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April 26, 2024

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 – First Quarter 2024

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**”), in the above-referenced action (the “**Civil Action**”) pursuant to the Consent Order for Preliminary Injunction [Dkt. 56] (“**Consent Order**”), respectfully submits this application (the “**Application**”) for the payment of professional fees and expenses for the period of January 1, 2024 through March 31, 2024 (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**”),¹ Crowe LLP (“**Crowe**”), and Stretto, Inc., (“**Stretto**”) (collectively, the “**Professional Firms**”).

During the Application Period, in addition to administering all aspects of the Receivership as set forth below, the Receiver and his professionals spent the bulk of their time implementing the transaction verification and claims process for the tens of thousands of EminiFX users, which used an online portal to provide users with the ability to submit corrections to the transactions attributed to them by the Receiver’s forensic review, and to submit additional transactions. Although around 20,000 users verified all their transactions, over 5,000 thousand users submitted added or disputed over 11,000 transactions to be reviewed and processed. The Receiver and his team have begun the labor-intensive process of analyzing the users’ submissions to ensure that all users are provided with both due process and with an accurate claim.

The Receiver and each of the Professional Firms have agreed to a public-service discount of their fees given the circumstances of the receivership. For the Application Period, (i) the Receiver requests fees of \$89,470.00; (ii) Otterbourg requests fees of \$667,990.35 and expenses

¹ As stated in the prior fee application, due to circumstances unrelated to the receivership, the Receiver did not seek approval of Deloitte Tax’s fees and expenses for that quarter [Dkt. 253]. This application includes a combined request for payment of Deloitte Tax’s fees and expenses for the fourth quarter 2023 and the first quarter 2024.



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of \$99.60; (iii) JS Held requests fees of \$500,156.00 and expenses of \$18,159.58; (iv) Deloitte Tax requests fees of \$44,448.00 and expenses of \$2,222.00; (v) Crowe requests fees of \$29,967.61 and expenses of \$18.85; and (vi) Stretto requests fees of \$208,563.50 and expenses of \$23,278.09 for the Application Period. The total requested or incurred fees of \$1,540,595.46 and expenses of \$43,778.12 for the Application Period are reasonable given the significant complexity and substantial work completed, as set forth in detail in Part III, below. Deloitte Tax further requests fees of \$34,240.00 and expenses of \$1,712.00 for the Fourth Quarter 2023.

The Standardized Fund Accounting Report annexed to the Receiver's affidavit shows the cash flows in and out of the Receivership, including the segregated Alexandre Assets account. The Receivership continued to earn substantial interest, nearly \$1.2 million across all accounts. The \$344,017 deficit in the general receivership account was largely due to the payment of a custodial fee for services performed in 2022 [Dkt. 249] and additional notice expense related to the claims process [Dkt. 245]. The \$153.9 million in cash under management exceeds the \$151.1 million in turned over assets (cash plus liquidation value less custodial fees) by over \$2.8 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



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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).

II. Procedural History

The Receiver’s First Quarter 2024 Report, filed on April 26, 2024, sets forth in detail the procedural history during the Application Period [Dkt. 301, at 5-8]. In summary, during the Application Period, this Court approved Mr. Alexandre’s counsel request to withdraw as counsel [Dkt. 261], and extended the time for Mr. Alexandre to respond to the Complaint to April 1, 2024. On February 29, the Receiver, solely on behalf of EminiFX filed a Qualified Answer to the Complaint [Dkt. 264], and Mr. Alexandre filed a Motion to Dismiss the Complaint [Dkt. 291]. On March 15, Mr. Alexandre filed an application requesting that the Receiver return a laptop currently held in storage by the Receiver [Dkt. 278], to which the Receiver responded on March 25 [Dkt. 284], and which was denied by the Court on March 26 [Dkt. 287].

During the Application Period, the Court also granted a motion by the Receiver for certain specific spending authority [Dkt. 245], denied a motion by certain EminiFX investors to intervene in the case [Dkt. 256], approved a settlement with a non-user claimant [Dkt. 249], and approved the Receiver’s application for fees and expenses for the Fourth Quarter 2023 [Dkt. 255].²

III. Summary of Services During the Application Period

Transaction Verification and User Claims Process. The Receiver and his teams continued to implement the claims portal (the “**Portal**”) for EminiFX users to view and verify their transaction information. The vast majority of users were relieved of the burden of locating their transaction records in order to preserve and file their claims. The deadline to verify transactions was February 26, 2024. Over 25,000 users submitted their transactions (with over 82,000 transactions verified), and over 10,000 users who did not submit their transactions had those transactions presumptively verified, preserving their claims.

During the Application Period, the Receiver and his teams at Otterbourg, JS Held, and Stretto continued to implement the transaction verification and claims process, examining user

² Prior fee applications had been granted on August 5, 2022 [Dkt. 92], October 25, 2022 [Dkt. 167], January 27, 2023 [Dkt. 185], February 13, 2023 [Dkt. No. 191], May 11, 2023 [Dkt. 198], August 10, 2023 [Dkt. 227], and November 15, 2023 [Dkt. 237].



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submissions and transaction disputes, communicating with users through the Portal regarding their transactions, and resolving other user requests. The Receiver and his team were able to analyze the submissions received to date, to identify common issues, and to formulate a consistent response for the resolution of such issues. Even though most users verified all their transactions, the Receivership has saved substantial time and expense, but given the complexity of the disputed and added transactions (and the poor state of the internal EminiFX records recovered, as detailed in prior filings), the Receiver developed additional internal processes and systems in order to process the remaining user transactions, which will take time to complete.

To assist the Receiver and his legal team's review of the thousands of user transaction submissions, JS Held, Otterbourg, and Stretto assisted the Receiver in preparing a centralized electronic review system to allow the Receiver and his legal team to review each transaction submitted through the Portal, research users' transactions, make decisions regarding each transaction, and create a centralized record regarding the user transactions. Stretto made certain updates to the Portal based on feedback from the Receiver and his team, including a communication feature, which has enabled the Receiver and his legal team to communicate directly with users regarding their transactions.

In order to encourage as many users as possible to log onto the Portal and submit their transactions, the Receiver worked with leaders in the Haitian community to appear on radio programs that are directed to Haitian Creole and French speaking listeners to explain the process and address questions (the interviews were interpreted in the respective language) and also worked on short informational spots in Haitian Creole and French that were broadcasted on the same radio outlets. The Receiver's team at Stretto continued to communicate with users via the channels already in place, with the Stretto team answering thousands of calls and emails during the Application Period.

Non-User Claims. During the Application Period, the Receiver and his legal team at Otterbourg continued to review proofs of claims filed by non-users and communicated with the respective claimants to resolve outstanding claims. During the Application Period, the Receiver resolved two proofs of claim, (1) by entering into settlement agreement in accordance with the Receiver's authority to settle claims under \$50,000 [Dkt. 91], and (2) filing an application for approval of the settlement agreement with CoinPayments, which the Court approved in January 2024 [Dkt. 249]. Additionally, the Receiver negotiated a settlement with the former EminiFX landlord and filed an application for approval of the settlement on April 1, 2024 [Dkt. 288].

Analysis of EminiFX Tax Liability. During the Application Period, the Receiver worked with his tax and accounting teams to minimize, if possible, the tax burden while expediting certainty from the IRS. In the Receiver's judgment based on advice received, it is in the best interest of the estate to request a closing agreement or letter ruling from the IRS Chief Counsel National Office to obtain as prompt and certain a resolution of the pre-receivership tax liability as



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possible. To that end, on March 29, 2024, the Receiver filed with the IRS a pre-submission conference request concerning a final determination of EminiFX's pre-receivership liability. The Receiver and his team began to prepare the Qualified Settlement Fund (the "QSF") tax return for the receivership for 2023 (the "QSF Return"), and filed a request with the IRS to extend the time to file QSF Return to October 2024.

Investigation into Third Party Claims. The Receiver's legal team at Otterbourg, in consultation with and supervised by the Receiver, continued 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. During the Application Period, the Receiver and his legal team continued to communicate and review documents received by third parties. 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. 251]. The Receiver also coordinated with counsel for the CFTC and Mr. Alexandre regarding potential next steps and resolution of the enforcement action.³

In addition, the Receiver, assisted by his counsel at Otterbourg has been monitoring related actions. During the Application Period, a subpoena for documents was sent to EminiFX from counsel in the EminiFX investor class action pending in Florida. Otterbourg has been assisting the Receiver with his response and communicating with counsel in that action in an effort to narrow the scope of documents requested to save on time, expenses and other resources.

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

³ After the close of the Application Period, Mr. Alexandre (now proceeding pro se) added the Receiver using the CorrLinks system, and the Receiver has been able to use that system to communicate with Mr. Alexandre.



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\$89,470.00 in fees to the Receiver, which reflects the new rate of \$575 as set forth in the prior fee application, and which reflects a discount of over 45% from his normal rate—a savings of \$75,668 to the estate. 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 and providing legal advice concerning all aspects of the receivership, including the user verification and claims process and investigating potential third-party claims. Otterbourg played a key role in the review of user transactions, and the development of the review platform and the Portal, which accounted for the bulk of its time this quarter. The Receiver respectfully requests the Court approve payment of \$667,990.35 in fees and \$99.60 in expenses to Otterbourg. The Feeny Affidavit attached as Exhibit 2 describes in more detail the work performed.

JS Held. JS Held continued to provide substantial forensic services to the estate, including the development of the review platform and analysis of pre-receivership transactions, in connection with the implementation the transaction verification and claims process. At the request of the Receiver and his legal team, JS Held has been assisting to make the verification and claims process quicker and more efficient. The Receiver respectfully requests the Court approve payment of \$500,156.00 in fees and \$18,159.58 in expenses to JS Held. The O'Malley Affidavit attached as Exhibit 3 describes in more detail the work performed.

Deloitte Tax. Deloitte Tax has provided the estate with critical tax analysis and strategic advice, in connection with determining EminiFX's pre-receivership tax liability. During the fourth quarter 2023 and the Application Period, Deloitte Tax assisted the Receiver in drafting the pre-submission conference request to the IRS. Deloitte Tax incurred (a) fees of \$34,240.00 and expenses of \$1,712.00 for the fourth quarter of 2023 and (b) fees of \$44,448.00 and expenses of \$2,222.00 during the Application Period. The Young Affidavit attached as Exhibit 4 describes the work performed.

Crowe. Crowe has provided the estate with critical tax support and analysis, including preparing the QSF Return for 2023, and filing a request with the IRS to extend the time to file QSF Return to October 2024. The Receiver respectfully requests the Court approve payment of \$29,967.61 in fees and expenses of \$18.85 to Crowe. The Davis Affidavit attached as Exhibit 5 describes the work performed.

Stretto. Stretto has managed all user communications and continued to play a key role in the implementation of the Portal and the transaction verification and claims process. The Receiver respectfully requests the Court approve payment of \$208,563.50 in fees and expenses of \$23,278.09 to Stretto. The Karpuk Affidavit attached as Exhibit 6 describes in more detail the work performed.



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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 "D.A. Castleman", with a long horizontal flourish extending to the right.

David A. Castleman
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New York, NY 10169
(212) 661-9100
dcastleman@otterbourg.com
Receiver

Attachments

cc: Counsel of Record (*via ECF*)
Eddy Alexandre (*via U.S. Mail*)

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 (JANUARY 1, 2024 – MARCH 31, 2024)**

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”) (the “Deloitte Retention Order”)

[Dkt. 209]. For purposes of this declaration, Otterbourg, JS Held, 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 January 1, 2024 through March 31, 2024 (the “Application Period”)¹. Annexed to this declaration is a true and correct copy of the Standardized Fund Accounting Report for the First Quarter 2024 that I prepared for this matter.

4. 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.

5. The Professional 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

6. 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, implemented and developed the procedures for submitting transactions and claims, and assisted me with a broad range of matters that have arisen in the receivership.

¹ As stated in the prior fee application, due to circumstances unrelated to the Receivership, Deloitte Tax was unable to complete its application for the fourth quarter 2023. Therefore, this application includes a request of fees and expenses for Deloitte Tax for the fourth quarter 2023 and first quarter 2024.

7. In the interests of the estate and pursuant to the Employment Order, I have discounted my regular billing rate nearly in half, to \$575 per hour. I spent 161.9 hours on billable time during the Application Period, including 6.3 hours that has been written off pursuant to the CFTC Billing Instructions, for a total of \$89,470.00 in requested fees.² 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.

8. 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. 251] filed on January 26, 2024 to apprise the Court and interested parties of the activities of the receivership for the 2023 year with a focus on the fourth quarter of 2023.

9. 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”). During the Application Period, I continued to communicate with counsel for the CFTC and Alexandre concerning reaching a settlement of the Civil Action. Although in December 2023, the CFTC reported that the parties reached an agreement in principle on a consent order that, if entered, would resolve the Civil Action [Dkt. No. 241], in February 2024, counsel for Alexandre reported that he no longer consented to the CFTC’s

² At my normal billing rate, the total fees would have been \$165,138. The total requested fees of \$89,470 reflect a discount of \$75,668, which is an over 45% reduction.

proposed consent order and a request to withdraw as counsel was made [Dkt. No. 257]. Otterbourg and I prepared a Qualified Answer to the Complaint on behalf of EminiFX [Dkt. No. 264].

10. Since Alexandre's withdrawal of counsel, he has been proceeding pro se. Otterbourg and I have been reviewing motions and requests filed by Alexandre and preparing and filing responses to those requests.

11. Otterbourg and I also continued to monitor the Florida Action, *Joseph v. General Conference Corporation of 7th Day Adventist et al.*, No. 23 Civ. 21552 (S.D. Fla.). During the Application Period, a subpoena was sent to EminiFX. Otterbourg has been assisting me in the response to the subpoena by communicating with counsel in the Florida Action and attempting to narrow the scope of documents needed in an attempt to save time, money and resources.

12. Otterbourg and I continued to undertake discovery requests, in an effort to gather information regarding EminiFX and to analyze and pursue potential third party claims. We reviewed responses to subpoenas and began to review documents. Otterbourg and I communicated with third parties with additional follow-up questions and document requests. This investigation is ongoing.

13. As previously reported, Otterbourg, JS Held, Stretto and I launched the EminiFX User Portal (the "Portal"). In an effort to give users more time to review their transactions, I extended the deadline for users to submit their transactions to February 26, 2024. Over 25,000 users submitted their transactions (with over 82,000 transactions verified), and over 10,000 users who did not submit their transactions had those transactions presumptively verified, preserving their claims.

14. Otterbourg, JS Held, Stretto and I have continued our review and analysis of the user transaction submissions. As previously mentioned, 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.

15. Given the amount of transactions that were submitted, the amount of time it will take to review such transactions, and the poor state of the internal EminiFX records recovered (as noted in prior filings), the Professional Firms and I began to create a transaction review platform during the Application Period. This database will contain the necessary information needed to perform the transaction review.

16. During the Application Period, the Professional Firms and I have undertaken an extensive educational campaign, including sending informational emails to users, updating the Receivership website, updating a FAQ section focused on the Portal and claims process, maintaining a YouTube page that contains how-to videos, and appearing on radio shows. I have also been in contact with members of the EminiFX community in an effort to ensure that as many users as possible are aware of the Receivership and claims process.

17. During the Application Period, I worked with my tax and accounting advisors to prepare a 2023 tax return for EminiFX. We also reviewed and analyzed other tax issues, including the treatment of the receivership estate as a Qualified Settlement Fund (“QSF”). During the Application Period, I worked with the Professional Firms to request an extension with the Internal Revenue Service (“IRS”) to file a QSF tax return for 2023 to October 2024.

18. Additionally, my tax and accounting advisors assisted in the preparation of a pre-submission conference request to the IRS in connection with seeking a final determination of EminiFX’s pre- Receivership tax liability, which was filed with the IRS on March 29, 2024.

ATTESTATIONS

19. 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.

20. 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.

21. 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

22. 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, communications with parties-in-interest, managing the transaction verification and claims process, analyzing potential third party claims, and assisting with my analysis of the EminiFX tax liability.

23. 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 Portal and developing the transaction review platform. Since the launch of the Portal, Otterbourg has

been assisting with the claims process by reviewing submitted transactions and responding to other related inquiries.

24. 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. In an effort to keep fees low, Otterbourg has been utilizing lower billers for ongoing, time consuming tasks with senior attorney overview. 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.

25. 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. During the Application Period, JS Held spent considerable effort assisting with the transaction review process by gathering and putting together information needed for transaction review and analyzing the transactions that were submitted. JS Held spent a considerable amount of time developing the transaction review platform to assist the legal team in its transaction review. JS Held also provided the estate with financial advice and various project management and organizational functions.

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 Daniel Young of Deloitte Tax attached as Exhibit 4, and the invoice and time entries for Deloitte Tax attached as Exhibit 4-1 (First Quarter 2024) and Exhibit 4-2 (Fourth Quarter 2023). As previously reported, due to unexpected circumstances unrelated to the Receivership, the prior fee application did not include the fees for the Fourth Quarter 2023, and such fees are therefore included in this Application. 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, and with a critical substantive filing with the Internal Revenue Service concerning such liability.

28. In my view, the fees and expenditures that Deloitte Tax seeks are reasonable, necessary, and commensurate with the skill and experience required for the activity performed. To the best of my knowledge, information and belief formed after reasonable inquiry, all the fees and expenses requested in Exhibits 4-1 and 4-2 comply with the CFTC Billing Instructions and the Deloitte Retention Order concerning expenses [Dkt. 209, at 3 n.2].

29. I have reviewed the affidavit submitted by Conrad Davis 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 2023 tax return. Crowe also assisted in pre-receivership tax advice, where applicable.

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 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, maintaining, and updating the EminiFX Portal. Since the launch of the EminiFX Portal, Stretto has been preparing and circulating various reports of data for review by Otterbourg, JS Held and myself.

34. Stretto has participated in weekly meetings and working sessions with myself and other professionals. Based on our feedback, Stretto has made various updates to the Portal in order to make our review easier and more efficient.

35. 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 26th day of April 2024 at New York, New York.

/s/ David A. Castleman

David A. Castleman

General Receivership
2024 1Q

STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 01/01/2024 to 03/31/2024

		Detail	Subtotal	Grand Total	Notes
Line 1	Beginning Balance (01/01/2024)	\$144,847,045		\$144,847,045	Total Balance*
Increases in Fund Balance					
Line 2	Business Income				
Line 3	Cash and Securities	\$2,880			
Line 4	Interest/Dividend Income	\$1,111,276			
Line 5	Asset Liquidation				
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous				
	Total Funds Available - Total Lines 1-7		\$1,114,156	\$145,961,201	
Decreases in Fund Balance					
Line 9	Disbursements to Investors				
9a	Disbursements to Other Claimants	(\$5,000)	(\$5,000)	\$145,956,201	Non User Claims [Dkt 91]
Line 10	Disbursements for Receivership Operations	(\$284)			General Expenses [Dkt 91]
10a	Disbursements to Receiver/Other Professionals	(\$1,151,333)			2023 4Q Fees [Dkt 255]
10b	Third Party Litigation Expenses				Bitcoin Custody Fee [Dkt 249]
10c	Asset expenses	(\$251,555)			
10d	Tax Payments				
	Total Disbursements for Receivership Operations		(\$1,403,173)	\$144,553,028	
Line 11	Disbursements Related to Distribution Expenses	(\$50,000)	(\$50,000)	\$144,503,028	Notice Expenses [Dkt 245]
Line 12	Disbursements to Court/Other				
Line 13	Other				
	Total Funds Disbursed - Total Lines 9 - 13		(\$1,458,173)	\$144,503,028	
Line 14	Ending Balance (as of 03/31/2024)		(\$344,017)	\$144,503,028	Total Balance

* Reduced by \$205 from 2023-4Q SFAR filed with the Court due to correction to interest reported in the statements of one of the Receivership bank accounts.

*General Receivership
2023 4Q Revised*

Other Supplemental Information		
Line 15	Number of Claims	8 plus investor claims TBD
15a	No. of Claims Received This Reporting Period	8 plus investor claims TBD
15b	No. of Claims Received Since Inception of Estate	8 plus investor claims TBD
Line 16	Number of Claimants/Investors	Not Yet Determined
16a	No. of Claimants/Investors Paid This Reporting Period	2 (including claim characterized as Asset Expense [line 10c])
16b	No. of Claimants/Investors Paid Since Inception of Estate	5

Receiver: David Castleman



By: _____

David Castleman
Receiver

Date: April 8, 2024

Standardized Accounting Report Form

Alexandre Assets
2024 1Q

STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 01/01/2024 to 03/31/2024

		Detail	Subtotal	Grand Total	Notes
Line 1	Beginning Balance (01/01/2024)	\$9,369,734		\$9,369,734	
	Increases in Fund Balance				
Line 2	Business Income				
Line 3	Cash and Securities				
Line 4	Interest/Dividend Income	\$75,917			
Line 5	Asset Liquidation				
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous				
	Total Funds Available - Total Lines 1-7		\$75,917	\$9,445,651	
	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	\$9,445,651	
Line 14	Ending Balance (as of 03/31/2024)		\$75,917	\$9,445,651	

Alexandre Assets
2024 1Q

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: April 8, 2024

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 (JANUARY 1, 2024 – MARCH 31, 2024)**

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 January 1, 2024 through March 31, 2024 (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. 47] (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 January 1, 2024 through March 31, 2024 (the "Application Period") has been submitted under seal as Exhibit 2-1, as required by the Employment Order. Otterbourg spent a total of 1205.5 hours on the matter (including 24.1 hours of uncharged time), and incurred fees in the amount of \$785,871.00, less a public service discount of \$117,880.65 for a net fee request of \$667,990.35, as well as expenses of \$99.60 during the Application Period.

6. The majority of Otterbourg's time—nearly 700 hours—related to Otterbourg's key role in assisting the Receiver with the user transaction verification and claims process, including the review of transaction submissions through the EminiFX User Portal (the "Portal"). The deadline for submitting transactions was February 26, 2024.

7. During the Application Period, Otterbourg assisted with the creation of a centralized electronic review system used to review each transaction submitted through the Portal, research users' transactions, and make decisions regarding each transaction. Additionally, Otterbourg continued to examine and investigate disputed or added transactions and communicated with users regarding their transactions in the Portal.

8. Also, in connection with the claims process, Otterbourg continued to assist the Receiver in reviewing non-user proofs of claims and resolving two proofs of claim: (1) by entering into settlement agreement in accordance with the Receiver's authority to settle claims under \$50,000 [Dkt. 91], and (2) by filing an application for approval of the settlement agreement with UAB Star Ventures d/b/a CoinPayments ("CoinPayments"), which provided for, among other

things, a resolution of CoinPayments' proof of claim asserted in the receivership, including a reduction of more than 95% of the requested amount [Dkt. 248], which the Court approved on January 26, 2024 [Dkt. 249]. Additionally, Otterbourg assisted the Receiver in a settlement with a prior landlord of EminiFX, 34th Street Suites LLC ("Suites"), which provides among other things, a resolution of Suite's proof of claim asserted in the receivership, including a reduction of more than 59% of the requested amount [Dkt. 288]. The Court granted the application on April 18, 2024 [Dkt. 294].

9. During the Application Period, Otterbourg spent time assisting the Receiver with various matters, including aiding in the drafting of the 2023 Annual Status Report filed on January 26, 2024 [Dkt. 251].

10. During the Application Period, Otterbourg assisted the Receiver by communicating with counsel for the CFTC and Alexandre concerning the resolution of this action. Although in December 2023, the CFTC reported that the parties reached an agreement in principle on a consent order that, if entered, would resolve the Civil Action [Dkt. No. 241], in February 2024, counsel for Alexandre reported that he no longer consented to the CFTC's proposed consent order and requested to withdraw as counsel [Dkt. No. 257]. Otterbourg assisted the Receiver in preparing a Qualified Answer to the Complaint on behalf of EminiFX [Dkt. No. 264].

11. Throughout the Application Period, Otterbourg has been assisting the Receiver in responding to various motions and requests filed by Alexandre.

12. Otterbourg continued to monitor the related actions, including the criminal proceeding against 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 Civ. 21552 (S.D. Fla.). During the Application Period, a subpoena was sent to EminiFX. Otterbourg

has been assisting the Receiver in its response to the subpoena by communicating with counsel in the Florida Action and attempting to narrow the scope of documents needed in an attempt to save time, money and resources.

13. Otterbourg continued 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. During the Application Period, Otterbourg reviewed documents received in response to subpoenas and communicated with third parties with follow-up questions and requests. The Receiver's investigation is ongoing.

14. 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's potential tax liability.

15. 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. In an effort to keep fees low, Otterbourg has been using lower billers for time consuming tasks with one senior attorney overseeing their work. Otterbourg respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

16. 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 26th day of April 2024 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 (JANUARY 1, 2024 THROUGH MARCH 31, 2024)**

1. I am a senior managing director at the firm of JS Held, LLC ("JS Held"), financial advisors to 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 declaration is made in support of the Application for Fees and Expenses from January 1, 2024 through March 31, 2024 ("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 January 1, 2024 through March 31, 2024 (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 \$500,156.00 and expenses in the amount of \$18,159.58 during the Application Period.

6. During the Application Period, JS Held played an important role in assisting the Receiver in the user verification process, including participating in meetings and working sessions with the Receiver and his team to discuss the administration of the EminiFX User Portal (the "Portal") and transaction review process. During the Application Period, JS Held prepared a centralized electronic system to assist the Receiver and his team in reviewing and processing the thousands of user transactions submitted through the Portal. This will allow the Receiver and his legal team to review each transaction submitted through the Portal, research users' transactions, and make decisions regarding each transaction.

7. Additionally, JS Held assisted the Receiver and his team in reviewing and processing the user transactions by analyzing third party bank statements, evaluating cash transactions, and providing research and data analysis to the Receiver's team.

8. 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.

9. 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.

10. JS Held incurred costs of \$18,159.58 during the Application Period for Iron Mountain storage fees, hosting the document production on Disco, Azure SQL server resources and hard copy scanning of documents to digital format.

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 26th day of April 2024 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 DANIEL P. YOUNG OF DELOITTE TAX LLP IN SUPPORT OF
APPLICATION FOR FEES AND EXPENSES (OCTOBER 1, 2023 – MARCH 31, 2024)**

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 January 1, 2024 through March 31, 2024 (the “Application”).¹

3. The Receiver retained Deloitte Tax as tax services provider as of June 30, 2023 under the terms of an engagement letter between the Receiver and Deloitte Tax, dated June 29, 2023. On June 30, 2023, the Court entered an order authorizing the Receiver to employ Deloitte

¹ Due to unexpected circumstances unrelated to the Receivership, the Receiver did not request payment for Deloitte Tax in the Fourth Quarter 2023 fee application. Those fees are included this Application, as set forth in paragraph 5 *infra*.

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 January 1, 2024 through March 31, 2024 (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 \$44,448.00 and expenses of \$2,222.00 during the Application Period.

5. True and correct copies of the Firm’s invoices reflecting the detailed time entries for the services we provided from October 1, 2023 through December 31, 2023 (the “Prior Application Period”) have been submitted under seal as Exhibit 4-2, as required by the Employment Order. Deloitte Tax incurred fees in the amount of \$34,240.00 and expenses of \$1,712.00 during the Prior Application Period.

6. During the Application Period and the Prior Application Period, Deloitte Tax assisted the Receiver in analyzing the pre-Receivership tax liability of EminiFX, Inc. (“EminiFX”). Deloitte Tax communicated with the Internal Revenue Service (the “IRS”) and participated in regular meetings with the Receiver and other professionals to discuss issues concerning the tax treatment of EminiFX’s pre-Receivership financial activity and drafted and filed with the IRS a pre-submission conference request concerning a final determination of EminiFX’s pre-Receivership tax liability.

7. 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 Tax respectfully submits that it has not expended time unnecessarily and that it has rendered efficient and effective services.

8. 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 substantially 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 26th day of April 2024 at Boston, Massachusetts.

/s/ Daniel P. Young

Daniel P. Young, Partner

Deloitte Tax LLP

Exhibit 4-1

(filed under seal)

Exhibit 4-2

(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 CONRAD DAVIS IN SUPPORT OF APPLICATION
FOR FEES AND EXPENSES (JANUARY 1, 2024 – MARCH 31, 2024)**

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 January 1, 2024 through March 31, 2024 (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 supervise the professionals and staff of Crowe with respect to the services provided to the Receiver.

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. True and correct copies of the Firm’s invoices reflecting the detailed time entries for the services we provided, and the expenses we incurred, from January 1, 2024 through March

31, 2024 (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 \$29,967.61 (after application of the 15% accommodation) and expenses in the amount of \$18.85 (this expense was incurred in December 2023 but included on the January 2024 invoice) during the Application Period.

6. During the Application Period, the Firm assisted the Receiver in preparing the Qualified Settlement Fund (the “QSF”) tax return for the Receivership for 2023 (the “QSF Return”), and preparing and filing a request with the Internal Revenue Service to extend the time to file the QSF Return to October 2024.

7. In preparing the QSF Return, the firm assisted the Receiver with analyzing taxation and reporting issues related to the QSF, including preparing a trial balance sheet and analyzing financial activity during 2023.

8. Additionally, Crowe assisted the Receiver and other professionals in the preparation of a closing agreement request to the Internal Revenue Service to seek a final determination of EminiFX’s pre-Receivership tax liability. On March 29, 2024, the Receiver filed with the IRS a pre-submission conference request concerning a final determination of EminiFX’s pre-Receivership tax liability.

9. Crowe participated in regular meetings with the Receiver and other professionals to discuss tax requirements and impacts on the Receivership.

10. 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.

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 23 day of April 2024 at Sacramento, California.



Conrad Davis

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 (JANUARY 1, 2024 THROUGH MARCH 31, 2024)**

1. I am a Managing Director at the firm of Stretto, Inc. (“Stretto”), claims and noticing agent 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 declaration is made in support of the Application for Fees and Expenses from January 1, 2024 through March 31, 2024 (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 by the Receiver 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 January 1, 2024 through March 31, 2024 (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 \$208,563.50 and expenses in the amount of \$23,278.09 during the Application Period.

6. During the Application Period, Stretto assisted in developing, maintaining, and managing the EminiFX User Portal (the "Portal"), including updating the Portal to include additional features necessary to the administration of the user transaction verification process. Stretto has made certain updates to the Portal based on feedback from the Receiver and his team, including a communication feature, which has enabled the Receiver and his legal team to communicate directly with users regarding their transactions. Since the launch of the Portal, Stretto regularly communicated with the Receiver and his team regarding the Portal, including preparing weekly reports. Stretto is also the first-line of contact for EminiFX Users in connection with the Portal, and in that role Stretto assisted users with various portal access requests and issues.

7. Additionally, 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 maintaining 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.

8. Stretto played a key role in communications with interested parties during the Application Period. This included updating the Receivership website, notifying interested parties

about the claims procedures and coordinating with translation services in order to reach a wider range of interested parties.

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 \$23,278.09 during the Application Period for 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 26th day of April, 2024 at Irvine, California.

 /s/ Brian Karpuk
Brian Karpuk

Exhibit 6-1
(filed under seal)