

1 KATHY BAZOIAN PHELPS (State Bar No. 155564)
2 *kphelps@diamondmccarthy.com*
3 DIAMOND MCCARTHY LLP
4 333 S. Hope St., Suite 4050
5 Los Angeles, California 90071
6 Telephone: (310) 651-2997

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 FREDERICK KOENEN
IN SUPPORT OF NINTH 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,
MILLER KAPLAN ARASE LLP, AND
SCHINNER & SHAIN LLP FROM
JANUARY 1, 2021 THROUGH MARCH 31,
2021**

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

1 I, Frederick Koenen, declare:

2 1. I am of counsel at Schinner & Shain LLP (“Schinner”), securities counsel for Kathy
3 Bazoian Phelps, the Court appointed Receiver (the “Receiver”) in the case of *Securities and*
4 *Exchange Commission v. Bivona et. al.* (the “Action”) before the United States District Court for the
5 Northern District of California (the “Court”). I have personal knowledge of the matters set forth
6 below and if called as a witness, I would and could testify competently to the matters stated herein.

7 2. This declaration is made in support of the Ninth Interim Administrative Motion for an
8 Order Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Successor Receiver,
9 Diamond McCarthy LLP, Miller Kaplan Arase LLP, and Schinner & Shain, LLP from January 1,
10 2021 through March 31, 2021.

11 3. We were retained to advise the Receiver on the application of federal securities laws to
12 proposed transfers of stock held by entities for which the Court had appointed the Receiver (the
13 “Receivership Entities”). The Receivership Entities had purchased or had acquired rights to purchase
14 shares of various companies (the “Subject Companies”) before these companies had conducted an
15 initial public offering of their stock. In some cases, the Receivership Entity had acquired the stock
16 from a shareholder of the Subject Company. In other cases, the Receivership Entity had entered into
17 forward purchase contracts with the shareholder to buy those shares. Under these forward purchase
18 contracts, the Receivership Entity paid the shareholder the purchase price for the shares at or near
19 the time the contract was executed and the shareholder agreed to deliver the shares to the
20 Receivership Entity after contractual restrictions on the transfer of those shares had expired.

21 4. The following is a summary of the legal services Schinner provided from January 1,
22 2021 through March 31, 2021 (“Motion Period”).

23 5. Attached hereto as Exhibit “6” are true and correct copies of our detailed time entries
24 reflecting the services we provided during the Motion Period. Schinner performed 1.6 hours for
25 services in the amount of \$920.00. In the interests of the estate, the attorneys at Schinner have
26 reduced their hourly rates by 10% and therefore, Schinner seeks compensation in the amount of
27 \$828.00.

28 6. During the Motion Period, we advised and assisted the Receiver with the transfer of

1 Palantir shares that were transferred into the estate in connection with a settlement between the
2 Receiver and Equity Acquisition Corporation (“EAC”), and in ensuring that the shares of Palantir
3 were transferred to the estate in a timely manner from ComputerShare once the Palantir lockup period
4 expired.

5 7. The fees requested are reasonable, necessary, and commensurate with the skill and
6 experience required for the activity performed. Our services and time expenditures are reasonable
7 in light of the labor required for the matters for which we were retained. Schinner respectfully
8 submits that it has not expended time unnecessarily and that it has rendered efficient and effective
9 services.

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

14
15 I declare under penalty of perjury that the foregoing is true and correct. Executed on this 19th
16 day of April 2021 at San Francisco, California.

17 

18 _____
19 Frederick Koenen

EXHIBIT 6

Schinner & Shain, LLP
 96 Jessie Street, San Francisco, CA 94105
 Telephone: (415) 369-9050
 Fax: (415) 369-9053

April 9, 2021

Kathy Bazoian Phelps, Receiver SRA Litigation
 c/o Diamond & McCarthy, LLP
 1999 Avenue of the Stars, 11th Floor
 Los Angeles, CA 90067-440

File #: 3674-1
 Inv #: 80752

RE: SRA Litigation

DATE	TIMEKEEPER	DESCRIPTION	HOURS	AMOUNT
Feb-15-21	FKK	Review materials for sale of Palantir stock; respond to K. Bazoian Phelps e-mail concerning documents required to submit to sell shares.	0.30	172.50
Feb-24-21	FKK	Respond to e-mail from K. Bazoian-Phelps regarding securities law restrictions on Palantir stock sales.	0.20	115.00
Mar-05-21	FKK	Review e-mail from K. Bazoian-Phelps regarding removal of restrictive legend from Palantir shares acquired from EAC; prepare response to e-mail.	0.20	115.00
Mar-08-21	FKK	Prepare response to K. Bazoian-Phelps e-mail concerning signature of investor representation letter proposed by counsel for Palantir regarding Rule 144 holding period.	0.90	517.50
Totals Hours and Fees			1.60	\$920.00
10% Discount From Standard Rate.				92.00
Billing Rates of Professionals: FKK: \$517.50 Per Hour				\$828.00

Total Fees After Discount

Current Fees & Disbursements	\$828.00
Previous Balance	15,492.74
Payment Received Dec 04/20	11,731.50
Payment Received Dec 04/20	3,761.24

TOTAL BALANCE NOW DUE

\$828.00

1.5% late fee automatically applied after 30 days

Payments can be made at www.schinner.com. Call us to switch to Paperless Billing.