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**RAINES FELDMAN LLP**  
David Castleman (State Bar No. 326812)  
*dcastleman@raineslaw.com*  
1800 Avenue of the Stars, 12th Floor  
Los Angeles, California 90067  
Telephone: (310) 440-4100  
Facsimile: (310) 691-1367

*Counsel to Receiver Kathy Bazoian Phelps*

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**SAN FRANCISCO DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiffs,

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

**DECLARATION OF DAVID  
CASTLEMAN IN SUPPORT OF  
TWELFTH INTERIM  
ADMINISTRATIVE MOTION FOR  
AN ORDER PURSUANT TO  
LOCAL RULE 7-11 FOR THE  
APPROVAL OF FEES AND  
EXPENSES FOR THE SUCCESOR  
RECEIVER, RAINES FELDMAN  
LLP, MILLER KAPLAN ARASE  
LLP, AND SCHINNER & SHAIN  
LLP FROM OCTOBER 1, 2021  
THROUGH DECEMBER 31, 2021**

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

1 I, David Castleman, declare:

2 1. I am an attorney duly licensed to practice in the State of California and a  
3 partner at the firm of Raines Feldman LLP (“Raines Feldman” or “Firm”), counsel of record  
4 for the Receiver Kathy Bazoian Phelps in this case. I have personal knowledge of the  
5 matters set forth below and if called as a witness, I would and could testify competently to  
6 the matters stated herein.

7 2. This declaration is made in support of the Twelfth Interim Administrative  
8 Motion for an Order Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for  
9 the Successor Receiver, Raines Feldman LLP, Miller Kaplan Arase LLP, and Schinner &  
10 Shain LLP from October 1, 2021 through December 31, 2021 (“Motion”).

11 3. On May 10, 2021, the Court entered an order authorizing the Receiver to  
12 employ Raines Feldman as the Receiver’s general counsel retroactively to April 23, 2021  
13 (the “Employment Order”). I directly supervise the professionals and staff of Raines  
14 Feldman with respect to this representation.

15 4. In recognition of the efficiencies and benefits to the estate, Raines Feldman  
16 divided its time among different billing categories. For the period of October 1, 2021  
17 through December 31, 2021 (the “Motion Period”), Raines Feldman performed services  
18 between the following two billing categories:

19 B110 – Case Administration

20 B130 – Asset Disposition

21 B320 – Plan Implementation

22 In the interests of the estate and pursuant to the RF Employment Order, I capped my  
23 hourly rate at \$465. The hourly rates of paralegals have also been discounted. Expenses are  
24 billed separately. Attached hereto as Exhibit “5” are true and correct copies of the billing  
25 statements itemizing the legal services provided and the costs incurred by Raines Feldman in  
26 this case.

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1 B110 – Case Administration

2 5. As set forth in Exhibit 5, during the Motion Period, Raines Feldman  
3 performed 13.60 hours for total fees of \$6,324.00 in assisting the Receiver with  
4 administering the estate.

5 6. Raines Feldman assisted the Receiver with completing the required cash  
6 disbursement report and SFAR accounting statement for the Third Quarter 2021, and in  
7 preparing and filing a required status report with the Court.

8 7. Raines Feldman also assisted the Receiver in analyzing the required estimated  
9 tax payments owed by the estate as a result of the disposition of various publicly traded  
10 securities, and substantially revised the frequently asked questions provided to claimants in  
11 light of the continued progress in implementing the Plan.

12 B130 – Asset Disposition

13 8. As set forth in Exhibit 5, during the Motion Period, Raines Feldman  
14 performed 21.60 hours for total fees of \$10,044.00 in assisting the Receiver in disposing of  
15 the estate’s assets.

16 9. Raines Feldman assisted the Receiver with analyzing and preparing to dispose  
17 of the remaining pre-IPO securities in the estate, including analyzing the relevant contracts  
18 and corporate documents, communicating with counterparties and outside counsel, analyzing  
19 and summarizing the current market for the securities, and coordinating with potential  
20 purchasers of the securities

21 10. Raines Feldman assisted with the Receiver with moving the Court for  
22 approval for the disposition of the estate’s position in Evernote Corporation (“Evernote”).  
23 Raines Feldman also worked with the Receiver, the purchaser and counsel for Evernote to  
24 complete the transaction in 2021. The Evernote transaction closed in December 2021.

25 B320 – Plan Implementation

26 11. As set forth in Exhibit 5, during the Motion Period, Raines Feldman  
27 performed 5.10 hours for total fees of \$1,967.50 in assisting the Receiver in implementing  
28

1 the Plan.

2 12. Raines Feldman assisted the Receiver in analyzing issues related to the future  
3 waterfall of distributions and related to the potential Cilano claim.

4 Expenses

5 13. As set forth in Exhibit 5, during the Motion Period, Raines Feldman incurred  
6 \$46.42 in expenses during the Motion Period, all of which was related to the cost of mailing  
7 certain material to the Internal Revenue Service and Franchise Tax Board.

8 \* \* \*

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

13 15. The fees that Raines Feldman has charged are reasonable, necessary, and  
14 commensurate with the skill and experience required for the activity performed. Raines  
15 Feldman's services and time expenditures are reasonable in light of the labor required for the  
16 matters for which Raines Feldman was retained and the balancing that must be performed to  
17 efficiently and effectively represent the Receiver. Raines Feldman respectfully submits that  
18 it has not expended time unnecessarily and that it has rendered efficient and effective  
19 services.

20 16. Raines Feldman has not included in the amount for which reimbursement of  
21 costs is sought, amortization of the cost of any equipment, investment or capital outlay.

22

23 I declare under penalty of perjury that the foregoing is true and correct. Executed on  
24 this 24th day of January 2022 at New York, New York.

25

26

*/s/ David A. Castleman*  
David A. Castleman

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# **EXHIBIT 5**



RAINESFELDMAN

1800 Avenue of the Stars, 12th Floor  
Los Angeles, CA 90067

**Invoice Date: 11/24/2021**  
**Invoice Number: 93803**

Kathy Bazoian Phelps - SRA Management Assoc LLC  
1800 Avenue of the Stars  
12th Floor  
Los Angeles, CA 90067

**4665-001 / SRA Management Receiver (Attorney file)**

Professional Services				Hours	Rate	Amount
10/13/2021	DAC	B110	Draft interim status report for third quarter 2021	3.40	465.00	1,581.00
10/13/2021	DAC	B110	Draft cash disbursement report for third quarter 2021 and review statements regarding same	2.60	465.00	1,209.00
10/13/2021	DAC	B110	Emails with K. Phelps regarding third quarter status report	0.20	465.00	93.00
10/13/2021	DAC	B110	Draft SFAR for 3rd quarter 2021	0.70	465.00	325.50
10/14/2021	DAC	B110	Updates to third quarter status report and email with K. Phelps regarding same	0.50	465.00	232.50
10/16/2021	DAC	B110	Revisions to 2021 3Q status report	0.10	465.00	46.50
10/20/2021	DAC	B110	Finalize status report for SEC review	0.20	465.00	93.00
10/28/2021	DAC	B110	Call with P. Schrage, E. Hu (SEC) and K. Phelps regarding status report and future plan implementation issues	1.00	465.00	465.00
10/29/2021	DAC	B110	Review and finalize status report for filing	0.20	465.00	93.00
				<b>B110</b>		<b>4,138.50</b>
10/04/2021	DAC	B130	Emails with F. Koenen, K. Phelps and counterparty regarding Lookout shares	0.40	465.00	186.00
10/11/2021	DAC	B130	Call with K. Phelps regarding disposition of pre-IPO securities	0.10	465.00	46.50
10/14/2021	DAC	B130	Emails and calls with C. Aguilar regarding ZocDoc disposition	0.30	465.00	139.50
10/15/2021	DAC	B130	Review Lookout agreement to determine potential options for disposition	0.30	465.00	139.50
10/18/2021	DAC	B130	Call with K. Phelps and C. Aguilar regarding ZocDoc escrow issues	0.40	465.00	186.00
10/18/2021	DAC	B130	Email F. Koenen regarding Lookout issues	0.30	465.00	139.50
10/19/2021	DAC	B130	Call with D. Feldman regarding Lookout and follow up email	0.70	465.00	325.50

10/19/2021	DAC	B130	Draft summary of potential Lookout liquidation procedure and email same to K. Phelps	0.80	465.00	372.00
10/26/2021	DAC	B130	Emails with counterparties regarding sale of pre IPO stock	0.20	465.00	93.00
10/27/2021	DAC	B130	Call with C. Klein and K. Phelps regarding sale of securities	0.40	465.00	186.00
10/27/2021	DAC	B130	Call with K. Phelps regarding sale of securities	0.20	465.00	93.00
				<b>B130</b>		<b>1,906.50</b>
10/15/2021	DAC	B160	Prepare 11th Fee App and supporting exhibits (NO CHARGE)	3.20	0.00	No Charge
10/16/2021	DAC	B160	Revisions to 2021 3Q Fee App	0.00	0.00	No Charge
10/18/2021	DAC	B160	Email J. Damasco and F. Koenen regarding fee application	0.00	0.00	No Charge
10/20/2021	DAC	B160	Finalize fee application for SEC review	0.00	0.00	No Charge
10/29/2021	DAC	B160	Emails regarding declarations and finalizing fee app	0.20	0.00	0.00
				<b>B160</b>		<b>0.00</b>
10/20/2021	DAC	B320	Analysis of potential Cilano claim	2.60	465.00	1,209.00
10/20/2021	DAC	B320	Analysis of long term cash flows for Plan Fund	0.90	465.00	418.50
10/01/2021	SJS	B320	Prepare Excel sheet for Cilano Claimants with Comments to DAC	1.60	212.50	340.00
				<b>B320</b>		<b>1,967.50</b>
Sub-total Fees:						<b>\$8,012.50</b>

**Rate Summary**

David A. Castleman	3.40 hours at \$0.00/hr	\$0.00
David A. Castleman	16.50 hours at \$465.00/hr	\$7,672.50
Stephanie J Segovia	1.60 hours at \$212.50/hr	\$340.00
<b>Total hours:</b>	<b>21.50</b>	<b>\$8,012.50</b>

**Expenses**

	<b>Amount</b>
10/01/2021 Phelps, Kathy B.: Mailing costs for tax payments/returns (6/14/21); Ref.# 09092021	7.00
10/01/2021 Phelps, Kathy B.: Mailing costs for tax payments/returns (9/9/21); Ref.# 09092021	32.04
Sub-total Expenses:	<b>\$39.04</b>

**Payments**

11/04/2021 Payment	Wire In	37,894.65
Sub-total Payments:		<b>\$37,894.65</b>

Total Current Billing:	\$8,051.54
Previous Balance Due:	\$37,894.65
Total Payments:	(\$37,894.65)
<b>Total Now Due:</b>	<b>\$8,051.54</b>



RAINESFELDMAN

1800 Avenue of the Stars, 12th Floor  
Los Angeles, CA 90067

**Invoice Date: 12/22/2021**  
**Invoice Number: 94536**

Kathy Bazoian Phelps - SRA Management Assoc LLC  
1800 Avenue of the Stars  
12th Floor  
Los Angeles, CA 90067

**4665-001 / SRA Management Receiver (Attorney file)**

<b>Professional Services</b>				<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
11/01/2021	DAC	B110	Emails with claimant regarding distribution and tax questions	0.30	465.00	139.50
11/01/2021	DAC	B110	Emails with claimant regarding distribution and implementation questions	0.60	465.00	279.00
11/02/2021	DAC	B110	Emails with claimants regarding distribution and implementation questions	0.40	465.00	186.00
11/02/2021	DAC	B110	Communications with claimant and counsel regarding Bloom shares	0.20	465.00	93.00
11/03/2021	DAC	B110	Communications with claimant's counsel regarding potential claim	0.20	465.00	93.00
11/03/2021	DAC	B110	Emails with claimants regarding distributions	0.20	465.00	93.00
11/04/2021	DAC	B110	Respond to claimant questions	0.20	465.00	93.00
11/08/2021	DAC	B110	Calls and emails with claimants regarding distributions	0.40	465.00	186.00
11/11/2021	DAC	B110	Emails with claimants regarding distribution	0.50	465.00	232.50
11/12/2021	DAC	B110	Emails with claimant regarding distribution	0.10	465.00	46.50
11/24/2021	DAC	B110	Communications with claimant regarding distribution questions	0.40	465.00	186.00
11/26/2021	DAC	B110	Respond to claimant question regarding Evernote	0.20	465.00	93.00
11/29/2021	DAC	B110	Analysis of tax implications and related emails	0.40	465.00	186.00
				<b>B110</b>		<b>1,906.50</b>
11/02/2021	DAC	B130	Call with IAC regarding sale of securities	0.40	465.00	186.00
11/04/2021	DAC	B130	Review email from counsel for Evernote and email K. Phelps regarding same	0.30	465.00	139.50
11/09/2021	DAC	B130	Emails with K. Phelps regarding Evernote transaction	0.40	465.00	186.00
11/10/2021	DAC	B130	Emails regarding Evernote approval motion	0.30	465.00	139.50



11/11/2021	DAC	B130	Call with Evernote counsel regarding sale of shares	0.40	465.00	186.00
11/11/2021	DAC	B130	Emails regarding Evernote disposition	0.20	465.00	93.00
11/12/2021	DAC	B130	Emails regarding Evernote sale	0.10	465.00	46.50
11/15/2021	DAC	B130	Emails regarding Evernote sale	0.10	465.00	46.50
11/16/2021	DAC	B130	Draft motion to approve Evernote sale and supporting affidavits and documents and email same to K. Phelps	6.60	465.00	3,069.00
11/17/2021	DAC	B130	Emails with Evernote counsel regarding transfer agreement and possible language	0.70	465.00	325.50
11/17/2021	DAC	B130	Call with K. Phelps regarding Evernote sale	0.20	465.00	93.00
11/17/2021	DAC	B130	Review and comment on transfer agreement and email same to K. Phelps	1.10	465.00	511.50
11/18/2021	DAC	B130	Edits to Evernote transfer agreement and related emails with F. Koenen and K. Phelps	0.80	465.00	372.00
11/19/2021	DAC	B130	Review and comment on 144 opinion and transfer agreement edits	0.70	465.00	325.50
11/19/2021	DAC	B130	Emails with Evernote counsel and securities counsel regarding transfer agreement	0.50	465.00	232.50
11/20/2021	DAC	B130	Finalize Evernote motion and agreement and related emails	0.70	465.00	325.50
11/22/2021	DAC	B130	Call with K. Phelps regarding Evernote motion	0.10	465.00	46.50
11/23/2021	DAC	B130	Emails regarding filing of Evernote motion	0.50	465.00	232.50
11/23/2021	DAC	B130	Revisions to Evernote motion	0.20	465.00	93.00
11/24/2021	DAC	B130	Finalize Evernote motion and related emails	0.80	465.00	372.00
11/24/2021	DAC	B130	Call with K. Phelps regarding Evernote	0.10	465.00	46.50

**B130** 7,068.00

Sub-total Fees: \$8,974.50

**Rate Summary**

David A. Castleman	19.30 hours at \$465.00/hr	\$8,974.50
Total hours:	19.30	\$8,974.50

**Expenses**

12/14/2021 12/14/2021-USPS - Mail to Franchise Tax Board	7.38
Sub-total Expenses:	<u>\$7.38</u>

Total Current Billing:	\$8,981.88
Previous Balance Due:	\$8,051.54
<b>Total Now Due:</b>	<b><u>\$17,033.42</u></b>



RAINESFELDMAN

1800 Avenue of the Stars, 12th Floor  
Los Angeles, CA 90067

Federal Tax ID: 20-4515337

**Invoice Date: 1/14/2022**  
**Invoice Number: 95088**

Kathy Bazoian Phelps - SRA Management Assoc LLC  
1800 Avenue of the Stars  
12th Floor  
Los Angeles, CA 90067

**4665-001 / SRA Management Receiver (Attorney file)**

Professional Services				Hours	Rate	Amount
12/07/2021	DAC	B110	Draft stipulation for further stay of Sabrin case	0.30	465.00	139.50
12/08/2021	DAC	B110	Finalize and file Sabrin stay	0.30	465.00	139.50
				<b>B110</b>		<b>279.00</b>
12/08/2021	DAC	B130	Call with K. Phelps regarding Evernote motion	0.10	465.00	46.50
12/09/2021	DAC	B130	Prepare for hearing regarding Evernote	0.50	465.00	232.50
12/09/2021	DAC	B130	Appear at hearing regarding Evernote	0.10	465.00	46.50
12/09/2021	DAC	B130	Follow up emails regarding Evernote sale	0.30	465.00	139.50
12/13/2021	DAC	B130	Emails regarding finalizing Evernote transaction	0.50	465.00	232.50
12/13/2021	DAC	B130	Call with K. Phelps regarding Evernote	0.10	465.00	46.50
12/13/2021	DAC	B130	Email Evernote regarding sale	0.20	465.00	93.00
12/14/2021	DAC	B130	Emails regarding closing Evernote transaction	0.20	465.00	93.00
12/23/2021	DAC	B130	Emails with Evernote regarding payment of invoice	0.30	465.00	139.50
				<b>B130</b>		<b>1,069.50</b>
Sub-total Fees:						\$1,348.50

**Rate Summary**

David A. Castleman	2.90 hours at \$465.00/hr	\$1,348.50
Total hours:	2.90	\$1,348.50

Total Current Billing:	\$1,348.50
Previous Balance Due:	\$17,033.42
<b>Total Now Due:</b>	<b>\$18,381.92</b>