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January 31, 2025

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 – Fourth 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 October 1, 2024 through December 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**”), Crowe LLP (“**Crowe**”), and Stretto, Inc., (“**Stretto**”) (collectively, the “**Professional Firms**”).

During the Application Period, the Receiver continued to work towards implementing his goal of making a major initial distribution to investors, completing the transaction review process, receiving and processing initial responses during the objection period, and collecting payment information for the distribution process. As a result of the work completed during the Application Period, the Receiver was in a position to announce a \$100 million distribution in January 2025, two days after the Court approved the Distribution Plan [Dkts. 431, 434].

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 \$94,242.50; (ii) Otterbourg requests fees of \$618,230.08 and all expenses have been waived; (iii) JS Held requests fees of \$275,142.00 and expenses of \$12,278.50; (iv) Deloitte Tax requests fees of \$44,014.00 and expenses of \$2,201.00; (v) Crowe requests fees of \$3,455.25; and (vi) Stretto requests fees of \$213,845.50 and expenses of \$35,907.86. Otterbourg’s requested fees reflect \$179,438.42 in total discounts that includes both the standard public service discount and additional discounts as detailed in the invoice. The combined discounts of Otterbourg and the Receiver (\$132,882.50) for the Application Period total \$312,320.92.



Page 2

The total requested or incurred fees of \$1,248,929.33 and expenses of \$50,387.36 for the Application Period are reasonable given the significant complexity and substantial work completed, as set forth in detail in Part III. The total request of just under \$1.3 million is almost 40% less than the \$2.1 million requested in the Third Quarter 2024. Moreover, given the completion of the transaction review process at the end of October, the total fees declined each month during quarter (from just under \$600,000 in October to just over \$300,000 in December).

The Standardized Fund Accounting Report annexed to the Receiver's affidavit shows the cash flows in and out of the Receivership. The Receivership continued to earn substantial interest, just over \$1 million during the Application Period. The \$151.8 million in cash under management exceeds the \$151.1 million in turned over assets (cash plus liquidation value less custodial fees) by over \$700,000.

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, 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*



Page 3

Inc., No. 05 Civ. 5231, 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 (cleaned up).

II. Procedural History

The Receiver’s Fourth Quarter 2024 Report, filed on January 31, 2025, sets forth in detail the procedural history during the Application Period [Dkt. 444, at 5-10]. The most significant filing during the Application Period was the Schedule of User Transactions on October 30, 2024, which contained the results of the primary phase of the User Transaction and Verification Process and the Receiver’s determinations for nearly 120,000 transactions [Dkt. 417].

On August 9, 2024, the Receiver filed a motion for approval of the Proposed Plan [Dkts. 381-84], with briefing completed during the Third Quarter 2024. After the close the Application Period but before this Application was filed, Court entered an Opinion and Order approving the Plan on January 21, 2025 [Dkt. 431], and two days later the Receiver filed a Notice of Initial Distribution was filed [Dkt. 434].

On August 23, 2024, the Receiver and the CFTC filed motions to dismiss Alexandre’s counterclaims on August 23 [Dkts. 386-89], to which Alexandre filed a response [Dkts. 400-01]. The Receiver and the CFTC filed replies [Dkts. 403, 404]. Mr. Alexandre’s deadline to respond to the Receiver’s motion was extended during in October 2024, after which he withdrew his counterclaims against the Receiver on November 25 [Dkt. 423].

On September 23, 2024, the CFTC filed its motion for summary judgment [Dkts. 395-96]. The Receiver filed a response to the CFTC’s motion on October 11, without waiver of any argument Alexandre chooses to make in opposition [Dkt. 411]. Alexandre’s deadline to respond to the motion was extended to November 29 [Dkt. 413], and then again to December 27 [Dkt. 422]. The motion was fully briefed as of January 24, 2025, after the close of the Application Period but before this Application was filed, and remains pending.

On November 8, 2024, the Receiver filed a Third Quarter 2024 status report, and a fee application for that quarter. On November 26, 2024, the Court approved the Receiver’s application for fees and expenses for the Third Quarter 2024 [Dkt. 424].¹

¹ 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], February 9, 2024 [Dkt. 255], May 16, 2024 [Dkt. 307], August 16, 2024 [Dkt. 385].



Page 4

III. Summary of Services During the Application Period

Transaction Verification and User Claims Process. During the Application Period, the Receiver and his teams at Otterbourg, JS Held, and Stretto continued to implement the transaction verification and claims process, completing their quality control review during the Application Period. On October 30, 2024, the Schedule of User Transactions was filed which showed the results of the Receiver's review, in which most of the nearly 120,000 transactions were resolved but for which just over 7,000 transactions (about 6% of the total) remained disputed, affecting 3,627 users (around 10% of the total—some users had both disputed and undisputed transactions).

During the Application Period, the Receiver and his teams implemented the 45-day objection period as set forth in the Claims Procedure Order [Dkt. 228]. During that period, a revised set of transactions was posted on each user's individual User Portal, with an explanation for disputed transactions and the results of any added or modified transactions. Users who still had disputed transactions remaining were given the opportunity to contest or accept the Receiver's determinations. Most users accepted the Receiver's determination either affirmatively or by declining to respond at all, and users who objected on the User Portal (and some who indicated an objection in a different way) remain pending. For some objections—generally in circumstances where the user provided the necessary missing documentation—the Receiver was able to immediately accept the transaction and resolve in the user's favor. At the end of the Application Period, only 630 users remained who have disputed transactions of review holds, and over 30,000 users are eligible for a distribution under the rising tide method. The Receiver and his team expect to spend the next two quarters resolving the remaining users and submitting any disputes that cannot be resolved amicably to the Court for omnibus resolution.

Non-User Claims. All of the non-user claims have now been resolved. There was one non-user claim which had not been settled, but discussions had been ongoing. During the Application Period, the Receiver engaged in a mediation with this non-user which resulted in the settlement of that claim. The agreement allowed the claim in the amount of \$555,000.00 with a recovery cap of 45% (\$249,750.00) if distributions to users exceeded this percentage. This represented a significant reduction from the amended claim (\$1,003,064.39) and ensured a resolution that was both fair and equitable under the circumstances. After the close of the Application Period but before this Application was filed, the Receiver made the initial 45% distribution on that claim (see below), and the claim is now fully satisfied.

Proposed Plan of Distribution. As previously reported, on August 9, 2024, the Receiver filed his Plan Motion and Proposed Plan. As of September 27, 2024, the Plan Motion was fully briefed. During the Application Period, in anticipation of the Proposed Plan being approved, the Receiver and his team began collecting payment information from EminiFX users. A function was added to the Portal to enable users to easily and securely send preferred method of payment. On January 21, 2025, the Court approved the Receiver's Proposed Plan [Dkt. 431]. Two Days Later,



Page 5

the Receiver filed a Notice of Initial Distribution [Dkt. No. 434], announcing initial distribution and rising tide percentages at 45% for Class 3 and 55% for Class 3A. The total budget for the initial distribution is approximately \$100 million which is a majority of the \$152 million currently held in the Receivership. The Receiver is in the process of preparing distributions and for users who have provided payment information, he anticipates the first payments will be made to EminiFX users in February 2025.

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. During the Application Period, tax and accounting teams assisted the Receiver to analyze pre-receiver tax liability, and filed a tax return for the Qualified Settlement Fund (the “QSF”) for the 2023 year. The team also assisted the Receiver in preparing tax return for the pre-Receivership tax liability of EminiFX, which will be filed concurrently with or shortly after this Application.

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. The Receiver continued an investigation into an issue concerning millions of dollars of EminiFX funds. In addition, in light of new information discerned during the non-user claims process, the Receiver discovered that over \$500,000 in EminiFX funds was used by Alexandre to purchase two luxury watches, and the Receiver initiated turnover request to Alexandre. After the close of the Application Period, but before the filing of this Application, Alexandre responded refusing to comply with the turnover request. The Receiver is considering next steps.

After significant work completing the drafting of a complaint during the Application Period, on December 3, 2024, the Receiver commenced an action in the New York County Supreme Court against Interactive Brokers LLC (“IBKR”), on behalf of the estate, and for the ultimate benefit of the customers of EminiFX seeking damages based on IBKR’s alleged conduct related to Alexandre’s trading of EminiFX funds in his personal IBKR account. Index No. 659407/2024 (the “State Court Action”) [State Court Action NYSCEF 1]. After the close of the Application Period but before the filing of this Application, IBKR removed to this Court. Case No. 25-cv-00042-VEC (the “District Court Action”). The parties are currently briefing whether to remand the case to state court, in response to an Order to Show Cause in the District Court Action, and that issue remains pending. The Receiver expects to proceed with litigation in either federal or state court once the jurisdictional issue is resolved.

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



Page 6

from the prior quarter [Dkt. 418]. The Receiver also continues to communicate with Alexandre regarding the Receivership as necessary via the CorrLinks system and the U.S. Mail. In general, the Receiver will conserve estate resources by filing responses to motions by Alexandre only when necessary or when ordered by the Court.

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 \$94,242.50 in fees to the Receiver, which reflects a discount of over 50% from his normal rate—a savings of \$132,882.50 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 completing the primary phase of the user verification and claims process and investigating potential third-party claims. The Receiver respectfully requests the Court approve payment of \$618,230.08 in fees (reflecting the 15% public service discount and additional discounts as requested by the Receiver) to Otterbourg, and expenses were waived. The Feeney 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 user transactions in connection with the implementation the transaction verification and claims process. The Receiver respectfully requests the Court approve payment of \$275,142.00 in fees and \$12,278.50 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 tax analysis and strategic advice, in connection with determining EminiFX's pre-receivership tax liability. The Receiver respectfully requests the Court approve payment of \$44,014.00 in fees and \$2,201.00 in expenses to Deloitte Tax. 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, which was timely filed during the Application Period. The



Page 7

Receiver respectfully requests the Court approve payment of \$3,455.25 in fees 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 and the claims resolution and plan process. The Receiver respectfully requests the Court approve payment of \$213,845.50 in fees and \$35,907.86 in expenses to Stretto. The McElhinney Affidavit attached as Exhibit 6 describes in more detail the work performed.

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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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 (OCTOBER 1, 2024 – DECEMBER 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 October 1, 2024 through December 31, 2024 (the “Application Period”). Annexed to this declaration is a true and correct copy of the Standardized Fund Accounting Report for the Fourth 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. The primary focus of me and my team was the revised Portal which was created upon the completion of the transaction review in connection with the User Transaction Verification process [Dkt. 228], so that we can ensure as many EminiFX users as

possible receive allowed claims where eligible, while reducing the burden on individual users as much as possible.

7. In the interests of the estate and pursuant to the Employment Order, I have discounted my regular billing rate to more than half, to \$575 per hour. I spent 181.7 hours on billable time during the Application Period, including 17.8 hours that has been written off pursuant to the CFTC Billing Instructions, for a total of \$94,242.50 in requested fees.¹ 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. 418] filed on November 8, 2024 to apprise the Court and interested parties of the activities of the receivership for the Third quarter of 2024.

9. In this civil action, as previously reported, Alexandre 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 as necessary. Pursuant to this Court's April 2, 2024 Order [Dkt. 290], Alexandre has added me as an approved contact in the CorrLinks system. I have continued to communicate with Alexandre through the CorrLinks system regarding various issues in the

¹ At my normal billing rate, the total fees would have been \$227,125.00. The total requested fees of \$94,242.50 reflect a discount of \$132,882.50, which is an effective 58.5% reduction.

Receivership, including sending Alexandre emails with the docket entries of orders entered by the Court, as well as copies of those orders via U.S. Mail.

10. Otterbourg and I continued to monitor activity in the criminal case, *U.S. v. Alexandre*, No. 22 Cr. 326 (JPC) (S.D.N.Y.) (the “Criminal Action”) as well as *Joseph v. General Conference Corporation of 7th Day Adventist et al.*, No. 23 Civ. 21552 (S.D. Fla.) (the “Florida Action”). Motions to dismiss are currently pending in the Florida Action and discovery is continuing. I previously received a subpoena for documents in the Florida Action and have been communicating with counsel regarding a protective order to allow us to produce the documents.

11. 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 continued to review documents. Otterbourg and I communicated with third parties with additional follow-up questions and document requests.

12. I also continued my investigation into an issue concerning millions of dollars of EminiFX funds, as well as a new investigation into half a million dollars of luxury watches that I discovered were purchased using cryptocurrency from the EminiFX CoinPayments account (and for which I had not discovered records in the internal EminiFX files), and I solicited the assistance of Otterbourg and JS Held to do so.

13. As a result of the investigations, with Otterbourg’s help, I commenced an action against Interactive Brokers LLC (“IBKR”) in the Supreme Court of the State of New York County of New York, *David A. Castleman, as Receiver for EminiFX, Inc. v. Interactive Brokers LLC*, Index No. 659407/2024 (the “State Court Action”) seeking damages based on IBKR’s alleged facilitation of transactions connected to EminiFX. After the close of the Application Period, IBKR removed the action to federal court, and briefing concerning jurisdiction remains pending.

14. Otterbourg, JS Held, Stretto and I continued our review and analysis of the user transaction submissions. As previously reported, the primary phase of the transaction review process was completed during the Application Period, with quality control and final review completed in October.

15. In connection with completing the disputed transaction review, Otterbourg assisted me in filing the Schedule of User Transactions on October 30, 2024 (the “Transaction Schedule”). As reported in the Transaction Schedule, the review resulted in the validation of 4,892 added transactions resulting in over \$26.4 million in additional claims that will form the basis for a distribution to the affected users. Approximately 3,000 users who disputed transactions have had their transactions fully resolved and will be eligible for a distribution under the proposed plan.

16. The Transaction Schedule also sets forward disputed transactions that remain to be resolved. During the Application Period, I along with other professionals assisted in preparing an updated Portal to give users with disputed transactions another chance to resolve their claims. Regular meetings were held to discuss the concept of how the updated Portal should look and work. The idea was to make the updated Portal as user friendly as possible. The updated Portal launched on October 30, 2024. To date, I have received thousands of responses and hope to be able to resolve as many claims as possible.

17. The revised Portal enabled users to provide payment information in anticipation of distributions upon plan approval. Otterbourg participated in many meetings with the Receiver and his team to discuss the process and how the information would be collected. By the end of 2024, over 15,000 Users had submitted payment details, and only 630 Users had disputed transactions or review holds. On January 21, 2025, the Court approved the Receiver’s proposed plan [Dkt.

431]. Since the order was entered, with assistance from my retained professionals, I have taken initial steps in the distribution process and anticipate making a distribution in the near future.

18. Also in connection with the claims process, with Otterbourg's assistance, I continued to review non-User claims. I, along with my legal team continued to resolve non-user claims. There remained one non-User claim that had not been settled, which I proposed to disallow in full. The affected claimant retained counsel, who objected to my determination and provided substantial additional documentation that my team and I reviewed. We thereafter agreed to mediate the claim. I assisted Otterbourg with the preparation of a mediation statement and was able to fully resolve this claim through a one-day mediation session. I prepared and filed an Amended Non-User Claims Report on January 6, 2025 [Dkt. 427].

19. During the Application Period, I continued to work with my tax and accounting advisors to review and analyze certain tax issues, including the treatment of the receivership estate as a Qualified Settlement Fund ("QSF"). The QSF tax return for 2023 was timely filed on October 11, 2024. I also assisted in preparing and filing a corporate tax return for 2023.

ATTESTATIONS

20. 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.

21. 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.

22. 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

23. 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, assisting with my analysis of the EminiFX tax liability, and assisting with the proposed plan of distribution. Otterbourg has also assisted me with a new investigation into an issue concerning millions of dollars of EminiFX funds.

24. Otterbourg has spent a considerable amount of time assisting and giving legal advice regarding the claims process, procedures and next steps. Since the launch of the Portal, Otterbourg has been assisting with the claims process by analyzing thousands of disputed transactions, communicating with users regarding those transactions, and in making recommendation to me for the initial resolution of disputed transactions. I have personally reviewed all of the thousands of users' transactions, and the work, time and effort Otterbourg performed in completing the process was both extremely complex, and necessary to effect my goal of making a distribution as soon as possible. Upon completion of the transaction review,

Otterbourg played a key role in preparing the updated portal and continuing to resolve the remaining disputed claims.

25. 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.

26. In addition to and compounded with its public service discount, and at my request, Otterbourg has offered additional discounts equivalent to capping rates at \$575 (my rate) for the Transaction Review, which was completed on October 30, 2024 when the schedule was filed with the Court [Dkt. 417]. Otterbourg has also, at my request, written off additional otherwise billable items, which I believe is appropriate under the circumstances. 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.

27. 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 was an integral part of the transaction review process. JS Held spent considerable effort compiling user transaction data, analyzing that data and implementing my decisions with respect to thousands of initially disputed transactions, and in preparing the results for transmission to the updated Portal. JS Held also spent time updating the transaction review platform to assist both me and my legal team in the transaction review. JS Held also provided the estate with financial advice and various project management and organizational functions,

including assisting me with a new investigation into an issue concerning millions of dollars of EminiFX funds.

28. 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.

29. 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. 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.

30. 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 Exhibit 4-1 comply with the CFTC Billing Instructions and the Deloitte Retention Order concerning expenses [Dkt. 209, at 3 n.2].

31. 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 prepared the 2023 tax return. Crowe also assisted in pre-receivership tax advice, where applicable.

32. 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.

33. I have reviewed the declaration submitted by Daniel McElhinney 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 advising of the claims administration process and in maintaining the EminiFX User Portal.

34. During the Application Period, at my direction, Stretto has played a key role in updating the Portal once the transaction review was completed. Stretto has been assisting me with the plan of distribution, and has advised on the logistics for distribution payments. 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.

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 31st day of January 2025 at New York, New York.

/s/ David A. Castleman

David A. Castleman

General Receivership
2024 4Q


STANDARDIZED ACCOUNTING REPORT FOR EminiFX, Inc. and Alexandre Receivership
Civil Court Docket No. 22 Civ. 3822 (VEC) (S.D.N.Y.)
Reporting period 10/01/2024 to 12/31/2024

		Detail	Subtotal	Grand Total	Notes
Line 1	Beginning Balance (10/01/2024)	\$152,883,986		\$152,883,986	Total Balance
Increases in Fund Balance					
Line 2	Business Income				
Line 3	Cash and Securities				
Line 4	Interest/Dividend Income	\$1,034,441			
Line 5	Asset Liquidation				
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous				
	Total Funds Available - Total Lines 1-7		\$1,034,441	\$153,918,427	
Decreases in Fund Balance					
Line 9	Disbursements to Investors				
9a	Disbursements to Other Claimants				
Line 10	Disbursements for Receivership Operations				
10a	Disbursements to Receiver/Other Professionals	(\$2,102,216)			2024 3Q Fees [Dkt 424]
10b	Third Party Litigation Expenses	(\$3,500)			Mediation Fee – Claims [Dkt 228]
10c	Asset expenses				
10d	Tax Payments	\$82			Refund of Estimated QSF Tax Payment
	Total Disbursements for Receivership Operations		(\$2,105,634)		
Line 11	Disbursements Related to Distribution Expenses				
Line 12	Disbursements to Court/Other				
Line 13	Other				
	Total Funds Disbursed - Total Lines 9 - 13		(\$2,105,634)	\$151,812,793	
Line 14	Ending Balance (as of 12/31/2024)		(\$1,071,193)	\$151,812,793	Total Balance

*General Receivership
2024 4Q*

Other Supplemental Information		
Line 15	Number of Claims	8 non-investor plus 32,553 to 33,109 investor claims (pending determination of Motion for Approval of Distribution Plan)
15a	No. of Claims Received This Reporting Period	32,553 to 33,109 investor claims (pending determination of Motion for Approval of Distribution Plan)
15b	No. of Claims Received Since Inception of Estate	32,561 to 33,117
Line 16	Number of Claimants/Investors	32,561 to 33,117
16a	No. of Claimants/Investors Paid This Reporting Period	0
16b	No. of Claimants/Investors Paid Since Inception of Estate	7

Receiver: David Castleman

By: 

David Castleman
Receiver

Date: January 19, 2025

Standardized Accounting Report Form

**General Receivership
2024 Annual**


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 12/31/2024

		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	\$4,495,296			
Line 5	Asset Liquidation				
Line 6	Third Party Litigation Income				
Line 7	Other Miscellaneous	\$9,470,813			Alexandre Assets Turnover [Dkt 311]
	Total Funds Available - Total Lines 1-7		\$13,968,989	\$158,816,034	
Decreases in Fund Balance					
Line 9	Disbursements to Investors				
9a	Disbursements to Other Claimants	(\$255,876)			Non User Claims [Dkts 91, 298, 339]
Line 10	Disbursements for Receivership Operations	(\$108)			General Expenses [Dkt 91]
10a	Disbursements to Receiver/Other Professionals	(\$6,417,284)			2023-4Q & 2024-1Q to 3Q Fees [Dkts 255, 307, 385, 424]
10b	Third Party Litigation Expenses	(\$3,500)			Mediation Fee – Claims [Dkt 228]
10c	Asset expenses	(\$251,555)			Bitcoin Custody Fee [Dkt 249]
10d	Tax Payments	(\$24,918)			QSF Tax Payment [Dkt 9 ¶ 31(m)]
	Total Disbursements for Receivership Operations		(\$6,953,241)		
Line 11	Disbursements Related to Distribution Expenses	(\$50,000)			Notice Expenses [Dkt 245]
Line 12	Disbursements to Court/Other				
Line 13	Other				
	Total Funds Disbursed - Total Lines 9 - 13		(\$7,003,241)	\$151,812,793	
Line 14	Ending Balance (as of 12/31/2024)		\$6,965,748	\$151,812,793	Total Balance

*General Receivership
2024 Annual*

Other Supplemental Information		
Line 15	Number of Claims	8 non-investor plus 32,553 to 33,109 investor claims (pending determination of Motion for Approval of Distribution Plan)
15a	No. of Claims Received This Reporting Period	32,553 to 33,109 investor claims (pending determination of Motion for Approval of Distribution Plan)
15b	No. of Claims Received Since Inception of Estate	32,561 to 33,117
Line 16	Number of Claimants/Investors	32,561 to 33,117
16a	No. of Claimants/Investors Paid This Reporting Period	4
16b	No. of Claimants/Investors Paid Since Inception of Estate	7

Receiver: David Castleman

By: 

David Castleman
Receiver

Date: January 19, 2025

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 (OCTOBER 1, 2024 – DECEMBER 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 October 1, 2024 through December 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 October 1, 2024 through December 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 891.7 hours on the matter, and incurred fees in the amount of \$797,668.50 (the "Gross Services Amount"), subject to over 20% in discounts as set forth below, for a net fee request of \$618,230.08. All expenses were waived during the Application Period.

6. The Gross Services Amount was discounted by \$70,339.00, which included no charges for 14.9 hours of fee application time and 14.2 hours of other time, and a significant discount for the 168.8 hours spent on reviewing disputed transactions. The discounted amount of \$727,329.50 was further discounted by Otterbourg's 15% public service discount of \$109,099.42, for a total discount is \$179,438.42. The net fee request of \$618,230.08 is 78% if the total incurred amount.

7. The majority of Otterbourg's time was related to Otterbourg's key role in assisting the Receiver with the claims process generally, including the review and resolution of transaction submissions through the EminiFX User Portal (the "Portal"). As previously reported, Otterbourg completed the bulk of the transaction review during the third quarter, with quality control continuing into the fourth quarter 2024. The results of that substantial review—affecting nearly 120,000 transactions with over 6,500 Users initially disputing transactions, and resulting in over 33,000 Users having undisputed User claims—are reflected in the Schedule of User Transactions [Dkt. 417], filed on October 30, 2024.

8. During the Application Period, Otterbourg assisted the Receiver and his team in revising the Portal to provide Users with updated transaction logs reflecting the Receiver's review and analysis. The revised Portal launched on October 30, 2024 and allowed Users with disputed transactions the opportunity to accept or object to the Receiver's proposed resolution, and to provide additional documentation or information to resolve the dispute. Notwithstanding how central this work was to the Receiver's goal of making a distribution, given is the significant time required to complete this process, Otterbourg decided to offer an additional discount of \$50,317.50 to the Receivership for this work, as detailed in the attached time entries submitted under seal.

9. Moreover, the revised Portal enabled Users to provide payment information in anticipation of distributions upon plan approval. Otterbourg participated in many meetings with the Receiver and his team to discuss the process and how the information would be collected. By year-end, over 15,000 Users had submitted payment details, and only 650 Users continued to have disputed transactions. On January 21, 2025, the Court approved the Receiver's proposed plan [Dkt. 431]. Since the order was entered, Otterbourg has been assisting the Receiver with preparing to make distributions in the near term.

10. Also, in connection with the claims process, Otterbourg continued to assist the Receiver in reviewing non-user proofs of claims. As previously noted, there remained one non-User claim that had not settled, which the Receiver proposed to disallow in full. The affected claimant objected to the Receiver's determination. Otterbourg and the claimant decided to pursue mediation in an attempt to resolve the claim. Otterbourg assisted the Receiver in preparing two mediation statements and was able to fully resolve this claim through a one-day mediation session. Otterbourg also assisted in preparing the Amended Non-User Claims Report filed on January 6, 2025 [Dkt. 427], following the resolution of all non-user claims.

11. During the Application Period, Otterbourg spent time assisting the Receiver with various matters, including aiding in the drafting of the Third Quarter 2024 Status Report filed on November 8, 2024 [Dkt. 418].

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

13. 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.).

14. 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. Otterbourg also continued to assist the Receiver in his investigation into an issue concerning millions of dollars of EminiFX funds. In general, the Receiver's investigations remain ongoing.

15. As a result of the investigations, during the Application Period, Otterbourg assisted the Receiver in filing a complaint against Interactive Brokers LLC ("IBKR") in the Supreme Court of the State of New York County of New York, *David A. Castleman, as Receiver for EminiFX, Inc. v. Interactive Brokers LLC*, Index No. 659407/2024 (the "State Court Action") seeking damages based on IBKR's alleged facilitation of transactions connected to EminiFX. After the close of the period, IBKR removed the action to federal court, and litigation over whether that action should be remanded to state court remains ongoing.

16. 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 ("QSF"). 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. The QSF tax return was filed on October 11, 2024. Otterbourg also assisted the Receiver and retained professionals in preparing a tax return for the 2023 year.

17. 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.

18. 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 31st day of January 2025 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 (OCTOBER 1, 2024 THROUGH DECEMBER 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 October 1, 2024 through December 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 October 1, 2024 through December 31, 2024 (the "Application Period") has been submitted under seal as Exhibit 3-1, as required by the Employment Order. JS Held worked 766.6 hours and incurred fees in the amount of \$275,142.00 and expenses in the amount of \$12,278.50 during the Application Period.

6. As previously reported, the Receiver and his team completed the initial disputed transaction review. During the Application Period, JS Held played an important role in gathering and transmitting the results of the review in connection with the updated EminiFX User Portal (the "Portal"). The Portal update enabled users to see whether the Receiver accepted or rejected their added/disputed transactions. The Receiver's legal team began communicating with user's regarding their transactions.

7. During the Application Period, JS Held participated in meetings and working sessions with the Receiver and his team to discuss the logistics of resolving the remaining transaction disputes and updating each user's Portal. As the Receiver's legal team continued to resolve user disputes, JS Held assisted in gathering, updating and transmitting the information to update each user's Portal. JS Held continued to maintain and improve, based on feedback from the Receiver and his team, a centralized electronic system to assist the Receiver and his team in reviewing and processing the remaining disputed transactions.

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, and assisted the Receiver in a new investigation into an issue concerning millions of dollars of EminiFX funds.

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 \$12,278.50 during the Application Period for Iron Mountain storage fees, hosting the document production on Disco and Azure SQL server resources.

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 31st day of January 2025 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, 2024 – DECEMBER 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 October 1, 2024 through December 31, 2024 (the “Application”).

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 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 October 1, 2024 through December 31, 2024 (the "Application Period") have been submitted under seal as Exhibit 4-1, as required by the Employment Order. Deloitte Tax spent 69.15 hours and incurred fees in the amount of \$44,014.00 and expenses of \$ 2,201.00 during the Application Period.

5. During the Application Period, Deloitte Tax continued to assist the Receiver in analyzing the pre-Receivership tax liability of EminiFX, Inc. ("EminiFX"). Specifically, Deloitte participated in regular meetings with the Receiver and other professionals to discuss issues concerning the tax treatment of EminiFX's pre-Receivership financial activity.

6. During the Application Period, Deloitte Tax assisted the Receiver in modeling the potential pre-receivership tax liability, in beginning to prepare the necessary forms for a filing, and in analyzing the reserves necessary to hold for the pre-receivership tax liability of EminiFX.

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 31st day of January 2025 at Boston, Massachusetts.

/s/ Daniel P. Young

Daniel P. Young, 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 CONRAD DAVIS IN SUPPORT OF APPLICATION
FOR FEES AND EXPENSES (OCTOBER 1, 2024 – DECEMBER 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 October 1, 2024 through December 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 October 1, 2024 through

December 31, 2024 (the “Application Period”) has been submitted under seal as Exhibit 5-1, as required by the Employment Order. Crowe spent 5.6 hours and incurred fees in the amount of \$3,455.25 (which is inclusive of a 15% accommodation) during the Application Period.

6. During the Application Period, the Firm assisted the Receiver in preparing and filing a tax return for the Qualified Settlement Fund (the “QSF”) tax return for the Receivership for 2023 (the “QSF Return”).

7. Crowe also participated in regular meetings with the Receiver and other professionals to discuss tax requirements and impacts on the Receivership from EminiFX’s pre-receivership activities.

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 31st day of January 2025 at Sacramento, California.

/s/ Conrad Davis
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 DANIEL C. MCELHINNEY IN SUPPORT OF APPLICATION
FOR FEES AND EXPENSES (OCTOBER 1, 2024 THROUGH DECEMBER 31, 2024)**

1. I am a Senior 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 October 1, 2024 through December 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 October 1, 2024 through December 31, 2024 (the "Application Period") has been submitted under seal as Exhibit 6-1, as required by the Employment Order. Stretto spent 361.4 hours and incurred fees in the amount of \$213,845.50 and expenses in the amount of \$35,907.86 during the Application Period.

6. During the Application Period, Stretto continued to assist in developing, maintaining, and managing the EminiFX User Portal (the "Portal"), which is the primary tool for the Receiver and Stretto to manage the claims process for over 35,000 claimants. Since the launch of the Portal, Stretto regularly communicated with the Receiver and his team regarding the Portal, including preparing weekly reports. Stretto is 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. In addition, Stretto participated in meetings with the Receiver and his team to discuss the next steps of claims objection process, including discussions about Portal updates. During the Application Period, the Receiver and his team completed the disputed transaction review process. Stretto played a key role in updating and maintaining the Portal to reflect the results of the disputed transaction review. Stretto updated the website with instructions for users regarding the status of their portal and next steps. Stretto implemented a feature which allowed users to transfer potentially mis-assigned deposits to another user's account. Stretto also added a feature to the Portal so that users could decide how to receive their distribution, whether by check, electronic payment, etc.

8. Additionally, Stretto assisted the Receiver with case management; updating the Receivership website as requested by the Receiver; monitoring the case docket and updating the

Exhibit 6-1

(filed under seal)