

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

-----X
SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-v- :

No. 1:23-cv-05326-LAK

LEGEND VENTURE PARTNERS, LLC, :

Defendant. :

-----X

**NOTICE OF MOTION AUTHORIZING PAYMENT OF
COURT-APPROVED FEES AND EXPENSES**

PLEASE TAKE NOTICE that Melanie L. Cyganowski, the Court-appointed as Receiver in the above-captioned matter (the “**Receiver**”) will move before the Honorable Lewis A. Kaplan, United States District Judge for the United States District Court for the Southern District of New York (the “**Court**”), located at Daniel Patrick Moynihan United States Court House, 500 Pearl Street, New York, NY 10007-1312 for entry of an order authorizing payment of Court-approved fees and expenses (the “**Motion**”).¹

PLEASE TAKE FURTHER NOTICE that any opposition or other response to the Motion must be made in writing and **if by a Legend investor**, electronically mailed to the Receiver at her e-mail address: LegendReceiver@otterbourg.com, or mailed to Legend Receivership c/o Otterbourg P.C., 230 Park Avenue, New York, NY 10169, Attention: Chaim Aronov, Esq., in either case, so as to be actually received no later than at 5 p.m. EST on December 19, 2025 (“**Response Date**”). The Receiver will consolidate and file any opposition or other responses from Legend investors as a single docket entry no later than three (3) business days following the

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to such term in the Memorandum of Law filed in support of the Motion.

Response Date. The Receiver's reply papers, if any, shall be served within seven days after the Response Date.

PLEASE TAKE FURTHER NOTICE that, in the absence of any timely filed or served written opposition, the Court, without further hearing or notice, may enter the proposed Order Granting the Motion Authorizing Payment of Court-Approved Fees and Expenses.

Dated: December 5, 2025

By: By: /s/ Peter Feldman
Peter Feldman
Chaim Aronov
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104
pfeldman@otterbourg.com
*On Behalf of Melanie L. Cyganowski, as
Receiver*

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

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SECURITIES AND EXCHANGE COMMISSION, :	
Plaintiff, :	
-v- :	No. 1:23-cv-05326-LAK
LEGEND VENTURE PARTNERS, LLC, :	
Defendant. :	
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**MEMORANDUM OF LAW IN SUPPORT OF
MOTION AUTHORIZING PAYMENT OF
COURT-APPROVED FEES AND EXPENSES**

OTTERBOURG P.C.
230 Park Avenue
New York, NY 10169
(212) 661-9100

Attorneys for Melanie L. Cyganowski, as Receiver

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Melanie L. Cyganowski, the Receiver ("**Receiver**") of the "**Legend Entities**"¹, through her counsel, Otterbourg P.C. ("**Otterbourg**"), respectfully submits this Memorandum of Law² in support of her motion ("**Motion**") for entry of an order authorizing her payment of previously Court-approved fees and expenses of the Receiver and the "**Professional Firms**"³ she retained pursuant to Court order to assist her in her duties.

PRELIMINARY STATEMENT

With one exception, each of the Professional Firms was retained over two years ago, and the one exception, Stretto, was retained over 8 months ago.⁴ Further, like the Receiver's fee applications, the fee applications of the Professional Firms were only filed after review by the SEC staff and each was thereafter approved by the Court, without objection. Nevertheless, the Receiver and the Professional Firms have not been paid any amount to date. Despite this, they continue to perform critical work, including drafting and now implementing the Receiver's Plan of Distribution ("**Plan**") [Dkt. 368-1], which involves, among other things, processing an initial distribution of over \$8.6 million to Investors. The continued work of the Professional Firms is essential to the uninterrupted administration of the Receivership Estate, and their institutional knowledge is vital. *See* Receiver Dec. at ¶ 7.

Unquestionably, the Professional Firms are entitled to be paid their Court-approved fees and expenses, and now that distributions to Investors are in process, in the exercise of her business

¹ The "**Legend Entities**" include Legend Venture Partners LLC, Legend Ventures Fund 1 LLC, Legend Ventures Fund 2 LLC, Legend Ventures Fund 3 LLC, Legend Ventures Fund 4 LLC and Legend Ventures Fund 5 LLC.

² In support of the Motion, the Receiver is contemporaneously filing her declaration ("**Receiver's Dec**") to which is attached the declaration of Sook Lee ("**Lee Dec**").

³ The "**Professional Firms**" include Otterbourg as the Receiver's legal counsel, Stout Risius Ross, LLC ("**Stout**") as the Receiver's financial advisor, Berkeley Research Group, LLC, ("**BRG**") as the Receiver's tax advisors, and Stretto, Inc. ("**Stretto**") as the Receiver's claims and noticing agent.

⁴ Otterbourg was retained by order dated July 7, 2023 [Dkt. No. 44], Stout was retained by order dated July 7, 2023 [Dkt. No. 45], BRG was retained by order dated September 11, 2023 [Dkt. No. 51] and Stretto was retained by order dated March 28, 2025 [Dkt. No. 160]. *See* Receiver's Dec. at n.2.

judgment, the Receiver has determined that it is appropriate to pay Court-approved fees and expenses of the Professional Firms and Receiver in the total unpaid amount of \$993,025.89 (“**Current Amount Due**”). *See* Receiver’s Dec. at ¶ 8.⁵ More than adequate funds are held in the Reserve created under the Plan for payment of the Current Amount Due. *Id.* at ¶ 8. Further, the fees and expenses the Receiver proposes to pay result in tax deductions that the Receivership Estate will use as needed, on a dollar-for-dollar basis, to reduce taxes that might otherwise be due – in other words, payment of the Current Amount Due is a “net wash” to the Receivership Estate.

The Receiver submits that payment of the Current Amount Due is appropriate under the current circumstances: (i) distributions to Investors are in process, (ii) adequate funds exist in the Reserve to pay the Current Amount Due, (iii) the fees and expenses to be paid generate tax deductions for the Receivership Estate that reduce taxes otherwise due on a dollar-for-dollar basis, and (iv) no prior payments of the Court-approved fees and expenses have been made. Accordingly, the Receiver respectfully requests that the Motion be granted.

The SEC staff has authorized the Receiver to advise the Court that the SEC does not object to this Motion.

FACTUAL BACKGROUND

A. Appointment of Receiver

The Receiver was appointed by order dated July 7, 2023 (“**Receivership Order**”) [Dkt. 33]. The Receivership Order authorizes the Receiver, subject to Court approval, to retain professionals (referred to in the Receivership Order as “Retained Personnel”) “to assist the Receiver in carrying out the duties and responsibilities described in this Order”, and further provides that subject to prior approval by the Court, “[t]he Receiver and Retained Personnel are

⁵ The Current Amount Due is calculated after deduction of the “Holdback” (defined below). *See* Lee Dec at ¶5.

entitled to reasonable compensation and expense reimbursement from the Receivership Estates as described in the Billing Instructions agreed to by the Receiver.” Receivership Order § XV at 16. The Receivership Order expressly authorizes the Receiver, with certain restrictions not here applicable, to make “payments and disbursements and [incur] expenses as may be necessary or advisable in the ordinary course of business in discharging the Receiver’s duties as Receiver.” Receivership Order at § III.E.

B. Fee Applications and the Current Amount Due

Each of the Professional Firms was retained pursuant to Court order, *see supra* at 1, n.4, and like the Receiver’s fee applications, the Professional Firms’ fee applications were filed in accordance with the requirements of the Receivership Order (at § XV) on a quarterly basis after review by the SEC staff. The Court has approved each of the fee applications filed by the Receiver and the Professional Firms for each quarter relevant to this Motion, namely, each quarter from the Receiver’s appointment on July 7, 2023 through the second quarter of 2025, the last quarter for which the Receiver and the Professional Firms filed fee applications.⁶

The Court orders granting the fee applications require that 20% of the Court-approved fees are to be paid only at the conclusion of the Receivership (“**Holdback**”), but that the balance of the Court-approved fees and expenses may be paid subject to further order of the Court on motion by the Receiver. By this Motion, the Receiver does not seek authority to pay any amount of the Holdback – the Current Amount Due was calculated after deducting the Holdback and does not include any fees that comprise the Holdback. *See* Lee Dec at ¶5.

Specifically, the Current Amount Due includes all unpaid fees and expenses of the Receiver and the Professional Firms that have been approved by the Court, net of the Holdback,

⁶ *See* Dkt. Nos. 76-81, 106-108, 122-124, 137-139, 153-155, 186-188, 211-214.

from the date of the Receiver's appointment on July 7, 2023 through the second quarter of 2025, as set forth in Table 1 below:

TABLE 1

<u>Professional</u>	<u>Current Amount Due</u>
Receiver	\$11,266.20
Otterbourg	\$703,174.00
Stout	\$200,901.84
BRG	\$68,507.22
Stretto	\$9,176.63
TOTAL	\$993,025.89

Receiver's Dec. at ¶5.

C. The Receiver's Plan and Distributions to Investors

On May 28, 2025, the Receiver filed her motion for approval of the Plan [Dkt. 179] (the "Plan Motion"), which the Court granted by order dated August 29, 2025 [Dkt. 210]. Recently, in accordance with the Plan and with the assistance of the Professional Firms, the Receiver began processing distributions to Investors. By the end of this year, the Receiver, with the assistance of the Professional Firms, is seeking to distribute over \$8.6 million to 279 Investors.⁷

Specifically, in accordance with the Plan, the Receiver, with the assistance of the Professional Firms, is processing distribution of over \$7.8 million to the 116 "SpaceX Investors", *i.e.*, Investors who earmarked their Legend investments toward Legend's indirect investment in shares of Space Exploration Technologies, Corp. ("SpaceX"), and over \$800,000 to the 210 "Voyager Investors," consisting of the net cash proceeds of a dividend ("Voyager Dividend") the Receivership Estate received on account of Legend's indirect investment in Voyager

⁷ Certain distributions cannot be finalized because the Receiver has not received properly completed IRS Forms W-8 and W-9 from the applicable Investors. The Receiver has taken appropriate steps to notify the applicable Investors that they must submit their IRS Forms to receive distributions to which they may be entitled.

Technologies, Inc. ("Voyager").⁸ Additionally, now that Voyager has "gone public" (become a publicly traded company) and the applicable "lock-up" (*i.e.*, no sell) period is about to expire, the Receiver expects to receive Voyager shares in the near future and after sale, to distribute the net proceeds to Voyager Investors during the first quarter of 2026.

D. Payment of Court-Approved Fees is Provided for Under the Plan

Payment of Court-approved fees and expenses of the Receiver and the Professional Firms is expressly provided for in the Plan. *See Plan* at §§2.2.1, 4.4. To implement such payments, the Plan includes a specific mechanism through the Reserve process, that is, the Plan requires the maintenance of certain "Reserves" to ensure that funds are allocated for the payment of potential Receivership Estate liabilities. Among the required Reserves is the "Administrative Reserve Sub-Fund," which was created to ensure that sufficient cash would be available to pay allowed administrative claims, including Court-approved fees and expenses of the Receiver and the Professional Firms. *See Plan* at §§ 1.2.2, 3.2.3 and 4.4.

To fund the Administrative Reserve Sub-Fund, the Plan requires that the Receiver allocate to the Administrative Reserve Sub-Fund a portion of the amounts recovered from the sale of Receivership Estate's assets or from other liquidity events, to be held in reserve for payment of allowed administrative claims. Currently, the Administrative Reserve Sub-Fund holds nearly \$2.9 million. If this Motion is granted, the Receiver will pay the Current Amount Due of \$993,025.89 from the Administrative Reserve Sub-Fund in the amounts set forth in Table 1, leaving a balance in the Administrative Reserve Sub-Fund of over \$1.9 million. Receiver's Dec. at ¶ 10.

⁸ Certain Investors are both SpaceX Investors and Voyager Investors.

ARGUMENT

POINT I

PAYMENT OF THE CURRENT AMOUNT DUE IS APPROPRIATE

Payment of the Current Amount Due is consistent with the Receivership Order, the Plan, case law and the purposes of the Holdback:

(i) Payment is consistent with the Receivership Order: The Receivership Order provides that the Receiver and “Retained Professionals” are “entitled to reasonable compensation and expense reimbursement from the Receivership Estate” and that the Receiver and Retained Professionals “shall apply to the Court for compensation and expense reimbursement” on a quarterly basis. Receivership Order at § XV at 16. In accordance with the terms of the Receivership Order, after review by the SEC staff, the Receiver and the Professional Firms filed fee applications on a quarterly basis. The Court approved all of the fee applications filed by the Receiver and the Professional Firms for the quarterly periods relevant to this Motion.

(ii) Payment is consistent with the Plan: Payment of the Receiver’s and the Professional Firms’ fees and expenses is provided for in the Plan, *see* Plan at §§2.2.1, 4.4, and the Administrative Reserve Sub-Fund of the Plan was specifically created to allow the Receiver to pay the Receiver’s and the Professional Firms’ Court-approved fees and expenses. The Administrative Reserve Sub-Fund currently holds an amount that is more than sufficient to pay the Current Amount Due, and after payment of the Current Amount Due there will be a balance in the Administrative Reserve Sub-Fund of over \$1.9 million.

(iii) Payment is consistent with case law: The Court-approved fees and expenses of the Receiver and the Professional Firms are afforded a payment priority under law. *See Securities and Exchange Commission v. HKW Trading LLC et al.*, 2009 WL 2499146, *3 (M.D.Fla. 2009) (noting that waterfall priority of payment in a receivership is court costs, receiver’s fees, receiver’s

counsel's fees and then costs of preserving receivership property and costs of realization); *cf. In re Interstate Stores, Inc.*, 437 F. Supp. 14, 16 (S.D.N.Y. 1977) (noting that in bankruptcy cases, interim fees are "consistently granted to alleviate economic hardship in protracted cases and assure the competent and efficient administration of the Chapter X estate.").

(iv) Payment is consistent with the purposes of the Holdback: If this Motion is granted, the Professional Firms will still have "skin in the game" – not only because payment of the Current Amount Due will not pay the Holdback, which is not covered by this Motion and remains in a substantial amount⁹, but also because payment of the Current Amount Due will not cover fees and expenses of the Professional Firms for the balance of 2025 (Quarters 3 and 4) for which fee applications are yet to be filed.

POINT II

THE CURRENT AMOUNT DUE WILL BE PAID FROM FUNDS THAT MIGHT OTHERWISE BE RESERVED FOR TAXES

The Legend Entities generally did not invest directly in Pre-IPO Companies, but invested indirectly, through investments in other entities ("SPVs") that, in turn, held shares of one or more of the relevant Pre-IPO Companies. In 2025, through one such SPV, the Receivership Estate received the Voyager Dividend and later in 2025, the Receiver sold the Receivership Estate's equity interest in an SPV related to SpaceX shares ("SpaceX Proceeds"). *See* Dkt. No. 218. As a "QSF" (qualified settlement fund), the Receivership Estate's receipt of the Voyager Dividend and the SpaceX Proceeds were taxable events, and the Receivership Estate may be required to pay taxes on any resulting taxable gain, unless such gain is offset or reduced by deductions, losses or net operating loss carryforwards. Allowable deductions include professional fees incurred by the

⁹ The Holdback for the Professional Firms through Q2 2025 is \$243,533.43. *See* Lee Dec. at ¶ 4, n.2.

Receivership Estate, such as the fees and expenses that comprise the Current Amount Due, whether paid or accrued. *See* Receiver's Dec. at ¶ 11.

It is anticipated that both the Voyager Dividend and the SpaceX Proceeds may generate taxable gains, which could result in tax liability for the Receivership Estate. However, the accrual of the Receiver's and the Professional Firms' fees and expenses will reduce any such tax liability, on a dollar-for-dollar basis, to the extent necessary, and any portion that is not fully utilized on current tax year returns will be available to carry forward as a net operating loss. *Id.* As a result, the Current Amount Due will be paid from the funds that might otherwise be used to pay taxes and does not diminish the Receivership Estate.

CONCLUSION

The Receiver has determined that it is appropriate to pay the Current Amount Due at this time. These fees and expenses were incurred for services that contributed meaningfully to the successful administration of the Receivership Estate—including the approval of the Plan and distributions to Investors. Further, there are adequate funds in the Administrative Reserve Sub-Fund to pay the Current Amount Due, and the Receiver's and the Professional Firms' fees and expenses will generate tax benefits for the Receivership Estate.

Therefore, for the reasons set forth herein and in the accompanying declarations, the Receiver respectfully requests entry of an order, substantially in the form filed contemporaneously with this Memorandum of Law, granting the Motion and authorizing the Receiver to immediately pay previously Court-approved fees and expenses, as follows:

- i. for the Receiver, approved fees in the amount of \$11,266.20.
- ii. for Otterbourg, approved fees and expenses in the amount of \$703,174.00.
- iii. for Stout, approved fees and expenses in the amount of \$200,901.84.
- iv. for BRG, approved fees and expenses in the amount of \$68,507.22.

v. for Stretto, approved fees and expenses in the amount of \$9,176.63.

Moreover, to avoid the costs of motion practice, and for good order's sake, the Receiver also seeks authority to pay future Court-approved fees and expenses, without further order of the Court, if in her discretion she concludes that there is sufficient liquidity in the Reserves and that it is otherwise appropriate to make the payment, except that, the Receiver shall not pay any portion of the Holdback, which unless otherwise approved by the Court, shall not be paid until the conclusion of the Receivership if and to the extent allowed by the Court.

Dated: December 5, 2025
New York, New York

OTTERBOURG P.C.

By: /s/ Peter Feldman
Peter Feldman
Chaim Aronov
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104
pfeldman@otterbourg.com
*Attorneys for Melanie L. Cyganowski, as
Receiver*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION, :
X

Plaintiff,

-v-

No. 1:23-cv-05326-LAK

LEGEND VENTURE PARTNERS, LLC,

Defendant.
X

**DECLARATION OF MELANIE L. CYGANOWSKI, AS RECEIVER,
IN SUPPORT OF MOTION AUTHORIZING PAYMENT OF COURT-APPROVED
FEES AND EXPENSES**

I, Melanie L. Cyganowski, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. By order dated July 7, 2023 ("~~Receiverable Order~~") [Dkt. No. 33], I was appointed as receiver (in such capacity, "~~Receiver~~") of the Legend Entities.¹ Thereafter, pursuant to Court order, I retained "~~Professional Firms~~" to assist me in carrying out my duties and responsibilities as Receiver. Specifically, I retained Otterbourg P.C. ("~~Otterbourg~~") as my legal counsel, Stout Risius Ross, LLC ("~~Stout~~") as my financial advisor, Berkeley Research Group, LLC ("~~BRG~~"), as my tax advisors, and Stretto, Inc. ("~~Stretto~~") as my claims and noticing agent. With one exception, each of the Professional Firms was retained over two years ago, and the sole exception, Stretto, was retained over 8 months ago.²

2. I make this declaration in support of my motion ("~~Motion~~") authorizing my payment of Court-approved fees and expenses to me and the Professional Firms. I make this

¹ The Legend Entities include Legend Venture Partners LLC, Legend Ventures Fund 1 LLC, Legend Ventures Fund 2 LLC, Legend Ventures Fund 3 LLC, Legend Ventures Fund 4 LLC and Legend Ventures Fund 5 LLC.

² Otterbourg was retained by Court Order dated July 7, 2023 [Dkt. No. 44], Stout was retained by Court Order dated July 7, 2023 [Dkt. No. 45], BRG was retained by Court Order dated September 11, 2023 [Dkt. No. 51] and Stretto was retained by Court Order dated March 28, 2025 [Dkt. No. 160].

declaration based on my personal knowledge and the attached declaration of Sook Lee ("Lee Dec"), who as a Managing Director of Stout leads Stout's engagement as my financial advisor.³

A. The Fee Applications and the Current Amount Due

3. The Receivership Order provides that the Professional Firms and I are "entitled to reasonable compensation and expense reimbursement from the Receivership Estates" and that we "shall apply to the Court for compensation and expense reimbursement" on a quarterly basis ("Fee Applications"). Receivership Order at § XV.

4. In accordance with the Receivership Order (at § XV), after review by the SEC staff, each Professional Firm and I filed Fee Applications on a quarterly basis for each quarter (as applicable) through the second quarter of 2025, the last fee period for which Fee Applications were filed. The Court approved each of the Fee Applications, without any objection.⁴ The Court-approved fees are subject to a 20% "holdback" that is only to be paid at the conclusion of the Receivership on further order of the Court ("Holdback"). However, the balance of the Court-approved fees and expenses may be paid if approved by Court order. I do not by this Motion seek to pay any part of the Holdback.⁵

5. To date, I have not paid any of the Court-approved fees and expenses for the Professional Firms or me. Through the second quarter of 2025 (the last fee period ruled on by the Court), Court-approved fees and expenses totaled \$993,025.89 ("Current Amount Due"). By this Motion, I seek authority to pay the Current Amount Due, representing unpaid Court-approved fees and expenses (net of the Holdback), in the amounts in the Table 1 below:

³ See Lee Declaration attached hereto as Exhibit A.

⁴ See Dkt. Nos. 76-81, 106-108, 122-124, 137-139, 153-155, 186-188, 211-214.

⁵ The Holdback is substantial. Through Q2 2025 it is in the amount of \$243,533.43. See Lee Dec at ¶ 4, n.2.

Table 1

<u>Professional</u>	<u>Motion Amount</u>
Receiver	\$11,266.20
Otterbourg	\$703,174.00
Stout	\$200,901.84
BRG	\$68,507.22
Stratton	\$9,176.63
TOTAL	\$993,625.89

See Lee Dec at ¶ 5.

B. The Plan and Distributions

6. By Order dated August 29, 2025 [Dkt. 210], the Court granted my motion to approve the Plan of Distribution ("Plan"). With the assistance of the Professional Firms, I am in the process of implementing the Plan, including by making distributions to applicable Investors. The continued work of the Professional Firms is essential to the uninterrupted administration of the Receivership, and their institutional knowledge is vital, particularly now while I process the distributions in accordance with the Plan.

7. Specifically, by the end of this year, with the assistance of the Professional Firms, I am seeking to distribute over \$8.6 million to 279 Investors.⁶ See Lee Dec at ¶ 6. Specifically, in accordance with the Plan, with the assistance of the Professional Firms, I am processing the distribution of over \$7.8 million to the 116 "SpaceX Investors", i.e., Investors who earmarked their Legend investments toward Legend's indirect investment in shares of Space Exploration Technologies, Corp. ("SpaceX"), and in excess of \$800,000 to the 210 "Voyager Investors", consisting of the net cash proceeds of a dividend ("Voyager Dividend") that the Receivership

⁶ Certain distributions cannot be finalized because the Receiver has not received properly completed IRS Forms W-8 and W-9 from the applicable Investors. The Receiver has taken appropriate steps to notify the applicable Investors that they must submit their IRS Forms to receive distributions to which they may be entitled.

Estate received on account of Legend's indirect investment in Voyager Technologies, Inc. ("Voyager").⁷ *Id.* Additionally, now that Voyager has "gone public", and with the applicable "lock-up" (i.e., no-sell) period soon to expire, I expect to receive Voyager shares in the near future and after sale, to distribute the net proceeds to Voyager Investors in the first quarter of 2026.

C. Payment of the Current Amount Due is Necessary and Appropriate

8. I can no longer ask the Professional Firms to continue to work without payment. In my business judgment, I believe that payment of the Current Amount Due (\$993,025.89) is necessary and appropriate. Moreover, payment of Court-approved fees and expenses is expressly provided for in the Plan and the accrual of the fees and expenses that comprise the Current Amount Due create tax attributes that are beneficial to the Receivership Estate.

(i) Payment of the Current Amount Due is Permitted under the Plan

9. The Plan creates Reserves so that there is sufficient cash available to pay amounts that the Receivership Estate might be required to pay. Among the Reserves under the Plan is the "Administrative Reserve Sub-Fund", which was created to ensure that sufficient cash would be available to pay allowed administrative claims, including Court-approved fees and expenses of the Receiver and the Professional Firms. See Plan at §§ 1.2.2, 3.2.3 and 4.4.

10. To fund the Administrative Reserve Sub-Fund, the Plan requires that I allocate to the Administrative Reserve Sub-Fund a portion of the amounts recovered from the sale of Receivership assets or from other liquidity events, to be held in reserve for payment of allowed administrative claims. Currently, the Administrative Reserve Sub-Fund holds nearly \$2.9 million. If this Motion is granted, I will pay the Current Amount Due of \$993,025.89 from the

⁷ Certain Investors are both SpaceX Investors and Voyager Investors.

Administrative Reserve Sub-Fund in the amounts set forth in Table 1, leaving a balance in the Administrative Reserve Sub-Fund of more than \$1.9 million. See Lee Dec at ¶ 5, n.3.

(ii) The Professional Fees and Expenses Create Beneficial Tax Attributes.

11. The Legend Entities generally did not invest directly in Pre-IPO Companies, but invested indirectly, through investments in other entities ("SPVs") that, in turn, held shares of one or more of the identified Pre-IPO Companies. In 2025, through one such SPV, the Receivership Estate received the Voyager Dividend and later in 2025, the Receiver sold the Receivership Estate's equity interest in an SPV related to SpaceX shares ("SpaceX Proceeds"). See Dkt. No. 218. As a "QSF" (qualified settlement fund), the Receivership Estate's receipt of the Voyager Dividend and the SpaceX Proceeds were taxable events, and the Receivership Estate may be required to pay taxes on any taxable gain, unless such gain is offset or reduced by deductions, losses or net operating loss carryforwards. Allowable deductions include professional fees incurred by the Receivership Estate, such as the fees and expenses that comprise the Current Amount Due, whether paid or accrued. See Lee Dec at ¶ 7.

12. It is anticipated that both the Voyager Dividend and the SpaceX Proceeds may generate taxable gains, which could result in tax liability for the Receivership Estate. *Id.* at ¶ 8. However, the accrual of the Professional Firms' fees and expenses and my fees will reduce any such tax liability on a dollar-for-dollar basis, to the extent necessary, and any portion that is not fully utilized on current tax year returns will be available to carry forward as a net operating loss. As a result, the Current Amount Due will be paid from the funds that might otherwise be reserved for taxes and accordingly, payment of the Current Amount Due will not diminish the Receivership Estate.

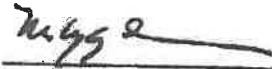
D. Conclusion

13. Based on the foregoing, I respectfully request that the Court grant the Motion, and enter an order, substantially in the form filed contemporaneously in connection with this Motion, so that I am authorized to immediately pay the Current Amount Due. I believe that it is appropriate to pay the Current Amount Due at this time. These fees and expenses were incurred for services that contributed meaningfully to the successful administration of the Receivership Estate—including the drafting and formulation of the Plan and the ongoing distributions to Investors. Further, there are adequate funds in the Administrative Reserve Sub-Fund to pay the Current Amount Due, and the fees and expenses result in beneficial tax attributes.

14. Further, I respectfully request that to avoid the costs of further motion practice, and for good order's sake, the Court also authorize me to pay future Court-approved fees and expenses, without further order of the Court, if in my discretion, I conclude that there is sufficient liquidity in the Reserves to make the payment and I conclude that it is otherwise appropriate to make the payment.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief as set forth above.

Dated: December 5, 2025
New York, New York



Melanie L. Cyganowski, as Receiver

Exhibit A

Declaration of Sook Lee

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-v- :

LEGEND VENTURE PARTNERS, LLC, :

Defendant. :

No. 1:23-cv-05326-LAK

-----X

**DECLARATION OF SOOK LEE IN SUPPORT OF MOTION AUTHORIZING
PAYMENT OF COURT-APPROVED FEES AND EXPENSES**

I, Sook Lee, under penalty of perjury pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a Managing Director of Stout Risius Ross LLC ("**Stout**"), a global advisory firm. I am a Certified Public Accountant, Certified in Financial Forensics, and a Certified Fraud Examiner. I make this declaration based on personal knowledge unless otherwise noted.

2. By order dated July 7, 2023, the Court appointed Melanie L. Cyganowski as Receiver of the "**Legend Entities.**"¹ Thereafter, the Receiver retained several professional firms ("**Professional Firms**") to assist her in her duties, including, Otterbourg P.C. ("**Otterbourg**") as her legal counsel, Stout as her financial advisor, Berkeley Research Group LLC ("**BRG**") as her tax consultant and Stretto, Inc. ("**Stretto**") as her claims and noticing agent.

3. I have led Stout's engagement with the Receiver since Stout was retained in July 2023. Stout's responsibilities in this engagement include (i) maintaining the financial books and records of the Receivership Estate, including tracking Court-approved fees and expenses of the

¹ The Legend Entities include Legend Venture Partners LLC, Legend Ventures Fund 1 LLC, Legend Ventures Fund 2 LLC, Legend Ventures Fund 3 LLC, Legend Ventures Fund 4 LLC and Legend Ventures Fund 5 LLC.

Receiver and the Professional Firms, (ii) coordinating distributions to investors and maintaining the records relating to distributions and (iii) maintaining underlying data for the Receivership Estate's tax returns, which are prepared by BRG.

A. The Current Amount Due

4. The Receiver and each of the Professional Firms filed fee applications with the Court. The Court's orders granting the fee applications require that 20% of the Court-approved fees are be held until the conclusion of the Receivership ("**Holdback**"),² but that the balance of the Court-approved fees and expenses may be paid if approved by the Court on motion by the Receiver.

5. After deducting the Holdback, the total amount of unpaid Court-approved fees of the Receiver and fees and expenses of the Professional Firms equals \$993,025.89 ("**Current Amount Due**")³ in the amounts set forth in Table 1 below:

TABLE 1

Receiver	\$11,266.20
Otterbourg	\$703,174.00
Stout	\$200,901.84
BRG	\$68,507.22
Stretto	\$9,176.63

² From inception through Q2 2025, the Holdback is in the amount of \$243,533.43.

³ More than adequate funds are held in the Administrative Reserve Sub-Fund, which is the Reserve created under the Plan for payment of allowed administrative claims, including the Court-approved fees and expenses of the Receiver and the Professional Firms. Currently, the Administrative Reserve Sub-Fund holds nearly \$2.9 million. If the Receiver's Motion Authorizing Payment of Approved Fees is granted, the Receiver will pay the Current Amount Due of \$993,025.89 from the Administrative Reserve Sub-Fund in the amounts set forth in Table 1, leaving a balance in the Administrative Reserve Sub-Fund of more than \$1.9 million.

B. The Receiver's Plan and Distributions to Investors

6. In accordance with the Receiver's Plan of Distribution ("**Plan**")⁴, the Receiver, with the assistance of the Professional Firms, is seeking to distribute over \$8.6 million to 279 Investors by the end of 2025.⁵ Specifically, the Receiver, with the assistance of the Professional Firms, is processing distribution of over \$7.8 million to the 116 "SpaceX Silo Investors", *i.e.*, Investors who earmarked their Legend investments toward Legend's indirect investment in shares of Space Exploration Technologies, Corp. ("**SpaceX**"), and over \$800,000 to the 210 "Voyager Investors," consisting of the net cash proceeds of a dividend ("**Voyager Dividend**") the Receivership Estate received on account of Legend's indirect investment in Voyager Technologies, Inc. ("**Voyager**"). Additionally, now that Voyager has "gone public" (become a publicly traded company) and the "lock-up" (*i.e.*, no sell) period is about to expire, the Receiver is likely to receive Voyager shares in the near future. After sale of those shares, I understand that the Receiver intends to distribute the net proceeds to Voyager Investors as soon as practical in the first quarter of 2026.

THE CURRENT AMOUNT DUE WILL BE PAID FROM FUNDS THAT MIGHT OTHERWISE BE RESERVED FOR TAXES

7. The Legend Entities generally did not invest directly in Pre-IPO Companies, but invested indirectly, through investments in other entities ("**SPVs**") that, in turn, held shares of one or more of the relevant Pre-IPO Companies. In 2025, through one such SPV, the Receivership Estate received the Voyager Dividend and later in 2025, the Receiver sold the Receivership Estate's equity interest in an SPV related to SpaceX shares ("**SpaceX Proceeds**"). *See* Dkt. No. 218. As a "QSF" (qualified settlement fund), the Receivership Estate's receipt of the Voyager

⁴ On May 28, 2025, the Receiver filed her motion for approval of the Plan, which the Court granted by order dated August 29, 2025.

⁵ Certain distributions cannot be finalized because the Receiver has not received properly completed IRS Forms W-8 and W-9 from the applicable Investors. The Receiver has taken appropriate steps to notify the applicable Investors that they must submit their IRS Forms to receive distributions to which they may be entitled.

Dividend and the SpaceX Proceeds were taxable events, and the Receivership Estate may be required to pay taxes on any resulting taxable gain, unless such gain is offset or reduced by deductions, losses or net operating loss carryforwards. Allowable deductions include professional fees incurred by the Receivership Estate, such as the fees and expenses that comprise the Current Amount Due, whether paid or accrued.

8. It is anticipated that both the Voyager Dividend and the SpaceX Proceeds may generate taxable gains, which could result in tax liability for the Receivership Estate. However, the accrual of the Receiver's fees and the Professional Firms' fees and expenses will reduce any such tax liability, on a dollar-for-dollar basis, to the extent necessary, and any portion that is not fully utilized on current year tax returns will be available to carry forward as a net operating loss.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief as set forth above.

Dated: December 5, 2025
Chicago, Illinois

By:


Sook Lee

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

-----X	
SECURITIES AND EXCHANGE COMMISSION, :	:
	:
Plaintiff, :	:
	:
-v- :	No. 1:23-cv-05326-LAK
	:
LEGEND VENTURE PARTNERS, LLC, :	:
	:
Defendant. :	:
-----X	

**[PROPOSED]
ORDER GRANTING MOTION AUTHORIZING PAYMENT OF
COURT-APPROVED FEES AND EXPENSES**

THIS MATTER coming before the Court on the Receiver's Motion Authorizing Payment of Court-Approved Fees and Expenses (the "Motion")¹ [Dkt. Nos. ____]; and the Court having considered the Motion; and the Court having found that the Motion complies with applicable standards for authorizing the payment of fees and expenses; and after due deliberation and for good and sufficient cause shown; it is hereby

ORDERED that the Motion is granted; and it is further

ORDERED that all opposition to the Motion not withdrawn or resolved is overruled in all respects; and it is further

ORDERED that the Receiver is authorized to immediately pay previously Court-approved fees and expenses as follows:

- i. for the Receiver, approved fees in the amount of \$11,266.20.
- ii. for Otterbourg, approved fees and expenses in the amount of \$703,174.00.
- iii. for Stout, approved fees and expenses in the amount of \$200,901.84.

¹ Capitalized terms utilized but not otherwise defined herein shall have the meaning ascribed to them in the Memorandum of Law filed in support of the Motion.

iv. for Stretto, approved fees and expenses in the amount of \$ 9,176.63.

v. for BRG, approved fees and expenses in the amount of \$68,507.22; and it is further

ORDERED that the Receiver shall have authority to pay future Court-approved fees and expenses, without further order of the Court, if in her discretion she concludes that there is sufficient liquidity in the Reserves and that it is otherwise appropriate to make the payment, *however*, the Receiver shall not pay any portion of the Holdback, which unless otherwise approved by the Court, shall not be paid until the conclusion of the Receivership if and to the extent allowed by the Court.

SO ORDERED.

Dated: _____, 2025
New York, New York

Hon. Lewis A. Kaplan
United States District Judge