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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
MOTION BY RECEIVER KATHY
BAZOIAN PHELPS FOR ORDER:**

- (1) APPROVING SALE AND
DISTRIBUTION OF PALANTIR
SHARES PURSUANT TO
DISTRIBUTION PLAN; AND**
- (2) FOR MODIFICATION OF THE
DISTRIBUTION PLAN**

Date: February 25, 2021
Time: 1:30 p.m.
Judge: Edward M. Chen

1 The *Motion by Receiver Kathy Bazoian Phelps for Order (1) Approving Sale and*
2 *Distribution of Palantir Shares Pursuant to Distribution Plan; and (2) for Modification of the Plan*
3 (the “Motion”) has been submitted to the above-referenced Court. The Receiver has represented
4 that she has met and conferred with counsel for the Securities and Exchange Commission (“SEC”)
5 and the Investor Advisory Committee, neither of whom oppose the Motion, and that she conferred
6 with counsel for Progresso Ventures LLC, who did not express any comment or opposition.

7 The Court having reviewed and considered the Motion, the Declaration of Kathy Bazoian
8 Phelps, and the files and records in this matter and,

9 GOOD CAUSE APPEARING, IT IS HEREBY ORDERED that:

- 10 1. The Motion is granted in its entirety.
- 11 2. The Receiver is authorized to sell the estate’s shares of Palantir Technologies, Inc.
12 (“Palantir”) pursuant to the terms set forth in the Motion, and to use the proceeds from the sales of
13 securities set forth in the Motion to fund the Tax Holding Account and the Palantir Administrative
14 Reserve.
- 15 3. The Receiver is authorized to sell shares of Palantir necessary to generate cash to
16 pay commercially reasonable commissions.
- 17 4. The Receiver is authorized to pay 95% of the amounts generated from the sale for
18 the Tax Holding Account as estimated payments to the Internal Revenue Service and the
19 California Franchise Tax Board, as appropriate.
- 20 5. The Distribution Schedule, substantially in the form attached as Exhibits “1” to “3”
21 to the Receiver’s Declaration, is approved and is subject to modification based on the actual stock
22 price of Palantir as of the time of the sale of the shares to fund the Tax Holding Account and
23 Palantir Administrative Reserve.
- 24 6. The Receiver shall calculate the exact number of shares that will be distributed to
25 each Claimant in this distribution upon the sale for the Tax Holding Account and Palantir
26 Administrative Reserve and shall post that actual schedule distribution on the Receivership’s
27 website.

1 7. The Receiver is authorized to distribute the estate's shares of Palantir pursuant to
2 the terms set forth in the Motion and to take all commercially reasonable actions necessary to
3 effectuate such distribution.

4 8. The Distribution Plan is hereby modified to allow for the creation of a Palantir
5 Administrative Reserve to protect the interests of the estate, which shall be used first to satisfy
6 any Class 2 Tax Claims arising from the estate's disposition of Palantir shares, and otherwise be
7 distributed to Class 4 Palantir Claimants, *pro rata* based upon Allowed Shares, at the close of the
8 Receivership. The Receiver is authorized to take all necessary and appropriate actions to create
9 the Palantir Administrative Reserve, including but not limited to setting up any segregated bank
10 accounts to hold the funds in the Palantir Administrative Reserve.

11 9. The Receiver is authorized to fund the Palantir Administrative Reserve by
12 liquidating between 5% and 15% of the remaining Palantir shares, with such percentage to be
13 determined in the Receiver's discretion as may be necessary to protect the estate from future tax
14 liability. The Receiver is further authorized to pay reasonable commissions and all anticipated
15 taxes as a result of such liquidation.

16 Dated: February 26, 2021



Honorable Edward M. Chen
United States District Court