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October 30, 2023

VIA ECF

Hon. Valerie E. Caproni
United States District Judge
Southern District of New York
40 Foley Square
New York, NY 10007

Re: CFTC v. Alexandre and EminiFX, Inc., No. 22 Civ. 3822 (VEC)
Application for Payment of Fees and Expenses – Third Quarter 2023

Dear Judge Caproni:

Pursuant to this Court's Order dated June 10, 2022 concerning applications for professional fees and expenses [Dkt. 47], as amended on February 2, 2023 [Dkt. 187] and on June 30, 2023 [Dkt. 209] (the "**Employment Order**"), David Castleman, the court-appointed receiver (the "**Receiver**") over Defendant EminiFX, Inc. ("**EminiFX**") and certain assets of Defendant Eddy Alexandre ("**Alexandre**"), respectfully submits this application (the "**Application**") for the payment of professional fees and expenses for the period of July 1, 2023 through September 30, 2023 (the "**Application Period**"). The Receiver requests approval of payment of fees and expenses to the Receiver and the following firms: Otterbourg P.C. ("**Otterbourg**"), J.S. Held LLC ("**JS Held**"), Deloitte Tax LLP ("**Deloitte Tax**"), Crowe LLP ("**Crowe**"), and Stretto, Inc., ("**Stretto**") (collectively, the "**Professional Firms**").

The Receiver and each of the Professional Firms have agreed to a public-service discount of their fees given the circumstances of the receivership. During the Application Period, the general receivership estate earned \$1,129,412 in interest on its high-yield accounts, with an additional \$75,715 earned in the separate Alexandre Assets account (not used for general expenses of the estate, per the Consent Order), for total earnings during the Application Period of \$1,205,127. The total cash outflows were \$685,089, comprised almost exclusively of approved fees and expenses for the Receiver and the Professional Firms.

During the Application Period, (i) the Receiver commenced the transaction verification and claims process for the tens of thousands of EminiFX Users and more limited number of potential non-user creditors; (ii) the Receiver's tax advisors began their detailed analysis of the EminiFX tax liability in light of the completion of the Financial Condition Report [Dkt. 199]; and (iii) the discovery stay was lifted allowing for additional investigation of potential third-party claims. As a result, there was significantly more professional activity than in the prior two 2023 quarters.

For the Application Period, (i) the Receiver requests fees of \$99,841.50; (ii) Otterbourg requests fees of \$488,775.07 and expenses of \$2,138.76; (iii) JS Held requests fees of \$187,836.50 and expenses of \$6,669.70; (iv) Deloitte Tax requests fees of \$64,124.00 and expenses of



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\$3,207.00; (v) Crowe requests fees of \$32,970.00; and (vi) Stretto requests fees of \$267,947.00 and expenses of \$36,505.01. The total requested fees of \$1,141,494.07 and expenses of \$48,520.47 for the Application Period are reasonable given the significant complexity and substantial work completed, as set forth in detail in Part III, below. The total administrative expenses for the Application Period are roughly equal to the interest earned during the same period, and the \$154.2 million in cash under management exceeds the \$151.3 million in turned over assets (cash plus liquidation value) by nearly \$3 million.

The Receiver and his professionals have maintained and presented their time and expense charges as set forth in the Billing Instructions for Receivers in Civil Actions Commenced by the Commodity Futures Trading Commission (“CFTC”) (the “**CFTC Billing Instructions**”), as required by the Employment Order. These detailed time entries have been approved by the CFTC, which consents to this request, and those time entries will be submitted to the Court separately under seal pursuant to the Employment Order. Attached as Exhibits 1-6 are affidavits setting forth narrative explanations of the services provided.

This Application will be posted on the homepage of the Receiver’s website at www.eminifxreceivership.com. Any EminiFX members who have any questions regarding this Application may send an email to the Receiver’s team at EminiFX@Stretto.com, as directed by this Court in its order dated August 12, 2022 [Dkt. 106]. Unless a party has made a motion to intervene, and that motion has been granted by the Court, parties should **not** send any inquiries directly to the Court [Dkts. 174, 176].

I. Authority for Requested Relief

A receiver appointed by a court “who reasonably and diligently discharges his duties is entitled to be fairly compensated for services rendered and expenses incurred. The amount of the compensation is to be determined by the court in the exercise of its reasonable discretion.” *SEC v. Byers*, 590 F. Supp. 2d 637, 644 (S.D.N.Y. 2008). “This presumption of reasonable compensation extends to a receiver’s counsel and professionals.” *SEC v. Morgan*, 504 F. Supp. 3d 221, 223 (W.D.N.Y. 2020) (quoting *SEC v. Platinum Mgmt. (NY) LLC*, No. 16-CV-6848 (BMC), 2018 WL 4623012, at *4 (E.D.N.Y. Sept. 26, 2018)). “The Court considers several factors in determining a reasonable fee, including ‘(1) the complexity of problems faced, (2) the benefits to the receivership estate, (3) the quality of the work performed, and (4) the time records presented.’” *Id.* (quotations omitted). The Court may also consider “the reasonableness of the hourly rate charged and the reasonableness of the number of hours billed.” *SEC v. Amerindo Inv. Advisors Inc.*, No. 05 Civ. 5231 (RJS), 2015 WL 13678841, at *1 (S.D.N.Y. Sept. 14, 2015) (citations omitted). “In addition, in a securities receivership, opposition or acquiescence by the [regulatory agency] to the fee application will be given great weight.” *Byers*, 590 F. Supp. 2d at 644 (quotation marks and alteration omitted).



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II. Procedural History

On May 11, 2022, the CFTC filed a complaint and motion for an *ex parte* statutory restraining order (“**SRO**”) [Dkt. 5-6]. The Court granted the CFTC’s motion and entered the SRO the same day [Dkt. 9]. On June 15, 2022, the Court entered the Consent Order for Preliminary Injunction, appointing the Receiver as permanent Receiver [Dkt. 56] (“**Consent Order**”). Additional procedural history is set forth in the Receiver’s various status reports filed in this case, including the Receiver’s Third Quarter 2023 Status Report filed on October 27, 2023 [Dkt. 234], the Receiver’s Financial Condition Report of EminiFX filed on May 16, 2023 [Dkt. No. 199], and prior fee applications [Dkts. 88, 164, 178, 188, 196, 219].

On July 31, 2023, the Receiver filed an application for fees and expenses for April through June 2023 [Dkt. 219], and the associated CFTC-approved time entries under seal [Dkt. 220]. That application was granted on August 10, 2023 [Dkt. 227]. Prior fee applications had been granted on August 5, 2022 [Dkt. 92], October 25, 2022 [Dkt. 167], February 13, 2023 [Dkt. No. 191], and May 11, 2023 [Dkt. 198].

As previously reported, on February 10, 2023, Mr. Alexandre pleaded guilty in the parallel criminal action *United States v. Alexandre*, No. 22 Cr. 326 (S.D.N.Y.) (the “**Criminal Action**”) [Dkt. 193]. Mr. Alexandre’s sentencing occurred on July 18, 2023. During the Application Period, the Receiver communicated with counsel for the CFTC and Alexandre concerning reaching a settlement of the Civil Action and these discussions are ongoing.

On August 10, 2023, the Receiver filed his motion for approval of procedures to verify EminiFX user transactions [Dkts. 223-226]. On August 29, 2023, the Court entered an Order approving the motion [Dkt. 228].

On September 13, 2023, the Court adjourned the time for Alexandre and EminiFX to answer the CFTC complaint from September 18 to October 18 [Dkt. 230]. After the Application Period, but prior to this filing, that deadline was extended further to December 4, 2023 [Dkt. 233].

III. Summary of Services During the Application Period

Transaction Verification and Claims Process. The Receiver and his teams at Otterbourg, JS Held and Stretto spent a substantial amount of time during the Application Period preparing and launching the transaction verification and claims process. At the beginning of the Application Period, Otterbourg prepared and filed the aforementioned motion for approval of the process [Dkts. 223-226]. Stretto, with input from the Receiver and his professionals, created a claims portal (the “**User Portal**”) for investors to view and verify their transaction information. JS Held prepared the transaction data—created in the prior two quarters by piecing together the patchwork EminiFX external and internal financial records—for export into the User Portal.



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Leading up to the launch of the User Portal, Otterbourg, JS Held and Stretto spent significant time reviewing, updating and testing the User Portal with the goal of ensuring accuracy of information and easy accessibility and functionality for the User. Stretto and Otterbourg also prepared notices and FAQs for users and claimants, and additionally prepared “how to” videos to guide users through the transaction verification process. The User Portal launched on September 12, 2023 with individual instruction and login emails sent to every user. Users were then able to log on to the Portal to verify their transactions, relieving the vast majority of them of the burden of locating their transaction records. In the first few weeks since the launch of the User Portal, over 12,000 users verified all their transactions, and less than 500 users disputed or added transactions, with a total of 47,874 transactions verified as of October 15.

The Receiver and his teams at Otterbourg, JS Held, and Stretto are continuing to manage the transaction verification and claims process, investigating disputed or added transactions and resolving other user requests. The Receiver submits that the User Portal is allowing the transaction verification process to scale so that the entire process can be completed in less time and at far less cost than a traditional process whereby users are responsible for submitting their own documentation that must be then verified.

Communications with EminiFX Investors. The bulk of the communications during the Application Period consisted of reviewing and responding to investor general and claim inquiries, which was managed in the first instance by the Receiver’s claims administrator Stretto, with input and supervision by the Receiver. The Receiver, assisted by his teams at Otterbourg and Stretto, held two live town hall presentations that were attended live by thousands of users and have been viewed collectively over 14,000 times. In those town halls, the Receiver explained the status of the case, how EminiFX actually worked, and gave a broad overview of the transaction verification and claims process. The Receiver also answered questions submitted by EminiFX users. Although the bulk of the information provided in the town halls has been reflected in the Receiver’s reports to this Court, the Receiver believes that communicating to users in this way has greatly expanded the Receivership’s communications reach into the affected communities. The Receiver and his counsel also interacted with certain community leaders to assist with the dissemination of correct information to the affected communities.

Analysis of EminiFX Tax Liability. On June 30, 2023, the last day of the prior quarter, the Court approved the retention of Deloitte Tax as special tax adviser to advise the Receiver on the tax liability of EminiFX pre-receivership and to assist in the filing of a corporate tax return for EminiFX [Dkt. 209]. Deloitte Tax, at times with the input Crowe and Otterbourg, provided substantial analysis of the applicable tax issues, including novel questions surrounding the timing and characterization of tens of thousands of transactions. In coordination with those efforts, Crowe spent substantial time preparing the 2022 tax return for the Receivership as a Qualified Settlement Fund (“QSF”), which was filed just after the Application Period closed.



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Investigation into Third Party Claims. With the discovery stay lifted at the beginning of the Application Period, the Receiver's legal team at Otterbourg, in consultation with and supervised by the Receiver, began its investigation into potential claims that the Receivership may have against third parties. Such claims could result in a direct financial recovery of the estate, or in the reduction or elimination of certain claims against the estate. Such investigation remains ongoing, and the Receiver will seek further relief or instruction from this Court as necessary.

Administration of the Estate and Case. The Receiver, assisted by his counsel at Otterbourg, supervised the administration of the estate, including monitoring bank accounts, redirecting and opening mail, and other tasks incidental to the management of the estate. The Receiver, with the assistance of Otterbourg, filed a status report advising the Court of the activities from the prior quarter [Dkt. 218] and attended the sentencing of Mr. Alexandre. The Receiver and his legal team also coordinated with counsel for the CFTC and for Mr. Alexandre regarding potential next steps and resolution of the enforcement action.

IV. Summary of Fees and Expenses Requested

The Receiver includes herewith affidavits from himself and the lead from each of the Professional Firms. Pursuant to the Employment Order, detailed time entries are filed separately under seal. The aggregate fees being requested have been discounted for the public service each firm has been performing. The Receiver and the Professional Firms have reasonably and diligently exercised their duties during the Application Period, and the Receiver respectfully submits that they are entitled to be fairly compensated for services rendered.

The Receiver. As set forth above, the Receiver spent substantial time administering all aspects of the receivership. The Receiver respectfully requests the Court approve payment of \$99,841.50 in fees to the Receiver. The Castleman Affidavit attached as Exhibit 1 includes additional detail on his billing, as well as his supervision of the various Professional Firms.

Otterbourg. As set forth above, Otterbourg spent substantial time assisting the Receiver in administering the receivership and investigating potential third party claims. Otterbourg provided the Receiver legal advice in all areas throughout the receivership and played a key role in the Court approval and development of the EminiFX User Portal and the subsequent management of the transaction verification and claims process. The Receiver respectfully requests the Court approve payment of \$488,775.07 in fees and \$2,138.76 in expenses to Otterbourg. The Feeney Affidavit, attached as Exhibit 2, describes in more detail the work performed, including hours billed by each professional and the public service discount applied to the total fee request.

JS Held. JS Held continued to provide substantial forensic services to the estate, including its analysis of pre-receivership transactions, in connection with the development of the EminiFX User Portal and the management of the transaction verification and claims process. The Receiver



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respectfully requests the Court approve payment of \$187,836.50 in fees and \$6,669.70 in expenses to JS Held. The O'Malley Affidavit attached as Exhibit 3 describes in more detail the work performed, including hours billed by each professional at the Court-approved discounted rates.

Deloitte Tax. Deloitte Tax has provided the estate with critical tax analysis and strategic advice, in connection with the Receiver's obligation to file a tax return for EminiFX in connection with EminiFX's pre-receivership tax liability. The Receiver respectfully requests the Court approve payment of fees of \$64,124.00 and expenses of \$3,207.00 to Deloitte Tax. The Dougherty Affidavit attached as Exhibit 4 describes in more detail the work performed, including the hours billed by each professional at the court-approved discounted rates.

Crowe. Crowe has provided the estate with critical tax support and analysis, including preparing a QSF tax return for the Receivership. The Receiver respectfully requests the Court approve payment of \$32,970.00 in fees to Crowe. The Tomlinson Affidavit attached as Exhibit 5 describes the work performed, including hours billed by each professional at the court-approved discounted rates.

Stretto. Due to the substantial number of EminiFX users, it was critical for the estate to engage an experienced provider such as Stretto to assist with user communications and to prepare to assist with the complex claims process. The Receiver respectfully requests the Court approve payment of \$267,947.00 in fees and expenses of \$36,505.01 to Stretto. The Karpuk Affidavit attached as Exhibit 6 describes in more detail the work performed, including hours billed by each professional at the court-approved discounted rates.

V. Conclusion

The Receiver respectfully requests that the Court approve the fee and expense requests as set forth in this Application.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "David A. Castleman", written over a horizontal line.

David A. Castleman
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dcastleman@otterbourg.com
Receiver

Attachments

cc: Counsel of Record (*via ECF*)

Exhibit 1

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

-against-

EDDY ALEXANDRE and
EMINIFX, INC.,

Defendants.

22 Civ. 3822 (VEC)

**DECLARATION OF DAVID CASTLEMAN IN SUPPORT OF
APPLICATION FOR FEES AND EXPENSES (JULY 1, 2023 – SEPTEMBER 30, 2023)**

1. I am an attorney duly licensed to practice in the State of New York, a member of the firm at Otterbourg, P.C. (“Otterbourg”), and the Receiver appointed by the Court in the above-captioned case. I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. On May 11, 2022, the Court entered a Statutory Restraining Order (the “SRO”) appointing me as Temporary Receiver [Dkt. 9], and on June 15, 2022, the Court entered a Consent Order for Preliminary Injunction (the “Consent Order”) appointing me as Receiver [Dkt. 56]. On June 10, 2022, the Court entered an order authorizing me to employ Raines Feldman LLP (“Raines Feldman”), Forchelli Deegan Terrana LLP (“FDT”), JS Held, LLC (“JS Held”), Crowe LLP (“Crowe”), and Stretto, Inc. (“Stretto”) [Dkt. 47 (the “Employment Order”)]. On February 2, 2023, the Court entered an order authorizing me to substitute Raines Feldman for Otterbourg as my counsel effective as of January 30, 2023 [Dkt. 187]. On June 30, 2023, the Court entered an order authorizing me to employ Deloitte Tax LLP (“Deloitte Tax”) [Dkt. 209]. For purposes of this

declaration, Otterbourg, JS Held, FDT, Stretto, Crowe, and Deloitte Tax shall be referred to as the “Professional Firms.”

3. This declaration is made in support of the Application for Fees and Expenses (the “Application”) for the Receiver and the Professional Firms from July 1, 2023 through September 30, 2023 (the “Application Period”). Annexed to this declaration is a true and correct copy of the Standardized Fund Accounting Report for the Third Quarter 2023 that I prepared for this matter.

4. In preparing this fee application, I realized that the Standardized Fund Accounting Report for the Second Quarter 2023 was inadvertently omitted from the prior fee application filed with the Court [Dkt. 219]. A true and correct copy of that report is also annexed to this declaration.

5. I supervised generally the work of the Professional Firms and I have reviewed and approved their invoices as set forth herein, subject to review by the Commodity Futures Trading Commission (the “CFTC”) and approval of the Court.

6. The Professionals Firms and I have maintained and presented our time and expense charges as set forth in the Billing Instructions for Receivers in Civil Actions Commenced by the CFTC (the “CFTC Billing Instructions”). The CFTC has approved the time and expense charges under the CFTC Billing Instructions and has advised me that it does not have any opposition to the Application.

MY WORK AS RECEIVER

7. During the Application Period, the Professional Firms and I performed a considerable amount of services for the benefit of the estate. The Professional Firms, acting under my direction, performed services administering the estate, prepared and launched procedures for submitting transactions and claims, and assisting me with a broad range of matters that have arisen in the receivership.

8. In the interests of the estate and pursuant to the Employment Order, I have discounted my regular billing rate nearly in half, to \$495 per hour. I spent 201.7 hours on billable time during the Application Period, for a total of \$99,841.50 in requested fees. All of my time records reflect time recorded in the regular and ordinary course of administering the receivership estate contemporaneously with the services provided. True and correct copies of my time records are attached as Exhibit 1-1, and filed under seal pursuant to the Employment Order.

9. During the Application Period, I managed receivership operations with the assistance of Otterbourg as legal counsel, JS Held as financial advisor, Stretto as claims administrator, Crowe as tax professionals and Deloitte Tax as special tax professionals. I coordinated with Stretto regarding the claims process, website administration, and responding to investor communications. Otterbourg and I drafted a status report [Dkt. 218] filed on July 28, 2023 to apprise the Court and interested parties of the activities of the receivership for the second quarter of 2023.

10. Otterbourg and I monitored activity in the criminal case, *U.S. v. Alexandre*, No. 22 Cr. 326 (JPC) (S.D.N.Y.) (the “Criminal Action”). As previously mentioned in prior reports, on February 10, 2023, Alexandre pleaded guilty to one count of commodities fraud in the Criminal Action. Alexandre’s sentencing was held on July 18, 2023. Alexandre surrendered to begin his term of incarceration on or about August 28, 2023. During the Application Period, I communicated with counsel for the CFTC and Alexandre concerning reaching a settlement of the Civil Action and these discussions are ongoing.

11. Following Alexandre’s sentencing, on July 20, 2023, the Court lifted the stay in this case [Dkt. 213]. Following the lifting of the stay, Otterbourg and I began issuing subpoenas to certain parties, and undertaking other discovery requests, in an effort to gather information

regarding EminiFX and to analyze and pursue potential third party claims. I expect this investigation to be ongoing.

12. During the Application Period, Otterbourg, JS Held, Stretto and I continued to develop a user transaction verification and claims process and portal both for the tens of thousands of potential claims by EminiFX users, as well as a limited number of non-investors.

13. In conjunction with the development of the EminiFX User Portal, Otterbourg and I prepared and filed a motion to approve user transaction and verification claims procedures, which was filed on August 10, 2023 (the “Claims Motion”). The Claims Motion was approved on August 29, 2023.

14. The EminiFX User Portal launched in September and EminiFX users began to review and submit their transactions. In the first few weeks since the launch of the User Portal, over 12,000 users verified all their transactions, and less than 500 users disputed or added transactions, with a total of 47,874 transactions verified as of October 15.

15. Otterbourg, JS Held, Stretto and I have been reviewing and analyzing the user transaction submissions to date. Given the volume of users, and the potential for a number of transactions to have involved pooling by multiple users, I expect that this process will take some time.

16. During the Application Period, the I have undertaken an extensive educational campaign, including sending informational emails to users, updating the Receivership website, creating a FAQ section focused on the Portal and claims process, creating a YouTube page that contains how-to videos, hosting two “live stream” town halls.

17. During the Application, I worked with my tax and accounting advisors to prepare a return for EminiFX. We also reviewed and analyzed other tax issues, including the treatment of

the receivership estate as a Quality Settlement Fund (“QSF”). My tax and accounting teams also assisted me in preparing a QSF tax return.

ATTESTATIONS

18. To the best of my knowledge, all the fees requested in my billing records attached hereto as Exhibit 1-1 are true and correct and comply with the CFTC Billing Instructions.

19. The fees that I have charged as Receiver are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. My services and time expenditures are reasonable in light of the labor required for the matters for which I was appointed. I respectfully submit that I have not expended time unnecessarily and that I have rendered efficient and effective services.

20. In seeking reimbursement of services for which I purchased or contracted for from a third party, I have only requested reimbursement for the amount billed by the third-party vendor and paid to the vendor. I have not made a profit on such reimbursable services. I have not included in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment, or capital outlay.

SUPERVISION OF PROFESSIONALS

21. I have reviewed the declaration submitted by Jennifer S. Feeney of Otterbourg attached as Exhibit 2, and the invoice and time entries for Otterbourg attached as Exhibit 2-1. During the Application Period, Otterbourg has assisted me with all aspects of the administration of this case, including drafting of status reports, preparing for town halls, preparing and filing the EminiFX User Portal and claims procedure motion, managing the transaction verification and claims process, analyzing potential third party claims, and assisting with my analysis of the EminiFX tax liability.

22. Otterbourg has spent a considerable amount of time assisting and giving legal advice regarding the claims process, procedures and next steps, including giving input on the EminiFX User Portal and preparing the Claims Motion. Since the launch of the EminiFX User Portal, Otterbourg has been assisting with the claims process by reviewing submitted transactions and responding to other related inquiries.

23. In my view, the fees that Otterbourg seeks are reasonable, necessary, and commensurate with the skill and experience required for the activity performed; and Otterbourg's services and time expenditures are reasonable in light of the labor required for the matters for which Otterbourg was retained and performed at my direction. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in Exhibit 2-1 comply with the CFTC Billing Instructions.

24. I have reviewed the declaration submitted by Stephen O'Malley of JS Held attached as Exhibit 3, and the invoice and time entries for JS Held attached as Exhibit 3-1. JS Held spent considerable effort to provide the estate with financial advice, technical and financial analysis of the information recovered from EminiFX and third parties, and various project management and organizational functions.

25. As previously reported, JS Held completed a unified ledger to use for all financial issues in this case, including the account verification process. During the Application Period, JS Held worked with Stretto to upload the information from the ledger into the EminiFX User Portal, so that users will be able to review the records of transactions.

26. In my view, the fees that JS Held seeks are reasonable, necessary, and commensurate with the skill and experience required for the activity performed; and JS Held's services and time expenditures are reasonable in light of the labor required for the matters for

which JS Held was retained and performed at my direction. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in Exhibit 3-1 comply with the CFTC Billing Instructions.

27. I have reviewed the affidavit submitted by Edward Dougherty of Deloitte Tax attached as Exhibit 4, and the invoice and time entries for Deloitte Tax attached as Exhibit 4-1. Deloitte Tax has served as the estate's special tax advisor. During the Application Period, Deloitte Tax assisted in providing me with tax analysis and strategic advice related to the pre-receivership tax liability of EminiFX, in connection with my obligation to file a pre-receivership tax return. Deloitte Tax also provided advice relating to the filing of the 2022 Qualified Settlement Fund tax return.

28. In my view, the fees that Deloitte Tax seeks are reasonable, necessary, and commensurate with the skill and experience required for the activity performed; and Deloitte Tax's services and time expenditures are reasonable in light of the labor required for the matters for which Deloitte Tax was retained and performed at my direction. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses¹ requested in Exhibit 4-1 comply with the CFTC Billing Instructions.

29. I have reviewed the affidavit submitted by Susan Tomlinson of Crowe attached as Exhibit 5, and the invoice and time entries for Crowe attached as Exhibit 5-1. Crowe has served as the estate's tax advisor. During the Application Period, Crowe advised me on the Qualified Settlement Fund tax liability of the Receivership and began to prepare the 2022 tax return. Crowe also assisted in pre-receivership tax advice, where applicable.

¹ As stated in the Employment Order, the Deloitte Tax rates have been discounted by approximately 47.5%, which is reflected in a 50% discount of services and 5% surcharge for expenses, as set forth in the Employment Order [Dkt. 209, at 3 n.2]. There expenses requested are solely based on that surcharge.

30. In my view, the fees that Crowe seeks are reasonable, necessary, and commensurate with the skill and experience required for the activity performed; and Crowe's services and time expenditures are reasonable in light of the labor required for the matters for which Crowe was retained and performed at my direction. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in Exhibit 5-1 comply with the CFTC Billing Instructions.

31. I have reviewed the declaration submitted by Brian Karpuk of Stretto attached as Exhibit 6, and the invoice and time entries for Stretto attached as Exhibit 6-1. Stretto is a highly experienced claims administrator, and has been instrumental in setting up a streamlined communications process for the tens of thousands of users of the EminiFX system.

32. During the Application Period, at my direction, Stretto assisted me in updating the Receivership website with court filings, sending notices regarding the claims process and town halls, and ensuring that the website, email communications and town hall videos are also available in Haitian Creole and French. Stretto has also reviewed, tracked, and responded to EminiFX investor communications; and circulated investor communications reports.

33. Stretto has also been instrumental in advising of the claims administration process and spent substantial time coding and releasing the EminiFX User Portal. Since the launch of the EminiFX User Portal, Stretto has been preparing and circulating various reports of data for review by Otterbourg, JS Held and myself.

34. In my view, the fees that Stretto seeks are reasonable, necessary, and commensurate with the skill and experience required for the activity performed; and Stretto's services and time expenditures are reasonable in light of the labor required for the matters for which Stretto was retained and performed at my direction. To the best of my knowledge, information and belief

formed after reasonable inquiry, all the fees and expenses requested in Exhibit 6-1 comply with the CFTC Billing Instructions.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 30th day of October 2023 at New York, New York.

/s/ David A. Castleman

David A. Castleman

EminiFX Receivership

Standardized Fund Accounting Report

Third Quarter 2023

General Receivership
2023 3Q

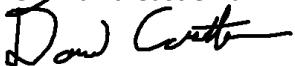
STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 07/01/2023 to 09/30/2023

		Detail	Subtotal	Grand Total	Notes
Line 1	Beginning Balance (07/01/2023)	\$144,481,375		\$144,481,375	Total Balance
Increases in Fund Balance					
Line 2	Business Income				
Line 3	Cash and Securities				
Line 4	Interest/Dividend Income	\$1,129,412			
Line 5	Asset Liquidation				
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous				
	Total Funds Available - Total Lines 1-7		\$1,129,412	\$145,610,787	
Decreases in Fund Balance					
Line 9	Disbursements to Investors				
Line 10	Disbursements for Receivership Operations	(\$4,114)			General Expenses [Dkt 91] 2023 2Q Fees [Dkt 227]
10a	Disbursements to Receiver/Other Professionals	(\$680,976)			
10b	Third Party Litigation Expenses				
10c	Asset expenses				
10d	Tax Payments				
	Total Disbursements for Receivership Operations		(\$685,090)	\$144,925,697	
Line 11	Disbursements Related to Distribution Expenses				
Line 12	Disbursements to Court/Other				
Line 13	Other				
	Total Funds Disbursed - Total Lines 9 - 13		(\$685,090)	\$144,925,697	
Line 14	Ending Balance (as of 09/30/2023)		\$444,322	\$144,925,697	Total Balance
Other Supplemental Information					
Line 15	Number of Claims		0		
15a	No. of Claims Received This Reporting Period		0		
15b	No. of Claims Received Since Inception of Estate		0		

General Receivership
2023 3Q

Line 16	Number of Claimants/Investors	Not Yet Determined
16a	No. of Claimants/Investors Paid This Reporting Period	0
16b	No. of Claimants/Investors Paid Since Inception of Estate	0

Receiver: David Castleman

By: 

David Castleman

Receiver

Date: October 3, 2023

Standardized Accounting Report Form

Alexandre Assets
*2023 3Q*STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 07/01/2023 to 09/30/2023

		Detail	Subtotal	Grand Total	Notes
Line 1	Beginning Balance (07/01/2023)	\$9,217,681		\$9,217,681	
	Increases in Fund Balance				
Line 2	Business Income				
Line 3	Cash and Securities				
Line 4	Interest/Dividend Income	\$75,715			
Line 5	Asset Liquidation				
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous				
	Total Funds Available - Total Lines 1-7		\$75,715	\$9,293,396	
	Decreases in Fund Balance				
Line 9	Disbursements to Investors				
Line 10	Disbursements for Receivership Operations				
10a	Disbursements to Receiver/Other Professionals				
10b	Third Party Litigation Expenses				
10c	Asset expenses				
10d	Tax Payments				
	Total Disbursements for Receivership Operations				
Line 11	Disbursements Related to Distribution Expenses				
Line 12	Disbursements to Court/Other				
Line 13	Other				
	Total Funds Disbursed - Total Lines 9 - 13		\$0	\$9,293,396	
Line 14	Ending Balance (as of 09/30/2023)		\$75,715	\$9,293,396	

Alexandre Assets
2023 3Q

Other Supplemental Information

Line 15	Number of Claims	0
15a	No. of Claims Received This Reporting Period	0
15b	No. of Claims Received Since Inception of Estate	0
Line 16	Number of Claimants/Investors	Not Yet Determined
16a	No. of Claimants/Investors Paid This Reporting Period	0
16b	No. of Claimants/Investors Paid Since Inception of Estate	0

Receiver: David Castleman

By: 

David Castleman
Receiver

Date: October 3, 2023

Standardized Accounting Report Form

EminiFX Receivership

Standardized Fund Accounting Report

Second Quarter 2023

(inadvertently omitted from Dkt. 219-1)

General Receivership
2023 2Q

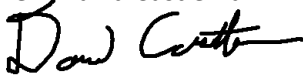
STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 04/01/2023 to 06/30/2023

		Detail	Subtotal	Grand Total	Notes
Line 1	Beginning Balance (04/01/2023)	\$143,361,650		\$123,666,453 <u>\$19,695,197</u> \$143,361,650	<i>US Dollars</i> <i>Digital Assets</i> Total Balance
	Increases in Fund Balance				
Line 2	Business Income				
Line 3	Cash and Securities				
3a	Digital Asset Sales	(\$19,695,197)			<i>See below for digital asset holdings</i>
Line 4	Interest/Dividend Income	\$1,070,636			
Line 5	Asset Liquidation	\$20,344,002			Digital Asset Liquidation [Dkt 184]
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous				
	Total Funds Available - Total Lines 1-7		\$1,719,441	\$145,081,091	
	Decreases in Fund Balance				
Line 9	Disbursements to Investors				General Expenses [Dkt 91] 2023 1Q Fees [Dkt 198]
Line 10	Disbursements for Receivership Operations	(\$570)			
10a	Disbursements to Receiver/Other Professionals	(\$599,146)			
10b	Third Party Litigation Expenses				
10c	Asset expenses				
10d	Tax Payments				
	Total Disbursements for Receivership Operations		(\$599,716)	\$144,481,375	
Line 11	Disbursements Related to Distribution Expenses				
Line 12	Disbursements to Court/Other				
Line 13	Other				
	Total Funds Disbursed - Total Lines 9 - 13		(\$599,716)	\$144,481,375	
Line 14	Ending Balance (as of 06/30/2023)		\$1,119,725	\$144,481,375	Total Balance
Other Supplemental Information					
Line 15	Number of Claims		0		

*General Receivership
2023 2Q*

15a	No. of Claims Received This Reporting Period	0
15b	No. of Claims Received Since Inception of Estate	0
Line 16	Number of Claimants/Investors	Not Yet Determined
16a	No. of Claimants/Investors Paid This Reporting Period	0
16b	No. of Claimants/Investors Paid Since Inception of Estate	0

Receiver: David Castleman

By: 

David Castleman

Receiver

Date: July 5, 2023

Standardized Accounting Report Form

Addendum: Digital Asset Holdings as of June 30, 2023*

Digital Asset	Symbol	Amount as of 6/30/2023	Value as of 6/30/2023	Amount as of 3/31/2023	Value as of 3/31/2023	Change in Value from Prior Qtr
Bitcoin	BTC	-	\$-	700.60223586	\$19,695,197	(\$19,695,197)
Dogecoin	DOGE	-	\$-	0.03	\$-	\$-
Ethereum	ETH	-	\$-	-	\$-	\$-
Gala	GALA	-	\$-	0.801414	\$-	\$-
Litecoin	LTC	-	\$-	-	\$-	\$-
Luna Classic	LUNA	-	\$-	111.670373	\$-	\$-
Decentraland	MANA	-	\$-	0.002	\$-	\$-
Orchid Token	OXT	-	\$-	0.78202	\$-	\$-
Shiba Inu	SHIB	-	\$-	0.13	\$-	\$-
Total:			\$-	N/A	\$19,695,197	(\$19,695,197)

* Values based on average of high and low price on 3/31/2023; liquidation complete by 6/30/2023. See www.coinmarketcap.com. Change in value does not include liquidation proceeds. See line 5, above.

Alexandre Assets
*2023 2Q*STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 04/01/2023 to 06/30/2023


	Detail	Subtotal	Grand Total	Notes
Line 1 Beginning Balance (04/01/2023)	\$9,144,893		\$9,144,893	
Increases in Fund Balance				
Line 2 Business Income				
Line 3 Cash and Securities				
Line 4 Interest/Dividend Income	\$72,788			
Line 5 Asset Liquidation				
Line 6 Third Party Litigation Income				
Line 7 Other Miscellaneous				
Total Funds Available - Total Lines 1-7		\$72,788	\$9,217,681	
Decreases in Fund Balance				
Line 9 Disbursements to Investors				
Line 10 Disbursements for Receivership Operations				
10a Disbursements to Receiver/Other Professionals				
10b Third Party Litigation Expenses				
10c Asset expenses				
10d Tax Payments				
Total Disbursements for Receivership Operations				
Line 11 Disbursements Related to Distribution Expenses				
Line 12 Disbursements to Court/Other				
Line 13 Other				
Total Funds Disbursed - Total Lines 9 - 13		\$0	\$9,217,681	
Line 14 Ending Balance (as of 06/30/2023)			\$9,217,681	

Alexandre Assets
2023 2Q

Other Supplemental Information

Line 15	Number of Claims	0
15a	No. of Claims Received This Reporting Period	0
15b	No. of Claims Received Since Inception of Estate	0
Line 16	Number of Claimants/Investors	Not Yet Determined
16a	No. of Claimants/Investors Paid This Reporting Period	0
16b	No. of Claimants/Investors Paid Since Inception of Estate	0

Receiver: David Castleman

By:  _____

David Castleman
Receiver

Date: July 5, 2023

Standardized Accounting Report Form

Exhibit 1-1

(filed under seal)

Exhibit 2

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

-against-

EDDY ALEXANDRE and
EMINIFX, INC.,

Defendants.

22 Civ. 3822 (VEC)

**DECLARATION OF JENNIFER FEENEY IN SUPPORT OF
APPLICATION FOR FEES AND EXPENSES (JULY 1, 2023 - SEPTEMBER 30, 2023)**

1. I am an attorney duly licensed to practice in the State of New York and a member of the firm at Otterbourg, P.C. (“Otterbourg” or “Firm”), counsel to the Receiver in the above-captioned case. Unless otherwise indicated, I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. This declaration is made in support of the Application for Fees and Expenses from July 1, 2023 through September 30, 2023 (the “Application”).

3. On February 2, 2023, the Court entered an order authorizing the Receiver to engage Otterbourg as general counsel to the Receiver effective as of January 30, 2023 [Dkt. 187] under the terms of the Employment Order entered by this Court on June 10, 2022 [Dkt. 10] (the “Employment Order”). I directly supervise the professionals and staff of Otterbourg with respect to this representation.

4. In the interests of the estate and pursuant to the Employment Order, Otterbourg has provided a public service accommodation of a 15% reduction on the aggregate recorded professional fees. Expenses are billed separately.

5. A true and correct copy of the Firm's invoice reflecting the detailed time entries for the services we provided from July 1, 2023 through September 30, 2023 (the "Application Period") has been submitted under seal as Exhibit 2-1, as required by the Employment Order. Otterbourg spent a total of 896 hours on the matter, and incurred fees in the amount of \$575,029.50, less a public service discount of \$86,254.43 for a net fee request of \$488,775.07, as well as expenses of \$2,138.76 during the Application Period.

6. During the Application Period, Otterbourg spent time assisting the Receiver with various matters, including aiding in the drafting of the Second Quarter Status Report filed on July 28, 2023 [Dkt. 218].

7. Otterbourg assisted the Receiver in monitoring related actions, including the criminal proceeding against Eddy Alexandre, *United States v. Alexandre*, No. 22 Cr. 326 (S.D.N.Y.) and the Florida Action, *Joseph v. General Conference Corporation of 7th Day Adventist et al.*, No. 23 cv. 21552 (S.D. Fla.).

8. After Alexandre's sentencing, on July 20, 2023, the Court lifted the stay in this case [Dkt. 213]. Once the stay was lifted, Otterbourg began its investigation into potential claims that the Receivership may have against third parties. Such claims could result in a direct financial recovery of the estate, or in the reduction or elimination of certain claims against the estate. In connection with the investigation, Otterbourg assisted the Receiver in issuing subpoenas to certain parties, and undertaking other discovery requests, in an effort to gather information regarding

EminiFX. Otterbourg has begun to assist the Receiver in reviewing responses to these requests. The Receiver's investigation is ongoing.

9. Otterbourg played a key role in assisting the Receiver with the user transaction verification and claims process, including the creation of an EminiFX User Portal (the "Portal"). Otterbourg reviewed the test Portal and offered suggestions to make the claims process as simple and straightforward as possible for the EminiFX users. Otterbourg also gave feedback so that future review of transactions would be simple and more efficient for the Receiver and his professionals. To assist users, Otterbourg created FAQs and assisted with the creation of "how to" videos to guide users through the verification process. Otterbourg assisted the Receiver in drafting the proposed verification and claims submission procedures, as well as the corresponding motion seeking approval of the procedures and claims bar dates, which was filed on August 10, 2023 (the "Claims Motion") [Dkt. No. 223]. The Claims Motion was approved on August 29, 2023 [Dkt. 228].

10. A key component of the Claims Motion was the creation of the Portal. Once the Claims Motion was approved, Otterbourg assisted the Receiver with the launch of the Portal. As users started to begin the claims process, Otterbourg has been assisting the Receiver with user inquiries. Otterbourg has also been examining user claims and transaction disputes.

11. Also, in connection with the claims process, Otterbourg assisted the Receiver in reviewing certain potential non-investor claims. Otterbourg has reached out to certain parties to keep them up to date in regard to the claims process.

12. To keep interested parties informed, the Receiver held two virtual town halls on September 6 and 28, 2023. Otterbourg helped the Receiver with the logistics and preparation of hosting the town halls, including the creation of a YouTube channel. Otterbourg coordinated with

Stretto, Inc. to translate the townhall into multiple languages so that a wider range of users could participate.

13. Otterbourg also assisted the Receiver and the Receiver's retained professionals that are responsible for the preparation of a corporate tax return for EminiFX and the tax return for the Receivership as a Qualified Settlement Fund. Otterbourg periodically met with the retained tax professionals and assisted with the exchange of information to assist in the analysis of EminiFX potential tax liability.

14. The fees that Otterbourg has charged are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. Otterbourg's services and time expenditures are reasonable in light of the labor required for the matters for which Otterbourg was retained. Otterbourg respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

15. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in the attached billing statements are true and correct and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Commodity Futures Trading Commission.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 27 day of October 2023 at New York, New York.

/s/ Jennifer S. Feeney

Jennifer S. Feeney

Exhibit 2-1

(filed under seal)

Exhibit 3

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

-against-

EDDY ALEXANDRE and
EMINIFX, INC.,

Defendants.

22 Civ. 3822 (VEC)

**DECLARATION OF STEPHEN O'MALLEY IN SUPPORT OF APPLICATION
FOR FEES AND EXPENSES (JULY 1, 2023 THROUGH SEPTEMBER 30, 2023)**

1. I am a senior managing director at the firm of JS Held, LLC ("JS Held"), financial advisors to Receiver in the above-captioned case. I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. This declaration is made in support of the Application for Fees and Expenses from July 1, 2023 through September 30, 2023 ("Application").

3. The Receiver immediately retained JS Held as financial advisor following his appointment on May 12, 2022. On June 10, 2022, the Court entered an order authorizing the Receiver to employ JS Held (the "Employment Order"). I directly supervise the professionals and staff of JS Held that work on this matter.

4. In the interests of the estate and pursuant to the Employment Order, JS Held has provided public service accommodations for fees in the amounts of between 10% and 25%. Expenses are billed separately.

5. A true and correct copy of JS Held's invoice reflecting the detailed time entries for the services we provided from July 1, 2023 through September 30, 2023 (the "Application Period") has been submitted under seal as Exhibit 3-1, as required by the Employment Order. JS Held incurred fees in the amount of \$187,836.50 and expenses in the amount of \$6,669.70 during the Application Period.

6. During the Application Period, JS Held continued to assist the Receiver with analyzing third party bank statements, evaluating cash transactions, analyzing and researching potential tax issues, and developing tax filing strategy.

7. JS Held continued to coordinate with the Receiver in regards to the claims process, including providing the data necessary for the set-up of the EminiFX User Portal.

8. Once the EminiFX User Portal launched, JS Held assisted the Receiver in reviewing claims data and disputed transactions. JS Held also reviewed certain inquiries from users and researched data and provided responses.

9. In addition, JS Held also assisted the Receiver with the intake of documents produced by parties by loading them onto the document database and addressing any issues. JS Held also reviewed the document productions to aide with the Receiver's investigation.

10. The fees that JS Held has charged are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. JS Held's services and time expenditures are reasonable in light of the labor required for the matters for which JS Held was retained. JS Held respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

11. JS Held incurred costs of \$6,669.70 during the Application Period for Iron Mountain storage fees, hosting the document production on Disco and Azure SQL server resources.

12. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in the attached billing statements are true and correct and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Commodity Futures Trading Commission.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 27 day of October at New York, New York.

/s/ Stephen O'Malley

Stephen O'Malley

Exhibit 3-1

(filed under seal)

Exhibit 4

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

-against-

EDDY ALEXANDRE and
EMINIFX, INC.,

Defendants.

22 Civ. 3822 (VEC)

**AFFIDAVIT OF EDWARD DOUGHERTY OF DELOITTE TAX LLP IN SUPPORT OF
APPLICATION FOR FEES AND EXPENSES (JULY 1, 2023 – SEPTEMBER 30, 2023)**

1. I am a partner at the firm of Deloitte Tax LLP (“Deloitte Tax” or “Firm”), tax services provider engaged by the Receiver in the above-captioned case. I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. This affidavit is made in support of the Application for Fees and Expenses from July 1, 2023 through September 30, 2023 (the “Application”).

3. The Receiver retained Deloitte Tax as tax services provider as of June 30, 2023. On June 30, 2023, the Court entered an order authorizing the Receiver to employ Deloitte Tax (the “Employment Order”). I supervise the professionals of Deloitte Tax with respect to the services provided to the Receiver.

4. True and correct copies of the Firm’s invoices reflecting the detailed time entries for the services we provided from July 1, 2023 through September 30, 2023 (the “Application

Period”) have been submitted under seal as Exhibit 4-1, as required by the Employment Order. Deloitte Tax incurred fees in the amount of \$64,124.00, and expenses of \$3,207.00 during the Application Period.

5. During the Application Period, Deloitte spent substantial time analyzing complex taxation and reporting issues related to the tens of millions of dollars in cryptocurrency recovered by the receivership estate. Deloitte Tax participated in regular meetings with the Receiver and other professionals to discuss the tax implications on the receivership.

6. The Firm also assisted the Receiver and other tax professionals in analyzing the pre-receivership tax liability of EminiFX, Inc. (“EminiFX”), which was especially difficult given the lack of accounting records for EminiFX.

7. Deloitte Tax also advised the Receiver about the various tax implications of the Receivership being treated as a Qualified Settlement Fund. Deloitte Tax participated in regular meetings with the Receiver and other professionals to discuss tax requirements and related impacts on the Receivership.

8. The fees that Deloitte Tax has charged are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. Deloitte Tax’s services and time expenditures are reasonable in light of the labor required for the matters for which Deloitte Tax was retained. Deloitte respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

9. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in the attached billing statements are true and correct and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Commodity Futures Trading Commission.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 30th day of October 2023 at New York, New York.

/s/ Edward Dougherty

Edward Dougherty, Partner
Deloitte Tax LLP

Exhibit 4-1

(filed under seal)

Exhibit 5

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

-against-

EDDY ALEXANDRE and
EMINIFX, INC.,

Defendants.

22 Civ. 3822 (VEC)

**AFFIDAVIT OF SUSAN P. TOMLINSON IN SUPPORT OF
APPLICATION FOR FEES AND EXPENSES (JULY 1, 2023 – SEPTEMBER 30, 2023)**

1. I am a partner at the firm of Crowe LLP (“Crowe” or “Firm”), tax professionals engaged by the Receiver in the above-captioned case. I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. This affidavit is made in support of the Application for Fees and Expenses from July 1, 2023 through September 30, 2023 (the “Application”).

3. The Receiver retained Crowe as tax advisors. On June 10, 2022, the Court entered an order authorizing the Receiver to employ Crowe (the “Employment Order”). I directly supervise the professionals and staff of Crowe with respect to this representation.

4. In the interests of the estate and pursuant to the Employment Order, the Crowe rates have been discounted by 15%. Expenses are billed separately.

5. A true and correct copy of the Firm’s invoice reflecting the detailed time entries for the services we provided from July 1, 2023 through September 30, 2023 (the “Application Period”)

has been submitted under seal as Exhibit 5-1, as required by the Employment Order. Crowe incurred fees in the amount of \$32,970.00 during the Application Period.

6. During the Application Period, the Firm assisted the Receiver in preparing the Qualified Settlement Fund tax return for the Receivership, which was filed soon after the close of the Application Period.

7. The firm also assisted the Receiver analyzing complex taxation, valuation, and reporting issues related to the pre-receivership treatment of the EminiFX tax liability, especially as it related to the post-receivership tax treatment of the Qualified Settlement Fund. Crowe participated in regular meetings with the Receiver and other professionals to discuss tax requirements and impacts on the receivership.

8. The fees that Crowe has charged are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. Crowe's services and time expenditures are reasonable in light of the labor required for the matters for which Crowe was retained. Crowe respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

9. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in the attached billing statements are true and correct and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Commodity Futures Trading Commission.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 19th day of October 2023 at Woodland Hills, California.


Susan P. Tomlinson

Exhibit 5-1

(filed under seal)

Exhibit 6

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

-against-

EDDY ALEXANDRE and
EMINIFX, INC.,

Defendants.

22 Civ. 3822 (VEC)

**DECLARATION OF BRIAN KARPUK IN SUPPORT OF APPLICATION FOR
FEES AND EXPENSES (JULY 1, 2023 THROUGH SEPTEMBER 30, 2023)**

1. I am a Managing Director at the firm of Stretto, Inc. (“Stretto”), claims and noticing agent for Receiver in the above-captioned case. I have personal knowledge of the matters set forth below and if called as a witness, I would and could testify competently to the matters stated herein.

2. This declaration is made in support of the Application for Fees and Expenses from July 1, 2023 through September 30, 2023 (the “Application”).

3. On June 10, 2022, the Court entered an order authorizing the Receiver to employ Stretto (the “Employment Order”). I directly supervise the professionals and staff of Stretto that work on this matter.

4. In the interests of the estate and pursuant to the Employment Order, Stretto has provided an accommodation of a reduction to its fees on a basis, which is tied to the amount on deposit at that time. Expenses are billed separately.

5. A true and correct copy of Stretto’s invoice reflecting the detailed time entries for the services we provided from July 1, 2023 through September 30, 2023 (the “Application Period”)

has been submitted under seal as Exhibit 6-1, as required by the Employment Order. Stretto incurred fees in the amount of \$267,947.00 and expenses in the amount of \$36,505.01 during the Application Period.

6. During the Application Period, Stretto assisted the Receiver with case management; updating the Receivership website as requested by the Receiver; monitoring the case docket and updating the Receivership website with court filings; reviewing, tracking, and responding to EminiFX investor communications; responding to EminiFX creditor communications and updating the creditor matrix; and preparing and circulating investor communications reports. The bulk of the time spent responding to investor communications was handled by lower-billing personnel, as reflected in Exhibit 6-1.

7. Throughout the Application Period, Stretto regularly participated in meetings with the Receiver and his legal team to discuss the user transaction verification and claims process, including the development of the EminiFX User Portal. During the Application period, Stretto prepared a test portal and made updates based on feedback from the Receiver and his legal team. The claims portal successfully launched in mid-September.

8. Stretto played a key role in communicating with interested parties regarding the claims process. This included updating the Receivership website, notifying interested parties about the claims procedures and town halls and coordinating with translation services in order to reach a wider range of interested parties. With the assistance of the Receiver and his legal team, Stretto also prepared and sent emails to all known interested parties about the claims process and deadlines.

9. The fees that Stretto has charged are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. Stretto's services and time

expenditures are reasonable in light of the labor required for the matters for which Stretto was retained. Stretto respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

10. Stretto incurred costs of \$36,505.01 during the Application Period for mailings, translation services and robotic process automation which includes e-filing transactions, services for subscription-based docket notifications, USPS bulk mail operations, address validation, cloud computed charges and related activities.

11. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in the attached billing statements are true and correct and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Commodity Futures Trading Commission.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 27th day of October 2023 at Irvine, California.

/s/ Brian Karpuk

Brian Karpuk

Exhibit 6-1

(filed under seal)