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Successor Receiver

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

**TWENTY-FIFTH 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
JANUARY 1, 2025 THROUGH MARCH
31, 2025**

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

Kathy Bazoian Phelps, the successor receiver (the “Receiver”) of SRA Management Associates, LLC, SRA I, LLC, SRA II, LLC, SRA III, LLC, SRA Management Associates, Clear Sailing Group IV, LLC, Clear Sailing Group V, LLC, Felix Multi-Opportunity Fund I, LLC, Felix Multi-Opportunity Fund II, LLC, Felix Management Associates, LLC, NYPA Fund I, LLC, NYPA Fund II, LLC, NYPA Management Associates, LLC and Solis Associates Fund LLC, hereby files this Administrative Motion under Local Civil Rule 7-11 for Order approving fees and expenses for the Receiver, Raines Feldman Littrell LLP, and Miller Kaplan Arase LLP for the period of January 1, 2025 through March 31, 2025 (the “Motion”).¹

I. RELIEF REQUESTED

The Receiver seeks approval of compensation and reimbursement of expenses for herself and her professionals for the period of January 1, 2025 through March 31, 2025 (“Motion Period”) in the following amounts:

Receiver: Fees \$22,087.50.²

Raines Feldman Littrell LLP (“Raines Feldman”): Fees \$25,724.40.

Miller Kaplan Arase LLP (“Miller Kaplan”): Fees \$2,891.60 and Costs \$50.00.

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

II. CASE STATUS

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

¹ The Notice of Motion, the Motion, and supporting documents will be served on all interested parties pursuant to Civil Local Rule 66-6 and will be posted on the Receivership website at <https://www.raineslaw.com/saddle-river-receiver/>. The Receiver has conferred with counsel for the Securities and Exchange Commission and the Investor Advisory Committee, who each do not oppose the Motion, and with counsel for Progresso Ventures 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 (\$4,417.50) and therefore requests authority to pay \$17,670.00.

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

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

20 In first quarter 2025, the Receiver drafted a distribution motion and prepared
21 distribution schedules. The Receiver had meetings with the SEC on the distribution motion
22 and distribution schedules. On April 7, 2025, the Receiver filed the Motion for an Order
23 Authorizing: (1) Final Distribution to Class 3 Unsecured Creditors; (2) Third Interim
24 Distribution to Class 4 Investors; (3) First Interim Distribution to Class 6A and 6B Investors;
25 (4) Allowance of Remaining Failed Investment Claims; and (5) Extension of Time to
26 Complete Distributions (the "Distribution Motion") (Dkt. No. 761). The Court granted the
27 Distribution Motion on April 17, 2025 (Dkt. No. 764).

III. CASH ON HAND AND ACCRUED EXPENSES

As of March 31, 2025, the receivership estate has cash on hand as follows:

Anne Bivona Funds	\$2,390,081.83
Plan Fund Account	\$4,751,547.72
Tax Holding Account	\$130,658.78
Palantir Administrative Reserve	\$14,671,809.92
MongoDB Administrative Reserve	\$175,445.93
Airbnb Administrative Reserve	\$129,804.14
Evernote Reserve	\$418,234.00
Addepar Reserve (New)	\$1,516,608.23
Bloom Energy Reserve	\$724,857.96
Cloudera Reserve	\$135,468.54
Dropbox Reserve	\$119,362.61
Lookout Reserve (New)	\$378,842.91
Lyft Reserve	\$72,739.28
Pinterest Reserve	\$3,618.57
Snap Reserve	\$289,073.09
Candi Controls Reserve	\$1,704,055.52
Practice Fusion Reserve	\$1,150,542.94
Total Cash on Hand	\$28,762,751.97

There are known accrued and unpaid expenses of \$50,703.50 through March 31, 2025 for first quarter fees, and holdbacks of \$302,605.27. Attached to the Declaration of the Receiver as Exhibit “1” is a financial summary showing the cash status of the estate as of March 31, 2025. Funds in the amount of \$72,237.10 representing fourth quarter 2024 fees were disbursed during this period.

The Standardized Fund Accounting Report required by the SEC for the first quarter 2025 (“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 first quarter 2025 starting at Line 4.³ The estate has been earning substantial interest, with interest earned by the estate in first quarter 2025 of \$246,531.19 and total interest earned by the estate in 2024 of \$1,076,589.37.

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

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 March 31, 2025, there are outstanding fee holdbacks from the prior fee applications for \$302,605.27 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 \$48,997.70 for her employment at Raines Feldman.

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)	46.40	\$21,576.00
Asset Analysis and Recovery (B120)	1.10	\$511.50
TOTAL	47.50	\$22,087.50

During the Motion Period, the Receiver continued to take actions to manage the administration of the case, coordinated with the SEC and with her advisers and tax counsel in managing the estate and tax payments, prepared the status report for the fourth quarter of 2024, drafted a third distribution motion and supporting documents, reviewed and analyzed the distribution spreadsheets, met with the SEC regarding the distribution motion, continued to evaluate options for disposition of ZocDoc, the remaining of the pre-IPO securities,

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

VI. RAINES FELDMAN'S FEE REQUEST

As detailed in the Declaration of the Receiver, Raines Feldman 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 Feldman was appointed as counsel as of April 23, 2021 pursuant to Court order (Dkt. No. 651). The billing statements itemizing the services provided and expenses incurred are attached as Exhibit "5" to the Declaration of the Receiver. Raines Feldman performed services for the following category as follows:

Category	Hours	Fees
Case Administration (B110)	34.90	\$13,820.40
Claims Administration (B310)	25.60	\$11,904.00
TOTAL	60.50	\$25,724.40

During the Motion Period, Raines Feldman assisted the Receiver in drafting the fourth quarter 2024 and first quarter 2025 status reports and preparing the affiliated cash disbursement schedules and the Standard Fund Accounting Reports for the SEC, drafting a third distribution motion and supporting documents, updating and revising the distribution spreadsheets, meeting with the SEC regarding the distribution motion and spreadsheets, and communicating with investors.

VII. MILLER KAPLAN'S FEE REQUEST

As detailed in the Declaration of Nicholas Sanchez and the billing statement attached as Exhibit "6" to his Declaration, Miller Kaplan has incurred fees at discounted rates in the amount of \$2,891.60 and \$50.00 in costs during the Motion Period in connection with providing tax services to the Receiver. The services performed by Miller Kaplan were necessary in preparing the 2024 tax return and in assisting the Receiver with preparing tax planning scenarios and preparing California Franchise Tax Board analysis of 2021 stock transactions.

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

3 Dated: May 1, 2025

RAINES FELDMAN LITRELL LLP

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5 By: /s/ Kathy Bazoian Phelps
6 Kathy Bazoian Phelps
7 *Successor Receiver*
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