

EXHIBIT 1

PRICE	DATE	Sent	Sent from	Notes
30.00	11/13/2015	\$ 225,000.00	Sent from JVB esq (6785)	FF I - Payed JVB back on 11/25/2015 \$225,000
2.00	11/13/2015	\$ 50,000.00	Sent from Fortuna Fund II LLC (9323)	
32.00	11/20/2015	\$ 425,000.00	Sent from Fortuna Fund II LLC (9323)	
	12/4/2015	\$ 200,000.00	Sent from JVB esq (6785)	FF II - Sent EAC \$200,000 12/4/2015 - EAC will Pay JVB back - Wired came back Journal to JVB Escrow on 12/;
	12/4/2015	\$ 200,000.00	Sent from Fortuna Fund I LLC (9315)	
	12/11/2015	\$ 45,000.00	EAC sent	
	12/11/2015	\$ 126,820.00	Sent from Fortuna Fund I LLC (9315)	EAC ows Fortuna Fund I \$119,460.00 (EAC Wired \$40,000 12/29/15) = \$79,460.00 - EAC Wired \$79,460.00 on 1/27/16
	12/18/2015	\$ 140,100.00	Sent from Fortuna Fund I LLC (9315)	
	First Batch	\$ 1,411,920.00	Total Sent	
33.00	1/28/2016	\$ 225,000.00	EAC sent	
2.00	1/28/2016	\$ 108,400.00	Sent from Fortuna Fund I (9315)	
35.00	1/28/2016	\$ 423,520.00	Sent from JVB esq (6785)	
	Second Barch	\$ 756,920.00	Total Sent	
	Grand total	\$ 2,168,840.00		
\$	2.00	\$94,128.00	Fee	
		\$84,788.00	Original fee	EAC Payed Paul \$52,992.50 1/6/2016 sent wires. Larry not paid yet \$31,796.00 or
		\$9,340.00	Purchased additional shares 4,670 on 12/18	Paid Paul full amount Paul will give larry his share
\$	2.00	\$45,872.00	Fee onsecond batch	Paul gets 1.25 Larry .75
				Eac payed paul 2/10/16 \$50,000
				EAC Payed Paul 2/17/16 \$27,700

SHARES	PRICE	DATE	Sent	Sent from
12,500	\$ 72.50	6/18/2015	\$ 818,250.00	Sent from SRA II (TD Bank) on 6/18/15
			\$ 88,000.00	Sent from EAC on 6/19/2015

307 \$ 72.50 Sold to EAC, EAC sold to CTH 6/18/2015

3,000
500

98
400
327

1,800
5,000

653

415

Note: Series Z-4(SA) shares are post-split. All other series on this page are pre-split.

SHARES	PRICE	DATE	Sent	Sent from
14,000	\$ 37.00	4/24/2015	\$518,000	SRA II to EAC Fed Ref # 20150424B1B7SM1F000073
2,524				Sold to CTH on 5/15/2015 @ \$39.50
2,768				Sold to CTH on 6/18/2015 @ \$39.50
940				Sold to CTH on 6/26/2015 @ \$39.50
2,381				
219				
1,059				
			1,320	27,027 total 1,320 from this one & 25,707 from next one
583				
1,429				
1,833				
264	-			Split 5 for 1 12/2015

Note: Shares on this page are post-split

SHARES	PRICE	DATE	Sent	Sent from
16,500	\$37.00	9/24/2015	\$610,500	SRA III sent \$410,000 to Chasm on 9/24/15 Eac sent \$200,500 to Chasm on 9/24/15
2,190				Sold to CTH on 8/13/2015 @ \$39.50
2,190				Sold to CTH on 9/18/2015 @ \$39.50
6,053				
25,707		27,027	total 1,320	from other one & 25,707 from this one
3,067				
1,324				
2,613				
6,000				
2,347				
4,934				
2,000				
3,632				
12,120	2,923	Split 5 for 1 12/2015		

BUYER	SHARES	PRICE	DATE	Sent	Sent from
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EAC (LTD)	15,000	\$ 25.00	8/4/2015	\$ 3,000.00	Sent \$3,000 to LYFT From EAC
				\$ 100,000.00	EAC sent \$100,000 on 8/14/15
				\$ 275,000.00	Sent \$275,000 from SRA I 8/25/15

	1,532	\$ 26.00	6/26/2015	\$ 39,832.00	Paid us \$39,592 owes us \$240.00
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1022
1152
1815

2000
2000
354

2525

600
2,000

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ARES	PRICE	DATE	Sent	Sent from
000.00	\$ 26.00	8/4/2015	\$ 3,000.00	Sent \$3,000 to LYFT From EAC
			\$1,040,000.00	Owed

IES	PRICE	DATE	
1,283	\$ 1.70	12/23/2013	McCabe: consulting fee- \$0.02 (of \$1.70, paid \$1.68)
1,717	\$ 1.70	12/23/2013	
1,000	\$ 1.70	1/10/2014	McCabe: consulting fee- \$0.02 (of \$1.70, paid \$1.68)
1,000	\$ 1.70	1/10/2014	McCabe: consulting fee- \$0.02 (of \$1.70, paid \$1.68)
0,000	\$ 1.70	3/20/2014	McCabe: consulting fee- \$0.02 (of \$1.70, paid \$1.68)
1,000	\$ 1.70	3/24/2014	McCabe: consulting fee- \$0.02 (of \$1.70, paid \$1.68)
1,545		3/13/2015	

Redemption on 44,545 shares 3/13/15 leaves 66,819 in series

Redemption on 4,281.15 Federman & Kirk (Shalva Morris - Halcyon client)

Redemption on 44,545 shares 3/13/15 leaves 66,819 in series

RES	PRICE	DATE	Sent	Sent from
5,000	\$1.90	7/8/2015	\$	150,000.00 Sent from SRA III (TD Bank) on 7/8/15
		7/15/2015	\$	50,000.00 Sent from SRA III (TD Bank) on 7/8/15
		10/19/2015	\$	200,000.00 Sent from EAC
		10/19/2015	\$	711,601.50 Sent from JVB esq (6785) Moved \$600,000 from SRA II, \$
		10/29/2015	\$	75,000.00 Sent from EAC
		10/29/2015	\$	300,000.00 Pine Street Partners, LLC
		10/29/2015	\$	99,898.50 Sent from SRA II (TD Bank) on 10/29/2015
		Total Sent	\$	1,586,500.00

5,000
3,000
3,000
3,800
5,133
3,167

3,000
4,000
5,482
3,430
5,333
5,020
3,000
5,842

3,333
2,450
1,225
5,000
5,000
5,000
3,000
5,401
3,000

3,333

5,766 \$2.45
3,142 \$2.50
3,000 \$2.50
2,180 \$2.50

2,895

1 JINA L. CHOI (N.Y. Bar No. 2699718)
JOHN S. YUN (Cal. Bar No. 112260)
2 yunj@sec.gov
MARC D. KATZ (Cal. Bar No. 189534)
3 katzma@sec.gov
JESSICA W. CHAN (Cal. Bar No. 247669)
4 chanjes@sec.gov

5 Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
6 44 Montgomery Street, Suite 2800
San Francisco, CA 94104
7 Telephone: (415) 705-2500
Facsimile: (415) 705-2501

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

12 SECURITIES AND EXCHANGE COMMISSION,

13 Plaintiff,

14 v.

15 JOHN V. BIVONA; SADDLE RIVER
ADVISORS, LLC; SRA MANAGEMENT
16 ASSOCIATES, LLC; FRANK GREGORY
MAZZOLA,

17 Defendants, and

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

21 Relief Defendants.
22

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

**DECLARATION OF ELLEN CHEN IN
SUPPORT OF PLAINTIFF'S MOTION
ESTABLISHING SHORTFALLS**

Date: July 16, 2018
Time: 1:30 pm
Courtroom: 5
Judge: Edward M. Chen

1 I, Ellen Chen, declare pursuant to 28 U.S.C. § 1746, as follows:

2 1. I have personal knowledge of the facts set forth below and, if called as a witness, I
3 could and would competently testify to the facts stated herein.

4 2. I am a Certified Public Accountant licensed by the State of California since 2007 and a
5 Certified Fraud Examiner since 2009. I am currently employed as an Accountant by the Securities
6 and Exchange Commission (“SEC” or “Commission”), Division of Enforcement, in the San
7 Francisco Regional Office. My work in the accounting profession includes experience as an auditor
8 focusing on financial statement audits and as a consultant focusing on forensic accounting, fraud
9 investigations and litigation support.

10 **I. Background**

11 3. The declaration is prepared in response to the Court’s request from the June 22, 2018
12 Case Management Conference for the SEC to identify shortfalls other than that attributable to Global
13 Generation and Progresso.

14 **II. Shares Held for Receivership Funds by Equity Acquisition Company, Ltd. (“EAC”)**

15 4. My analysis relies upon records obtained from defendant Saddle River Advisors, LLC
16 by the Receiver. Specifically, a document titled “LONG SHEET – ANDREA.xlsx” appears to be a
17 workbook prepared by a former Saddle River employee containing information on each investment,
18 including the seller, the buyer and the allocation of shares by fund and series (“Long Sheets”). I
19 relied upon investor lists for the receivership funds to verify the total allocated number of shares to
20 each series within the Long Sheets and found no material discrepancies. To the extent records were
21 available, I traced purchases of pre-IPO shares to seller agreements and bank statements and found no
22 material discrepancies to the Long Sheets¹. Attached to my declaration is Exhibit 1, which contains
23 tabs from the Long Sheets used in the analysis below.

24 5. According to the Long Sheets, investments in Uber, Inc. “Uber”, Airbnb, Inc.
25 “Airbnb”, Pinterest, Inc. “Pinterest”, and Lyft, Inc. “Lyft” appear to be held solely in the name of
26 EAC. This means that there are *no* Uber, Airbnb, Pinterest, or Lyft shares held in the name of any

27 ¹ EAC bank statements were unavailable to trace payments from its bank to sellers of pre-IPO shares.
28

1 receivership entity. Although the Long Sheets do not reflect the receivership's direct ownership of
2 Uber, Airbnb, Pinterest, or Lyft shares, the Long Sheets do show that some shares held by EAC are
3 allocated, or owed, to the receivership and receivership investors. For example, the Airbnb tab of the
4 Long Sheets reflects a total of 12,500 shares held by EAC, with 11,125 of these Airbnb shares owed
5 to series within SRA I, SRA II, and SRA III. Using the investor lists, I was able to confirm that the
6 allocated Airbnb shares are owed to SRA Funds investors. As a result, if EAC does not deliver the
7 11,125 Airbnb shares allocated the receivership on the Long Sheet, there would be an 11,125 Airbnb
8 share shortfall to the receivership investors.

9 6. Both Clear Sailing Group IV, LLC ("CSG") and EAC have agreements with sellers of
10 Practice Fusion, Inc. ("Practice Fusion") shares. The 835,000 shares in the table below reflect those
11 Practice Fusion shares held by EAC, with 584,616 of those shares owed to the SRA Funds. CSG and
12 the SRA Funds hold a total of 1,550,455 Practice Fusion shares, of which 39,522 shares are allocated
13 to and held on behalf of EAC. On a net basis, CSG is due 545,094 Practice Fusion shares from EAC.
14 In total, the receivership owes 2,140,094 Practice Fusion shares to receivership investors. As a result,
15 if EAC does not deliver the 545,094 Practice Fusion shares owed to the receivership, there will be a
16 shortfall of 545,094 Practice Fusion shares for the receivership investors.

17 7. The table below summarizes the potential shortfall to the receivership if shares in the
18 five investments listed are not transferred to the Receiver. As discussed above in paragraph 5, the
19 "Shares due Receiver" reflect the number of shares (for example 11,125 Airbnb shares) that the Long
20 Sheets indicate have been allocated to a receivership entity and are therefore owed to a receivership
21 investor. Hence, if those shares are not received, there will be a shortfall (for example 11,125 Airbnb
22 shares) in that investment for the receivership.

Investment	Based on Long Sheets			Potential Shortfall to Receiver if shares not received from EAC	Type of Contract
	Shares held in the name of EAC	Shares due EAC ²	Shares due Receivership Investors		
Uber	70,000		500	500	forward contract
Airbnb	12,500		11,125	11,125	forward contract
Pinterest ¹	152,500		69,614	69,614	forward contract
Lyft	55,000		9,479	9,479	purchase of common stock
Practice Fusion	835,000	-	584,616	545,094	purchase of common stock
Practice Fusion		39,522			

1: Shares are calculated post-split. Pinterest shares split 1 to 5 in December 2015

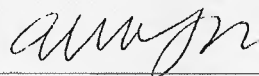
2: Shares are held in the name of CSG and appear to be allocated to EAC

8. There was a telephonic conference call held on March 2, 2018 between myself, the Receiver, and Carsten Klein, Director of EAC, to review the allocation of shares between the receivership and EAC. There was agreement between all parties on the shares due to the receivership and the shares due EAC. There was also agreement between all parties that the Long Sheets were the most reliable records to show the relationship between purchased shares and allocated shares.

9. I have also performed an analysis on the allocation of shares between the receivership and EAC based on the initial sources of money used to purchase investments from sellers. Based on this analysis and the available records, there would be additional shares due to the receivership from EAC because one or more of the receivership entities paid more money at the time of purchase than shares ultimately allocated.

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

Executed in San Francisco, California on June 28, 2018.



Ellen Chen