

1 KATHY BAZOIAN PHELPS (State Bar No. 155564)
kphelps@diamondmccarthy.com
2 DIAMOND MCCARTHY LLP
3 1999 Avenue of the Stars, Suite 1100
Los Angeles, California 90067-4402
4 Telephone: (310) 651-2997

5 *Successor Receiver*

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

11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff,

14 v.

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

18 Defendants, and

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

22 Relief Defendants.
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Case No. 3:16-cv-01386-EMC

~~PROPOSED~~ ORDER APPROVING
FOURTH INTERIM ADMINISTRATIVE
MOTION FOR AN ORDER PURSUANT TO
LOCAL RULE 7-11 FOR THE APPROVAL
OF FEES AND EXPENSES FOR THE
SUCCESSOR RECEIVER AND COUNSEL
FROM OCTOBER 1, 2019 THROUGH
DECEMBER 31, 2019; FOR THE
APPROVAL OF FEES FOR MILLER
KAPLAN ARASE LLP FROM AUGUST
2019 THROUGH DECEMBER 31, 2019;
AND FOR THE APPROVAL OF FEES FOR
SCHINNER & SHAIN THROUGH
DECEMBER 31, 2019

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

1 The successor receiver in this matter appointed pursuant to the Court’s Revised Order
2 Appointing Receiver (the “Receiver Order”) (Dkt. No. 469), Kathy Bazoian Phelps (the
3 “Receiver”), requests that the Court grant her *Fourth Interim Administrative Motion for an Order*
4 *Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Successor Receiver*
5 *and Counsel from October 1, 2019 through December 31, 2019; for the Approval of Fees for*
6 *Miller Kaplan Arase LLP from August 2019 through December 31, 2019; and for the Approval of*
7 *Fees for Schinner & Shain through December 31, 2019* (the “Motion”).

8 The Motion is supported by the Declaration of the Receiver, in which she states that the
9 fees and expenses requested by the Receiver and her professionals are true and correct, the
10 Motion complies with the Billing Instructions for Receivers in Civil Actions Commenced by the
11 U.S. Securities and Exchange Commission (“Billing Instructions”), and that that the fees charged
12 are reasonable, necessary, and commensurate with the skills and experience required for the
13 activities performed.

14 The Motion is also supported by the Declaration of counsel for the Receiver Christopher
15 Sullivan of the firm Diamond McCarthy LLP (“Diamond McCarthy”). In his declaration, Mr.
16 Sullivan states that the fees and expenses requested by Diamond McCarthy are true and correct,
17 that the Motion complies with the Billing Instructions, and that the fees charged by Diamond
18 McCarthy are reasonable, necessary, and commensurate with the skills and experience required
19 for the activities performed. Additionally, the Motion is supported by the Declaration of Julia
20 Damasco of Miller Kaplan Arase LLC (“Miller Kaplan”), in which she provides that all the fees
21 and expenses requested are true and correct, and the fees charged are reasonable, necessary, and
22 commensurate with the skill and experience required. The Motion is also supported by the
23 Declaration of Fred Koenen of Schinner & Shain (“Schinner & Shain”), in which he provides that
24 all the fees and expenses requested are true and correct, and the fees charged are reasonable,
25 necessary, and commensurate with the skill and experience required.

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

1 GOOD CAUSE APPEARING, IT IS HEREBY ORDERED that:

2 1. The Motion is GRANTED;

3 2. The Receiver's fees in the amount of \$50,187.30 and reimbursement of expenses
4 in the amount of \$27.00 for services rendered and costs incurred from October 1, 2019 through
5 December 31, 2019 are approved;

6 3. The Receiver is authorized to pay herself from assets of the receivership estate
7 \$27.00 for reimbursement of costs approved and \$35,131.11 of the fees approved. The sum of
8 \$15,056.19 of the approved fees shall be held back as the agreed 30% hold back subject to further
9 Court approval.

10 4. Diamond McCarthy's fees in the amount of \$12,550.00 for services rendered and
11 costs incurred from October 1, 2019 through December 31, 2019 are approved;

12 5. The Receiver is authorized to pay Diamond McCarthy LLP from assets of the
13 receivership estate \$8,785.00 of the fees approved. The sum of \$3,765.00 of the approved fees
14 shall be held back as the agreed 30% hold back subject to further Court approval;

15 6. Miller Kaplan's fees in the amount of \$42,465.60 for services rendered during the
16 period of August 2019 through December 31, 2019 are approved;

17 7. The Receiver is authorized to pay Miller Kaplan from assets of the receivership
18 estate \$33,972.48 of the fees approved. The sum of \$8,493.12 of the approved fees shall be held
19 back as the agreed 20% hold back subject to further Court approval;

20 8. Schinner & Shain's fees in the amount of \$18,806.20 for services rendered through
21 December 31, 2019 are approved

22 9. The Receiver is authorized to pay Schinner & Shain from assets of the
23 receivership estate \$5,044.96 of the fees approved and Schinner & Shain may apply the \$10,000
24 retainer previously paid to the firm. The sum of \$3,761.24 of the approved fees shall be held back
25 as the agreed 20% hold back subject to further Court approval;

26 Dated: February 19, 2020



Honorable Edward M. Chen
United States District Court

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