**VI.**

**IT IS FURTHER ORDERED** that no person or entity, including any creditor or claimant against any of the defendants or Receivership Entities, or any person acting on behalf of such creditor or claimant, shall take any action to interfere with the taking control, possession, or

management of the assets, including, but not limited to the filing of any lawsuits, liens or encumbrances or bankruptcy cases to impact the property and assets subject to this Order and the Order Appointing Receiver except that, nothing herein shall apply to or have any effect upon Cause No: FSD 118/2016 (NAS) and Cause No: FSD 131 of 2016 (AJJ) pending before the Grand Court of the Cayman Islands or the bankruptcy cases *In re Platinum Partners Value Arbitrage Fund L.P.*, 16-12925 (Bankr. S.D.N.Y.) and *In re Platinum Partners Value Arbitrage Fund International Ltd.*, 16-12934 (Bankr. S.D.N.Y.).

**VII.**

**IT IS FURTHER ORDERED** that this Order shall be, and is, binding upon Platinum Credit and Nordlicht and each of their respective officers, agents, servants, employees, attorneys-in-fact, subsidiaries, affiliates and those persons in active concert or participation with them who receive actual notice of this Order by personal service, facsimile service, or otherwise.

**SO ORDERED:**

Dated: Brooklyn, NY  
March 7<sup>th</sup>, 2017

s/Dora L. Irizarry  
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Chief United States District Judge