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10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**

12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 v.

16 JOHN B. BIVONA; SADDLE RIVER
17 ADVISERS, LLC; SRA
18 MANAGEMENT ASSOCIATES, LLC;
19 FRANK GREGORY MAZZOLA

20 Defendants.

Case No. 3:16-cv-1386

**NOTICE OF LODGING OF
INDEPENDENT MONITOR'S
FIRST REPORT TO THE
COURT**

Date: N/A
Time: N/A
Judge: Edward M. Chen

21 The Independent Monitor in the above matter, Michael A. Maily
22 (“the Monitor”) pursuant to this Court’s TRO of March 25, 2016, has been
23 charged with the filing of regular reports regarding the progress of his work.
24 Attached hereto as Exhibit A is the Independent Monitor’s First Interim Report
25 to the Court regarding his activities from the date of appointment until April 8,
26 2016.

27 Dated: April 11, 2016

GARTENBERG GELFAND HAYTON
LLP

By: /s/ John W. Cotton

John W. Cotton
Special Counsel to the Monitor

Exhibit A



Michael A. Maily
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Hon. Edward M. Chen
United States District Court
Northern District of California
Courtroom 5
United States Courthouse
450 Golden Gate Ave.
San Francisco, California 94102

In re: Securities and Exchange Commission v. John V. Bivona, et al., Case No. 16-cv-01386-EMC

Hon. Edward M. Chen:

Attached please find the First Interim Report of the Independent Monitor in the matter of the Securities and Exchange Commission v. John V. Bivona, et al., Case No. 16-cv-01386-EMC.

Please note that this report is based upon financial and other information provided to the Independent Monitor by the Manager of Saddle River Advisors, LLC, SRA Management Associates, LLC, SRA I, LLC, SRA II, LLC, SRA III, LLC, Clear Sailing Group IV, LLC, Clear Sailing Group V, LLC, and Felix Investments, LLC. The Independent Monitor has not audited or reviewed the books and records of these entities, and accordingly expresses no opinion on the financial statements referenced.

This First Interim Report has been prepared under the terms of Order Granting Temporary Restraining Order, Appointment of Independent Monitor, and Other Preliminary Relief dated March 25, 2016.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael A. Maily", is positioned above the typed name.

Michael A. Maily
Independent Monitor
Chief Executive Officer
Sherwood Partners, Inc.
April 11, 2016

Securities and Exchange Commission v. John V. Bivona et al, Civil Action No. 3:16-cv-01386
First Interim Report of Independent Monitor
April 11, 2016

Matter: *Securities and Exchange Commission v. John V. Bivona et al.*, Civil Action No. 3:16-01386 (N.D. Cal. Filed March 22, 2016) is an action which names as defendants: John Bivona, a registered representative of Felix Investments and the control person of the other entity defendants; Saddle River Advisors, LLC, which formerly conducted business as Felix Advisors, LLC and was a registered investment adviser but now is an exempt reporting adviser and is the adviser to the SRA Funds; SRA Management Associates, LLC, which provides services to the SRA Funds; and Frank Mazzola, Mr. Bivona's nephew, who was formerly a registered representative at Felix Investments and was an official of the two entity defendants prior to being barred from the securities business by the Securities Exchange Commission ("SEC") and Financial Industry Regulatory Authority. Mr. Bivona and his controlled entities are alleged to have raised over \$53 million since late 2013 in the SRA Funds pre-IPO funds of technology companies. Investors were promised that their funds would be invested in the shares of specific privately held technology companies. It is alleged that the funds were diverted to paying investors in earlier funds and that money was also misappropriated.

The complaint alleges violations of Exchange Act Sections 10(b) and 15(a), Securities Act Sections 5(a), 5(c) and 17(a) and Advisers Act Sections 203(f), 206(1), 206(2) and 206(4) along with the violation of the bar order against Mr. Mazzola.

Independent Monitor: On March 25, 2016 the Court ordered the appointment of an Independent Monitor for Saddle River Advisors, LLC ("Saddle River"), and SRA Management Associates, LLC ("SRA Management"); SRA I, LLC, SRA II, LLC, and SRA III, LLC (collectively, the "SRA Funds"); Clear Sailing Group IV, LLC and Clear Sailing Group V, LLC (together, "Clear Sailing"); and Felix Investments, LLC ("Felix Investments"). Under the Order, the Independent Monitor and his designated representatives (collectively, the "Monitor") shall be empowered to:

1. Have full and complete access to Saddle River, SRA Management, the SRA Funds, and Clear Sailing's books and records;
2. Have full and complete access to Saddle River's, SRA Management's, the SRA Funds', and Clear Sailing's principals, officers, employees, agents, consultants, or anyone else who is otherwise associated with those entities to carry out the Independent Monitor's assignment;
3. Review and monitor all proposed purchases and sales of securities or interests in securities by Saddle River, SRA Management, the SRA Funds, Clear Sailing and to object to any purchase or sale that the Monitor determines is not in the best interests of the SRA Funds and its investors;
4. Enter into the offices and premises of Saddle River, SRA Management, the SRA Funds, or Clear Sailing;

5. Review and monitor all proposed transfers of money or assets by Saddle River, SRA Management, the SRA Funds, or Clear Sailing and to object to any transfer of money or assets that the Monitor determines is not in the best interests of the SRA Funds and its investors;
6. Identify and locate all money, assets, securities and interests in securities held by, or for the benefit of, Saddle River, SRA Management, the SRA Funds or Clear Sailing;
7. Identify all investors in the SRA Funds and determine whether those investors have received the securities or economic interests in securities that the investors have paid for;
8. Identify all debts, accounts payable, liabilities and unpaid obligations of the SRA Funds;
9. Review and monitor all bills or invoices sent to Saddle River, SRA Management, the SRA Funds, or Clear Sailing and expenditures that Saddle River, SRA Management, the SRA Funds, or Clear Sailing intends to make and to object to any expenditure that the Monitor determines is not in the best interests of the SRA Funds and its investors;
10. Apply to the Court for an order compelling compliance with this Order or seeking a modification of this Order.

Report to Court: Per the Court order, the Monitor is to provide written reports at least weekly regarding the review of the records, assets, liabilities, expenditures and operations of Saddle River, SRA Management, the SRA Funds (collectively, the "SRA Entities") and Clear Sailing. Prior to May 12, 2016, the Monitor shall submit a written report to the Court containing (1) a preliminary accounting for the SRA Entities and Clear Sailing for the limited purpose of determining what assets the SRA Funds own and whether the SRA Funds own the shares of pre-IPO companies to which investors are entitled and (2) a recommendation for how to wind down the SRA Funds that minimizes investor harm. Following conversations between the Monitor and the SEC and the Monitor and John V. Bivona, the manager of the SRA Funds and Clear Sailing, the Monitor has recommended, and these parties were agreeable to, the recommendation that the interim weekly reports be prepared every two weeks to reduce the cost of this reporting requirement and the Monitor has requested such approval from the Court. The following is the first interim report of the Monitor outlining activities for the first two weeks.

Information Access: the Monitor's staff has been on site at the offices of the SRA Funds, located at 600 E. Crescent, Suite 205, Upper Saddle River, NJ. The offices are approximately 2,750 square feet and include five individual offices, a main area with six cubicles, a reception area, a small kitchen, and storage areas. The Monitor has met the following individuals retained by the SRA Entities:

- John V. Bivona, Manager of the SRA Entities and Clear Sailing
- Susan Diamond, Chief Compliance Officer
- Christine Caridi, administration and documentation

- Antonina Dazzo, Executive Assistant to Mr. Bivona
- Vito Fredella, IT and technical support

The Manager and his staff have been cooperative with the Monitor, responding to inquiries and supplying documents. The Monitor understands that there has been turnover in the personnel of the SRA Entities, and the lack of current personnel familiar with the systems and record maintenance procedures have resulted in the review being more time consuming than originally estimated.

Review of Current Transactions: Per the Court order the Monitor is to review and monitor all contemplated transfers of money or assets, purchases, sales, or expenditures by the SRA Entities, Clear Sailing, and Felix Investments¹.

As of this report, no requests have been submitted for review and approval. One request, to pay healthcare premiums, was discussed with the Monitor's staff, but this request was withdrawn after the Monitor reviewed the detailed invoices with the Manager and identified potential credits related to billings for one to two employees that had elected to decline further medical coverage back in May of 2015. The carrier had not adjusted the billings at that time and the Manager's staff had not identified that the coverage billings had continued, resulting in total overpayments in excess of \$15,000.

Review of Holdings and Assets: The Monitor has requested certain documents from the SRA Entities, and Clear Sailing relating to the cash and securities of these entities. A listing of those documents requested and the production date is attached to this report as Exhibit A.

Accounting Records: The Monitor requested several standard financial reports for the SRA Entities and Clear Sailing from the Manager, including current financial statements, deposit reports, check register reports and other rudimentary financial information. In a properly run company, the financial reports requested should be readily available and easy to produce from the accounting system with little effort. The SRA funds use QuickBooks, a rudimentary accounting platform, from which standard reporting should be easily generated. Such standard reports were not available at the time of the request. The Monitor observed that the staff did not have the system knowledge or training to produce such reports without the Monitor's assistance demonstrating how to retrieve and report the information from the system. As a result, the Monitor requested backup copies of the QuickBooks accounting source data files which retain the formal accounting information for the SRA Funds and SRA Management so that the Monitor could generate the necessary reports the Manager's staff was unable to produce. The Monitor learned that QuickBooks is used for the SRA Funds and SRA Management, but there was no automated accounting platform maintained for Saddle River and Clear Sailing. According to the staff, the

¹ Felix Investments was a broker dealer active in the early years to source private company securities for the various funds. According to Mr. Bivona (the "Manager"), it did not hold securities/assets for individuals or other entities and ceased operating and withdrew its broker-dealer registration in June of 2014. The Monitor understands that all bank accounts have been closed and no assets remain.

QuickBooks accounting system and financial records for the SRA Funds and SRA Management had been maintained by Scott Pritchard, a staff person with an accounting background, but he resigned in 2012. Upon Mr. Pritchard's departure, Andrea Figliolo assumed the responsibility of maintaining the QuickBooks accounting system and investment tracking for all the entities. The staff has informed the Monitor that Ms. Figliolo did not have an accounting background, and had primarily been tasked with handling other administrative duties and documentation requirements. Ms. Figliolo resigned in September 2015 and upon her departure, Susan Diamond, the Chief Compliance Officer of the SRA Funds, assumed the responsibility of maintaining the books and records in QuickBooks.

To comply with the Monitor's request for financial information, an additional day was required. The Monitor was advised that this time was required to update the financial records in the accounting system. The QuickBooks files track financial activity (banking, payments, deposits, etc.), but upon reviewing the files, the Monitor observed that the records did not include detailed information on inventory by the different funds (securities holdings) or the specific securities held by the individual subscribers. After a preliminary review of the QuickBooks records, the Monitor was able to confirm and reconcile certain amounts against bank statements for the SRA Funds and for SRA Management. Activity in the QuickBooks files and bank statements for the different entities was minimal as the volume of transactions has not been significant from November 1, 2015 through February 29, 2016.

Cash: The Monitor has been presented with the bank statements for Saddle River, SRA Management, the SRA Funds and Clear Sailing IV for recent periods (November 2015 through February 2016) and is currently reviewing these statements. In addition, screenshots of the current bank balance for SRA Management, and the SRA Funds bank accounts as of March 31, 2016 show a total available cash balance of \$96,775.33, including \$21,481.84 in the SRA Management account, \$7,284.11 in the Saddle River account, \$67,699.45² in the SRA I account, \$174.11 in the SRA II account and \$135.81 in the SRA III account. The bank balance on the statements reflects the amount of cash currently in the account, but has not been reduced for checks that have been issued but not presented to the bank (outstanding checks). The total book balance for these accounts (cash in the bank minus the outstanding checks), according to the SRA Entities' books and records, is not known at this time, as the QuickBooks check registers do not reflect all current activity and the bank reconciliations for March has not been completed. The Manager has estimated the consolidated book balance for all SRA Entities is approximately \$20,000 as of March 30, 2016.

Securities Inventory: The Manager has provided to the Monitor a schedule showing securities held by Clear Sailing that were allegedly purchased and are owned by Clear Sailing, but have not been purchased for, or allocated to, investors. These securities would be additional assets (inventory) of the funds themselves, if not attributable to any capital contribution of an investor. This schedule has not been reviewed or verified at this time.

Investor Interests: Based on the Monitor's initial review, the structure of the investment process is designed as follows:

² According to the Manager, in early February 2016 there had been a distribution to investors and there were still several checks outstanding.

- An investor is given a Subscription Booklet which contains a Private Placement Memorandum, a fund Operating Agreement, and a Subscription Agreement which includes a sample subscription (purchase) signature page confirmation, and ancillary documents that relate to confirmation requirements for investor accreditation and status.
- Each of the SRA Funds hold a beneficial interest in a group of private company securities as follows (see attached Exhibit B for more detail):
 - SRA I holds a beneficial interest in 21 different series. The series are for the securities of 19 individual privately held companies plus two groups or pools of securities (Big 10 and Series X) that include 10 and 13 individual privately held companies, respectively. For each of the series, there are between one and 63 individual tranches or “sub-series” (i.e. for the individual privately held company Palantir, the SRA I had 63 sub-series³, designated as Palantir Series E-1(SA) through Palantir Series E-63 (SA)).
 - SRA II holds a beneficial interest in 16 different series. The series are for the securities of 16 individual privately held companies. For each of the series, there are between one and 42 individual sub-series.
 - SRA III holds a beneficial interest in 17 different series. The series are for the securities of 17 individual privately held companies. For each of the series, there are between one and 56 individual sub-series.
- When an investor transfers money to a fund, the Subscription Agreement signature page is to be completed which, identifies the specific SRA fund, the sub-series (i.e. Palantir E-1(SA)), the amount of capital contribution being remitted for the series interest, and a signature confirmation page. The signature confirmation page is to be signed by both the investor making the purchase and the specific SRA fund manager.
- According to the Manager, the specific SRA fund then makes arrangements for the purchase of a number of shares of private company equity. When the securities purchase is closed, the subscriber is issued a Welcome Letter, detailing the capital contribution, the percentage of membership interest in the sub-series, the number of shares in the private company to which the membership interest applies, and the purchase price per share. The Welcome Letter also details any deductions from the capital contribution for management fees, expense reimbursements, placement fees or due diligence fees before the private company shares are purchased.
- The actual security to support each sub series is purchased and held by Equity Acquisition Company, Ltd. (“EAC”) or Clear Sailing (collectively the “Purchase Funds”). One exception is the securities of Addepar, Inc. which, are held directly by the individual SRA Funds, rather than the

³ The Monitor understands from the Manager that the sub-series relate to purchases of different blocks of private company stock.

Purchase Funds. The Purchase Funds sell a membership percentage interest in their total holdings equal to the number of shares of that specific private company security to the specific SRA Fund. This membership interest for the specific SRA Fund is equal to the cash received from that SRA Fund to pay for the purchase by the Purchase Fund of the private company shares. These shares are primarily common stock in the different privately held companies. The Purchase Funds also sell membership percentage interests to other funds, including the NYPA Funds and the Felix Multi Opportunity Fund (i.e., the SRA Funds are not always the 100% owners for each series of private company securities held by the Purchase Funds). To document this arrangement, each SRA Fund signed a general Joinder Agreement at the founding of that SRA Fund (less than one page in length; attached as Exhibit C) with each of the Purchase Funds. The Joinder Agreements do not include any detail documenting actual holdings or percentage interests by the members. The Clear Sailing Operating Agreement references a Schedule A which lists the percentage ownership for each of the SRA Funds in each series of private company securities and is supposed to be updated every time a new purchase occurs. According to the Manager of the SRA Funds (who is also the co-Manager of Clear Sailing), Schedule A of the Operating Agreement showing the allocation of all the private company shares held by Clear Sailing has not been updated for approximately a year and a half.

- The following is an example, for illustration purposes, of how the purchase of a beneficial ownership in the securities of a privately held company, “Company W”, would work:
 - Assume for this illustration that Clear Sailing already owns 35,000 shares of Company W and SRA I holds a 100% beneficial interest in these shares as of January 1, 2015 (sub-series W-1, W-2, and W-3);
 - On February 1, 2015, an investor, “Investor A”, makes a capital contribution of \$100,000 to SRA I for the purchase a beneficial interest in the securities of private Company W;
 - SRA I deducts the initial fees (estimated to be 8% for this example, comprised of a 2% management fee, a 1% expense reimbursement and a 5% due diligence fee), leaving \$92,000 available to purchase a new interest⁴;
 - On February 3, 2015, SRA I finds another investor, “Investor B” who makes a \$50,000 capital contribution to purchase a beneficial interest in the securities of the same private company, Company W, which, minus 8% in fees, equals \$46,000 available for the purchase of the beneficial interest in the securities;
 - SRA I then looks to Clear Sailing to source and purchase securities in Company W⁵;

⁴ The actual initial fee percentage will vary by investor, dependent on what that individual investor negotiates with the fund upfront

⁵ The Monitor understands from the Manager that knowledge of the potential availability of the securities by the Manager is the basis for the initial creation of the sub-series.

- Clear Sailing then makes arrangements to purchase 15,000 shares of Company W at \$8.74 per share (\$131,100) on April 1, 2015. For this purchase, Clear Sailing charges a 5% finder's fee and SRA I is granted a 30% membership interest in Clear Sailing's total holdings of 50,000 shares, solely for this new sub-series (Company W sub-series W-4),⁶ in return for payment of \$138,000 (\$92,000 plus \$46,000);
- SRA I pays Clear Sailing \$138,000 for the beneficial interest in Clear Sailing's holdings of Company W (equating to 15,000 shares);
- SRA I then issues Welcome Letter to Investor A and Investor B documenting their purchase of 66.7% and 33.3%, respectively, in sub-series W-4, and attributes the number of securities beneficially held for each investor as 10,000 and 5,000 respectively.

At the beginning of the Monitor's assignment, the Monitor requested the master document that would track each investor's capital contribution and document the specific shares that were purchased with those funds, but the Monitor was told that no such document exists.

As a result of this finding, the Monitor is taking a two-step approach to assess if the total number of shares of each private company security held in the Purchase Funds is equal to or exceeds (in the case where other funds such as NYPA hold a membership interest in Clear Sailing for that same private company security) the number of shares attributed to all investors in the SRA Funds.

The first step of the Monitor's activity is to validate the total investment by individual investors into the SRA Funds that can be traced back to investor capital contributions and series purchases. To document this, the Manager maintains a spread sheet for each SRA Fund ("Investor Master List") which contains tabs for each series (i.e. Palantir) of purchases. Each tab includes a listing by the specific sub-series (i.e. Palantir E-1 (SA)) of the investor, the number of private company shares purchased, the type of investor (accredited investors vs. qualified purchasers), the capital contribution (gross amount of investment), the net amount of investment (after fees), the date of purchase, the date of the close, the percentage of the sub series, the price per share, the shares required (to match the percentage of the sub series), and the investor's contact information.

To confirm the total capital contributions from the records provided, the Monitor is reviewing the bank deposits against the Investor Master List. So as not to duplicate efforts already expended by the SEC in its original work matching capital contributions collected by the SRA Funds through the end of October 2015, the Monitor is only reviewing the bank statements provided by the Manager for the current period (November 1, 2015 to February 29, 2016) to confirm if any additional capital contributions have been made.

⁶ 35,000 old shares for sub-series W-1, W-2 and W-3, plus the 15,000 new shares. In this example, SRA I still holding a 100% beneficial interest in Clear Sailing's holding of 50,000 shares in Company W. The total percentage allocation changes, however, as 30% of Clear Sailing's total securities in Company W are now attributed to sub-series W-4 and 70% are attributed to sub-series W-1 through W-3, versus sub-series W1 through W-3 held the interest in all shares (100%)

The Monitor is also reviewing the 1,800 Welcome Letters issued by each SRA fund against the Investor Master List to validate if all purchases listed in the Welcome Letters match the purchases listed for that investor in the Investor Master List.

The goal of this first step is to validate the total capital contributions into the SRA Funds and the number of shares in each private company to which the SRA Funds have rights.

The second step is to confirm the total amount of private company securities that the Purchase Funds hold. To acquire private company securities, the Purchase Funds either: i) purchase the shares outright and are added to the cap table of the private company, ii) enter into forward contracts with the seller (as some private companies prohibit the actual transfer), or iii) re-allocate shares that another member may want to liquidate (a lateral sale).

The Monitor is reviewing the purchase documents provided by the Manager to validate the total number of shares held in each private company by the Purchase Funds. The Monitor is reviewing purchase agreements, forward contracts, and lateral sales to validate the total amount of private securities that the Purchase Funds hold. In addition, to further verify ownership, the Monitor is independently sending confirmation letters to all the private companies to verify the number of shares held by Purchase Funds for purchased shares; a sample copy of the confirmation being sent out is attached as Exhibit D. To verify the shares held under forward contracts, the Monitor is sending confirmation letters to the holders of the shares subject to the forward contracts to confirm the number of shares and the existence of the agreement.

The goal of this second step is to validate the total number of shares in each private company that the Purchase Funds hold. To the extent that the number of shares held by the Purchase Funds is less than the shares attributed to the investors in the SRA Funds, this would indicate the SRA Funds would be short at the time of liquidation. To the extent that the number of shares held by the Purchase Funds is greater than the shares attributed to the investors in the SRA Funds, this would be an inconclusive finding because the current Court Order covering the Monitor's role in this investigation does not anticipate the validating of all the investments in the Purchase Funds by other members, including NYPA Funds, Felix Multi Opportunity Funds and any excess inventory. Further, the Court Order does not reference EAC or its holdings. Without such validation, the Monitor will not be in a position to determine if the total amount of shares that the Purchase Funds hold would be required to own to satisfy all investors.

Future Activity: The Monitor continues to review the capital contribution information to make a preliminary determination as to the total amount of money invested into the SRA Funds and make a preliminary determination as to whether security holdings of the Purchase Entities contain the requisite number of securities held is equal to or greater than the beneficial ownership of the investors. Further, the Monitor continues to review the systems, processes and business practices of the SRA Entities as a basis for recommending the appropriate approach to winding down the SRA Funds.

Exhibit A – Document Production

<u>Document Name</u>	<u>Production Date</u>
SRA I Investment Master List	March 28, 2016
SRA II Investment Master List	March 28, 2016
SRA III Investment Master List	March 28, 2016
SRA I Bank Statements -8804 (November 1, 2015 to February 29, 2016)	March 28, 2016
SRA II Bank Statements -8797 (November 1, 2015 to February 29, 2016)	March 28, 2016
SRA III Bank Statements -8789 (November 1, 2015 to February 29, 2016)	March 28, 2016
SRA Management Associates Bank Statements -8711 (November 1, 2015 to February 29, 2016)	March 28, 2016
Saddle River General Account Statements -8846 (November 1, 2015 to February 29, 2016)	March 28, 2016
John V Bivona, Esq Attorney Escrow -6785 (October 11, 2015 to March 11, 2016)	March 28, 2016
Saddle River General Account checks #1176 to 1286 (November 1, 2015 to February 29, 2016)	March 28, 2016
SRA Management Quick Books Back Up file	March 29, 2016
SRA Bank Account List	March 29, 2016
Bivona Related Fund List	March 29, 2016
SRA I Amended and Restated PPM Exhibit A Revised June 14, 2015	March 30, 2016
SRA II Amended and Restated PPM Exhibit A Revised June 14, 2015	March 30, 2016
SRA III Subscription dated June 4, 2015	March 30, 2016
SRA III Palantir Investment Letter	March 30, 2016
SRA III Advisor Accredited Investor Confirmation Template	March 30, 2016
Saddle River Advisors Investor Suitability Questionnaire	March 30, 2016
SRA III Individual and Joint Subscription Document	March 30, 2016
SRA III Entity Subscription Document	March 30, 2016
SRA I Quick Books Check Register (November 2, 2015 to January 13, 2016)	March 30, 2016
SRA I Quick Books Deposits List (November 3, 2015)	March 30, 2016
SRA II Quick Books Check Register (November 2, 2015 to February 24, 2016)	March 30, 2016

SRA II Quick Books Deposits List (January 22, 2016 to January 27, 2016)	March 30, 2016
SRA III Quick Books Check Register (November 2, 2015 to February 17, 2016)	March 30, 2016
SRA III Quick Books Deposits List (November 3, 2015 to February 11, 2016)	March 30, 2016
SRA Management Quick Books Check Register (November 10, 2015 to November 19, 2015)	March 30, 2016
SRA Management Quick Books Deposits List (November 10, 2015 to November 13, 2015)	March 30, 2016
John V Bivona, Esq FBO Attorney Escrow -6793 (October 11, 2015 to March 11, 2016)	March 30, 2016
Clear Sailing and EAC Stock Purchase Spreadsheet for Addepar, AriBnb, Bloom Energy, Cloudera, DropBox, Evernote, Glam Media, Jawbone, Lookout, Lyft, Mongo DB, Palantir, Pinterest, Practice Fusion, Snapchat, Square, Uber, Virtual Instruments and ZocDoc	March 31, 2016
SRA I Investor Welcome Letters and Subscription Agreement signature pages for Addepar, AirBnb, Badgerville, Bloom Energy, Candi Controls, Cloudera, DropBox, Evernote, Glam Media, Jawbone, Lookout, Lyft, Mongo DB, Palantir, Pinterest, Practice Fusion, Snapchat, Square, Uber, and Series X	March 31, 2016
SRA II Investor Welcome Letters and Subscription Agreement signature pages for Addepar, AirBnb, Badgerville, Candi Controls, Cloudera, DropBox, Evernote, Jawbone, Lookout, Lyft, Mongo DB, Palantir, Pinterest, Practice Fusion, Snapchat, and Square	March 31, 2016
SRA III Investor Welcome Letters and Subscription Agreement signature pages for Addepar, AirBnb, Badgerville, Bloom Energy, Candi Controls, Cloudera, DropBox, Evernote, Jawbone, Lookout, Lyft, Mongo DB, Palantir, Pinterest, Practice Fusion, Snapchat, and Square	March 31, 2016
Alibaba, Box, Check, Flurry and Twitter Stock Distribution Schedules	April 1, 2016
Stock Distribution Schedules for Alibaba, Box, Check, Flurry and Twitter	April 1, 2016
Clear Sailing IV Bank Statements -9076 (November 1, 2015 to February 29, 2016)	April 4, 2016
Clear Sailing IV Second Amended and Restate Operating Agreement dated May 22, 2012 - without schedules or exhibits	April 4, 2016
Clear Sailing V Amended and Restate Operating Agreement dated June 22, 2012 - without schedules or exhibits	April 4, 2016
Clear Sailing and EAC Stock Inventory Listing	April 4, 2016

EXHIBIT B – SECURITIES HELD BY FUND**(Generated From Master Investor List Provided by Manager)****SRA I – Holdings**

Entity	Deal	Series
Addepar	SRA I LLC	Series D-1(SA) through Series D-3(SA)
Airbnb	SRA I LLC	Series W-1(SA) through Series W-2(SA)
Badgeville	SRA I LLC	Series H-1(SA) through Series H-6(SA)
Bloom Energy	SRA I LLC	Series Q-1(SA) through Series Q-3(SA)
Candi Controls	SRA I LLC	Series G-1(SA)
Cloudera	SRA I LLC	Series UU-1(SA) through Series UU-4(SA)
Dropbox	SRA I LLC	Series JJ-1(SA) through Series JJ-2(SA)
Evernote	SRA I LLC	Series V-1(SA) through Series V-4(SA)
Glam	SRA I LLC	Series AA-1(SA)
Jawbone	SRA I LLC	Series FF-1(SA) through Series FF-7(SA)
Lookout	SRA I LLC	Series L-1(SA) through Series L-7(SA)
Lyft	SRA I LLC	Series LY-1(SA) through Series LY-3(SA)
Mongo DB	SRA I LLC	Series II-1(SA) through Series II-4(SA)
Palantir	SRA I LLC	Series E-1(SA) through Series E-63(SA)
Pinterest	SRA I LLC	Series Z-1(SA) through Series Z-5(SA)
Practice Fusion	SRA I LLC	Series EE-1(SA) through Series EE-13(SA)
SnapChat	SRA I LLC	Series SN-1(SA)
Square	SRA I LLC	Series CC-1(SA) through Series CC-18(SA)
Uber	SRA I LLC	Series UB-1(SA)
Big TEN	SRA I LLC	Series 10
- Badgeville	SRA I LLC	Series 10
- Bloom Energy	SRA I LLC	Series 10
- Box	SRA I LLC	Series 10
- Dropbox	SRA I LLC	Series 10
- Glam Media	SRA I LLC	Series 10
- oDesk	SRA I LLC	Series 10
- Palantir	SRA I LLC	Series 10
- Square	SRA I LLC	Series 10
- Twitter	SRA I LLC	Series 10
- Zocdoc	SRA I LLC	Series 10
Series X	SRA I LLC	Series X
- Addepar	SRA I LLC	Series X
- Bloom Energy	SRA I LLC	Series X
- Box	SRA I LLC	Series X
- Check	SRA I LLC	Series X

- Dropbox	SRA I LLC	Series X
- Flurry	SRA I LLC	Series X
- Glam Media	SRA I LLC	Series X
- Jawbone	SRA I LLC	Series X
- Mongo DB	SRA I LLC	Series X
- oDesk	SRA I LLC	Series X
- Practice Fusion	SRA I LLC	Series X
- Square	SRA I LLC	Series X
- Virtual Instruments	SRA I LLC	Series X

SRA II – Holdings

Entity	Deal	Series
Addepar	SRA II LLC	Series D-1(SB) through Series D-2(SB)
Airbnb	SRA II LLC	Series W-1(SB) through Series W-2(SB)
Badgeville	SRA II LLC	Series H-1(SB) through Series H-7(SB)
Candi Controls	SRA II LLC	Series G-1(SB) through Series G-2(SB)
Cloudera	SRA II LLC	Series UU-1(SB) through Series UU-3(SB)
Dropbox	SRA II LLC	Series JJ-1(SB) through Series II-5(SB)
Evernote	SRA II LLC	Series V-1(SB) through Series V-3(SB)
Jawbone	SRA II LLC	Series FF-1(SB) through Series FF-10(SB)
Lookout	SRA II LLC	Series L-1(SB) through Series L-5(SB)
Lyft	SRA II LLC	Series LY-1(SB)
Mongo DB	SRA II LLC	Series II-1(SB) through Series II-5(SB)
Palantir	SRA II LLC	Series E-1(SB) through Series E-42(SB)
Pinterest	SRA II LLC	Series Z-1(SB) through Series Z-2(SB)
Practice Fusion	SRA II LLC	Series EE-1(SB) through Series EE-16(SB)
SnapChat	SRA II LLC	Series SN-1(SB)
Square	SRA II LLC	Series CC-1(SB) through Series CC-17(SB)

SRA III – Holdings

Entity	Deal	Series
Addepar	SRA III LLC	Series D-1(SA3) through Series D-2(SA3)
Airbnb	SRA III LLC	Series W-1(SA3) through Series W-3(SA3)
Badgeville	SRA III LLC	Series H-1(SA3) through Series H-2(SA3)
Bloom Energy	SRA III LLC	Series Q-1(SA3)
Candi Controls	SRA III LLC	Series G-1(SA3)
Cloudera	SRA III LLC	Series UU-1(SA3) through Series UU-2(SA3)

Dropbox	SRA III LLC	Series JJ-1(SA3) through Series JJ-3(SA3)
Evernote	SRA III LLC	Series V-1(SA3) through Series V-4(SA3)
Jawbone	SRA III LLC	Series FF-1(SA3) through Series FF-8(SA3)
Lookout	SRA III LLC	Series L-1(SA3) through Series L-6(SA3)
Lyft	SRA III LLC	Series LY-1(SA3)
Mongo DB	SRA III LLC	Series II-1(SA3) through Series II-3(SA3)
Palantir	SRA III LLC	Series E-1(SA3) through Series E-56(SA3)
Pinterest	SRA III LLC	Series Z-1(SA3) through Series Z-2(SA3)
Practice Fusion	SRA III LLC	Series EE-1(SA3) through Series EE-11(SA3)
SnapChat	SRA III LLC	Series SN-1(SA3)
Square	SRA III LLC	Series CC-1(SA3) through Series CC-17(SA3)

EXHIBIT C – JOINDER AGREEMENTS

**MEMBER COUNTERPART SIGNATURE PAGE TO
LIMITED LIABILITY COMPANY AGREEMENT OF CLEAR SAILING GROUP IV LLC**
(Separate counterpart to be completed and signed by each Member)

This Counterpart is executed pursuant to the terms of the Second Amended and Restated Operating Agreement for Clear Sailing Group IV LLC dated as of May 22, 2012 (the "Operating Agreement"). By executing this Counterpart, the undersigned hereby: (i) executes the Operating Agreement, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Operating Agreement, (iii) agrees to be bound by the terms and conditions of such Operating Agreement as a Member and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Operating Agreement. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: October 8, 2013

SRA I LLC
Print Name of Entity

By: SRA Management Associates
LLC, its Manager

By: 
Signature of Authorized Signatory

John V. Bivona, Manager
Print Name and Title of Signatory

Tax ID No: 46-3758478

**MEMBER COUNTERPART SIGNATURE PAGE TO
LIMITED LIABILITY COMPANY AGREEMENT OF CLEAR SAILING GROUP IV LLC**
(Separate counterpart to be completed and signed by each Member)

This Counterpart is executed pursuant to the terms of the Second Amended and Restated Operating Agreement for Clear Sailing Group IV LLC dated as of May 22, 2012 (the "Operating Agreement"). By executing this Counterpart, the undersigned hereby: (i) executes the Operating Agreement, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Operating Agreement, (iii) agrees to be bound by the terms and conditions of such Operating Agreement as a Member and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Operating Agreement. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: January 15, 2014

SRA II LLC

Print Name of Entity

By: SRA Management Associates
LLC, its Manager

By: 

Signature of Authorized Signatory

John V. Bivona, Manager

Print Name and Title of Signatory

Tax ID No: 46-3758478


**MEMBER COUNTERPART SIGNATURE PAGE TO
LIMITED LIABILITY COMPANY AGREEMENT OF CLEAR SAILING GROUP IV LLC**
(Separate counterpart to be completed and signed by each Member)

This Counterpart is executed pursuant to the terms of the Third Amended and Restated Operating Agreement for Clear Sailing Group IV LLC dated as of March 3, 2014 (the "Operating Agreement"). By executing this Counterpart, the undersigned hereby: (i) executes the Operating Agreement, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Operating Agreement, (iii) agrees to be bound by the terms and conditions of such Operating Agreement as a Member and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Operating Agreement. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: June 3, 2014

SRA III LLC
Print Name of Entity

By: SRA Management Associates
LLC, its Manager

By: 
Signature of Authorized Signatory

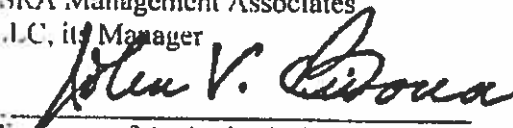
John V. Bivona, Manager
Print Name and Title of Signatory

**MEMBER COUNTERPART SIGNATURE PAGE TO
LIMITED LIABILITY COMPANY AGREEMENT OF CLEAR SAILING GROUP V LLC**
(Separate counterpart to be completed and signed by each Member)

This Counterpart is executed pursuant to the terms of the Amended and Restated Operating Agreement for Clear Sailing Group V LLC dated as of June 22, 2012 (the "Operating Agreement"). By executing this Counterpart, the undersigned hereby: (i) executes the Operating Agreement, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Operating Agreement, (iii) agrees to be bound by the terms and conditions of such Operating Agreement as a Member and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Operating Agreement. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: October 22, 2013

SRA I LLC
Print Name of Entity

By: SRA Management Associates
LLC, its Manager
By: 
Signature of Authorized Signatory

John V. Bivona, Manager
Print Name and Title of Signatory

Tax ID No: 46-3758478

**MEMBER COUNTERPART SIGNATURE PAGE TO
LIMITED LIABILITY COMPANY AGREEMENT OF CLEAR SAILING GROUP V LLC**
(Separate counterpart to be completed and signed by each Member)

This Counterpart is executed pursuant to the terms of the Amended and Restated Operating Agreement for Clear Sailing Group V LLC dated as of June 22, 2012 (the "Operating Agreement"). By executing this Counterpart, the undersigned hereby: (i) executes the Operating Agreement, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Operating Agreement, (iii) agrees to be bound by the terms and conditions of such Operating Agreement as a Member and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Operating Agreement. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: January 15, 2014

SRA II LLC

Print Name of Entity

By: SRA Management Associates
LLC, its Manager

By: 

Signature of Authorized Signatory

John V. Bivona, Manager

Print Name and Title of Signatory

Tax ID No: 46-3758478

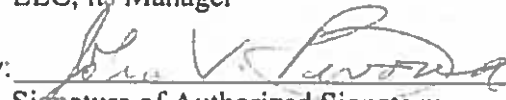
**MEMBER COUNTERPART SIGNATURE PAGE TO
LIMITED LIABILITY COMPANY AGREEMENT OF CLEAR SAILING GROUP V LLC**
(Separate counterpart to be completed and signed by each Member)

This Counterpart is executed pursuant to the terms of the Third Amended and Restated Operating Agreement for Clear Sailing Group IV LLC dated as of March 3, 2014 (the "Operating Agreement"). By executing this Counterpart, the undersigned hereby: (i) executes the Operating Agreement, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Operating Agreement, (iii) agrees to be bound by the terms and conditions of such Operating Agreement as a Member and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Operating Agreement. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: June 3, 2014

SRA III LLC
Print Name of Entity

By: SRA Management Associates
LLC, its Manager

By: 
Signature of Authorized Signatory

John V. Bivona, Manager
Print Name and Title of Signatory

**MEMBER COUNTERPART SIGNATURE PAGE TO
BYE-LAWS OF EQUITY ACQUISITION COMPANY LTD.**

This Counterpart is executed pursuant to the terms of the Bye-Laws for Equity Acquisition Company Ltd. dated 4 February 2015 (the "Bye-Laws"). By executing this Counterpart, the undersigned hereby: (i) executes the Bye-Laws, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Bye-Laws, (iii) agrees to be bound by the terms and conditions of such Bye-Laws as a Director and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Bye-Laws. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: March 27, 2015

SRA I LLC

Print Name of Entity

By: SRA Management Associates LLC, its
Manager

By:


Signature of Authorized Signatory

John V. Bivona, Manager

Print Name and Title of Signatory

Tax ID No: 46-3758478

**MEMBER COUNTERPART SIGNATURE PAGE TO
BYE-LAWS OF EQUITY ACQUISITION COMPANY LTD.**


This Counterpart is executed pursuant to the terms of the Bye-Laws for Equity Acquisition Company Ltd. dated 4 February 2015 (the "Bye-Laws"). By executing this Counterpart, the undersigned hereby: (i) executes the Bye-Laws, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Bye-Laws, (iii) agrees to be bound by the terms and conditions of such Bye-Laws as a Director and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Bye-Laws. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: March 27, 2015

SRA II LLC

Print Name of Entity

By: SRA Management Associates LLC, its
Manager

By: 
Signature of Authorized Signatory

John V. Bivona, Manager

Print Name and Title of Signatory

Tax ID No: 46-3758478

**MEMBER COUNTERPART SIGNATURE PAGE TO
BYE-LAWS OF EQUITY ACQUISITION COMPANY LTD.**

This Counterpart is executed pursuant to the terms of the Bye-Laws for Equity Acquisition Company Ltd. dated 4 February 2015 (the "Bye-Laws"). By executing this Counterpart, the undersigned hereby: (i) executes the Bye-Laws, (ii) acknowledges that he, she or it has been provided with, and has reviewed a copy of the Bye-Laws, (iii) agrees to be bound by the terms and conditions of such Bye-Laws as a Director and (iv) authorizes this signed Counterpart to be attached as a counterpart to the Bye-Laws. A facsimile or .pdf of this Counterpart will have the same effect as an original.

DATE: March 27, 2015

SRA III LLC

Print Name of Entity

By: SRA Management Associates LLC, its
Manager

By: 

Signature of Authorized Signatory

John V. Bivona, Manager

Print Name and Title of Signatory

Tax ID No: 46-3758478

EXHIBIT B –SAMPLE CONFIRMATION LETTER

Wednesday, April 06, 2016

Badgeville, Inc.
805 Veterans Boulevard # 307
Redwood City, California 94063

Dear Sir or Madam:

Sherwood Partners, Inc. (“Sherwood”) has been retained to conduct a review and confirmation of Clear Sailing Group IV, LLC (“Clear Sailing”) holdings. In particular, Sherwood would like to confirm Clear Sailing’s shares of Badgeville, Inc. (“Badgeville”) Common Stock. We would appreciate your support in assisting Sherwood to obtain this confirmation of the total number of shares of Common Stock.

Our records indicate that Clear Sailing is currently the holder of 631,578 shares of Badgeville’s Common Stock.

Please indicate in the space provided below, whether this balance agrees with your records as of March 31, 2016. If there are differences, please provide any information that would assist Sherwood in reconciling the difference. Please supply Sherwood with a copy of your response as soon as possible by: i) email to nhernandez@shrwood.com; ii) mail to Sherwood Partners, Inc., 1100 La Avenida Street, Building A, Mountain View, California, 94043, using the addressed envelope provided; or iii) fax to (650) 454-8052, Attn: Nicolas B. Hernandez.

Your prompt response will help us complete the review and confirmation on a timely basis. Thank you for your assistance.

Very truly yours,

Clear Sailing Group IV, LLC

John V. Bivona
Manager

The above stated amount is correct as of March 31, 2016, with the following exceptions (if any):

Company: _____

Signed: _____

Title: _____

Date: _____