

March 9, 2020

Office of the Clerk  
Honorable Judge Edward M. Chen  
United States District Court  
450 Golden Gate Ave.  
San Francisco, CA 94102

**RECEIVED**

**MAR 11 2020**

SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTH DISTRICT OF CALIFORNIA

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**MAR 11 2020**

SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

Sent via ~~e-mail, fax and certified mail~~ *overnight mail (with signature)*

*16cv1386-EMC*

To Honorable Judge Chen,

This letter is being written on the behalf of the six investors in one of the SRA funds, specifically the Saddle River Profit Opportunity (SRPO), a fund which was organized and invested in during 2014. The purpose of this letter is to provide notice and to formally object to the Receiver's Plan of Distribution. The reason for this objection is that SRPO has been excluded from the Receivership Estate and current Distribution Plan, which we believe is incorrect and neglects the rights of the six investors.

Although SRPO is a separate LLC, when you examine the original subscription booklet you'll find that the SRPO investors are most assuredly part of the receivership estate as: 1) the underlying investment is Palantir, and 2) their profit is based solely upon the sale of Palantir from the NYPA and/or SRA funds which are part of the receivership estate. It is for these reasons that we believe that SRPO must be included in the Receivership Estate and corresponding Distribution Plan.

Our review of the records provided in the matter show that a combined total of \$540,000 was invested into SRPO by the six investors. In October 2016, the court appointed Sherwood Partners to serve as the Receiver in this matter. Each of the six SRPO investors followed the claim process required by the Receiver and provided the necessary backup documentation of their investment (monies paid to SRA, investment documents, etc.) by the deadline of January 31, 2018. Subsequent to providing this information the Receiver acknowledged that the claims had been reviewed and validated.

In March 2019 we were informed of the change in the court appointed receiver (transitioned from Sherwood to Diamond McCarthy) shortly after which we received a communication from Kathy Bazoian Phelps listing each of our investments as being a valid claim. These are identified as investors 53, 69, 72, 139, 169 and 327 on the attached document (labeled Exhibit 2). On this document the name of the Intended Fund is "Saddle River Profit Opportunity LLC" and the Intended Investment is "7% Debt Instrument (Palantir)" for each of the six investors.

As part of that process, several of the six SRPO investors reached out to Ms. Phelps. We were first told that we had valid claims for SRPO as a part of the Receivership Estate, and

then subsequently that our claims were not valid and had been excluded. However, we strongly objected to the SRPO fund claims being excluded and several of the six investors have consistently communicated that to her, as recently as February 2020.

As previously stated, the purpose of this letter is to formally provide written notice and objection to the current Distribution Plan which incorrectly excludes the SRPO fund as part of the Receivership Estate and neglects the rights of the six SRPO investors. We believe that this matter should be sufficiently addressed before the Distribution Plan is finalized and approved.

Please feel free to contact Craig Cornelius or Scott Chandler who are heading up the SRPO investor group for this matter. Craig can be contacted at 240-876-1079, [craigcornelius@comcast.net](mailto:craigcornelius@comcast.net), Scott at 303-888-0132, [scott@franklincourtpartners.com](mailto:scott@franklincourtpartners.com).

Sincerely,

  
Craig Cornelius

  
Scott Chandler



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1. Article Addressed to:

*Office of the Clerk  
 Honorable Judge Edward M Chen  
 US Dist Ct  
 450 Golden Gate Ave  
 San Francisco CA 94102*



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PS Form 3811, July 2015 PSN 7530-02-000-9053

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TO: (PLEASE PRINT) \_\_\_\_\_ PHONE: \_\_\_\_\_

*Office of the Clerk  
 Honorable Judge Edward M Chen  
 US Dist Court  
 450 Golden Gate Ave, San Francisco CA  
 94102*

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| Weight<br><i>1.0</i>   | Acceptance Employee Initials  | Total Postage & Fees<br><i>29.20</i>  |                                |
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