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

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11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

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

17 Defendants, and

18 SRA I LLC; SRA II LLC; SRA III
LLC; FELIX INVESTMENTS, LLC;
19 MICHELE J. MAZZOLA; ANNE
BIVONA; CLEAR SAILING
20 GROUP IV LLC; CLEAR SAILING
GROUP V LLC,
21

22 Relief Defendants.

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

~~PROPOSED~~ ORDER APPROVING
SECOND INTERIM ADMINISTRATIVE
MOTION FOR AN ORDER PURSUANT TO
LOCAL RULE 7-11 FOR THE APPROVAL
OF FEES AND EXPENSES FOR THE
SUCCESSION RECEIVER AND COUNSEL
FROM APRIL 1, 2019 THROUGH JUNE 30,
2019 AND FOR CLAIMS AGENT
STRETTO FROM JUNE 18, 2018
THROUGH FEBRUARY 28, 2019

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

23 The successor receiver in this matter appointed pursuant to the Court’s Revised Order
24 Appointing Receiver (the “Receiver Order”) (Dkt. No. 469), Kathy Bazoian Phelps (the
25 “Receiver”), requests that the Court grant her *Second Administrative Motion for an Order*
26 *Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Successor Receiver*
27 *and Counsel from April 1, 2019 through June 30, 2019 and for Claims Agent Stretto from June*
28 *18, 2018 through February 28, 2019* (the “Motion”).

1 The Motion is supported by the Declaration of the Receiver, in which she states that the
2 fees and expenses requested by the Receiver and her claims agent Stretto are true and correct and
3 the Motion complies with the Billing Instructions for Receivers in Civil Actions Commenced by
4 the U.S. Securities and Exchange Commission. The Receiver also submits that the fees charged
5 are reasonable, necessary, and commensurate with the skills and experience required for the
6 activities performed.

7 The Motion is also supported by the Declaration of counsel for the Receiver Lesley Anne
8 Hawes of the firm Diamond McCarthy LLP. In her declaration, Ms. Hawes states that the fees
9 and expenses requested by Diamond McCarthy LLP are true and correct and that the Motion
10 complies with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S.
11 Securities and Exchange Commission. Additionally, that the fees charged by Diamond McCarthy
12 LLP are reasonable, necessary, and commensurate with the skills and experience required for the
13 activities performed.

14 The Receiver has also represented that she has conferred with counsel for the Securities
15 and Exchange Commission, and counsel for the SRA Investor Group, who have each confirmed
16 that they do not oppose the Motion.

17 GOOD CAUSE APPEARING, IT IS HEREBY ORDERED that:

18 1. The Motion is GRANTED;

19 2. The Receiver's fees in the amount of \$85,735.50 and reimbursement of expenses
20 in the amount of \$185.93 for services rendered and costs incurred from April 1, 2019 through
21 June 30, 2019 are approved;

22 3. The Receiver is authorized to pay from assets of the receivership estate \$185.93
23 for reimbursement of costs approved and \$68,588.40 of the fees approved. The sum of
24 \$17,147.10 of the approved fees shall be held back as the agreed 20% hold back to be held in the
25 estate until further order of the Court.

26 4. Diamond McCarthy's fees in the amount of \$30,625.00 and reimbursement of
27 expenses in the amount of \$1,924.16 for services rendered and costs incurred from April 1, 2019
28 through June 30, 2019 are approved;

1 5. The Receiver is authorized to pay from assets of the receivership estate \$1,924.16
2 for reimbursement of costs approved and \$24,500.00 of the fees approved. The sum of \$6,125.00
3 of the approved fees shall be held back as the agreed 20% hold back to be held in the estate until
4 further order of the Court;

5 6. Stretto's fees in the amount of \$2,958.40 for services rendered during the period of
6 June 18, 2018 through February 28, 2019 are approved and the Receiver is authorized to pay
7 Stretto said amount from the assets of the receivership estate.

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10 Dated: 8/13/2019



Honorable Edward M. Chen
United States District Court