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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 Plaintiffs,

14 v.

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

17 Defendants, and

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

21 Relief Defendants.

Case No.: 3:16-cv-01386-EMC

**SIXTEENTH 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
OCTOBER 1, 2022 THROUGH
DECEMBER 31, 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 October 1, 2022 through December 31, 2022
9 (the “Motion”).¹

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 October 1, 2022 through December 31, 2022
13 (“Motion Period”) in the following amounts:

14 Receiver: Fees \$11,160.00² and Costs \$110.00.

15 Raines Feldman LLP (“Raines Feldman”): Fees \$16,732.17.

16 Miller Kaplan Arase LLP (“Miller Kaplan”): Fees \$1,631.00.

17 This Motion is supported by the Declarations of the Receiver and Julia Damasco of
18 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

23 ¹ 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).

² The Receiver has agreed to a holdback of 20% of this amount (\$2,232.00) and therefore
requests authority to pay \$8,928.00.

1 securities.

2 In the fourth 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 2023. On October
 4 25, 2022, the Receiver filed a Motion for Order Directing ZocDoc, Inc. (“ZocDoc”) to
 5 Transfer Shares (Doc. No. 684) (the “Motion”). The Motion asked the Court to issue an Order
 6 directing ZocDoc to transfer 20,104 shares of ZocDoc to the receivership estate’s name on the
 7 capitalization table. The Court granted the Receiver’s Motion on November 21, 2022 (Doc.
 8 No. 690) and directed ZocDoc to transfer the Shares to the receivership estate’s name on the
 9 capitalization table. The Receiver intends to sell the Shares on the secondary market. The
 10 Receiver and her team are also preparing to move the Court to modify the Plan in light of the
 11 substantial activity in 2020 and 2021 and the realization of the tax benefits for certain of the
 12 Failed Investments. The Receiver and her advisers prepared a tax return for 2021 filed on April
 13 14, 2022 that resulted in federal and state tax refunds of \$306,200.70.

14 III. CASH ON HAND AND ACCRUED EXPENSES

15 As of December 31, 2022, the receivership estate has cash on hand as follows:

16 Wells Fargo Checking	\$6,176.37
17 Anne Bivona Funds	\$534,896.77
Plan Fund Account	\$4,444,896.87
18 Tax Holding Account	\$5,085,871.64
Palantir Administrative Reserve	\$13,259,817.12
19 MongoDB Administrative Reserve	\$404,205.43
Airbnb Administrative Reserve	\$119,191.67
20 Evernote Reserve	\$96,937.00
21 Total Cash on Hand	\$23,951,992.87

22 There are known accrued expenses and unpaid expenses of \$29,805.97 through
 23 December 31, 2022 for fourth quarter fees, and holdbacks of \$272,426.77. Attached to the
 24 Declaration of the Receiver as Exhibit “1” is a financial summary showing the cash status of
 25 the estate as of December 31, 2022. Funds in the amount of \$29,329.20 representing third
 26 quarter 2022 fees were disbursed during this period. The Standardized Fund Accounting
 27 Report required by the SEC for the fourth quarter 2022 is attached to the Receiver’s
 28 Declaration as Exhibit “2.”

1 **IV. PREVIOUS FEE MOTIONS AND HOLDBACKS**

2 Fees and expenses have previously been granted as set forth in Exhibit “3” to the
3 Receiver’s Declaration, filed concurrently herewith. As of December 31, 2022, there are
4 outstanding fee holdbacks from the prior fee applications for \$272,426.77 as follows: (i)
5 Sherwood Partners, the former receiver, in the amount of \$144,627.50; (ii) the Receiver in the
6 amount of \$108,980.07 when she was employed by Diamond McCarthy LLP; and (iii) the
7 Receiver in the amount of \$18,819.20 her employment at Raines Feldman.

8 **V. THE RECEIVER’S FEE REQUEST**

9 As detailed in the Declaration of the Receiver, pursuant to the Receiver’s proposal for
10 her appointment, and in recognition of the efficiencies and benefits to the estate, the Receiver
11 has established separate billing categories for services provided. For services provided with
12 respect to legal issues, the Receiver has discounted her hourly rate of \$725.00 to \$465.00,
13 thereby generating significant savings to the estate. The Receiver has agreed to charge
14 \$160.00 per hour for herself and her assistants for administrative services. The billing
15 statements itemizing the services provided and expenses incurred are contained in Exhibit “4”
16 attached to the Declaration of the Receiver. The Receiver performed services for each category
17 as follows:

18 Category	Hours	Fees
19 Case Administration (B110)	15.10	\$7,021.50
20 Asset Analysis and Recovery (B120)	8.90	\$4,138.50
21 TOTAL	24.00	\$11,160.00

22 During the Motion Period, the Receiver coordinated with the SEC and with her
23 advisers and tax counsel in managing the estate and tax refunds, analyzed the disposition of
24 the estate’s pre-IPO shares of ZocDoc, Inc. and Lookout, Inc., and drafted motion papers and
25 potential legal documents to effect the same.

26 **VI. RAINES FELDMAN’S FEE REQUEST**

27 As detailed in the Declaration of the Receiver, Raines Feldman has established billing
28 categories for tasks performed and has significantly discounted its billing rates with senior

1 attorneys capping their hourly rate at \$465.00. Raines Feldman was appointed as counsel as of
 2 April 23, 2021 pursuant to Court order (Doc No. 651). The billing statements itemizing the
 3 services provided and expenses incurred are attached as Exhibit “5” to the Declaration of the
 4 Receiver. Raines Feldman performed services for each category are as follows:

5	6	7	8
Category	Hours	Fees	
Case Administration (B110)	17.30	\$6,625.17	
Asset Analysis and Recovery (B120)	0.70	\$325.50	
Asset Disposition (B130)	7.30	\$2,911.50	
Plan Implementation (B320)	17.00	\$6,870.00	
TOTAL	42.30	\$16,732.17	

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

15 **VII. MILLER KAPLAN’S FEE REQUEST**

16 As detailed in the Declaration of Julia Damasco and the billing statements attached as
 17 Exhibit “6” to her Declaration, Miller Kaplan has incurred \$1,631.00 in fees in connection
 18 with providing tax services to the Receiver.

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

20 Dated: February 21, 2023

RAINES FELDMAN LLP

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 22 By: */s/ Kathy Bazoian Phelps*
 Kathy Bazoian Phelps
 23 *Successor Receiver*