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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

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

Defendants, and

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

Relief Defendants.

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

~~PROPOSED~~ **ORDER GRANTING  
ADMINISTRATIVE MOTION BY  
RECEIVER KATHY BAZOIAN PHELPS  
PURSUANT TO LOCAL CIVIL RULE 7-11  
FOR ORDER APPROVING EMPLOYMENT  
OF:**

- (1) DIAMOND McCARTHY LLP, AS  
GENERAL COUNSEL;**
- (2) GROBSTEIN TEEPLE LLC AS  
ACCOUNTANTS; AND**
- (3) STRETTO AS CLAIMS AGENT**

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

The successor receiver in this matter appointed pursuant to the Court’s Revised Order Appointing Receiver (the “Receiver Order”) (Doc. No. 469), Kathy Bazoian Phelps (the “Receiver”), requests that the Court grant her Administrative Motion approving the Receiver’s

1 employment of (1) Diamond McCarthy LLP (“Diamond McCarthy”) as her general counsel; (2)  
2 Grobstein Teeple, LLC (“Grobstein Teeple”) as her accountants; and (3) Stretto as her claims  
3 agent. The Receiver through her declaration has represented that she has conferred with counsel  
4 for the Securities and Exchange Commission, counsel for the SRA Investor Group, and counsel  
5 for Progresso Ventures, who have each confirmed that they do not oppose the Motion.

6 The Receiver has represented in her Motion and declaration that she requires the services  
7 of these professionals and the claims administrator, that she is familiar with the three firms which  
8 she seeks to employ, one of which is her law firm, and that they will provide adequate and cost-  
9 effective representation based on the services she anticipates them performing and that the  
10 Diamond McCarthy firm and Grobstein Teeple firm have each agreed to perform their services at  
11 discounted rates as detailed in the Motion and supporting Declaration of Lesley Anne Hawes and  
12 Declaration of Howard B. Grobstein filed in support of the Motion.

13 GOOD CAUSE APPEARING, IT IS HEREBY ORDERED THAT:

14 1. The Receiver is authorized, effective retroactively to February 1, 2019, to employ the  
15 law firm of Diamond McCarthy LLP as the Receiver’s general counsel based on the reduced  
16 hourly rates as set forth in the Receiver’s initial proposal filed with the Court and with the  
17 discounted rates described in the Declaration of Lesley Anne Hawes and Exhibit “2” attached  
18 thereto.

19 2. The Receiver is authorized to employ the firm of Grobstein Teeple LLP as the  
20 Receiver’s accountants in accordance with the discounted rates described in the Declaration of  
21 Howard B. Grobstein and Exhibit “4” attached thereto.

22 3. The Receiver is authorized to employ Stretto as her claims administrator for the  
23 limited services described in the Motion and the Receiver’s declaration filed in support of the  
24 Motion at the rates set forth in Exhibit “5” to the Motion.

25 **IT IS SO ORDERED.**

26 DATED: March 19, 2019



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EDWARD M. CHEN  
United States District Judge