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**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

**~~PROPOSED~~ ORDER GRANTING
ADMINISTRATIVE MOTION BY
RECEIVER KATHY BAZOIAN
PHELPS FOR ORDER:**

- (1) APPROVING SALE AND
DISTRIBUTION OF
PUBLICLY TRADED
SECURITIES PURSUANT
TO DISTRIBUTION PLAN;
AND**
- (2) FOR MODIFICATION OF
THE DISTRIBUTION PLAN**

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

1 The *Administrative Motion by Receiver Kathy Bazoian Phelps for Order (1) Approving*
2 *Sale and Distribution of Publicly Traded Securities Pursuant to Distribution Plan; and (2) for*
3 *Modification of the Plan* (the “Motion”) has been submitted to the above-referenced Court.
4 The Receiver has represented that she has met and conferred with counsel for the Securities
5 and Exchange Commission (“SEC”) and the Investor Advisory Committee, neither of whom
6 oppose the Motion, and that she conferred with counsel for Progresso Ventures LLC, who did
7 not express any comment or opposition.

8 The Court having reviewed and considered the Motion, the Declaration of Kathy
9 Bazoian Phelps, and the files and records in this matter and,

10 GOOD CAUSE APPEARING, IT IS HEREBY ORDERED that:

11 1. The Motion is granted in its entirety.

12 2. The Receiver is authorized to sell the estate’s shares of the Publicly Traded
13 Securities (as defined in the Motion) pursuant to the terms set forth in the Motion, and to use
14 the proceeds from the sales of securities set forth in the Motion to fund the Tax Holding
15 Account and each Publicly Traded Security Reserve (as defined in the Motion).

16 3. The Receiver is authorized to sell shares of the Publicly Traded Securities
17 necessary to generate cash to pay commercially reasonable commissions.

18 4. The Receiver is authorized to pay 100% of the amounts generated from the
19 sale for the Tax Holding Account, and up to \$250,000 of the MongoDB Administrative
20 Reserve already established in this Action, as estimated payments to the Internal Revenue
21 Service and the California Franchise Tax Board, as appropriate.

22 5. The Receiver is authorized to distribute the estate’s shares of the Publicly
23 Traded Securities and Uber, Inc. pursuant to the terms set forth in the Motion and to take all
24 commercially reasonable actions necessary to effectuate such distribution.

25 6. The Distribution Schedules substantially in the form attached as Exhibits “1”
26 to “6” to the Receiver’s Declaration are approved and are subject to modification based on
27 the actual stock price of the Publicly Traded Securities as of the time of the sale of the shares
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1 to fund the Tax Holding Account and Publicly Traded Security Reserve. The Receiver shall
2 calculate the exact number of shares that will be distributed to each Claimant in this
3 distribution upon the sale for the Tax Holding Account and Publicly Traded Securities
4 Reserves and shall post that actual schedule distributions on the Receivership’s website.

5 7. If any Claimant has not provided the Receiver with sufficient information to
6 allow her to make a distribution of securities to such Claimant within four weeks following
7 the date of this Order, the Receiver is authorized to sell the securities that would be otherwise
8 distributable to such Claimant, and to distribute the proceeds, net of any commissions and
9 fees, as cash in full satisfaction of such distribution of securities. The order authorizing the
10 Receiver to take the actions in the foregoing paragraph with respect to ELIV (Dkt. 627)
11 remains in effect for the distribution contemplated in this Order.


12 8. The Distribution Plan is hereby modified to allow for the creation of a
13 Publicly Traded Security Reserve to protect the interests of the estate, which shall be used
14 first to satisfy any Class 2 Tax Claims arising from the estate’s disposition of the Publicly
15 Traded Securities, and otherwise be distributed to Class 4 Claimants, *pro rata* based upon
16 Allowed Shares, at the close of the Receivership, subject to any request for an Equitable
17 Adjustment pursuant to the Plan and further Court order. The Receiver is authorized to take
18 all necessary and appropriate actions to create each Publicly Traded Security Reserve,
19 including but not limited to setting up any segregated bank accounts to hold the funds in each
20 Publicly Traded Security Reserve. The Receiver is authorized to hold the remaining reserves
21 in the Tax Holding Account, the Plan Fund and the Publicly Traded Securities Reserves for
22 the three-year audit period to expire for the Internal Revenue Service (“IRS”) from the filing
23 of the 2021 tax return, which funds shall not be distributed without further order of the Court.

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9. Claimants are hereby instructed that they are required to determine their own tax basis with respect to any shares actually distributed to them, regardless of any information provided via the Depository Trust Company transfer by Wells Fargo Securities or any other broker of the estate.

Dated: August 22, 2021



Honorable Edward M. Chen
United States District Court