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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
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

**TWENTY-FOURTH 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, MILLER
KAPLAN ARASE LLP, AND
SCHINNER & SHAIN, LLP FROM
OCTOBER 1, 2024 THROUGH
DECEMBER 31, 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, Miller Kaplan
8 Arase LLP, and Schinner & Shain, LLP for the period of October 1, 2024 through December
9 31, 2024 (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 October 1, 2024 through December 31, 2024
13 (“Motion Period”) in the following amounts:

14 Receiver: Fees \$34,921.50.²

15 Raines Feldman Littrell LLP (“Raines Feldman”): Fees \$37,988.10 and Costs \$10.20.

16 Miller Kaplan Arase LLP (“Miller Kaplan”): Fees \$2,899.60.

17 Schinner & Shain LLP (“Schinner”): Fees \$3,402.00.

18 This Motion is supported by the Declarations of the Receiver, Nicholas Sanchez of
19 Miller Kaplan, and Frederick Koenen of Schinner.

20 **II. CASE STATUS**

21 The Court approved the Receiver’s Plan of Distribution (“Plan”) on May 25, 2020
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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 (\$6,984.30) and therefore
requests authority to pay \$27,937.20.

1 (Dkt. No. 613). The estate has now either distributed or sold all of its publicly traded
2 securities.

3 In the fourth quarter 2024, the Receiver continued to evaluate options for disposition
4 of the remaining three pre-IPO securities. The Receiver finalized the sale of the estate's
5 Addepar, Inc. ("Addepar") shares. The Receiver drafted a motion for Court approval of the
6 sale of the estate's Addepar shares, and it was filed in October 2024 (Dkt. No. 744). The
7 Court granted the motion on October 16, 2024 and authorized the Receiver to engage a
8 broker to sell 1,029,298 shares of Addepar and to pay a commission of 4% of the gross sales
9 price following a sale of the Addepar shares (Dkt. No. 748). The Receiver also finalized the
10 sale of the estate's economic interest in Lookout, Inc. ("Lookout") shares. The Receiver
11 drafted a motion for Court approval of the sale of the estate's Lookout shares, and it was filed
12 in November 2024 (Dkt. No. 753). The Court granted the motion on December 4, 2024,
13 which also authorized the Receiver to allocate from the reserve account held for the Addepar
14 investors to the Lookout reserve account the tax savings from offsetting the loss of the
15 Lookout sale against any tax liability arising from the sale of the Addepar shares. (Dkt. No.
16 755). The estate now only continues to hold ZocDoc, Inc. ("ZocDoc") shares.

17 The Receiver and her advisers filed a tax return for 2023 in second quarter 2024, and
18 the Receiver paid estimated taxes for 2024. In third quarter 2024, the Receiver paid estimated
19 tax payments of \$85,000.00 to the IRS and \$20,000.00 to the California Franchise Tax Board
20 ("FTB"). In fourth quarter 2024, the Receiver paid estimated tax payments of \$60,000.00 to
21 the IRS and \$20,000.00 to the California FTB.

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

23 As of December 31, 2024, the receivership estate has cash on hand as follows:

24 Anne Bivona Funds	\$2,359,620.95
25 Plan Fund Account	\$4,782,474.45
26 Tax Holding Account	\$129,536.51
27 Palantir Administrative Reserve	\$14,545,742.97
MongoDB Administrative Reserve	\$173,938.83
28 Airbnb Administrative Reserve	\$128,689.15

Evernote Reserve	\$414,640.81
Addepar Reserve (New)	\$1,503,758.44
Bloom Energy Reserve	\$718,629.98
Cloudera Reserve	\$134,304.86
Dropbox Reserve	\$118,337.33
Lookout Reserve (New)	\$376,619.84
Lyft Reserve	\$72,114.62
Pinterest Reserve	\$3,598.57
Snap Reserve	\$286,589.58
Candi Controls Reserve	\$1,689,413.75
Practice Fusion Reserve	\$1,140,657.24
Total Cash on Hand	\$28,578,667.88

There are known accrued and unpaid expenses of \$79,221.40 through December 31, 2024 for fourth quarter fees, and holdbacks of \$295,620.97. Attached to the Declaration of the Receiver as Exhibit "1" is a financial summary showing the cash status of the estate as of December 31, 2024. Funds in the amount of \$13,434.00 representing second quarter 2024 fees were disbursed during this period because the Order granting the fee application for that period was entered in October (Dkt. No. 747). Funds in the amount of \$36,523.35 representing third quarter 2024 fees were disbursed during this period because the Order granting the fee application for that period was entered in November (Dkt. No. 751).

The Standardized Fund Accounting Report required by the SEC for the fourth quarter 2024 ("SFAR") is attached to the Receiver's Declaration as Exhibit "2." This report shows the amount of interest each of the above accounts earned during the fourth quarter 2024 starting at Line 4.³ The estate has been earning substantial interest, with total interest earned by the estate in 2024 through fourth quarter of \$1,076,589.37.

IV. PREVIOUS FEE MOTIONS AND HOLDBACKS

Fees and expenses have previously been granted as set forth in Exhibit "3" to the Receiver's Declaration. As of December 31, 2024, there are outstanding fee holdbacks from the prior fee applications for \$295,620.97 as follows: (i) Sherwood Partners, the former

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

1 receiver, in the amount of \$144,627.50; (ii) the Receiver in the amount of \$108,980.07 when
 2 she was employed by Diamond McCarthy LLP; and (iii) the Receiver in the amount of
 3 \$42,013.40 for her employment at Raines Feldman.

4 **V. THE RECEIVER'S FEE REQUEST**

5 As detailed in the Declaration of the Receiver, pursuant to the Receiver's proposal for
 6 her appointment, and in recognition of the efficiencies and benefits to the estate, the Receiver
 7 has established separate billing categories for services provided. For services provided with
 8 respect to legal issues, the Receiver has discounted her hourly rate of \$760.00 to \$465.00,
 9 thereby generating significant savings to the estate. The Receiver has agreed to charge
 10 \$160.00 per hour for herself and her assistants for administrative services. The billing
 11 statements itemizing the services provided and expenses incurred are contained in Exhibit "4"
 12 attached to the Declaration of the Receiver. The Receiver performed services for each
 13 category as follows:

Category	Hours	Fees
Case Administration (B110)	20.10	\$9,346.50
Asset Analysis and Recovery (B120)	55.00	\$25,575.00
TOTAL	75.10	\$34,921.50

18 During the Motion Period, the Receiver continued to take actions to manage the
 19 administration of the case, coordinated with the SEC and with her advisers and tax counsel in
 20 managing the estate and tax payments, prepared the status report for the third quarter of
 21 2024, continued to evaluate options for disposition of the remaining three pre-IPO securities,
 22 engaged in numerous discussions and emails regarding the sale of Addepar shares,
 23 communicated with in house counsel for Addepar, drafted a motion to approve the sale of the
 24 Addepar shares, engaged in numerous discussions and emails regarding the sale of the
 25 estate's economic interest in Lookout shares, negotiated extensively for the sale of the
 26 estate's economic interest in Lookout shares, drafted a motion to approve the sale of the
 27 estate's economic interest in Lookout shares, engaged in numerous discussions and emails
 28

1 regarding the potential sale of ZocDoc shares, and communicated with investors.

2 VI. RAINES FELDMAN'S FEE REQUEST

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

9 Category	Hours	Fees
10 Case Administration (B110)	33.10	\$13,107.60
11 Asset Disposition (B130)	35.00	\$13,860.00
12 Claims Administration (B310)	23.70	\$11,020.50
13 TOTAL	91.80	\$37,988.10

14 During the Motion Period, Raines Feldman assisted the Receiver in drafting the third
15 and fourth quarter 2024 status reports and preparing the affiliated cash disbursement
16 schedules and the Standard Fund Accounting Reports for the SEC, drafting a motion to
17 approve the sale of the Addepar shares, drafting a motion to shorten time for hearing on the
18 motion to approve the sale of Addepar shares, drafting an agreement to sell the estate's
19 economic interest in Lookout shares, drafting a motion for approval of the sale of the estate's
20 economic interest in Lookout shares and supporting documents, drafting a motion to shorten
21 time for hearing on the motion to approve the Lookout sale, drafting a motion to approve a
22 potential ZocDoc sale and supporting documents, and communicating with investors.

23 VII. MILLER KAPLAN'S FEE REQUEST

24 As detailed in the Declaration of Nicholas Sanchez and the billing statement attached
25 as Exhibit "6" to his Declaration, Miller Kaplan has incurred fees at discounted rates in the
26 amount of \$2,899.60 during the Motion Period in connection with providing tax services to
27 the Receiver. The services performed by Miller Kaplan were necessary in preparing the
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1 2023 tax return, in assisting the Receiver with preparing the correct quarterly estimated tax
2 payments, and conducting analysis of Addepar gains and tax savings due to Lookout losses.

3 **VIII. SCHINNER’S FEE REQUEST**

4 As detailed in the Declaration of Frederick Koenen and the billing statement attached
5 as Exhibit “7” to his Declaration, Schinner has incurred fees in the amount of \$3,780.00
6 during the Motion Period in connection with advising the Receiver on federal securities laws
7 related to the disposition of the receivership estate’s Addepar, ZocDoc, shares and economic
8 interest in Lookout shares. Schinner provided necessary and beneficial securities law
9 services to the Receiver. The attorneys at Schinner have reduced their hourly rates by 10%,
10 and therefore, Schinner seeks compensation in the amount of \$3,402.00.

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

14 Dated: February 26, 2025

RAINES FELDMAN LITTRELL LLP

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

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