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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  
APPROVING SALE AND DISTRIBUTION  
OF AIRBNB SHARES PURSUANT TO  
DISTRIBUTION PLAN AND ALLOWING  
THE CREATION OF AN AIRBNB  
ADMINISTRATIVE CASH RESERVE

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

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

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

10           GOOD CAUSE APPEARING, IT IS HEREBY ORDERED that:

11           1.       The Motion is granted in its entirety.

12           2.       The Receiver is authorized to sell the estate’s shares of Airbnb, Inc. (“Airbnb”)   
13 pursuant to the terms set forth in the Motion, and to use the proceeds from the sales of securities   
14 set forth in the Motion to fund the Plan Fund, the Tax Holding Account and the Airbnb   
15 Administrative Reserve.

16           3.       The Receiver is authorized to sell shares of Airbnb necessary to generate cash to   
17 pay commercially reasonable commissions.

18           4.       The Receiver is authorized to contribute \$252,796 from the proceeds of the sale of   
19 Airbnb stock to the Plan Fund.

20           5.       The Receiver is authorized to pay up to 95% of the amounts generated from the   
21 sale for the Tax Holding Account as estimated payments to the Internal Revenue Service and the   
22 California Franchise Tax Board, as appropriate.

23           6.       The Distribution Schedule, substantially in the form attached as Exhibits “1” to “3”   
24 to the Receiver’s Declaration, is approved and is subject to modification based on the actual stock   
25 price of Airbnb as of the time of the sale of the shares to fund the Tax Holding Account and   
26 Airbnb Administrative Reserve.

27           7.       The Receiver shall calculate the exact number of shares that will be distributed to   
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1 each Claimant in this distribution upon the sale for the Tax Holding Account and Airbnb  
2 Administrative Reserve and shall post that actual schedule distribution on the Receivership's  
3 website.

4 8. The Receiver is authorized to distribute the estate's shares of Airbnb pursuant to  
5 the terms set forth in the Motion and to take all commercially reasonable actions necessary to  
6 effectuate such distribution.

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

15 10. The Receiver is authorized to fund the Airbnb Administrative Reserve by  
16 liquidating up to 10% of the remaining Airbnb shares, with such percentage to be determined in  
17 the Receiver's discretion as may be necessary to protect the estate from future tax liability. The  
18 Receiver is further authorized to pay reasonable commissions and all anticipated taxes as a result  
19 of such liquidation.

20 Dated: June 6, 2021

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23 Honorable Edward M. Chen  
24 United States District Court  
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