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*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

**FIFTEENTH INTERIM  
ADMINISTRATIVE MOTION FOR  
AN ORDER PURSUANT TO LOCAL  
RULE 7-11 FOR THE APPROVAL OF  
FEES AND EXPENSES FOR THE  
SUCCESSOR RECEIVER, RAINES  
FELDMAN LLP, AND MILLER  
KAPLAN ARASE LLP, FROM JULY  
1, 2022 THROUGH SEPTEMBER 30,  
2022**

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

1 Kathy Bazoian Phelps, the successor receiver herein (the “Receiver”) of SRA  
2 Management Associates, LLC, SRA I, LLC, SRA II, LLC, SRA III, LLC, SRA Management  
3 Associates, Clear Sailing Group IV, LLC, Clear Sailing Group V, LLC, Felix Multi-  
4 Opportunity Fund I, LLC, Felix Multi-Opportunity Fund II, LLC, Felix Management  
5 Associates, LLC, NYPA Fund I, LLC, NYPA Fund II, LLC, NYPA Management Associates,  
6 LLC and Solis Associates Fund LLC, hereby files this Administrative Motion under Local  
7 Civil Rule 7-11 for Order approving fees and expenses for the Receiver, Raines Feldman LLP,  
8 and Miller Kaplan Arase LLP for the period of July 1, 2022 through September 30, 2022 (the  
9 “Motion”).<sup>1</sup>

10 **I. RELIEF REQUESTED**

11 The Receiver seeks approval of compensation and reimbursement of expenses for  
12 herself and her professionals for the period of July 1, 2022 through September 30, 2022  
13 (“Motion Period”) in the following amounts:

14 Receiver: Fees \$12,694.50.<sup>2</sup>

15 Raines Feldman LLP (“Raines Feldman”): Fees \$18,463.20.

16 Miller Kaplan Arase LLP (“Miller Kaplan”): Fees \$710.40.

17 This Motion is supported by the Declarations of the Receiver, David Castleman of  
18 Raines Feldman, and Julia Damasco of Miller Kaplan.

19 **II. CASE STATUS**

20 The Court approved the Receiver’s Plan of Distribution (“Plan”) on May 25, 2020  
21 (Dkt. No. 613). The estate has now either distributed or sold all of its publicly traded  
22

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23 <sup>1</sup> The Notice of Motion, the Motion, and supporting documents will be served on all interested  
24 parties pursuant to Civil Local Rule 66-6 and will be posted on the Receivership website at  
25 <https://www.raineslaw.com/saddle-river-receiver/>. The Receiver has conferred with counsel  
26 for the Securities and Exchange Commission and the Investor Advisory Committee, who each  
27 do not oppose the Motion, and with counsel for Progresso Ventures LLC who does not express  
28 any comment or opposition in response. A stipulation with all parties was deemed impractical  
given, among other things, the entry of judgment against the defendants and pending  
bankruptcy of defendant John Bivona. L.R. 7-11(1)(a).

<sup>2</sup> The Receiver has agreed to a holdback of 20% of this amount (\$2,538.90) and therefore  
requests authority to pay \$10,155.60.

1 securities.

2 In the third quarter 2022, the Receiver continued to evaluate options for disposition of  
3 the remaining three pre-IPO securities and will continue to do so throughout 2022. The  
4 Receiver and her team are also preparing to move the Court to modify the Plan in light of the  
5 substantial activity in 2020 and 2021 and the realization of the tax benefits for certain of the  
6 Failed Investments. The Receiver and her advisers prepared a tax return for 2021 filed on April  
7 14, 2022 that resulted in federal and state tax refunds of \$306,200.70.

### 8 **III. CASH ON HAND AND ACCRUED EXPENSES**

9 As of September 30, 2022, the receivership estate has cash on hand as follows:

10	Wells Fargo Checking	\$6,176.37
11	Anne Bivona Funds	\$534,714.80
	Plan Fund Account	\$4,449,968.17
12	Tax Holding Account	\$5,080,115.94
13	Palantir Administrative Reserve	\$13,187,935.48
	MongoDB Administrative Reserve	\$376,873.06
14	Airbnb Administrative Reserve	\$118,487.48
	Evernote Reserve	\$96,364.30
15	<b>Total Cash on Hand</b>	<b>\$23,850,635.60</b>

16 There are known accrued expenses and unpaid expenses of \$31,868.10 through  
17 September 30, 2022 for third quarter fees, and holdbacks of \$269,887.87. Attached to the  
18 Declaration of the Receiver as Exhibit "1" is a financial summary showing the cash status of  
19 the estate as of September 30, 2022. Funds in the amount of \$34,348.70 representing second  
20 quarter 2022 fees and expenses were disbursed during this period. The Standardized Fund  
21 Accounting Report required by the SEC for the third quarter 2022 is attached to the Receiver's  
22 Declaration as Exhibit "2."

### 23 **IV. PREVIOUS FEE MOTIONS AND HOLDBACKS**

24 Fees and expenses have previously been granted as set forth in Exhibit "3" to the  
25 Receiver's Declaration, filed concurrently herewith. As of September 30, 2022, there are  
26 outstanding fee holdbacks from the prior fee applications for \$269,887.87 as follows: (i)  
27 Sherwood Partners, the former receiver, in the amount of \$144,627.50; (ii) the Receiver in the  
28 amount of \$108,980.07 when she was employed by Diamond McCarthy LLP; and (iii) the

1 Receiver in the amount of \$16,280.30 since her employment at Raines Feldman.

2 **V. THE RECEIVER'S FEE REQUEST**

3 As detailed in the Declaration of the Receiver, pursuant to the Receiver's proposal for  
 4 her appointment, and in recognition of the efficiencies and benefits to the estate, the Receiver  
 5 has established separate billing categories for services provided. For services provided with  
 6 respect to legal issues, the Receiver has discounted her hourly rate of \$725.00 to \$465.00,  
 7 thereby generating significant savings to the estate. The Receiver has agreed to charge  
 8 \$160.00 per hour for herself and her assistants for administrative services. The billing  
 9 statements itemizing the services provided and expenses incurred are contained in Exhibit "4"  
 10 attached to the Declaration of the Receiver. The Receiver performed services for each category  
 11 as follows:

Category	Hours	Fees
Case Administration (B110)	16.60	\$7,719.00
Asset Analysis and Recovery (B120)	10.70	\$4,975.50
<b>TOTAL</b>	<b>27.30</b>	<b>\$12,694.50</b>

16 During the Motion Period, the Receiver coordinated with the SEC and with her  
 17 advisers and tax counsel in managing the estate and tax refunds, analyzed the disposition of  
 18 the estate's pre-IPO shares of ZocDoc, Inc. and Lookout, Inc., and drafted potential motion  
 19 papers and legal documents to effect the same.

20 **VI. RAINES FELDMAN'S FEE REQUEST**

21 As detailed in the Declaration of David Castleman, Raines Feldman has established  
 22 billing categories for tasks performed and has significantly discounted its billing rates with  
 23 senior attorneys capping their hourly rate at \$465.00. Raines Feldman was appointed as  
 24 counsel as of April 23, 2021 pursuant to Court order (Doc No. 651). The billing statements  
 25 itemizing the services provided and expenses incurred are attached as Exhibit "5" to the  
 26 Castleman Declaration. Raines Feldman performed services for each category are as follows:

Category	Hours	Fees
Case Administration (B110)	18.60	\$7,312.50
Asset Analysis and Recovery (B120)	21.20	\$8,698.80
Asset Disposition (B130)	5.10	\$2,033.40
Plan Implementation (B320)	0.90	\$418.50
<b>TOTAL</b>	<b>45.80</b>	<b>\$18,463.20</b>

During the Motion Period, Raines Feldman assisted the Receiver in drafting the status report, net deficiency claims analysis, in analyzing the disposition of the estate's pre-IPO shares of ZocDoc, Inc. and Lookout, Inc., and in drafting potential motion papers and legal documents to effect the same.

#### VII. MILLER KAPLAN'S FEE REQUEST

As detailed in the Declaration of Julia Damasco and the billing statements attached as Exhibit "6" to her Declaration, Miller Kaplan has incurred \$710.40 in fees in connection with providing tax services to the Receiver.

**WHEREFORE**, the Receiver seeks entry of an order granting this Motion in all respects.

Dated: November 7, 2022

RAINES FELDMAN LLP

By: /s/ David Castleman

David Castleman

*Counsel for Receiver Kathy Bazoian Phelps*