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5 Counsel to Receiver Sherwood
Partners, Inc.

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

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, and

17 SRA I LLC; SRA II LLC; SRA III
18 LLC; FELIX INVESTMENTS,
LLC; MICHELE J. MAZZOLA;
19 ANNE BIVONA; CLEAR
20 SAILING GROUP IV LLC;
CLEAR SAILING GROUP V LLC,

21 Relief Defendants.

Case No. 3:16-cv-1386

**RECEIVER'S APPLICATION
PURSUANT TO L.R. 7-11
FOR APPROVAL OF PRINT
MEDIA NOTIFICATION OF
CLAIM CUT-OFF DATE**

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

23 **I. Background**

24 On October 11, 2016, this Court issued an Order of Appointment of
25 Receiver ("the Order") and thereby appointed Sherwood Partners, Inc.
26 ("Sherwood") as Receiver in this matter. The U.S. Securities & Exchange
27 Commission ("SEC"), counsel for the SRA Investors Group ("SRA IG"),
28

1 counsel for interested investor Global Generation Group LLC, and counsel for
2 Sherwood Partners, Inc. (“the Receiver”) (together “the Parties”) were all in
3 attendance at two hearings before the Court on September 28 and November
4 16, 2017, regarding numerous matters. At the latter hearing, the Receiver
5 recommended to the Court that a notice be published announcing the claim
6 procedure and cut-off date in newspapers of general circulation, and through
7 one online medium. This recommendation was designed to ensure that all
8 possible claimants received notice of the claim procedure and cut-off date,
9 including those unknown to the Receiver from the defendants’ records. The
10 Court indicated that before giving its approval, it wished to see a draft of the
11 proposed notice and its projected cost.¹ It further advised the parties first to
12 meet and confer on this recommendation before coming back to the Court.

13 The Parties have met and conferred on the issues of the breadth of
14 circulation of the proposed publication(s) and the relative cost to undertake it,
15 and the form and content of the notice to be published. The Parties discussed
16 and then agreed that of the numerous potential publications available, the
17 Receiver’s recommendation of either or both the Wall Street Journal (“WSJ”)
18 and the San Jose Mercury News (“SJMN”) for print copy, and the WSJ’s
19 online “banner” notification for online distribution, were the most practical
20 choices.² These choices were based on the national and international reach of
21 the WSJ, and the local venue of most of the pre-IPO companies held by the
22 SRA defendants as being based in the Silicon Valley, where news circulation

23 ¹ The Court indicated that it wanted the draft publication notice and cost schedule to be filed
24 within fourteen (14) days, or December 1, 2017. Due to delays in completing the other tasks
25 required by the Court at the November 16 hearing, and tardiness in response to inquiries by
26 the publishers, the Receiver apologizes to the Court for the obvious failure to timely meet
27 this deadline.

28 ² A WSJ “banner” notice will provide a 14-day period where on-line readers of the
publication will intermittently have an option to review the notice. When they click on the
banner they will be redirected to a landing page that will have the same information as the
notice that will run in the WSJ print.

1 and/or discussion among investors might most naturally originate from
2 publications in the SJMN.³

3 As to the form and content of the notice that would be published, the
4 Receiver circulated a draft to which the parties made agreed changes. Their
5 agreed upon version is attached hereto as Exhibit A, of course subject to any
6 changes desired by the Court. As to the cost of publication, Exhibit B reflects
7 the charges for publication of the proposed notice in only one edition of the
8 WSJ, as well as for a subsequent two-week running of a “banner notice” in the
9 WSJ online edition. The cost of the proposed notice will vary depending on
10 whether more than one (1) edition of either or both print publications is
11 approved. A single publication of the proposed notice in the WSJ costs \$7,552
12 and a single publication in the SJMN costs \$3,315. The WSJ “banner notice”,
13 which costs \$6,300 (with a start up charge of \$400 included) would appear
14 over a two-week period. See: Exhibit B accompanying this Application for a
15 schedule of costs.

16 **II. Receiver’s Recommendation For Publication of the Notice**

17 After consultation with the Parties, the Receiver recommends to the
18 Court that publication of the claim notice procedure and cut-off date be done
19 once (1 edition) in the WSJ, and for two (2) weeks in the WSJ online edition in
20 a publication “banner”. The combined cost for this proposal would total
21 \$13,852. The chief reason for this recommendation is the ability to reach the
22 greatest number of potential investors and creditors nationally and globally by
23 means of the WSJ and its large circulation base. This approach will provide a
24 combination of traditional print notice and online outreach that will best ensure
25 that the Receiver has made every effort to engage creditors and investors who
26 may be unreferenced in the Receivership Estate files, or simply missing. The

27 ³ Since affected investors are located throughout the United States, and internationally, the
28 use of the SJMN, especially when considering costs, appears to be of less importance in
reaching outlier investors. The Court however might view this differently which is why the
projected cost for publication in the SJMN are included here.

1 recommendation eliminates the extra cost of either adding the SJMN, or
2 running the WSJ hard copy notice in two (2) editions which dramatically
3 increases the cost of the publication notice.

4 The Receiver has prepared a draft notice for the publication in the above
5 print media and website which is attached hereto as Exhibit A. The Receiver
6 has also prepared, and attached as Exhibit B, a schedule of the estimated costs
7 of the recommendation for ease of reference. All Parties that participated in the
8 selection of the publication venues and information to be included in the
9 proposed notice have reviewed the draft notice and schedule of costs, and none
10 have any opposition to this Application and Proposed Order approving it.

11 The Parties understand that the Court may wish further input, or
12 discussion on the form of Exhibit A, and the overall costs of publication being
13 recommended. If so, the Parties can be available on short notice for a
14 conference call with the Court as it wishes. Since the January 31, 2018 claim
15 cut off date is quickly approaching it is important to make the final decision on
16 the form of publication notice, and costs, as soon as possible.

17 **III. Conclusion**

18 Based on this Application and its two attached exhibits, the Receiver
19 recommends that the Court approve the proposed publication notice of one (1)
20 edition of the WSJ and a two-week running of the WSJ “banner notice” in its
21 online publication, for a total cost of \$13,852. If the Court wishes to vary from
22 the recommendation and wishes the further input of counsel, all have agreed to
23 be available for a conference call.

24
25 Dated: December 13, 2017

GARTENBERG GELFAND HAYTON
LLP

26
27 By: /s/ John W. Cotton
JOHN W. COTTON
Counsel to the Receiver

Exhibit A

**IN THE UNITED STATES DISTRICT COURT FOR
THE NORTHERN DISTRICT OF CALIFORNIA
*Securities and Exchange Commission v. Bivona,
et al.*, Case No. 3:16-cv-1386-EMC**

**SUMMARY NOTICE OF DEADLINE FOR
INVESTORS AND CREDITORS TO FILE
PROOFS OF CLAIM IN THE SRA FUNDS
RECEIVERSHIP ACTION**

To: All persons who are currently invested in one or more of the following investment funds (collectively, the “Receivership Funds”):

1) SRA I LLC; 2) SRA II LLC; 3) SRA III LLC; 4) NYPA Fund I LLC; 5) NYPA Fund II LLC; 6) Felix Multi-Opportunity Fund I LLC; and 7) Felix Multi-Opportunity Fund II LLC.

To: All persons who are creditors of one or more of the following entities (collectively, the “Receivership Entities”):

1) SRA Management Associates, LLC; 2) FMOF Management Associates, LLC; 3) NYPA Management Associates, LLC; 4) Clear Sailing Group IV, LLC; 5) Clear Sailing Group V, LLC; and 6) One or more of the Receivership Funds.

YOU ARE HEREBY NOTIFIED, that the United States District Court for the Northern District of California has set a deadline for all persons who are investors in one or more of the Receivership Funds or creditors of one or more of the Receivership Entities to file proofs of claim in the *SEC v. Bivona* receivership action. If you have an interest in one or more of the Receivership Funds or Receivership Entities, either as an investor or creditor, you must submit a proof of claim to the Receiver on or before January 31, 2018.

If you do not submit your completed proof of claim form by January 31, 2018, you will be forever barred from asserting any claim against the Receivership Funds and Receivership Entities and you will not be eligible to receive any distributions from the Receivership.

If you have not already received a Proof of Claim from the Receiver, go to saddleriver@shrwood.com or write to Sherwood Partners, Inc., P.O. Box 391600, Mountain View, CA 94039. If you have already submitted a claim, there is no need to submit another in response to this advertisement.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK’S OFFICE REGARDING THIS NOTICE. If you have any questions about this Notice, please contact the Receiver at the addresses listed above or by telephone at (650) 329-9996.

By Order of the Court, United States District Court,
Northern District of California

Exhibit B

Print Production Dates	Set up Cost	14-Dec	18-Dec	8-Jan	11-Jan	EXT ¹
San Jose Mercury News						
Wall Street Journal (WSJ)			\$ 7,552.00			\$ 7,552.00
Banner Add Run Dates						
WSJ-Online Jan 8, 2018 - Jan 20, 2018	\$ 400.00			\$ 5,900.00		\$ 6,300.00
					Total	\$ 13,852.00

1. Each edition of the SJMN would cost \$3,315 and further editions of the WSJ would be another \$7,552 per edition.

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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

) Case No. 3:16-cv-1386

) **[PROPOSED] ORDER**
) **GRANTING THE**
) **RECEIVER'S**
) **ADMINISTRATIVE**
) **APPLICATION PURSUANT**
) **TO L.R. 7-11 FOR THE USE**
) **OF A PUBLICATION**
) **NOTICE OF CLAIM**
) **PROCEDURE AND CUT-OFF**
) **DATE**

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

The Receiver in the above matter, Sherwood Partners, Inc. ("Sherwood"), requests that this Court approve its Application pursuant to L.R. 7-11 for the use of a publication notice, in the form of Exhibit A to the Application, to reach potential investors and creditors who may not be identified in the files of the defendants, and therefore may not be aware of the claim process approved by the Court.

The Receiver makes this application on the basis that the recommended publication, the Wall Street Journal, has the breadth and reach of a national and international publication, and is likely to reach the greatest universe of potentially affected investors and creditors. Moreover, since the defendants' records reflect that affected creditors and investors reside throughout the United States, and in various foreign countries, the use of any local publications either in the

1 Northern District, or other federal districts is not likely to reach the
2 greatest number of affected creditors and investors.

3 The Receiver also represents that the affected parties to this
4 matter have been involved in the drafting of the proposed notice and
5 the selection of the Wall Street Journal, and no affected party opposes
6 this recommendation or the costs of publication set forth in Exhibit B to
7 the Application.

8 GOOD CAUSE APPEARING, the Court hereby authorizes the
9 Receiver to publish the notice set forth in Exhibit A for the projected
10 costs set forth in Exhibit B to its Application.

11
12 IT IS SO ORDERED.

13 DATED: December __, 2017

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16 Judge Edward M. Chen
17 United States District Court
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5 Counsel to the Receiver
Sherwood Partners Inc.

7 UNITED STATES DISTRICT COURT
8 NORTHERN DISTRICT OF CALIFORNIA

10 SECURITIES AND EXCHANGE
COMMISSION,

11 Plaintiff,

12 v.

13 JOHN B. BIVONA; SADDLE RIVER
14 ADVISORS, LLC; SRA
MANAGEMENT ASSOCIATES, LLC;
15 FRANK GREGORY MAZZOLA

16 Defendants.

17 SRA I LLC; SRA II LLC, SRA III
18 LLC, FELIX INVESTMENTS, LLC;
MICHELE J. MAZZOLA; ANNE
19 BIVONA; CLEAR SAILING GFOUP
IV LLC; CLEAR SAILING GROUP V
20 LLC,

21 Relief Defendants.

Case No. 3:16-cv-1386

CERTIFICATE OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) and not a party to the within action. My business address is 15260 Ventura Blvd., Suite 1920, Sherman Oaks, California 91403.

On December 14, 2017 I served the following document(s) described as

- **RECEIVER’S APPLICATION PURSUANT TO L.R. 7-11 FOR APPROVAL OF PRINT MEDIA NOTIFICATION OF CLAIM CUT-OFF DATE**
- **[PROPOSED] ORDER GRANTING THE RECEIVER’S ADMINISTRATIVE APPLICATION PURSUANT TO L.R. 7-11 FOR THE USE OF A PUBLICATION NOTICE OF CLAIM PROCEDURE AND CUT-OFF DATE**

on the interested parties in this action:

(X) by serving () the original **(X)** true copies thereof as follows:

Frank Gregory Mazzola 27 Dogwood Hill Drive Upper Saddle River, NJ 07458	Michele J. Mazzola 27 Dogwood Hill Drive Upper Saddle River, NJ 07458
Marc David Katz Securities and Exchange Commission 44 Montgomery Street Suite 2800 San Francisco, CA 94104	

(XX) BY MAIL I caused such envelope to be deposited in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid. I am “readily familiar” with the firm’s practice of collection and processing correspondence for mailing. It is deposited with U.S. postal service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one (1) day after date of deposit for mailing in affidavit.	() BY FACSIMILE TRANSMISSION I caused said document(s) to be transmitted by facsimile transmission to the name(s) and facsimile telephone number(s) of the person(s) named on the attached service list. The facsimile machine telephone number of the sending facsimile machine was (213) 542-2101. A transmission report was issued by the sending facsimile machine confirming that the transmission was completed without error. A true and correct copy of said transmission report is attached hereto.
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(X) FEDERAL I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

(X) EXECUTED on December 14, 2017 at Sherman Oaks, California.



 Nicole Salazar