

1 KATHY BAZOIAN PHELPS (State Bar No. 155564)
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3 DIAMOND MCCARTHY LLP
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7 *Successor Receiver*

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

12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 v.

16 JOHN V. BIVONA; SADDLE RIVER
17 ADVISORS, LLC; SRA
18 MANAGEMENT ASSOCIATES,
19 LLC; FRANK GREGORY
20 MAZZOLA,

21 Defendants, and

22 SRA I LLC; SRA II LLC; SRA III
23 LLC; FELIX INVESTMENTS, LLC;
24 MICHELE J. MAZZOLA; ANNE
25 BIVONA; CLEAR SAILING GROUP
26 IV LLC; CLEAR SAILING GROUP V
27 LLC,

28 Relief Defendants.

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

**DECLARATION OF JULIA DAMASCO IN
SUPPORT OF EIGHTH INTERIM
ADMINISTRATIVE MOTION FOR AN
ORDER PURSUANT TO LOCAL RULE 7-11
FOR THE APPROVAL OF FEES AND
EXPENSES FOR THE SUCCESOR
RECEIVER, DIAMOND MCCARTHY LLP,
AND MILLER KAPLAN ARASE LLP
FROM OCTOBER 1, 2020 THROUGH
DECEMBER 31, 2020**

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

1 I, Julia Damasco, declare:

2 1. I am a partner at Miller Kaplan Arase LLP, tax advisor for Kathy Bazoian Phelps, the
3 Court appointed Receiver (the "Receiver") in the case of *Securities and Exchange Commission v.*
4 *Bivona et. al.* (the "Action") before the United States District Court for the Northern District of
5 California (the "Court"). I am an attorney at law licensed to practice in all of the courts of the states
6 of California and Washington, the United States District Court for the Northern District of California
7 and the United States Tax Court. I have personal knowledge of the matters set forth below and if
8 called as a witness, I would and could testify competently to the matters stated herein.

9 2. This declaration is made in support of the Eighth Interim Administrative Motion for an
10 Order Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Successor Receiver,
11 Diamond McCarthy LLC, and Miller Kaplan Arase LLP From October 1, 2020 through December
12 31, 2020 ("Motion").

13 3. A true and correct copy of my firm's invoice reflecting the detailed time entries for the
14 services we provided through December 31, 2020, is attached hereto as Exhibit "5." Miller Kaplan
15 incurred fees in the amount of \$3,555.60 during the prior motion period

16 4. Miller Kaplan incurred costs in the amount of \$99.03 during the prior motion period,
17 July 1, 2020 to September 30, 2020, which were requested in the Seventh Motion but inadvertently
18 left out of the order approving that motion, so those costs have not yet been paid.

19 5. The last pages of the invoice contain the discounted rates quoted in the engagement letter
20 in this matter (discounted by 20%) and the current rates for 2020 for those staff members and partners
21 whose work is billed in the attached invoice, as well as the revised rates for those staff members
22 beginning in December 2020 (still discounted by 20%).

23 6. During the Motion Period, we have assisted the Receiver in analyzing schedules of the
24 distributions of Palantir shares to be transferred to investors and generated projected tax calculations
25 for shares sold. We also prepared the 2020 tax returns for Qualified Settlement Fund.


26 7. The fees requested are reasonable, necessary, and commensurate with the skill and
27 experience required for the activity performed. Our services and time expenditures are reasonable
28 in light of the labor required for the matters for which we were retained. Miller Kaplan respectfully

1 submits that it has not expended time unnecessarily and that it has rendered efficient and effective
2 services.

3 8. To the best of my knowledge, information and belief formed after reasonable inquiry, all
4 the fees requested in the attached billing statements are true and correct and comply with the Billing
5 Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange
6 Commission.

7 9. Miller Kaplan has not included in the amount for which reimbursement of costs is
8 sought, amortization of the cost of any equipment, investment or capital outlay.

9
10 I declare under penalty of perjury that the foregoing is true and correct. Executed on this 9th
11 day of February 2021 at Santa Fe, New Mexico.

12 
13 _____
14 Julia Damasco

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EXHIBIT 5



4123 Lankershim Boulevard
North Hollywood, CA 91602

Kathy Bazoian Phelps

Receivers Account Estate of Saddle River Management (SRA
Receivership)
Diamond McCarthy LLP
1999 Avenue of the Stars, 11th Floor
Los Angeles, CA 90067

Invoice: 537081

Client ID: 3012290

Date: 01/15/2021
Due Date: 02/14/2021

For professional services rendered as follows:

<u>DATE</u>	<u>SERVICE</u>	<u>STAFF</u>	<u>HOURS</u>	<u>AMOUNT</u>
General Consulting Services				
10/21/2020	Calculations Analysis of tax holdback for July sales and Palantir sales.	JAC	2.50	420.00
10/22/2020	Discussions/Meetings Respond to JAC's question about CA capital loss carryforward. Discuss QSBS with JPD.	QAD	0.50	126.00
10/22/2020	Prepare/Draft/Edit/Finalize Analysis of tax holdback for July sales and Palantir sales.	JAC	1.10	184.80
11/06/2020	Research Research QSBS question related to whether the receivership can take QSBS tax treatment.	QAD	1.00	252.00
12/02/2020	Discussions/Meetings Discuss with ER and JAC whether there was a reportable component analysis for the distributions being paid out from this matter.	QAD	0.30	78.00
			Subtotal	1,060.80
Notices				
11/16/2020	Review Preparation of IRS Form 4810.	JAC	1.00	168.00
			Subtotal	168.00
Qualified Settlement Fund Services				
10/28/2020	Preparation Preparation of 2020 tax return workpapers.	JAC	2.20	369.60
11/12/2020	Preparation Preparation of Form 4810 Request for	JAC	2.80	470.40

O. 818.769.2010 / F. 818.769.3100 / FED EIN 95-2036255

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Prompt Assessment.					
11/24/2020	Preparation	JAC	0.30	50.40	
	Preparation of the 2020 Qualified Settlement Fund Income Tax Return.				
11/30/2020	Preparation	JAC	0.30	50.40	
	Preparation of the 2020 Qualified Settlement Fund Income Tax Return.				
12/01/2020	Preparation	JAC	0.20	36.00	
	Preparation of the 2020 Qualified Settlement Fund Income Tax Return.				
12/01/2020	Preparation	JAC	5.10	918.00	
	Preparation of the 2020 Qualified Settlement Fund Income Tax Return.				
12/02/2020	Preparation	JAC	2.10	378.00	
	Preparation of the 2020 Qualified Settlement Fund Income Tax Return.				
12/22/2020	Preparation	JAC	0.30	54.00	
	Preparation and filing of the 2020 Qualified Settlement Fund Income Tax Return.				
					Subtotal
					2,326.80
					Total for Services
					3,555.60
					Invoice Total
					\$3,555.60

<u>01/15/2021</u>	<u>12/31/2020</u>	<u>11/30/2020</u>	<u>10/31/2020</u>	<u>09/30/2020+</u>	<u>Total</u>
3,555.60	0.00	(3,969.60)	4,068.63	0.00	\$3,654.63



Schedule of Rates
as of January 1, 2020

STAFF LEVEL	CURRENT RATES PER HOUR	DISCOUNTED RATES PER HOUR
Administrative Staff, SMEs & Project Managers	\$70 – \$200	\$56 – \$160
Accounting Staff	\$110 – \$210	\$88 – \$168
Senior Accounting Staff	\$195 – \$285	\$156 – \$228
Attorney	\$250 – \$350	\$200 – \$280
Partner	\$420 – \$570	\$336 – \$456

Schedule of Rates
as of January 1, 2020

STAFF	CURRENT RATES PER HOUR	DISCOUNTED RATES PER HOUR
Damasco, Jude	\$570	\$456
Damasco, Julia	\$570	\$456
Sanchez, Nicholas	\$420	\$336
Dinuri, Qiva	\$315	\$252
Ransom, Emily	\$200	\$160



Schedule of Rates
as of December 1, 2020

STAFF LEVEL	CURRENT RATES PER HOUR	DISCOUNTED RATES PER HOUR
Administrative Staff, SMEs & Project Managers	\$65 – \$210	\$52 – \$168
Accounting Staff	\$120 – \$180	\$96 – \$144
Senior Accounting Staff	\$205 – \$270	\$164 – \$216
Attorney	\$250 – \$350	\$200 – \$280
Partner	\$420 – \$570	\$336 – \$456

Schedule of Rates
as of December 1, 2020

STAFF	CURRENT RATES PER HOUR	DISCOUNTED RATES PER HOUR
Damasco, Jude	\$570	\$456
Damasco, Julia	\$570	\$456
Sanchez, Nicholas	\$420	\$336
Dinuri, Qiva	\$325	\$260
Ransom, Emily	\$210	\$168