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Via ECF

June 30, 2017

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

Re: *SEC v. Platinum Management (NY) LLC et al.*, Civil Case No. 16-cv-6848 (DLI)(VMS)

Dear Chief Judge Irizarry:

We are counsel to Bart M. Schwartz (the "Receiver"), the court-appointed receiver for defendant Platinum Credit Management, L.P. and certain related entities (collectively, the "Receivership Entities"), and write on his behalf to request your approval to retain and pay Reed Smith LLP ("Reed Smith"). The Receiver wishes to retain Reed Smith to conduct a review of the Receivership's position in a litigation funding arrangement.

Although the Receiver has filed an application to resign [Docket No. 170], the Receiver is making this application at this time because this review must be conducted to make the litigation funding position saleable, because the Receivership currently pays approximately \$700,000 each month to maintain the position, and because the Receiver wishes to be able to sell the position (in whole or in part) as quickly as possible, possibly before the Receiver needs to make the next monthly payment.

The Receiver is aware of Your Honor's June 27, 2017 scheduling order setting a Show Cause Hearing for July 7, 2017, and Your Honor's note that "the parties should be prepared to address whether decision on any pending motions made by the Receiver for various authorizations should be stayed pending the Court's decision on the motion to appoint a new receiver." Order regarding Docket Nos. 177, 178. Prior to making this application, a member of the Receiver's staff conferred with a member of the SEC's staff, who advised that the SEC did not object to the filing of this application at this time but might not take a position of the merits of this application before the July 7, 2017 hearing in this case.

In support of this Application, the Receiver attaches the following Exhibits:

Exhibit 1 Declaration of Daniel M. Burstein, executed June 30, 2017;

Exhibit 2 a proposed Order.



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Respectfully submitted,

/s/ Celia Goldwag Barenholtz
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cc: All counsel of record (via ECF)

Enclosures