

1 **RAINES FELDMAN LITTRELL LLP**
Kathy Bazoian Phelps (State Bar No. 155564)
2 *kphelps@raineslaw.com*
1900 Avenue of the Stars, Suite 1900
3 Los Angeles, California 90067
Telephone: (310) 440-4100
4 Facsimile: (310) 691-1943

5 *Successor Receiver*

6
7
8 **UNITED STATES DISTRICT COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**

11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

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

17 Defendants. and

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

21 Relief Defendants.

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

**DECLARATION OF MATTHEW
SPERLING IN SUPPORT OF MOTION
BY RECEIVER KATHY BAZOIAN
PHELPS FOR ORDER
AUTHORIZING: (1) EMPLOYMENT
OF BROKER; (2) SALE PURSUANT TO
28 U.S.C. § 2004 OF SHARES OF
ADDEPAR, INC.; AND (3)
MODIFICATION OF THE
DISTRIBUTION PLAN**

[No Hearing Set]

1 I, Matthew Sperling, declare:

2 1. I am Associate General Counsel of Addepar, Inc. (“Addepar”), a privately held
3 company organized and existing under the laws of the State of Delaware. I have served as in-
4 house counsel to Addepar since 2012.

5 2. I have personal knowledge of the matters set forth in this declaration and am
6 authorized to make this declaration on behalf of Addepar.

7 3. This declaration is made in support of the Motion for an Order Authorizing the
8 Sale Pursuant to 28 U.S.C. § 2004 of Shares of Addepar and for Modification of the
9 Distribution Plan (the “Motion”). This declaration is made in support of the sale of certain
10 assets by Kathy Bazoian Phelps in her capacity as the successor receiver (“Receiver”) for SRA
11 I, LLC (“SRA I”) and Felix Multi-Opportunity Fund II, LLC (“Felix II”), both receivership
12 entities, in accordance with the secondary transaction process established by Addepar.

13 4. Secondary transactions at Addepar refer to the process whereby existing
14 shareholders of Addepar sell their shares to third parties. This process is designed to provide
15 liquidity to shareholders while maintaining compliance with relevant laws and regulations.

16 5. Shareholders wishing to engage in secondary transactions must be current
17 holders of vested shares of Addepar (*i.e.* options or unvested restricted shares are non-
18 transferrable), but there is no prior approval requirement in order to transact.

19 6. Buyers in secondary transactions must be accredited investors under Securities
20 and Exchange Commission guidance given that the shares are not registered for public
21 offering.

22 7. The secondary transaction process begins with the shareholder submitting a
23 Notice of Proposed Transfer to Addepar (via email to Addepar’s equity team and/or the
24 Addepar secondary transfer support team at the law firm of Gunderson Dettmer Stough
25 Villeneuve Franklin & Hachigian, LLP). The request must include the number of shares to be
26 sold, the proposed buyer, and the proposed sale price.

27 8. Addepar and/or its outside counsel review the request to ensure conformity with
28 our requirements.

1 9. Provided that the Notice appears accurate and complete, Addepar has 30 days
2 to decide whether to exercise (directly or via assignment) its Right of First Refusal over the
3 shares or waive said right to the extent a Right of First Refusal is applicable. Since the shares
4 to be transferred are Preferred Shares, there is not a Right of First Refusal in connection with
5 this transaction.

6 10. Once the transaction is approved, Addepar facilitates the transfer of shares by
7 providing each party a draft Stock Transfer Agreement for review and ultimately execution
8 (execution to take place within 60 days of submission of the notice of proposed transfer).

9 11. Payment for the shares is typically handled directly by the transacting parties,
10 with the seller confirming receipt of funds prior to Addepar recording the transaction as closed
11 on its capitalization table (managed on the Shareworks by Morgan Stanley cap table
12 management platform).

13 12. Following the completion of the transaction, Addepar records the transaction
14 on its capitalization table and provides an electronic certificate number and statement of
15 ownership to the buyer.

16 13. The process outlined above will be applied to the sale of shares/assets by the
17 Receiver in her capacity as Receiver for SRA I and Felix II. Addepar will work closely with
18 the Receiver to ensure that the transaction is conducted in accordance with our standard
19 procedures as outlined above.

20 14. I have had an opportunity to discuss the proposed transaction that is the subject
21 of the Motion with the Receiver and can confirm that the broker being used, EquityZen
22 Securities LLC, is one of a handful of typical brokers we work with, and that the transaction
23 structure and terms appear to me, based on my experience over many transactions, to be a
24 typical transaction that we routinely see and help process.

25 15. Of course, at no time does Addepar make any guarantee or representation to
26 transacting parties regarding transaction pricing or timing – parties must determine transaction
27 terms on their own via direct negotiation that does not involve Addepar.
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 11th day of October 2024 at San Diego, California.



Matthew Sperling