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5 *Successor Receiver*

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

12
13 SECURITIES AND EXCHANGE
COMMISSION,

14 Plaintiff,

15 v.

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

19 Defendants, and

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

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

**RECEIVER'S INTERIM STATUS REPORT
FOR FOURTH QUARTER 2021**

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

1 Kathy Bazoian Phelps, the successor receiver herein (the “Receiver”), hereby files her
2 Interim Status Report for the Fourth Quarter 2021. In this past quarter, as set forth herein, the
3 Receiver executed a private sale of the estate’s position in Evernote Corporation (“Evernote”). The
4 Receiver has also worked with her advisers to explore options for disposition of the remaining
5 three non-public securities in the estate, so that the receivership may be concluded, and the estate
6 administered as expeditiously as possible. In this status report, the Receiver summarizes the
7 distributions that have now been completed and provides an overview of the significant open issues
8 that remain and the timing of their resolution.

9 **I. STATEMENT OF FACTS**

10 **A. Procedural History**

11 1. On October 11, 2016, the District Court for the Northern District of California
12 (“Court”) entered a Temporary Restraining Order and Order to Show Cause why Preliminary
13 Injunction Should Not Be Granted (the “TRO”).

14 2. Pursuant to the TRO, Sherwood Partners was appointed as the temporary receiver
15 over the assets of SRA Management Associates, LLC, SRA I, LLC, SRA II, LLC, SRA III, LLC,
16 SRA Management Associates, Clear Sailing Group IV, LLC, Clear Sailing Group V, LLC, Felix
17 Multi-Opportunity Fund I, LLC, Felix Multi-Opportunity Fund II, LLC, Felix Management
18 Associates, LLC, NYPA Fund I, LLC, NYPA Fund II, LLC, and NYPA Management Associates,
19 LLC (the “Receivership Entities”).

20 3. Pursuant to the Revised Order Appointing Receiver entered on February 27, 2019
21 (the “Receiver Order”), Kathy Bazoian Phelps was appointed as the successor receiver over the
22 Receivership Entities. Pursuant to Minute Order entered on June 27, 2019, Solis Associates Fund
23 was substantively consolidated with the Receivership Entities.

24 4. The Court approved the Distribution Plan in this case, with the possibility for
25 potential future adjustments relating to Failed Investment claims and the claim of Joshua Cilano,
26 and an Amended Order was entered on May 25, 2020 [Doc. 613].

27 5. Following Court approval of the Plan, the Receiver has met with the Investor
28 Advisory Committee on a number of occasions regarding implementation of the Plan. They have

1 discussed the disposition of both the publicly traded securities as well as the pre-IPO securities.

2 6. On April 23, 2021, the Receiver and her counsel moved to the Raines Feldman
3 LLP law firm (“Raines Feldman”). On April 28, the Receiver filed a motion to employ Raines
4 Feldman as counsel retroactive to April 23 [Doc. 652]. On May 10, 2021, the Court granted the
5 motion, and terminated Diamond McCarthy as counsel as of April 22. The Receiver continues to
6 update her new website at www.raineslaw.com/saddle-river-receiver regarding the filings in the
7 case and the status of upcoming matters.

8 **B. Summary of Cash and Asset Distributions**

9 7. On July 13, 2020, the Receiver filed a motion for court approval of the first interim
10 distribution of publicly traded securities (Bloom Energy, Cloudera, Dropbox, Lyft, MongoDB,
11 Pinterest, Snapchat and Uber) [Doc. 617], in which the Receiver attached schedules for the sale of
12 publicly traded securities to fund the Plan Fund and Tax Holding Accounts, the percentage of
13 securities to be held in an administrative reserve pending the final resolution of tax liabilities of
14 the estate, and the distribution of securities to Class 4 Claimants. The Court approved the motion
15 on July 20, 2020 [Doc. 619]. Following the Court’s approval of the motion, the Receiver
16 instructed her broker to sell the appropriate amount of publicly traded securities and has worked
17 with her counsel and brokerage firm to engage in the lengthy process of distributing the publicly
18 traded securities to claimants, as set forth in more detail herein. That distribution is complete,
19 including the slight modification to the Plan on behalf of ELIV Group, which is the subject of a
20 restitution order by the United States Attorney for the Northern District of New York [Doc. 627].

21 8. At the end of September 2020, Palantir Technologies, Inc. (“Palantir”) prepared to
22 go public via a direct listing. As part of that process, the Receiver entered into a lock-up
23 agreement upon obtaining Court approval to do so [Doc. 626], and thereafter transferred
24 approximately 20% of the shares that were unrestricted to her brokerage account. The Receiver
25 instructed her broker to sell sufficient shares to fund the Plan Fund and Tax Holding Account
26 pursuant to the Plan. That sale of 966,995 shares was completed at the beginning of October,
27 leaving 4,773,254 Palantir shares in the estate.

28 9. In November 2020, the Receiver made a motion to make an interim cash

1 distribution to Class 3 claimants, in the amount of 80% of their claims, or a total of
2 \$7,721,752.95. The Court approved that motion on November 9, 2020 [Doc. 631], and the
3 Receiver promptly began making distributions thereafter. Those distributions are complete. The
4 remaining 20%, a total of \$1,930,438.28, remain Class 3 claims. The Receiver expects to pay the
5 remaining amount on the Class 3 claims once the tax liabilities of the Receivership are finalized,
6 assuming there are sufficient funds to do so.

7 10. In February 2021, the Receiver made a motion to distribute the remaining Palantir
8 shares, after selling those necessary to fund the Tax Holding Account and the newly created
9 Palantir Administrative Reserve, a slight modification to the Plan to hold the reserve as cash
10 instead of stock, which allowed for more shares to be distributed to claimants [Doc. 638]. This
11 Court approved the motion on February 26, 2021 [Doc. 642]. Of the 4,773,254 shares remaining
12 in the estate, (a) 1,052,465 shares were sold to fund the Tax Holding Account to pay known tax
13 liabilities of the Receivership; (b) 716,003 shares were sold to fund the Palantir Administrative
14 Reserve for potential tax liabilities of the Receivership; and (c) 3,004,786 shares were allocated
15 for distribution to claimants. Per the ELIV court order [Doc. 627], the 29,618 shares that would
16 have been otherwise distributed to ELIV were also sold and the proceeds distributed to the court
17 overseeing the ELIV restitution fund. The Receiver distributed the remaining 2,975,168 to
18 claimants in the first two quarters of 2021. There are no more Palantir Shares left in the estate,
19 and the Palantir Administrative Reserve has \$13,131,974.43 in cash as of December 31, 2021.

20 11. On May 24, 2021, soon after the lockup period for Airbnb Inc. (“Airbnb”) expired,
21 the Receiver received into the estate’s brokerage account 22,250 unrestricted shares of Airbnb,
22 representing the entirety of the estate’s Airbnb shares. On May 25, 2021, the Receiver made a
23 motion to distribute the Airbnb shares, after selling those necessary to fund the Plan Fund, the
24 Tax Holding Account and the newly created Airbnb Administrative Reserve, a slight modification
25 to the Plan to hold the reserve as cash instead of stock, which allowed for more shares to be
26 distributed to claimants [Doc. 657]. This Court approved the motion on June 6, 2021 [Doc. 659].
27 The Receiver sold 8,626 shares of Airbnb on June 7, 2021, and distributed the remaining 13,624
28 shares to claimants by June 11, 2021. There are no more Airbnb shares left in the estate, and the

1 Receiver has transferred the proceeds of the sale to the Plan Fund, the Tax Holding Account, and
2 the Airbnb Reserve Account that has been established. The Airbnb Reserve holds \$118,172.34 as
3 of December 31, 2021.

4 12. The receivership estate realized substantial gains from both the disposition of the
5 Palantir shares and also the disposition of other securities. As a result, during 2021 the Receiver,
6 in consultation with her tax advisers, made estimated tax payments totaling \$23,315,000 to the
7 United States Treasury and estimated tax payments totaling \$6,265,000 to the California
8 Franchise Tax Board.

9 13. On August 6, 2021, the Receiver filed a motion with the Court to convert the
10 remaining administrative stock reserves of the publicly traded securities (Bloom Energy,
11 Cloudera, Dropbox, Lyft, MongoDB, Pinterest, Snapchat and Uber) to cash as needed, and to
12 distribute the remaining shares to claimants [Doc. 663]. The Court granted the motion on August
13 22, 2021 [Doc. 665]. The Receiver completed the sale and distribution within the following four
14 weeks, and the receivership estate is no longer in possession of publicly traded securities. The
15 cash reserves generated upon the sale on account of these publicly traded securities is
16 \$1,115,569.30 and is currently being held in the Tax Holding Account until the filing of the 2021
17 tax return, as discussed below in Part IV.D.

18 14. On November 17, 2021, an additional \$32,039.21 was deposited in the Anne
19 Bivona Wells Fargo account currently held by the Receivership estate, by the Securities and
20 Exchange Commission (“SEC”), which were funds paid to the SEC on account of its claim in the
21 John Bivona bankruptcy.

22 15. On November 24, 2021, after considerable due diligence in analyzing the potential
23 market for the disposition of the estate’s Evernote shares, the Receiver filed a motion with the
24 Court to approve a private sale of the receivership estate’s position in Evernote [Doc. 670]. The
25 Receiver, in consultation with the SEC and the Investor Advisory Committee (“IAC”), concluded
26 that a public offering within the next few years was unlikely and that \$1 per share was a fair price,
27 especially in light of the tax benefit to be obtained for the estate. After a hearing held on
28 December 9, 2021, the Court granted the motion on December 10 [Doc. 674], and the transaction

1 closed on December 14, 2021. The Receiver is holding the proceeds from that sale in a newly
2 opened segregated account for Evernote investors.

3 16. The estate continues to hold shares in three pre-IPO securities (Addepar, Lookout,
4 and ZocDoc). The Receiver continues to monitor the possibility that any of those companies will
5 undergo a public offering that will result in a liquidity event. The Receiver is also currently
6 working with her advisers, and in consultation with the SEC and the IAC, to explore possibilities
7 for monetizing those securities, such that the value may be distributed to claimants in those
8 securities.

9 **II. ASSET ADMINISTRATION**

10 **A. Ben Sabrin and the MongoDB Shares**

11 The Receiver has continued to collect the installment payments on the settlement reached
12 with Ben Sabrin relating to the 6,250 shares of MongoDB that he owed to the estate. Sabrin is to
13 pay a settlement of \$402,000 to the estate. He has paid \$300,666.66 of the settlement sum to date,
14 and the remainder of which will be paid in installments, the last of which is due on October 1,
15 2022. The Receiver executed the settlement agreement with Ben Sabrin and moved this Court for
16 approval of that agreement [Doc. 644] on March 19, 2021. The Court approved the settlement on
17 March 24 [Doc. 646]. The Receiver intends to allocate to the settlement agreement to the
18 MongoDB tax reserves, as distribution of the remaining MongoDB shares to Claimants resulted
19 in substantial tax consequences.

20 **B. Summary of Securities Holdings**

21 The following chart identifies the net beneficial shares owned by the estate of all known
22 securities at the time of approval of the Plan and the claims against them:

23 Company	24 Total Shares	25 Shares Claimed by Investors¹
26 Addepar, Inc.	27 995,509	28 995,509

¹ For Bloom Energy (7 shares), Dropbox (2 shares), MongoDB (4 shares), and Palantir (2 shares), the Receiver made slight adjustments to the totals due to the fact that the original summations contained minor rounding errors. For each individual claimant, the total number of allowed shares are exactly the same as the claim information on the Receiver's website; only the summations have been revised.

	Company	Total Shares	Shares Claimed by Investors¹
1			
2	Airbnb	22,250	22,250 ²
3	Bloom Energy Inc.	147,429	139,576
4	Cloudera, Inc.	37,639	37,639
	Dropbox, Inc.	46,000	45,999
5	Evernote Corp.	96,108	88,287
	Lookout, Inc.	174,798	171,797
6	Lyft, Inc.	9,479	9,479
7	MongoDB Inc.	20,000	22,175
	Palantir Inc.	5,740,249	5,895,855
8	Pinterest, Inc.	23,206	23,206
	Snap, Inc.	31,172	31,173
9	Uber Inc.	500	500
10	ZocDoc, Inc.	21,599	21,598

11 All of the publicly traded securities, and the shares in Evernote, have been distributed or
12 sold as of this time, and the estate continues to hold only the pre-IPO securities for Addepar, Inc.,
13 Lookout, Inc., and ZocDoc, Inc.

14 **C. John Bivona Bankruptcy**

15 The Receiver has resolved all issues relating to competing claims to certain funds that were
16 frozen at TD Bank during the last reporting period and, in connection with the settlement, released
17 all claims against the bankruptcy estate. The Receiver received two checks from TD Bank in the
18 amounts of \$84,470.43 and \$216,373.19 pursuant to a settlement which were deposited into the
19 Receivership checking account. The SEC received a distribution from the Bivona estate on account
20 of its claim, in the amount of \$32,039.21, which were deposited into the segregated Anne Bivona
21 account held by the receivership estate on November 17, 2021.

22 **III. CLAIMS ADMINISTRATION**

23 The claims bar date has passed, and no new claims were filed in the fourth quarter 2021.
24 During the third quarter 2020, one investor contacted the Receiver to claim that he had not been
25 contacted during the claims process, but he has not followed up since. No claim has been allowed
26 in connection with that inquiry.

27 _____
28 ² Reflects a 2:1 split.

1 The distributions on account of allowed claims have been taking place pursuant to the
2 approved Plan of Distribution as set forth herein.

3 **IV. PLAN APPROVAL AND IMPLEMENTATION**

4 **A. Plan Approval and Modifications**

5 The Receiver's primary task in this case was to assist the Court in putting a distribution
6 plan in place and then ultimately in implementing that plan. After a series of hearings and
7 substantial briefing, the Court granted the motion approving the Receiver's Plan on May 25,
8 2020, and disposed of various other open issues [Doc. 613].

9 The Court-approved Plan, in summary, provides that investors will receive some of their
10 claimed shares back if and only if an IPO event has occurred for a particular company in which
11 shares are claimed, and creditors will receive some cash back. Some of the shares held in the
12 estate will be liquidated to create the Plan Fund as described in the Plan, which will be used to
13 pay cash to administrative and unsecured creditors. Some of the shares will be liquidated to pay
14 the tax liability associated with the sale and distribution of the shares.

15 Shares that remain pre-IPO at this time will not yet be distributed or liquidated without
16 any modification to the Plan as the Plan requires that the shares first have an IPO or liquidity
17 event prior to distribution. Largely in recognition that a substantial tax benefit to the estate could
18 be realized if the estate's shares in Evernote were sold in 2021, the Receiver included in her
19 motion to approve the sale of Evernote permission to modify of the Plan in order to accomplish
20 that sale. The proceeds from that sale are being held in reserve in a segregated account, and how
21 they will be allocated under the Plan will be the subject of a separate motion made to the Court.

22 The Plan also provided that the estate was allowed retain some of the shares of the
23 publicly traded securities in an administrative stock reserve after the first interim distribution,
24 until the final tax liabilities of the estate could be determined. In February 2021, the Receiver
25 determined, when planning to distribute Palantir, that she could distribute far more shares if the
26 administrative reserve was held as cash, as the estate would not be exposed to price fluctuations in
27 the stock. The Receiver therefore moved to modify the Plan as such, and no opposition was
28 received. In making the motions to distribute Airbnb in June 2021 and the remaining publicly

1 traded securities in August 2021, the Receiver also sought authority to implement the
2 administrative cash reserve with respect to all ten publicly traded securities, which authority was
3 granted.

4 **B. Summary of Sale and Distribution of Publicly Traded Securities**

5 As set forth above, there were ten publicly traded securities in the estate that have been
6 sold for the benefit of the estate or distributed to Class 4 claimants: Airbnb, Bloom Energy,
7 Cloudera, Dropbox, Lyft, MongoDB, Palantir, Pinterest, Snapchat, and Uber (the “Publicly
8 Traded Securities”). Two of those, Palantir and Airbnb, had a liquidity event after the Plan was
9 approved and were sold or distributed in March 2021 and June 2021, respectively. The other eight
10 were initially sold or distributed in July and August 2020 soon after the Plan was approved, and
11 the administrative stock reserve for those eight was sold or distributed in August 2021. The
12 disposition of the Publicly Traded Securities is summarized as follows:

13 Stock	Shares Owned by Estate	Shares Distributed to Investors	Shares sold for Plan Fund / Tax Reserves	Proceeds from Sale	Contribution to Plan Fund	Amount for Taxes and Reserves
14 Airbnb	22,250	13,624	8,626	\$1,275,805.29	\$252,796.20	\$1,023,009.09
15 Bloom	147,428	71,123	76,305	\$1,392,017.38	\$1,117,350.00	\$274,667.38
16 Cloudera	37,639	20,904	16,735	\$196,212.91	\$191,174.00	\$5,038.91
Dropbox	46,000	17,569	28,431	\$664,204.53	\$535,038.00	\$129,166.53
17 Lyft	9,479	6,926	2,553	\$81,128.28	\$75,227.00	\$5,901.28
MongoDB	20,000	11,618	8,382	\$1,863,654.12	\$300,697.00	\$1,562,957.12
18 Palantir	5,740,249	3,004,786	2,735,463	\$53,897,053.89	\$9,765,512.00	\$44,131,541.89
Pinterest	23,206	14,846	8,360	\$233,610.82	\$165,141.00	\$68,469.82
19 Snapchat	31,172	18,953	12,219	\$537,402.31	\$164,946.00	\$372,456.31
Uber	500	321	179	\$5,677.30	\$5,816.00	-\$138.70

20 The Plan provides that a distribution schedule for each investment company was to be
21 filed with the Court and approved before any distributions are made, and the Receiver did so for
22 each of the four distribution motions. The Receiver also created final distribution schedules for
23 each of the ten Publicly Traded Securities, showing the gross investment, allowed shares, shares
24 sold, and shares distributed for each investor, anonymized by investor ID. Copies of those final
25 schedules, and a copy of the Distribution Plan, are available on the Claims and Distributions
26 section of the Receiver’s website at <https://www.raineslaw.com/saddle-river-receiver/claims/>.

27 A number of claimants raised questions as to the appropriate tax basis of the shares that
28 were distributed to them, especially given that the information provided by Wells Fargo did not

1 necessarily reflect the investor’s individual basis nor could it reasonably do so. The Court
2 therefore ordered as follows: “Claimants are hereby instructed that they are required to determine
3 their own tax basis with respect to any shares actually distributed to them, regardless of any
4 information provided via the Depository Trust Company transfer by Wells Fargo Securities or any
5 other broker of the estate.” [Doc. 665 ¶ 9].

6 **C. Distribution of Cash to Class 3 Claimants**

7 The Plan also allowed class 3 cash claims for a total amount of \$9,652,191.23. After the
8 sale of Palantir to contribute to the Plan Fund in October 2020, the Plan Fund had over \$12
9 million. The Receiver distributed 80% of the Class 3 claims, or \$7,721,752.95, to claimants
10 pursuant to the Court’s order dated November 9, 2020 [Doc. 631]. The remainder of the Plan
11 Fund is intended to be used to satisfy Class 1 administrative claims and the final 20% of the Class
12 3 cash claims. At present, the Receiver anticipates that she will be able to make a final
13 distribution on those Class 3 cash claims once the final tax liabilities of the estate are determined,
14 provided that there is no significant increase in those tax liabilities.

15 The Receiver notes one attorneys’ lien which has been asserted against one of the
16 unsecured creditor claims, which is contested by the claimant. The Receiver has urged the
17 attorney and the creditor to resolve their dispute and has advised them that, absent a written
18 resolution, the Receiver will be unable to make a distribution on account of that claim with
19 respect to the disputed amount. If the dispute remains unresolved as of the time that the Receiver
20 makes a final distribution, the Receiver may be required to interplead the disputed funds.

21 **D. Sale of Evernote Securities**

22 On November 24, 2021, the Receiver moved the Court for authority to consummate a
23 proposed transaction by which the estate would sell its 96,108 shares in Evernote to Equity
24 Acquisition Company Ltd. (“EAC”) for \$1 per share [Doc. 670]. Prior to the sale, the Receiver
25 consulted with the SEC and the IAC, and performed substantial due diligence on the secondary
26 market including speaking to a number of brokers who specialize in trading pre-IPO securities.
27 The Receiver concluded that a liquidity event for Evernote in the next few years was unlikely, and
28 that \$1 per share was a fair price and in the best interest of the estate. The transaction also

1 satisfied the receivership estate's obligation under a separate settlement agreement with EAC,
2 approved by the Court on January 15, 2020 [Doc. 550], to transfer 3,892 shares of Evernote to
3 EAC. The Court held a hearing on December 9, 2021, and no objection by any party was lodged
4 before or during the hearing. The Court granted the motion on December 10, 2021 [Doc. 674],
5 and the transaction closed on December 14, 2021. Although the final tax impact of the sale will
6 not be calculated until the estate files its 2021 tax return later this year, the Receiver's preliminary
7 estimate is that nearly \$300,000 in taxes will be saved by closing the Evernote transaction in the
8 calendar year 2021.

9 **E. Remaining Items to Implement**

10 The Court approved the distribution plan motion and decided most of the open issues in its
11 ruling on May 25, 2020 [Doc. 613]. However, the Court deferred ruling on two issues raised in
12 the motion practice concerning the distribution plan: (1) how to treat any tax benefits generated
13 by the Failed Investments, and (2) whether to approve the claim of Joshua Cilano, which if
14 approved would be a Class 6 claim and therefore would only be evaluated if there are sufficient
15 funds to distribute to a putative Class 6 [Doc. 613, ¶¶ 5, 8].

16 As to the first issue left open by the Court, the Receiver expects that the gains generated
17 by the sale and distribution of Palantir and other securities will allow the Receiver to make an
18 initial determination of the tax benefit generated by the Failed Investments and other securities
19 after the 2021 tax return is filed. At that time, the Receiver will consult with the SEC and the
20 IAC to determine whether and when to modify the Plan to account for the tax benefits provided
21 by the Failed Investments and other securities and will move the Court for any necessary
22 authority at the appropriate time.

23 When the 2021 tax return is filed, the three-year audit period will begin for the Internal
24 Revenue Service (IRS) to review and challenge that return. If that period passes and there is no
25 material change to the final tax liabilities to the estate, the Receiver will be in a position to
26 distribute the remainder of the administrative reserves for the Publicly Traded Securities to Class
27 4 claimants (subject to any equitable adjustment), as well as a distribution to Class 3 claimants.
28 The timing and amount of such distribution will be subject to a specific motion for approval by

1 the Court. If any IRS audit results in additional taxes being assessed, the administrative cash
2 reserves will be available to satisfy such assessments.

3 As to the second issue left open by the Court, the Receiver is also currently analyzing the
4 potential Cilano claim but does not anticipate being able to determine if there are sufficient funds
5 for a Class 6 claim until all the tax liabilities of the receivership estate are resolved, which will
6 likely be no earlier than 2026.

7 The Receiver is also evaluating whether she will be able to dispose of any or all of the
8 three non-public securities that remain: Addepar, Lookout, and ZocDoc. Some of those securities
9 are held on forward contracts, and some have had little to no secondary market activity in recent
10 years. The Receiver has consulted with SEC and the IAC on the best way to handle those three
11 investments and will continue to do so. As with Evernote, any disposition of any of those
12 securities, and any resulting modification of the Plan, will be the subject of a further motion to
13 this Court for approval, and the Receiver will take a holistic view of the equities involved in
14 coming up with any proposal in consultation with the SEC and the IAC.

15 **V. CASH RESERVES AND ESTIMATED TAX PAYMENTS**

16 Last year, the loss carryforwards from Failed Investments did not require the estate to
17 make any estimated or actual tax payments. This year, with the sale of Palantir and Airbnb for a
18 substantial gain, the Receiver was required to make estimated tax payments. Earlier this year, the
19 Receiver paid \$21,900,000 to the Internal Revenue Service and \$5,900,000 to the California
20 Franchise Tax Board. Last quarter, the Receiver paid \$760,000 to the Internal Revenue Service
21 and \$195,000 to the California Franchise Tax Board. This quarter, the Receiver paid \$655,000 to
22 the Internal Revenue Service (for a 2021 total of \$23,315,000) and \$170,000 to the California
23 Franchise Tax Board (for a 2021 total of \$6,265,000). As of December 31, 2021, the Tax Holding
24 Account had a balance of \$4,754,636.42.

25 As of December 31, 2021, the Palantir Administrative Reserve had \$13,131,974.43, the
26 MongoDB Administrative Reserve had \$300,702.22, the Airbnb Administrative Reserve had
27 \$118,172.34, and the Evernote Reserve had a total of \$96,108.00. The Tax Holding Account is
28 currently holding the administrative reserves for Bloom, Cloudera, Dropbox, Lyft, Pinterest,

1 Snapchat, and Uber; as well as the tax benefits from Evernote and the Failed Investments. After
2 then, those reserves will all continue to remain available to the estate to satisfy any outstanding
3 tax obligations, and if not needed and barring any necessary Equitable Adjustment pursuant to the
4 Plan, the Receiver intends to distribute those reserves to Class 4 claimants once the final tax
5 liabilities of the estate's disposition of the Publicly Traded Securities is established, pursuant to
6 further Court order.

7 As of December 31, 2021, the estate had \$4,527,648.94 in the Plan Fund. The Receiver
8 believes that those reserves are sufficient to cushion against any potential increased tax liability
9 and is hopeful that there will be sufficient funds to pay all Class 1 and Class 3 claims in full. It is
10 not presently clear whether any additional funds will be added to the Plan Fund.

11 VI. FINANCIAL REPORTING

12 The Receiver has paid professional fees and costs during this reporting period and has sold
13 securities which have generated substantial sales proceeds. In order to ensure that the funds of the
14 estate are fully insured, the Receiver maintained accounts with East West Bank for the Plan Fund
15 and Tax Holding account, both of which are associated with a cash sweep account so that the
16 funds are fully insured. The Receiver has also established an account and associated cash sweep
17 account to hold the Palantir Administrative Reserve, the MongoDB Administrative Reserve, the
18 Airbnb Administrative Reserve, and the Evernote Reserve. A detailed listing of each financial
19 transactions during the fourth quarter of 2021 is attached hereto as Exhibit "1."

20
21 DATED: January 24, 2022

By: /s/ Kathy Bazoian Phelps
Kathy Bazoian Phelps
Successor Receiver

EXHIBIT 1

Receivership Estate of SRA Management Associates, LLC et al
4th Quarter 2021 - Cash Receipts and Disbursements

Checking #0063

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$6,176.37
12/31/2021	Ending Balance			\$6,176.37

Brokerage #2849 (Brokerage with Stocks and Mutual Fund)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance (Cash Sweep Only)			\$0.00
12/31/2021	Ending Balance (Cash Sweep Only)			\$0.00

Brokerage #7306 (Anna Bivona funds)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$502,470.94
10/29/2021	Interest	\$4.27		\$502,475.21
11/17/2021	From SEC re claim in John Bivona bankruptcy	\$32,039.21		\$534,514.42
11/30/2021	Interest	\$4.25		\$534,518.67
12/31/2021	Interest	\$4.54		\$534,523.21
12/31/2021	Ending Balance			\$534,523.21

East West #0704 (Tax Holding Account)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$250,000.00
12/15/2021	transfer in from ICS	\$655,000.00		\$905,000.00
12/15/2021	Estimated tax payment (second distribution - federal)		\$655,000.00	\$250,000.00
12/20/2021	transfer to ICS	\$170,000.00		\$420,000.00
12/20/2021	Estimated tax payment (second distribution - state)		\$170,000.00	\$250,000.00
12/31/2021	Ending Balance			\$250,000.00

East West #0697 (Plan Fund)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$250,000.00
11/4/2021	Transfer from ICS (Prof Fees Part 1 of 2)	\$62,551.05		\$312,551.05
11/4/2021	Payment of Fees to K. Phelps (RF)		\$23,324.40	\$289,226.65
11/4/2021	Payment of Fees to Raines Feldman		\$37,894.65	\$251,332.00
11/4/2021	Payment of Fees to Miller Kaplan		\$1,332.00	\$250,000.00
12/6/2021	Transfer from ICS (Prof Fees Part 2 of 2)	\$3,053.25		\$253,053.25
12/6/2021	Payment of Fees to Schinner Shain (Check 1040)		\$3,053.25	\$250,000.00
12/31/2021	Ending Balance			\$250,000.00

East West #1264 (MongoDB Admin Reserve Account)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$250,000.00
12/31/2021	Ending Balance			\$250,000.00

East West #1257 (Palantir Admin Reserve Account)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$250,000.00
12/31/2021	Ending Balance			\$250,000.00

East West #1432 (Airbnb Admin Reserve Account)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$118,172.34
12/31/2021	Ending Balance			\$118,172.34

Receivership Estate of SRA Management Associates, LLC et al
4th Quarter 2021 - Cash Receipts and Disbursements

East West #1432 (Airbnb Admin Reserve Account)

Date	Notes	Deposits	Withdrawals	Balance
12/13/2021	Opening Balance			\$0.00
12/14/2021	Sale of Evernote securities	\$96,108.00		\$96,108.00
12/31/2021	Ending Balance			\$96,108.00

East West #1070 (ICS Cash Sweep for Tax Holding Account)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening balance			\$5,328,982.16
10/29/2021	interest	\$226.13		\$5,329,208.29
11/30/2021	interest	\$218.87		\$5,329,427.16
12/16/2021	transfer to checking (2nd Dist IRS payment)		\$655,000.00	\$4,674,427.16
12/21/2021	transfer to checking (2nd Dist FTB payment)		\$170,000.00	\$4,504,427.16
12/31/2021	interest	\$209.26		\$4,504,636.42
12/31/2021	Ending balance			\$4,504,636.42

East West #1062 (ICS Cash Sweep for Plan Fund)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening Balance			\$4,342,711.39
10/29/2021	interest	\$184.26		\$4,342,895.65
11/5/2021	Transfer to checking for prof fees (pt 1 of 2)		\$62,551.05	\$4,280,344.60
11/30/2021	interest	\$176.11		\$4,280,520.71
12/7/2021	Transfer to checking for prof fees (pt 2 of 2)		\$3,053.25	\$4,277,467.46
12/31/2021	interest	\$181.48		\$4,277,648.94
12/31/2021	Ending Balance			\$4,277,648.94

East West #1120 (ICS Cash Sweep for Palantir Admin Reserve)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening balance			\$12,880,352.23
10/29/2021	interest	\$546.59		\$12,880,898.82
11/30/2021	interest	\$528.99		\$12,881,427.81
12/31/2021	interest	\$546.62		\$12,881,974.43
12/31/2021	Ending balance			\$12,881,974.43

East West #1161 (ICS Cash Sweep for MongoDB Admin Reserve)

Date	Notes	Deposits	Withdrawals	Balance
10/1/2021	Opening balance			\$50,695.90
10/29/2021	interest	\$2.11		\$50,698.01
11/30/2021	interest	\$2.06		\$50,700.07
12/31/2021	interest	\$2.15		\$50,702.22
12/31/2021	Ending balance			\$50,702.22

Cash Position of Receivership Estate of SRA Management Associates, LLC et al
As of December 31, 2021

Cash

WF Checking	\$6,176.37
WF Brokerage	\$0.00
Anna Bivona Funds	\$534,523.21
Plan Fund checking	\$250,000.00
Tax Holding checking	\$250,000.00
Palantir Admin Reserve checking	\$250,000.00
Mongo Admin Reserve checking	\$250,000.00
Plan Fund ICS	\$4,277,648.94

Receivership Estate of SRA Management Associates, LLC et al
4th Quarter 2021 - Cash Receipts and Disbursements

Tax Holding ICS	\$4,504,636.42
Palantir Admin Reserve ICS	\$12,881,974.43
Mongo Admin Reserve ICS	\$50,702.22
Airbnb Reserve	\$118,172.34
Evernote Reserve	\$96,108.00
Total	\$23,469,941.93

Holdbacks (incl thru 3Q 2021)

Sherwood Partners, Former Receiver	\$144,627.50
Kathy Bazoian Phelps, Receiver (Diamond McCarthy)	\$108,980.07
Kathy Bazoian Phelps, Receiver (Raines Feldman)	\$8,840.30
Total	\$262,447.87

Accrued Fees for 4th Qtr 2021

Kathy Bazoian Phelps, Receiver	\$18,228.00
Costs	\$0.00
Raines Feldman	\$18,335.50
Costs	\$46.42
Miller Kaplan	\$1,453.20
Costs	\$0.00
Schinner & Shain	\$1,707.75
Total	\$39,770.87