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The logo for Hogan Lovells, featuring the name "Hogan Lovells" in a serif font on a yellow rectangular background.

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May 8, 2023

**BY ECF**

The Honorable Vera M. Scanlon  
United States Magistrate Judge  
Eastern District of New York  
United States Courthouse  
225 Cadman Plaza East  
Brooklyn, NY 11201

RE: **SEC v. GPB Capital Holdings LLC, et al., No. 21-cv-00583-MKB-VMS**

Dear Judge Scanlon:

We represent the Court-appointed monitor, Joseph T. Gardemal III (the “Monitor” or “Mr. Gardemal”), in the above-referenced matter. We respectfully submit this letter, on behalf of the Monitor, in response to the Court’s Order dated April 28, 2023.

The Monitor wishes to confirm for the Court that, if the SEC’s motion to convert the Monitorship to a Receivership is granted, Mr. Gardemal as Receiver will be prepared to submit to the Court a plan for a distribution and claims process within 45 days of the Court’s order appointing the Receiver, and hopefully sooner. Moreover, upon the Court’s approval of the distribution plan, Mr. Gardemal believes that monies can be returned to investors very quickly thereafter. Mr. Gardemal also believes, for the reasons stated in the SEC’s motion and the Monitor’s accompanying declaration, that a Receivership and attendant litigation injunction, along with a defined claims process, provide the best and most efficient way to return funds to the investors, who are the rightful owners of those assets, and to maximize investors’ ultimate recovery.

Mr. Gardemal also wishes to convey to the Court, by way of an update since submission of his Declaration, that the Monitor has continued to hear directly from aggrieved investors seeking the return of their remaining investment capital. Many of these investors are retirees, senior citizens, or other individuals who continue to be harmed greatly by the delay in the return of the funds that belong to them. Investors who have contacted the Monitor have expressed

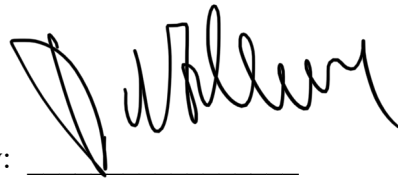
increasing frustration, anxiety, and anger that their investments not only have failed to deliver the promised returns, but that they also have been unable to obtain the return of their original investment contributions. For many investors, this is a significant part of their life savings.

To date, sales of GPB assets have returned approximately \$1 billion in gross proceeds to the GPB limited partnerships. Following the appointment of a Receiver, these funds would begin to be returned to the limited partners themselves, namely the investors in the GPB partnerships, to whom these monies belong.

In sum, the Monitor continues to believe that a Receivership will provide for the most effective and efficient way to provide relief for investors as well as maximizing the return to those investors.

Respectfully submitted,

HOGAN LOVELLS US LLP

A handwritten signature in black ink, appearing to read 'D. Fellman', written over a horizontal line.

By:

Douglas A. Fellman

Robert B. Buehler

Counsel to Joseph T. Gardemal III, Monitor