



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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May 31, 2017

Filed on ECF

Honorable Dora L. Irizarry
Chief U.S. District Judge
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

Re: SEC v. Platinum Management (NY) LLP, et al., No. 16-6848 (DLI)(VMS)

Dear Judge Irizarry:

We represent Plaintiff Securities and Exchange Commission ("SEC"). On May 24, 2017, fee applications for the period December 19, 2016 through March 31, 2017 were filed by Bart Schwartz, the Receiver, Guidepost Solutions, LLC, the Receiver's adviser, and Cooley LLP, the Receiver's counsel. (Dkt. #s 143 & 144) Pursuant to the Court's March 23, 2017 Order directing the parties to state their positions with respect to applications in this case, and as set forth in the May 19, 2017 joint letter filed by the SEC staff and the Receiver (Dkt. # 142 at p. 6, n. 3), the SEC intends to object to certain fees and expenses incurred and to request that the Court apply a 45% holdback of fees to these first interim applications in order to ensure the preservation of receivership assets at this stage of the receivership.

The SEC is still reviewing the voluminous time detail in the filed applications and, unless otherwise directed by the Court, intends to file its objection to both fee applications by Friday, June 9. The SEC believes that the Court should be fully briefed on the issues, with an opportunity for the Receiver and Cooley to respond, before allowing the payment of approximately \$1.85 million in professional fees accrued through March 31, 2017¹ when the receivership held only \$9.7 million in cash as of May 1, 2017. (Dkt. # 142 at p.5)

Respectfully,

A handwritten signature in black ink, appearing to read "Neal Jacobson".

Neal Jacobson

¹ The \$1.85 million is the approximate amount of fees the Receiver, Guidepost, and Cooley are seeking to be paid after application of a standard 20% holdback of interim fees. This amount does not reflect additional fees accrued by the applicants since March 31 or fees accrued and expected to be accrued by other professionals in the case.