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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

**EIGHTEENTH 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 LITTRELL LLP, AND
SCHINNER & SHAIN, LLP FROM
APRIL 1, 2023 THROUGH JUNE 30,
2023**

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
8 Littrell LLP, and Schinner & Shain LLP for the period of April 1, 2023 through June 30, 2023
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 April 1, 2023 through June 30, 2023 (“Motion
13 Period”) in the following amounts:

14 Receiver: Fees \$19,902.00.²

15 Raines Feldman Littrell LLP (“Raines”): Fees \$32,155.20.

16 Schinner & Shain LLP (“Schinner”): Fees \$3,334.50.

17 This Motion is supported by the Declarations of the Receiver and Frederick Koenen of
18 Schinner.

19 **II. CASE STATUS**

20 The Court approved the Receiver’s Plan of Distribution (“Plan”) on May 25, 2020
21 (Doc. 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 (\$3,980.40) and therefore
requests authority to pay \$15,921.60.

1 securities.

2 In the second quarter 2023, the Receiver continued to evaluate options for disposition
3 of the remaining three pre-IPO securities and will continue to do so throughout 2023.
4 Following approval of the Motion for Order Directing ZocDoc, Inc. (“ZocDoc”) to Transfer
5 Shares by order entered on November 21, 2022 (Doc. No. 690), the Receiver and her counsel
6 have worked with ZocDoc to prepare the documentation necessary to transfer 20,104 shares of
7 ZocDoc to the receivership estate’s name on the capitalization table.

8 The Receiver and her team have continued to prepare to file a motion to modify the
9 Plan and have worked with the Investor Advisory Committee, the SEC, and Joshua Cilano to
10 address certain issues in connection with the Plan. The Receiver continues to discuss the Plan
11 modifications and to finalize the motion to address these issues.

12 The Receiver and her advisers are currently preparing a tax return for 2022.

13 **III. CASH ON HAND AND ACCRUED EXPENSES**

14 As of June 30, 2023, the receivership estate has cash on hand as follows:

15	Wells Fargo Checking	\$0.00
16	Anne Bivona Funds	\$541,216.42
	Plan Fund Account	\$4,482,636.66
17	Tax Holding Account	\$5,166,004.95
	Palantir Administrative Reserve	\$13,468,774.80
18	MongoDB Administrative Reserve	\$411,896.46
	Airbnb Administrative Reserve	\$121,060.48
19	Evernote Reserve	\$98,457.18
20	Total Cash on Hand	\$24,290,046.95

21 There are known accrued expenses and unpaid expenses of \$55,391.70 through June
22 30, 2023 for second quarter fees, and holdbacks of \$276,072.37. Attached to the Declaration of
23 the Receiver as Exhibit “1” is a financial summary showing the cash status of the estate as of
24 June 30, 2023. Funds in the amount of \$10,723.20 representing first quarter 2023 fees were
25 disbursed during this period. The Standardized Fund Accounting Report required by the SEC
26 for the second quarter 2023 is attached to the Receiver’s Declaration as Exhibit “2.”

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

28 Fees and expenses have previously been granted as set forth in Exhibit “3” to the

Receiver's Declaration, filed concurrently herewith. As of June 30, 2023, there are outstanding fee holdbacks from the prior fee applications for \$276,072.37 as follows: (i) Sherwood Partners, the former receiver, in the amount of \$144,627.50; (ii) the Receiver in the amount of \$108,980.07 when she was employed by Diamond McCarthy LLP; and (iii) the Receiver in the amount of \$22,464.80 for her employment at Raines.

V. THE RECEIVER'S FEE REQUEST

As detailed in the Declaration of the Receiver, pursuant to the Receiver's proposal for her appointment, and in recognition of the efficiencies and benefits to the estate, the Receiver has established separate billing categories for services provided. For services provided with respect to legal issues, the Receiver has discounted her hourly rate of \$760.00 to \$465.00, thereby generating significant savings to the estate. The Receiver has agreed to charge \$160.00 per hour for herself and her assistants for administrative services. The billing statements itemizing the services provided and expenses incurred are contained in Exhibit "4" attached to the Declaration of the Receiver. The Receiver performed services for each category as follows:

Category	Hours	Fees
Case Administration (B110)	23.20	\$10,788.00
Asset Analysis and Recovery (B120)	19.60	\$9,114.00
TOTAL	42.80	\$19,902.00

During the Motion Period, the Receiver coordinated with the SEC and with her advisers and tax counsel in managing the estate and tax refunds, communicated with investors, drafted a motion to modify the distribution plan, analyzed the disposition of the estate's pre-IPO shares of ZocDoc, Inc., Lookout, Inc., and Addepar, Inc., and drafted potential legal documents to effect the same.

VI. RAINES' FEE REQUEST

As detailed in the Declaration of the Receiver, Raines has established billing categories for tasks performed and has significantly discounted its billing rates with senior attorneys capping their hourly rate at \$465.00. Raines was appointed as counsel as of April 23, 2021

1 pursuant to Court order (Doc No. 651). The billing statements itemizing the services provided
 2 and expenses incurred are attached as Exhibit “5” to the Declaration of the Receiver. Raines
 3 performed services for each category as follows:

4 Category	Hours	Fees
5 Case Administration (B110)	20.10	\$7,959.60
6 Asset Disposition (B130)	46.10	\$18,255.60
7 Plan Implementation (B320)	6.40	\$2,534.40
8 TOTAL	72.60	\$28,749.60

9 During the Motion Period, Raines assisted the Receiver in drafting the status report,
 10 communicating with investors, drafting a motion to modify the distribution plan, analyzing the
 11 disposition of the estate’s pre-IPO shares of ZocDoc, Inc., Lookout, Inc., and Addepar, Inc.,
 12 and drafting potential motion papers and legal documents to effect the same.

13 VII. SCHINNER’S FEE REQUEST

14 As detailed in the Declaration of Frederick Koenen and the billing statements attached
 15 as Exhibit “6” to his Declaration, Schinner has incurred \$3,705.00 in fees in connection with
 16 advising the Receiver on federal securities laws related to the disposition of the receivership
 17 estate’s ZocDoc, Inc. and Lookout, Inc. shares. Schinner provided necessary and beneficial
 18 securities law services to the Receiver. The attorneys at Schinner have reduced their hourly
 19 rates by 10%, and therefore, Schinner seeks compensation in the amount of \$3,334.50.

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

22 Dated: August 28, 2023

RAINES FELDMAN LITRELL LLP

24 By: */s/ Kathy Bazoian Phelps*
 Kathy Bazoian Phelps
 25 *Successor Receiver*