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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 Plaintiff,

14 v.

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

18 Defendants, and

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

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

**NOTICE OF HEARING ON MOTION BY
RECEIVER KATHY BAZOIAN PHELPS
FOR ORDER AUTHORIZING
MODIFICATION OF THE
DISTRIBUTION PLAN**

Date: August 31, 2023
Time: 1:30 pm
Judge: Edward M. Chen

1 **TO ALL INTERESTED PARTIES:**

2 **PLEASE TAKE NOTICE THAT** Kathy Bazoian Phelps, the successor receiver (the
3 “Receiver”) of SRA Management Associates, LLC, SRA I, LLC, SRA II, LLC, SRA III, LLC, Clear
4 Sailing Group IV, LLC, Clear Sailing Group V, LLC, Felix Multi-Opportunity Fund I, LLC, Felix
5 Multi-Opportunity Fund II, LLC, Felix Management Associates, LLC, NYPA Fund I, LLC, NYPA
6 Fund II, LLC, NYPA Management Associates, LLC and Solis Associates Fund LLC, hereby files
7 this Motion for Order Authorizing Modification of the Distribution Plan (the “Motion”).

8 **PLEASE TAKE FURTHER NOTICE THAT** a hearing on the Motion has been set for
9 August 31, 2023 at 1:30 pm in front of Judge Edward M. Chen. The hearing will take place by Zoom
10 webinar and may be accessed through the following link:

11 [https://cand-
13 uscourts.zoomgov.com/j/1619911861?pwd=TjVma1lnMlJlNHR3ZE9QMkFjNkFndz09](https://cand-
12 uscourts.zoomgov.com/j/1619911861?pwd=TjVma1lnMlJlNHR3ZE9QMkFjNkFndz09)

14 Webinar ID: 161 991 1861

15 Password: 912881

16 The Motion proposes clarifications and modifications to the Receiver’s Distribution Plan
17 (Dkt. 570-1) that was approved by the Court on May 25, 2020 (Dkt. No. 613), and requests that the
18 Court: (1) confirm that all funds in the estate will remain available for Class 2 tax payments; (2)
19 authorize the creation of separate Class 4 Reserves for each Class 4 subclass, to contain the proceeds
20 of the cash sales of such security, less any contribution to the Plan Fund, plus any tax benefits and
21 less any tax burdens arising from the sale or distribution of such security; (3) authorize the Receiver
22 to make the transfers of funds to or from the Tax Holding Account necessary to create the Class 4
23 Reserves; (4) modify the Distribution Plan to create subclasses 6A for Practice Fusion investors and
24 6B for Candi Control investors, and to fund Evernote, Practice Fusion, and Candi Control Tax
25 Reserves with the plan to distribute any portion of those reserves not needed for as yet unassessed
26 taxes to the respective 4F, 6A, and 6B subclasses; (5) confirm that Class 5 Deficiency Claims shall
27 be the difference between the value contributed by an investor for their Successful Investments in
28 the aggregate and the value received by that investor for those Successful Investments in the

1 aggregate; and (6) authorize the prosecution of the Cilano Claim and fix a briefing schedule for that
2 proceeding.

3 The Motion is based upon this Notice of Motion, the Motion, the Declaration of the Receiver,
4 the Declaration of Julia Damasco, and the proposed order. In addition to service by ECF, the Receiver
5 intends to serve this Notice, the Motion and the supporting documents on all interested parties using
6 a confidential email list, and to post this Notice, the Motion and supporting documents on the
7 Receivership website. *See* Civil L.R. 66-6.

8 **PLEASE TAKE FURTHER NOTICE THAT** any opposition to the Motion must be filed
9 no later than August 10, 2023.

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11 DATED: July 27, 2023

RAINES FELDMAN LITRELL LLP

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13 By: /s/ Kathy Bazoian Phelps
14 Kathy Bazoian Phelps
15 *Successor Receiver*
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