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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

**TWENTY- SECOND 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
MILLER KAPLAN ARASE LLP FROM
APRIL 1, 2024 THROUGH JUNE 30,
2024**

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

1 Kathy Bazoian Phelps, the successor receiver (the “Receiver”) of SRA Management
2 Associates, LLC, SRA I, LLC, SRA II, LLC, SRA III, LLC, SRA Management Associates,
3 Clear Sailing Group IV, LLC, Clear Sailing Group V, LLC, Felix Multi-Opportunity Fund I,
4 LLC, Felix Multi-Opportunity Fund II, LLC, Felix Management Associates, LLC, NYPA
5 Fund I, LLC, NYPA Fund II, LLC, NYPA Management Associates, LLC and Solis Associates
6 Fund LLC, hereby files this Administrative Motion under Local Civil Rule 7-11 for Order
7 approving fees and expenses for the Receiver, Raines Feldman Littrell LLP, and Miller Kaplan
8 Arase LLP for the period of April 1, 2024 through June 30, 2024 (the “Motion”).¹

9 **I. RELIEF REQUESTED**

10 The Receiver seeks approval of compensation and reimbursement of expenses for
11 herself and her professionals for the period of April 1, 2024 through June 30, 2024 (“Motion
12 Period”) in the following amounts:

13 Receiver: Fees \$5,859.00.²

14 Raines Feldman Littrell LLP (“Raines Feldman”): Fees \$5,583.60.

15 Miller Kaplan Arase LLP (“Miller Kaplan”): Fees \$3,163.20.

16 This Motion is supported by the Declarations of the Receiver and Nicholas Sanchez of
17 Miller Kaplan.

18 **II. CASE STATUS**

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

22 _____
23 ¹ The Notice of Motion, the Motion, and supporting documents will be served on all
24 interested parties pursuant to Civil Local Rule 66-6 and will be posted on the Receivership
25 website at <https://www.raineslaw.com/saddle-river-receiver/>. The Receiver has conferred
26 with counsel for the Securities and Exchange Commission and the Investor Advisory
27 Committee, who each do not oppose the Motion, and with counsel for Progresso Ventures
28 LLC who does not express 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 (\$1,171.80) and therefore
requests authority to pay \$4,687.20.

1 In the second quarter 2024, the Receiver continued to evaluate options for disposition
2 of the remaining three pre-IPO securities and will continue to do so throughout 2024.

3 The Receiver and her advisers filed a tax return for 2023 in second quarter 2024, and
4 the Receiver paid estimated taxes for 2024. In second quarter 2024, the Receiver paid
5 \$207,500 in tax payments to the IRS and \$24,500 to the California Franchise Tax Board.

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

7 As of June 30, 2024, the receivership estate has cash on hand as follows:

8 Anne Bivona Funds	\$565,033.07
9 Plan Fund Account	\$4,767,495.88
10 Tax Holding Account	\$309,490.67
11 Palantir Administrative Reserve	\$14,246,426.52
12 MongoDB Administrative Reserve	\$170,469.28
13 Airbnb Administrative Reserve	\$126,151.08
14 Evernote Reserve	\$406,216.42
15 Bloom Energy Reserve	\$703,947.94
16 Cloudera Reserve	\$131,651.19
17 Dropbox Reserve	\$116,012.35
18 Lyft Reserve	\$70,741.16
19 Pinterest Reserve	\$3,546.93
20 Snap Reserve	\$280,801.20
21 Candi Controls Reserve	\$1,654,747.85
22 Practice Fusion Reserve	\$1,117,287.59
23	
24 Total Cash on Hand	\$24,670,019.13

25 There are known accrued and unpaid expenses of \$14,605.80 through June 30, 2024
26 for second quarter fees, and holdbacks of \$289,724.77. Attached to the Declaration of the
27 Receiver as Exhibit "1" is a financial summary showing the cash status of the estate as of
28 June 30, 2024. No funds representing first quarter 2024 fees were disbursed during this
period because the Order granting the fee application for that period was entered in July (Dkt.
No. 741).

The Standardized Fund Accounting Report required by the SEC for the second
quarter 2024 is attached to the Receiver's Declaration as Exhibit "2." This report shows the

1 amount of interest each of the above accounts earned during the second quarter 2024 starting
 2 at Line 4.³ The estate has been earning substantial interest, with total interest earned by the
 3 estate in the second quarter 2024 of \$275,443.28. The inflows to the estate have been
 4 exceeding the outflows, with total interest earned by the estate in the first quarter 2024 of
 5 \$274,162.07 and professional fees paid in the same quarter of \$37,491.60.

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

7 Fees and expenses have previously been granted as set forth in Exhibit “3” to the
 8 Receiver’s Declaration. As of June 30, 2024, there are outstanding fee holdbacks from the
 9 prior fee applications for \$289,724.77 as follows: (i) Sherwood Partners, the former receiver,
 10 in the amount of \$144,627.50; (ii) the Receiver in the amount of \$108,980.07 when she was
 11 employed by Diamond McCarthy LLP; and (iii) the Receiver in the amount of \$36,117.20 for
 12 her employment at Raines Feldman.

13 **V. THE RECEIVER’S FEE REQUEST**

14 As detailed in the Declaration of the Receiver, pursuant to the Receiver’s proposal for
 15 her appointment, and in recognition of the efficiencies and benefits to the estate, the Receiver
 16 has established separate billing categories for services provided. For services provided with
 17 respect to legal issues, the Receiver has discounted her hourly rate of \$760.00 to \$465.00,
 18 thereby generating significant savings to the estate. The Receiver has agreed to charge
 19 \$160.00 per hour for herself and her assistants for administrative services. The billing
 20 statements itemizing the services provided and expenses incurred are contained in Exhibit
 21 “4” attached to the Declaration of the Receiver. The Receiver performed services for each
 22 category as follows:

23 Category	Hours	Fees
24 Case Administration (B110)	9.80	\$4,557.00
25 Asset Analysis and Recovery (B120)	2.80	\$1,302.00
26 TOTAL	12.60	\$5,859.00

27 ³ The Standardized Fund Accounting Reports previously filed also contained this information.

1 During the Motion Period, the Receiver continued to take actions to manage the
 2 administration of the case, coordinated with the SEC and with her advisers and tax counsel in
 3 managing the estate and tax payments, prepared the status report for the first quarter of 2024,
 4 continued to evaluate options for disposition of the remaining three pre-IPO securities,
 5 drafted a memo regarding distribution schedules and related motion, and communicated with
 6 investors.

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

8 As detailed in the Declaration of the Receiver, Raines Feldman has established billing
 9 categories for tasks performed and has significantly discounted its billing rates with senior
 10 attorneys capping their hourly rate at \$465.00. Raines Feldman was appointed as counsel as
 11 of April 23, 2021 pursuant to Court order (Dkt. No. 651). The billing statements itemizing
 12 the services provided and expenses incurred are attached as Exhibit "5" to the Declaration of
 13 the Receiver. Raines Feldman performed services for the following category as follows:

Category	Hours	Fees
Case Administration (B110)	14.10	\$5,583.60
TOTAL	14.10	\$5,583.60

17 During the Motion Period, Raines Feldman assisted the Receiver in drafting the first
 18 quarter 2024 status report and preparing the affiliated cash disbursement schedules and the
 19 Standard Fund Accounting Report for the SEC, drafting a memo to provide the Receiver with
 20 a status update on the on the three pre-IPO securities, and communicating with investors.

21 **VII. MILLER KAPLAN'S FEE REQUEST**

22 As detailed in the Declaration of Nicholas Sanchez and the billing statement attached
 23 as Exhibit "6" to his Declaration, Miller Kaplan has incurred fees in the amount of \$3,163.20
 24 during the Motion Period in connection with providing tax services to the Receiver. The
 25 services performed by Miller Kaplan were necessary in preparing the 2023 tax return and in
 26 assisting the Receiver with preparing the correct quarterly estimated tax payments.

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

3 Dated: September 18, 2024

RAINES FELDMAN LITTRELL LLP

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By: /s/ Kathy Bazoian Phelps
Kathy Bazoian Phelps
Successor Receiver

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