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5 Counsel to Receiver Sherwood
Partners Inc.

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 **ADVISORS, LLC; SRA**
15 **MANAGEMENT ASSOCIATES, LLC;**
FRANK GREGORY MAZZOLA

16 Defendants.

Case No. 3:16-cv-1386

DECLARATION OF
MICHAEL MAIDY IN
SUPPORT OF RECEIVER'S
ACCOUNTANT'S FIRST FEE
AND EXPENSE
APPLICATION FOR THE
PERIOD NOVEMBER 1, 2017
TO APRIL 30, 2018

Date: August 9, 2018

Time: 1:30 PM

Courtroom: 5

Judge: Edward M. Chen

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19 **DECLARATION OF MICHAEL MAIDY**

20 I, Michael Maidy, am the Co-Managing Member and Co-Founder
21 of Sherwood Partners Inc., the Receiver in this action. I hereby declare as
22 follows:

- 23
24 1) Since October 11, 2016, I have acted as Sherwood Partners, Inc.'s lead
25 member in the proper discharge of its duties set out in this Court's Order
26 from October 11, 2016 ("the Order"), appointing it as Receiver over the
27 corporate defendant entities, and their affiliates. Among those duties are
28 those contained in Section II, C, D and F of the Order, in which the

1 Receiver is charged with administering the Receivership Estate in the
2 ordinary course of business, which includes the preparation of tax
3 returns.

4
5 2) When Sherwood took over as Receiver in October 2016, it was the
6 Receiver's understanding that the Receivership Defendants had not filed
7 the 2015 limited liability company tax returns. Further, after taking
8 control of these Relief Defendants, Sherwood as Receiver was obligated
9 under the Order in fulfilling its duty to administer the Estate, to ensure
10 that the Relief Defendants 2016 limited liability company tax returns
11 were filed for the periods prior to, and after, October 11, 2016.

12
13 3) In connection with the duty to prepare and file federal and state tax
14 returns, Sherwood required the assistance of experienced tax return
15 preparers, compliance experts and accountants, that could more
16 efficiently organize, and bring up to date, the Relief Defendants
17 disorganized and incomplete books and records necessary for any tax
18 return preparation, and/or taxes due computation. This work was
19 undertaken and completed by the firm of Fineman West LLP
20 ("Fineman"), through its Los Angeles Office.

21
22 4) Sherwood's Senior Management, including myself, have worked
23 extensively over the years with Fineman personnel in its Los Angeles
24 Office. Sherwood has found Fineman to be an efficient, reliable and
25 capable firm for undertaking the work that was involved here for the
26 Relief Defendants.

1 5) At the time Fineman was engaged to undertake the work described in
2 Paragraph 3 above, Sherwood personnel assigned to the Receivership
3 assumed that under the language of the first paragraph of Section XIV of
4 the Order, the engagement of Fineman did not require this Court's prior
5 approval, as its expense was to be incurred "in the ordinary course of the
6 administration and operation of the receivership".

7
8 6) At the time of the preparation of this Declaration, Sherwood was
9 advised by counsel that the second paragraph of Section XIV might
10 however be construed as requiring advance approval for the engagement
11 of Fineman. If that is so, Sherwood apologizes for any unintentional
12 failure to seek advance approval for the use of Fineman. It should be
13 noted that Sherwood, as Receiver, intends to continue to use Fineman for
14 future Etax return preparation, if approved by the Court.

15
16 7) I am one of Sherwood's personnel knowledgeable about the work
17 performed by Fineman and believe that Fineman rendered the services
18 outlined in the attached invoices. I have reviewed the invoices for
19 fairness and reasonableness and find them to be so. The rates are
20 customary for the type of work performed. The fees and expenses for the
21 period above referenced relate specifically to the preparation of
22 partnership income tax returns for the tax years 2015 and 2016 for the
23 following entities: SRA I, LLC ("SRA I"), SRA II, LLC ("SRA II"),
24 SRA III, LLC ("SRA III") and SRA Management Associates, LLC
25 ("SRA Management").

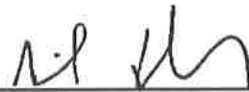
26
27 8) Since Sherwood's appointment as Receiver, the Receiver's accountant's
28 fee and expenses for the period November 1, 2017 to April 30, 2018

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have totalled \$33,778.50. This breaks down to: (i) \$10,777.50 for the two years returns for SRA I; (ii) \$10,158.50 for the two years returns for SRA II; (iii) \$7,947.50 for the two years for returns for SRA III; and (iv) \$4,895 for the two years returns for SRA Management Associates LLC. The complete billing invoices are attached to this Declaration as Exhibit A.

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

Dated: June 24, 2018



Michael Maily
Representative of Receiver, Sherwood
Partners, Inc.

Exhibit A

Beyond the Numbers

FINEMAN | WEST

& COMPANY

SRA I, LLC
 C/O SHERWOOD PARTNERS, INC.
 1100 LA AVENIDA STREET, BUILDING A
 MOUNTAIN VIEW, CA 94043

Invoice #: 178646
 Date: 04/30/2018
 Client ID: 56623.041

Professional services rendered

Professional services rendered from November 1, 2017 through April 30, 2018

Preparation of 2015 and 2016 partnership income tax returns, bookkeeping to clean up trial balance provided

| | | | | |
|-------|-------|------------|---------|-----------------|
| 0.25 | hours | H. West | @ \$495 | 123.75 |
| 2.00 | hours | J. Hyldahl | @ \$495 | 990.00 |
| 2.50 | hours | W. On | @ \$495 | 1,237.50 |
| 0.25 | hours | J. Zhou | @ \$290 | 72.50 |
| 8.00 | hours | S. Choi | @ \$260 | 2,080.00 |
| 2.00 | hours | S. Choi | @ \$225 | 450.00 |
| 0.75 | hours | R. Burr | @ \$200 | 150.00 |
| 21.75 | hours | A. Wu | @ \$165 | 3,588.75 |
| 0.50 | hours | J. Bains | @ \$165 | 82.50 |
| 2.00 | hours | A. Wu | @ \$150 | 300.00 |
| 1.00 | hours | J. Davis | @ \$120 | 120.00 |
| 0.25 | hours | L. Ochoa | @ \$120 | 30.00 |
| 0.25 | hours | J. Goldman | @ \$110 | 27.50 |
| | | | | <u>9,252.50</u> |

Expenses

| | |
|-------------------------|---------------|
| Computax Charges - 2015 | 770.00 |
| Computax Charges - 2016 | <u>755.00</u> |
| | 1,525.00 |

| | |
|--------------------|---------------------|
| Current Amount Due | \$ 10,777.50 |
| Prior Balance | <u>0.00</u> |
| Total Amount Due | \$ <u>10,777.50</u> |

SRA I, LLC WORK PERFORMED 11/1/17 TO 4/30/18

| Date | Employee | Cat | SubCat | Memo | Billing Rate | Hours | Billed |
|---------------|----------|-------|--------|--|--------------|-------|---------------------------|
| 1/9/2018 | BAINS | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | \$ 165.00 | 0.50 | \$ 82.50 |
| 4/3/2018 | BURR | TAX | 1065 | 2015 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 4/4/2018 | BURR | TAX | 1065 | 2016 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 11/6/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 0.50 | 112.50 |
| 11/8/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 1.50 | 337.50 |
| 1/5/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 1.00 | 260.00 |
| 1/22/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.50 | 130.00 |
| 1/25/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.50 | 130.00 |
| 1/31/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 2.25 | 585.00 |
| 2/1/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 3.50 | 910.00 |
| 3/2/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.25 | 65.00 |
| 2/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 3/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 11/2/2017 | GOLDMAN | TAX | 1065 | ADMINISTRATION- New Client Set-up | 110.00 | 0.25 | 27.50 |
| 3/2/2018 | GOLDMAN | TAX | 1065 | ADMINISTRATION-E-Filed Extension for 2017 TR | 200.00 | 0.25 | 50.00 |
| 4/30/2018 | HYLDAHL | CONSU | MAS | REVIEW SEC COMPLAINT AND FOOTNOTE DISCLOSURES TO RETURN | 495.00 | 2.00 | 990.00 |
| 3/2/2018 | OCHOA | TAX | 1065 | ADMINISTRATION Extension assembly/scanning/email | 120.00 | 0.25 | 30.00 |
| 2/6/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.50 | 742.50 |
| 2/19/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.00 | 495.00 |
| 4/3/2018 | WEST | CONSU | MAS | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 0.25 | 123.75 |
| 11/29/2017 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 150.00 | 1.00 | 150.00 |
| 11/30/2017 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 150.00 | 1.00 | 150.00 |
| 1/9/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 6.50 | 1,072.50 |
| 1/10/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 5.00 | 825.00 |
| 1/11/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 1.00 | 165.00 |
| 1/23/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 6.00 | 990.00 |
| 2/7/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 1.00 | 165.00 |
| 2/8/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 1.00 | 165.00 |
| 3/1/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 0.75 | 123.75 |
| 3/5/2018 | WU | TAX | 1065 | 1065 FIX TRANSMITTAL LETTER | 165.00 | 0.50 | 82.50 |
| 2/7/2018 | ZHOU | TAX | 1065 | 1065 FIX TRANSMITTAL LETTER AND GETTING RETURN READY TO CLIENT | 290.00 | 0.25 | 72.50 |
| SUBTOTAL | | | | | | | 9,252.50 |
| 2/7/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2015 RETURN | | | 770.00 |
| 3/30/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2016 RETURN | | | 755.00 |
| Total: | | | | | | | 41.50 \$ 10,777.50 |

Beyond the Numbers

FINEMAN | WEST

& COMPANY

SRA II, LLC
 C/O SHERWOOD PARTNERS, INC.
 1100 LA AVENIDA STREET, BUILDING A
 MOUNTAIN VIEW, CA 94043

Invoice #: 178647
 Date: 04/30/2018
 Client ID: 56623.042

Professional services rendered

Professional services rendered from November 1, 2017 through April 30, 2018

Preparation of 2015 and 2016 partnership income tax returns, bookkeeping
 to clean up trial balance provided

| | | | |
|-------------|------------|---------|-----------------|
| 0.25 hours | H. West | @ \$495 | 123.75 |
| 2.50 hours | W. On | @ \$495 | 1,237.50 |
| 6.75 hours | J. Zhou | @ \$290 | 1,957.50 |
| 1.50 hours | S. Choi | @ \$260 | 390.00 |
| 2.50 hours | S. Choi | @ \$225 | 562.50 |
| 0.75 hours | R. Burr | @ \$200 | 150.00 |
| 0.90 hours | J. Bains | @ \$165 | 148.50 |
| 19.25 hours | A. Wu | @ \$165 | 3,176.25 |
| 1.00 hours | J. Davis | @ \$120 | 120.00 |
| 0.25 hours | L. Ochoa | @ \$120 | 30.00 |
| 0.25 hours | J. Goldman | @ \$110 | 27.50 |
| | | | <u>7,923.50</u> |

Expenses

| | |
|-------------------------|-----------------|
| Computax Charges - 2015 | 1,055.00 |
| Computax Charges - 2016 | <u>1,180.00</u> |
| | 2,235.00 |

| | |
|--------------------|---------------------|
| Current Amount Due | \$ 10,158.50 |
| Prior Balance | <u>0.00</u> |
| Total Amount Due | \$ <u>10,158.50</u> |

SRA II, LLC WORK PERFORMED 11/1/17 TO 4/30/18

| Date | Employee | Cat | SubCat | Memo | Rate | Hours | Billed |
|---------------|----------|-------|--------|--|-----------|--------------|---------------------|
| 1/9/2018 | BAINS | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | \$ 165.00 | 0.50 | \$ 82.50 |
| 1/11/2018 | BAINS | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 0.40 | 66.00 |
| 4/3/2018 | BURR | TAX | 1065 | 2015 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 4/4/2018 | BURR | TAX | 1065 | 2016 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 11/7/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 1.00 | 225.00 |
| 12/1/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 1.50 | 337.50 |
| 1/5/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.75 | 195.00 |
| 1/26/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.50 | 130.00 |
| 3/2/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.25 | 65.00 |
| 2/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 3/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 11/2/2017 | GOLDMAN | TAX | 1065 | ADMINISTRATION- New Client Set-up | 110.00 | 0.25 | 27.50 |
| 3/2/2018 | GOLDMAN | TAX | 1065 | ADMINISTRATION-E-Filed Extension for 2017 TR | 200.00 | 0.25 | 50.00 |
| 3/2/2018 | OCHOA | TAX | 1065 | Extension assembly/scanning/email | 120.00 | 0.25 | 30.00 |
| 2/6/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.50 | 742.50 |
| 2/19/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.00 | 495.00 |
| 4/3/2018 | WEST | CONSU | MAS | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 0.25 | 123.75 |
| 1/23/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 1.50 | 247.50 |
| 1/24/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 7.50 | 1,237.50 |
| 1/26/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 4.00 | 660.00 |
| 1/31/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 3.00 | 495.00 |
| 2/8/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 2.00 | 330.00 |
| 3/1/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 0.75 | 123.75 |
| 3/5/2018 | WU | TAX | 1065 | 1065 FIX TRANSMITTAL LETTER | 165.00 | 0.50 | 82.50 |
| 1/26/2018 | ZHOU | TAX | 1065 | CALL WITH NICK HERNANDEZ AND GO OVER ASSUMPTIONS | 290.00 | 1.00 | 290.00 |
| 1/31/2018 | ZHOU | TAX | 1065 | 1065 INCOME TAX REVIEW REVIEWED RETURN AND K-1'S HAD TO SPEND EXTRA TIME RECONCILING K-1 PERCENTAGES | 290.00 | 2.50 | 725.00 |
| 2/1/2018 | ZHOU | TAX | 1065 | | 290.00 | 1.00 | 290.00 |
| 2/2/2018 | ZHOU | TAX | 1065 | FURTHER REVIEW RETURNS AND WORKPAPERS, K-1'S DOCUMENT AND DISCUSS ASSUMPTIONS REGARDING LITIGATION | 290.00 | 1.75 | 507.50 |
| 2/6/2018 | ZHOU | TAX | 1065 | MET WITH WENDY TO GO OVER RETURN, ADDED FOOTNOTE REVISED T-LETTER PARAGRAPH | 290.00 | 0.25 | 72.50 |
| 2/7/2018 | ZHOU | TAX | 1065 | 1065 FIX TRANSMITTAL LETTER AND GETTING RETURN READY TO CLIENT | 290.00 | 0.25 | 72.50 |
| | | | | | | | 7,923.50 |
| 2/7/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2015 RETURN | | - | 1,055.00 |
| 3/30/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2016 RETURN | | - | 1,180.00 |
| Total: | | | | | | 35.90 | \$ 10,158.50 |

Beyond the Numbers

FINEMAN | WEST

& COMPANY

SRA III, LLC
 C/O SHERWOOD PARTNERS, INC.
 1100 LA AVENIDA STREET, BUILDING A
 MOUNTAIN VIEW, CA 94043

Invoice #: 178648
 Date: 04/30/2018
 Client ID: 56623.043

Professional services rendered

Professional services rendered from November 1, 2017 through April 30, 2018

Preparation of 2015 and 2016 partnership income tax returns, bookkeeping to clean up trial balance provided

| | | | | |
|-------|-------|------------|---------|-----------------|
| 0.25 | hours | H. West | @ \$495 | 123.75 |
| 1.00 | hours | W. On | @ \$495 | 495.00 |
| 0.50 | hours | J. Zhou | @ \$290 | 145.00 |
| 9.00 | hours | S. Choi | @ \$260 | 2,340.00 |
| 2.50 | hours | S. Choi | @ \$225 | 562.50 |
| 0.75 | hours | J. Ehlers | @ \$220 | 165.00 |
| 0.75 | hours | R. Burr | @ \$200 | 150.00 |
| 16.75 | hours | A. Wu | @ \$165 | 2,763.75 |
| 1.00 | hours | J. Bains | @ \$165 | 165.00 |
| 1.00 | hours | J. Davis | @ \$120 | 120.00 |
| 0.25 | hours | L. Ochoa | @ \$120 | 30.00 |
| 0.25 | hours | J. Goldman | @ \$110 | 27.50 |
| | | | | <u>7,087.50</u> |

Expenses

| | |
|-------------------------|---------------|
| Computax Charges - 2015 | 455.00 |
| Computax Charges - 2016 | <u>405.00</u> |
| | 860.00 |

| | |
|--------------------|--------------------|
| Current Amount Due | \$ 7,947.50 |
| Prior Balance | <u>0.00</u> |
| Total Amount Due | <u>\$ 7,947.50</u> |

SRA III, LLC WORK PERFORMED 11/1/17 TO 4/30/18

| Date | Employee | Cat | SubCat | Memo | Rate | Hours | Billed |
|---------------|----------|-------|--------|---|--------|--------------|-----------------|
| 1/10/2018 | BAINS | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 1.00 | 165.00 |
| 4/3/2018 | BURR | TAX | 1065 | 2015 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 4/4/2018 | BURR | TAX | 1065 | 2016 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 11/3/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 0.50 | 112.50 |
| 11/7/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 1.00 | 225.00 |
| 11/8/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 1.00 | 225.00 |
| 1/5/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.75 | 195.00 |
| 2/1/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 4.50 | 1,170.00 |
| 2/2/2018 | CHOI | TAX | 1065 | 1085 INCOME TAX PREPARATION AND REVIEW | 260.00 | 3.50 | 910.00 |
| 3/2/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.25 | 65.00 |
| 2/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 3/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 11/3/2017 | EHLERS | TAX | Fiduc | EXPORTING QUICKBOOKS | 220.00 | 0.50 | 110.00 |
| 11/3/2017 | EHLERS | TAX | Fiduc | EXPORTING QUICKBOOKS | 220.00 | 0.25 | 55.00 |
| 11/2/2017 | GOLDMAN | TAX | 1065 | ADMINISTRATION- New Client Set-up | 110.00 | 0.25 | 27.50 |
| 3/2/2018 | GOLDMAN | TAX | 1065 | ADMINISTRATION-E-Filed Extension for 2017 TR | 200.00 | 0.25 | 50.00 |
| 3/2/2018 | OCHOA | TAX | 1065 | Extension assembly/scanning/email | 120.00 | 0.25 | 30.00 |
| 2/19/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.00 | 495.00 |
| 4/3/2018 | WEST | CONSU | MAS | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 0.25 | 123.75 |
| 1/25/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 4.00 | 660.00 |
| 1/30/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 7.50 | 1,237.50 |
| 2/1/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 2.00 | 330.00 |
| 2/5/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 2.00 | 330.00 |
| 3/1/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 0.75 | 123.75 |
| 3/5/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 0.50 | 82.50 |
| 2/6/2018 | ZHOU | TAX | 1065 | MET WITH WENDY TO GO OVER RETURN, ADDED FOOTNOTE REVISED T-LETTER PARAGRAPH | 290.00 | 0.25 | 72.50 |
| 2/7/2018 | ZHOU | TAX | 1065 | MET WITH WENDY TO GO OVER RETURN, ADDED FOOTNOTE REVISED T-LETTER PARAGRAPH | 290.00 | 0.25 | 72.50 |
| | | | | | | | <u>7,087.50</u> |
| 2/7/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2015 RETURN | | | 455.00 |
| 3/30/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2016 RETURN | | | 405.00 |
| Total: | | | | | | 34.00 | 7,947.50 |

FINEMAN WEST & COMPANY

SRA MANAGEMENT ASSOCIATES, LLC
C/O SHERWOOD PARTNERS, INC.
1100 LA AVENIDA STREET, BUILDING A
MOUNTAIN VIEW, CA 94043

Invoice #: 178649
Date: 04/30/2018
Client ID: 56623.044

Professional services rendered

Professional services rendered from November 1, 2017 through April 30, 2018

Preparation of 2015 and 2016 partnership income tax returns, bookkeeping to clean up trial balance provided

| | | | |
|-------------|------------|---------|-----------------|
| 0.25 hours | H. West | @ \$495 | 123.75 |
| 2.50 hours | W. On | @ \$495 | 1,237.50 |
| 0.50 hours | J. Dunn | @ \$425 | 212.50 |
| 0.50 hours | J. Zhou | @ \$290 | 145.00 |
| 1.75 hours | S. Choi | @ \$260 | 455.00 |
| 1.00 hours | S. Choi | @ \$225 | 225.00 |
| 0.50 hours | J. Ehlers | @ \$220 | 110.00 |
| 0.75 hours | R. Burr | @ \$200 | 150.00 |
| 10.75 hours | A. Wu | @ \$165 | 1,773.75 |
| 1.00 hours | J. Davis | @ \$120 | 120.00 |
| 0.25 hours | L. Ochoa | @ \$120 | 30.00 |
| 0.25 hours | J. Goldman | @ \$110 | 27.50 |
| | | | <u>4,610.00</u> |

Expenses

| | |
|-------------------------|---------------|
| Computax Charges - 2015 | 150.00 |
| Computax Charges - 2016 | <u>135.00</u> |
| | 285.00 |

| | |
|--------------------|--------------------|
| Current Amount Due | \$ 4,895.00 |
| Prior Balance | <u>0.00</u> |
| Total Amount Due | <u>\$ 4,895.00</u> |

SRA Management Associates, LLC WORK PERFORMED 11/1/17 TO 4/30/18

| Date | Employee | Cat | SubCat | Memo | Rate | Hours | Billed |
|---------------|----------|-------|--------|---|-----------|--------------|--------------------|
| 4/3/2018 | BURR | TAX | 1065 | 2015 EFILE TRANSMISSION ELECTRONIC TAX FILING | \$ 200.00 | 0.25 | \$ 50.00 |
| 4/4/2018 | BURR | TAX | 1065 | 2016 EFILE TRANSMISSION ELECTRONIC TAX FILING | 200.00 | 0.25 | 50.00 |
| 11/3/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 0.50 | 112.50 |
| 11/3/2017 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 225.00 | 0.50 | 112.50 |
| 2/5/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 1.50 | 390.00 |
| 3/2/2018 | CHOI | TAX | 1065 | 1065 INCOME TAX PREPARATION AND REVIEW | 260.00 | 0.25 | 65.00 |
| 2/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 3/7/2018 | DAVIS | TAX | 1065 | ADMINISTRATION- TAX RETURN ASSEMBLY | 120.00 | 0.50 | 60.00 |
| 4/30/2018 | DUNN | TAX | 1065 | PENALTY QUESTIONS | 425.00 | 0.50 | 212.50 |
| 11/3/2017 | EHLERS | TAX | Fiduc | EXPORTING QUICKBOOKS | 220.00 | 0.50 | 110.00 |
| 11/2/2017 | GOLDMAN | TAX | 1065 | ADMINISTRATION- New Client Set-up | 110.00 | 0.25 | 27.50 |
| 3/2/2018 | GOLDMAN | TAX | 1065 | ADMINISTRATION-E-Filed Extension for 2017 TR | 200.00 | 0.25 | 50.00 |
| 3/2/2018 | OCHOA | TAX | 1065 | Extension assembly/scanning/email | 120.00 | 0.25 | 30.00 |
| 2/6/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.50 | 742.50 |
| 2/19/2018 | ON | TAX | 1065 | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 1.00 | 495.00 |
| 4/3/2018 | WEST | CONSU | MAS | PARTNER REVIEW OF INCOME TAX RETURN | 495.00 | 0.25 | 123.75 |
| 2/2/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 7.50 | 1,237.50 |
| 2/8/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 2.00 | 330.00 |
| 3/1/2018 | WU | TAX | 1065 | 1065 TAX RETURN PREPARATION AND CLEAN UP BOOKS | 165.00 | 0.75 | 123.75 |
| 3/5/2018 | WU | TAX | 1065 | FIX T LETTER | 165.00 | 0.50 | 82.50 |
| 2/6/2018 | ZHOU | TAX | 1065 | MET WITH WENDY TO GO OVER RETURN, ADDED FOOTNOTE REVISED T-LETTER PARAGRAPH | 290.00 | 0.25 | 72.50 |
| 2/7/2018 | ZHOU | TAX | 1065 | MET WITH WENDY TO GO OVER RETURN, ADDED FOOTNOTE REVISED T-LETTER PARAGRAPH | 290.00 | 0.25 | 72.50 |
| | | | | | | | 4,610.00 |
| 2/7/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2015 RETURN | | - | 150.00 |
| 3/30/2018 | Firm | EXPEN | Bill | COMPUTAX SOFTWARE CHARGE FOR 2016 RETURN | | - | 135.00 |
| Total: | | | | | | 20.00 | \$ 4,895.00 |

1 JOHN W. COTTON (SBN 54912)
2 Email: JCotton@gghslaw.com
3 GARTENBERG, GELFAND & HAYTON LLP
4 15260 Ventura Blvd., Suite 1920
5 Sherman Oaks, CA 91403
6 (213) 542-2100
7 (818) 292-0898

8 Counsel to Receiver Sherwood
9 Partners, Inc.

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 MANAGEMENT
18 ASSOCIATES, LLC; FRANK GREGORY
19 MAZZOLA

20 Defendants.

Case No. 3:16-cv-1386

**RECEIVER'S MOTION FOR
APPROVAL OF FEES AND
EXPENSES OF TAX
PREPARER RETAINED BY
THE RECEIVER FOR THE
PERIOD NOVEMBER 1, 2017
TO APRIL 30, 2018**

Date: August 9, 2018
Time: 1:30 PM
Courtroom: 5
Judge: Edward M. Chen

21 **PLEASE TAKE NOTICE** that on August 9, 2018, in Courtroom 5 at
22 1:30 PM, the Receiver in the above captioned matter, Sherwood
23 Partners, Inc. ("Sherwood"), will move this Honorable Court for the
24 approval of the fees and expenses of Fineman West & Co. LLP
25 ("Fineman") for their services in the preparation and filing of tax
26 returns for certain of the Defendants and Relief Defendants for the years
27 2015 and 2016. This Motion consists of the Notice of Motion, Motion
28 and the accompanying declaration of Michael Maily as Co- Managing

1 Member and Co-Founder of Sherwood, including Exhibit A appended
2 thereto, which reflects the time billings and expenses of Fineman,
3 performing services at the Receiver's request.

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6 Dated: June 29, 2018

GARTENBERG GELFAND HAYTON
LLP

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9 By: /s/ John W. Cotton

10 John W. Cotton
11 Counsel to the Receiver
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MOTION FOR PAYMENT OF TAX PREPARER'S FEES

I. Background

On October 11, 2016, this Honorable Court issued an Order of Appointment of Receiver ("the Order") and thereby appointed Sherwood Partners, Inc. ("Sherwood") as Receiver in this matter. The Order, at Sec. II F, permitted Sherwood to retain professionals, including accountants, to assist it in performing its duties. See: Docket No. 142. Those duties included, among others, the obligation to ensure that the Defendants and Relief Defendants filed necessary tax returns for their years (or partial years) of operation before becoming assets of the Receivership Estate.

By this Motion, Sherwood, through its Co- Managing Member and Co-Founder, Michael Maily ("Maily") requests that this Court approve the fees and expenses of the accountancy firm of Fineman West LLP ("Fineman"), which was retained by Sherwood to organize, and review the Defendant corporations' books and records for the preparation and filing of federal and state tax returns for the years 2015 and 2016 for four (4) separate SRA entities. This Motion consists of the Notice of Motion, Motion, the Declaration of Maily, and the time and expense records of Fineman (Exhibit A to the Declaration of Maily).

II. The Fee Application for Fineman's Services and Fineman's Further Retention

As the Declaration of Maily sets forth, the period for which Sherwood makes this Motion is November 1, 2017 to April 30, 2018. Fineman presented the Receiver with these bills for the applicable time period, after the conclusion of its work and the filing of the affected federal and state tax returns for the years 2015 and 2016.

1 As Maily notes, at the time of engaging Fineman, Sherwood's staff,
2 in reviewing the language of the *first* paragraph of the Order in Section
3 XIV, believed that the retention of Fineman did not require prior
4 approval of this Court, as such was done "in the ordinary course of the
5 administration and operation of the receivership", under which
6 required business activity did not require any further approval. Maily
7 Decl. at ¶ 5. Subsequently, when Fineman's bills were presented to
8 Sherwood, and the Receiver's counsel reviewed the request for
9 payment, it was then noted to the Receiver by its counsel, that the
10 *second* paragraph of Section XIV of the Order might be applicable, which
11 would have required advance approval of Fineman's retention. Maily
12 Decl. at ¶ 6.

13 Mr. Maily, on behalf of Sherwood, apologizes to the Court for any
14 misinterpretation of Section XIV of Docket No. 142 by its failure to seek
15 approval for Fineman's retention, if in the Court's view such a failure
16 occurred. Further, Mr. Maily respectfully requests approval for the
17 future use of Fineman for the preparation of further, necessary federal
18 and state tax returns of the Defendants and Relief Defendants. Maily
19 Decl. at ¶ 6. As Maily states, he and other senior Sherwood personnel
20 have worked extensively with Fineman, and found it to be a reliable and
21 capable firm for such tax preparation work. Maily Decl. at ¶4.

22 Mr. Maily has reviewed Fineman's billings, and has found them in
23 all respects to be reasonable and necessary, and customary for the work
24 that was performed. In sum, Sherwood believes the format of the
25 Fineman bills to be consistent with the SEC's "Billing Guidelines for
26 Receivers" and to have been done within the assigned scope of work
27 given to them by the Receiver. Maily Decl. at ¶7. Fineman has prepared
28

1 four (4) separate state and federal tax returns for the years 2015 and
2 2016, for the entities SRA Fund I, SRA Fund II, SRA Fund III and SRA
3 Management Associates LLC for the amount requested. Maily Decl. at
4 ¶8.

5 **III. Conclusion**

6 For the forgoing reasons, the Receiver requests that the Court
7 approve the billings of Fineman as tax preparers for the Estate, as set
8 forth above. Those fees and expenses total \$33,778.50 for the work
9 completed in filing 2015 and 2016 tax returns for four (4) separate
10 entities; SRA Fund I, SRA Fund II, SRA Fund III and SRA Management
11 Associates LLC. The Receiver also requests that the Court approve the
12 use of Fineman for further tax preparation work required for the
13 administration of the Receivership estate.

14
15 Dated: June 29, 2018

GARTENBERG GELFAND HAYTON
LLP

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17 By: /s/ John W. Cotton
18 John W. Cotton
19 Counsel to the Receiver
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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 REQUEST FOR
THE PAYMENT OF TAX
PREPARER'S FEES FOR
THE PERIOD NOVEMBER 1,
2017 TO APRIL 30, 2018**

) Date: August 9, 2018

) Time: 1:30 AM

) Courtroom: 5

) Judge: Edward M. Chen

The Receiver in the above matter, Sherwood Partners, Inc. ('Sherwood'), requests that this Court approve its Motion to Pay the Fees and Expenses of tax preparers retained by it pursuant to this Court's Order of October 11, 2016, Docket No. 142, ("the Order")

The Receiver makes this Motion based upon the accompanying Declaration of Michael Maily of Sherwood, and Exhibit A attached thereto. The Declaration of Maily states that (i) he and Sherwood have previously worked with Fineman West LLP ("Fineman") and find their work to be capable and efficient;(ii) the fees and expenses of Fineman were reasonable and necessary; (iii) that the work of Fineman was at all times only the work that was authorized by the Receiver; and (iv) that the fees and expenses of Fineman at all times followed the guidelines of the SEC in its "Billing Instructions for Receivers". The amount requested by Fineman totalled \$33,778.50 for the period November 1, 2017 to

1 April 30, 2018, in which it completed four (4) separate federal and state
2 tax returns for Relief Defendants SRA I, SRA II and SRA III, and
3 Defendant SRA Management Associates LLC.

4 The Receiver also requests that the retention of the firm of
5 Fineman be retroactively approved if, pursuant to Section XIV of the
6 Order, advance approval for its use was required. The Receiver notes
7 that its staff, in reading Section XIV's first paragraph, believed in good
8 faith that such approval was not necessary.

9 GOOD CAUSE APPEARING, the Court hereby authorizes the
10 Receiver to pay the above amount of \$33,778.50 to Fineman. The Court
11 also authorizes the use of Fineman by the Receiver for further tax
12 preparation work done within the scope of its order of October 11,
13 2016, Docket No. 142.

14
15 IT IS SO ORDERED.

16 DATED: July __, 2018

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18 _____
19 Judge Edward M. Chen
20 United States District Court
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