

1 JOHN W. COTTON (SBN 54912)
 Email: JCotton@gghslaw.com
 2 GARTENBERG GELFAND & HAYTON LLP
 15260 Ventura Blvd., Suite 1920
 3 Sherman Oaks, CA 91403
 (213) 542-2100
 4 (818) 292-0898

5 Counsel to Receiver
 Sherwood Partners, Inc.

6
 7 **UNITED STATES DISTRICT COURT**
 8 **NORTHERN DISTRICT OF CALIFORNIA**
 9

10 SECURITIES AND EXCHANGE COMMISSION, 11 Plaintiff, 12 v. 13 JOHN V. BIVONA; SADDLE RIVER 14 ADVISERS, LLC; SRA MANAGEMENT ASSOCIATES, LLC; 15 FRANK GREGORY MAZZOLA 16 Defendants) Case No. 3:16-cv-1386)) DECLARATION OF) GEORGIANA NERTEA IN) SUPPORT OF MOTION FOR) APPROVAL OF) CONSOLIDATED) DISTRIBUTION PLAN)) Date: August 31, 2017) Time: 1:30 PM) Court: 5) Judge: Edward M. Chen
--	--

17
 18
 19 **DECLARATION OF GEORGIANA NERTEA**

20 I, Georgiana Nertea, a Senior Vice President with Sherwood
 21 Partners Inc., Receiver for defendants John V. Bivona, SRA Management
 22 Associates, LLC and Frank Gregory Mazzola, et al, in the above action, declare
 23 as follows:

- 24 1) I have personal knowledge of the facts set forth herein and if
 25 called as a witness could testify competently thereto.
- 26 2) Since on or about January 17, 2017, I have been tasked with
 27 reconciling the Square, Inc. shares remaining in the Receivership and those
 28 already distributed to the Square, Inc. investors of the Defendants. As part of

1 my task I have utilized the following records: the copy of the Square
2 distribution sheet, an internal document of the Defendants prepared by Susan
3 Diamond, employee of the Defendant and the records obtained from the
4 transfer agent, American Stock Transfer (“AST”) directly and indirectly from
5 the Securities and Exchange Commission’s communication with AST.

6 3) Based on my review, it is my current conclusion that there
7 are insufficient Square, Inc. shares with which to make the commitments to
8 investors that have been made by the Defendants. The gross shortfall in
9 Square, Inc. shares comes to 26,607.72 shares. Of the 26,607.72 shares,
10 16,808 Square, Inc. shares were mis-distributed through excess share
11 distributions to Square investors. Hence, the absolute Square, Inc. shares
12 shortfall is 9,799.72, which at the current market price of \$24.11 per share,
13 comes to \$236,271.25. At the same current market price, the gross shortfall of
14 26,607.72 shares comes to \$641,512.13.

15 4) As part of my review I along with Peter Hartheimer of
16 Sherwood spoke with Defendant Bivona to determine if he could explain the
17 shortfall; he claimed that he was not directly involved in any daily
18 recordkeeping.

19

20 I declare under penalty of perjury under the laws of the United
21 States of America that the forgoing is true and correct.

22

23 Dated: June 23, 2017

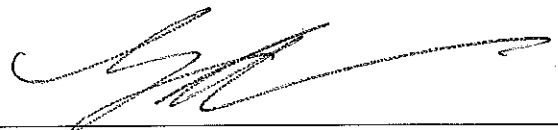
24

25

26

27

28



Georgiana Nertea
Senior Vice President, Sherwood Partners
Inc.