

1 KATHY BAZOIAN PHELPS (State Bar No. 155564)
2 *kphelps@diamondmccarthy.com*
3 DIAMOND MCCARTHY LLP
4 1999 Avenue of the Stars, Suite 1100
5 Los Angeles, California 90067-4402
6 Telephone: (310) 651-2997

7 *Successor Receiver*

8
9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
11 **SAN FRANCISCO DIVISION**

12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 v.

16 JOHN V. BIVONA; SADDLE RIVER
17 ADVISORS, LLC; SRA
18 MANAGEMENT ASSOCIATES,
19 LLC; FRANK GREGORY
20 MAZZOLA,

21 Defendants, and

22 SRA I LLC; SRA II LLC; SRA III
23 LLC; FELIX INVESTMENTS, LLC;
24 MICHELE J. MAZZOLA; ANNE
25 BIVONA; CLEAR SAILING GROUP
26 IV LLC; CLEAR SAILING GROUP V
27 LLC,

28 Relief Defendants.

Case No. 3:16-cv-01386-EMC

**DECLARATION OF FREDERICK KOENEN
IN SUPPORT OF FIFTH INTERIM
ADMINISTRATIVE MOTION FOR AN
ORDER PURSUANT TO LOCAL RULE 7-11
FOR THE APPROVAL OF FEES AND
EXPENSES FOR THE SUCCESSOR
RECEIVER, DIAMOND MCCARTHY LLP,
MILLER KAPLAN ARASE LLP, AND
SCHINNER & SHAIN LLP FROM
JANUARY 1, 2020 THROUGH MARCH 30,
2020**

Date: No Hearing Set
Time: No Hearing Set
Judge: Edward M. Chen

1 I, Frederick Koenen, declare:

2 1. I am a partner at Schinner & Shain LLP (“Schinner”), securities counsel for Kathy
3 Bazoian Phelps, the Court appointed Receiver (the “Receiver”) in the case of *Securities and*
4 *Exchange Commission v. Bivona et. al.* (the “Action”) before the United States District Court for
5 the Northern District of California (the “Court”). I have personal knowledge of the matters set forth
6 below and if called as a witness, I would and could testify competently to the matters stated herein.

7 2. This declaration is made in support of the Fifth Interim Administrative Motion for an
8 Order Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Successor
9 Receiver, Diamond McCarthy LLP, Miller Kaplan Arase LLC, and Schinner & Shain, LLP from
10 January 1, 2020 through March 30, 2020.

11 3. We were retained to advise the Receiver on the application of federal securities laws to
12 proposed transfers of stock held by entities for which the Court had appointed the Receiver (the
13 “Receivership Entities”). The Receivership Entities had purchased or had acquired rights to
14 purchase shares of various companies (the “Subject Companies”) before these companies had
15 conducted an initial public offering of their stock. In some cases, the Receivership Entity had
16 acquired the stock from a shareholder of the Subject Company. In other cases, the Receivership
17 Entity had entered into forward purchase contracts with the shareholder to buy those shares. Under
18 these forward purchase contracts, the Receivership Entity paid the shareholder the purchase price
19 for the shares at or near the time the contract was executed and the shareholder agreed to deliver
20 the shares to the Receivership Entity after contractual restrictions on the transfer of those shares
21 had expired.

22 4. The following is a summary of the legal services Schinner provided from January 1,
23 2020 through March 30, 2020 (“Motion Period”).

24 5. We continued to advise the Receiver regarding the corporate and securities law
25 implications of selling pre-IPO shares held by the Receivership Entities.

26 6. We also analyzed securities law issues related to the transfer of shares from a defunct
27 subsidiary of a Receivership Entity and strategies for filing confidential forward purchase
28 agreements with the Court.

1 7. During the Motion Period, we reviewed, analyzed, and revised a stock transfer
2 agreement to effectuate the transfer of ZocDoc shares, and advised the Receiver on the same.

3 8. Attached hereto as Exhibit "11" are true and correct copies of our detailed time entries
4 reflecting the services we provided during the Motion Period.

5 9. Schinner performed 4.9 hours of services for a total amount of \$2,450. Schinner also
6 incurred costs in the amount of \$622.06. The fees requested are reasonable, necessary, and
7 commensurate with the skill and experience required for the activity performed. Our services and
8 time expenditures are reasonable in light of the labor required for the matters for which we were
9 retained. Schinner respectfully submits that it has not expended time unnecessarily and that it has
10 rendered efficient and effective services.

11 10. In seeking reimbursement of services for which Schinner purchased or contracted for
12 from a third party, it has only requested reimbursement for the amount billed by the third party
13 vendor and paid to the vendor. Schinner has not included in the amount for which reimbursement
14 is sought the amortization of the cost of any investment, equipment, or capital outlay

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16 I declare under penalty of perjury that the foregoing is true and correct. Executed on this 17th
17 day of June 2020 at San Francisco, California.

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19 
20 Frederick Koenen

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EXHIBIT 11

Schinner & Shain, LLP
96 Jessie Street, San Francisco, CA 94105
 Telephone: (415) 369-9050
 Fax: (415) 800-1094

April 17, 2020

Kathy Bazoian Phelps, Receiver SRA Litigation
 c/o Diamond & McCarthy, LLP
 1999 Avenue of the Stars, 11th Floor
 Los Angeles, CA 90067-4400

File # 3674-1

RE: SRA Litigation

DATE:	TIMEKEEPER	DESCRIPTION	HOURS	AMOUNT
Jan-15-20	FKK	Telephone conference with K. Bazoian Phelps regarding securities and corporate law implications of selling pre-IPO shares held by receivership entities.	0.70	\$350.00
Feb-26-20	FKK	Prepare e-mail responding to K. Bazoian Phelps' request for analysis of securities law issues related to proposed requested order to court authorizing transfer of Lookout shares from defunct subsidiary of a receivership entity to trustee and strategies for filing confidential forward purchase contracts with court.	0.70	\$350.00
Feb-27-20	FKK	Review stock transfer agreements prepared by legal counsel for ZocDoc to effect the transfer of ZocDoc shares currently held by EAC to receiver; prepare e-mail to client discussing recommended amendments to ZocDoc agreements.	0.90	\$450.00
Mar-02-20	FKK	Prepare revision to ZocDoc Stock Transfer Agreement to address removal of accredited investor representation; prepare e-mail to ZocDoc attorney discussing need to remove accredited investor representation.	0.60	\$300.00
Mar-06-20	FKK	Prepare for and participate in telephone conference with K. Bazoian Phelps regarding securities and contract law issues related to sale of stock of Palantir and Lookout held by receiver.	1.30	\$650.00

Mar-09-20	FKK	Review e-mails from client and counsel to ZocDoc to evaluate potential revisions to ZocDoc stock transfer agreement that would remove or revise "non-distribution" representation; prepare e-mail to K. Bazoian-Phelps discussing legal effect of representation and proposing language to modify representation.	0.70	\$350.00
Totals Hours and Fees			4.90	\$2,450.00

DISBURSEMENTS

LEXIS-NEXIS database charges (legal research related to securities and corporate matters)	\$622.06
Total Disbursements	\$622.06

TOTAL FEES AND DISBURSEMENTS **\$3,072.06**

Balance as of Dec-31-19	\$8,806.20
Payment Received (Feb-28-20)	(\$5,580.75)
Amount Deferred Per Agreement with Client	\$3,225.45
Balance	\$6,297.51
Less Deferred Amount	(\$3,225.45)

PAYMENT DUE **\$3,072.06**

Billing Rates of Professionals

FKK: \$500.00 Per Hour (10% Discount From Standard Rate)