

1 LESLEY ANNE HAWES (117101)
DIAMOND McCARTHY LLP
2 150 California Street, Suite 2200
San Francisco, CA 94111
3 Phone: (415) 692-5200
Email: lhawes@diamondmccarthy.com
4 Counsel for Receiver, Kathy Bazoian Phelps
5
6
7
8

9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
11 **SAN FRANCISCO DIVISION**
12

13 SECURITIES AND EXCHANGE
COMMISSION,

14 Plaintiff,

15 v.

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

19 Defendants, and

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

24 Relief Defendants.
25
26
27
28

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

**DECLARATION OF LESLEY ANNE
HAWES IN SUPPORT OF SECOND
INTERIM ADMINISTRATIVE MOTION
FOR AN ORDER PURSUANT TO LOCAL
RULE 7-11 FOR THE APPROVAL OF FEES
AND EXPENSES FOR THE SUCCESOR
RECEIVER AND COUNSEL FROM APRIL
1, 2019 THROUGH JUNE 30, 2019 AND FOR
CLAIMS AGENT STRETTO FROM JUNE
18, 2018 THROUGH FEBRUARY 28, 2019**

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

1 I, Lesley Anne Hawes, declare:

2 1. I am an attorney duly licensed to practice in the State of California and a partner at the
3 firm of Diamond McCarthy LLP (“Diamond McCarthy”), counsel of record for the Receiver in
4 this case. I have personal knowledge of the matters set forth below and if called as a witness, I
5 would and could testify competently to the matters stated herein.

6 2. This Declaration is submitted in support of the Second Interim Administrative Motion
7 for an Order Pursuant to Local Rule 7-11 for the Approval of Fees and Expenses for the Successor
8 Receiver and Counsel from April 1, 2019 through June 30, 2019 and for Claims Agent Stretto from
9 June 18, 2018 through February 28, 2019 (“Motion”)

10 3. On March 20, 2019, the Court entered an authorizing the Receiver to employ Diamond
11 McCarthy as the Receiver’s general counsel retroactively to February 1, 2019 (“DM Employment
12 Order”). Pursuant to said order, I am the attorney principally responsible for representing the
13 Receiver. I directly supervised the professionals and staff of Diamond McCarthy with respect to
14 this representation.

15 4. In recognition of the efficiencies and benefits to the estate, Diamond McCarthy has
16 divided its time between the following 4 billing categories:

17 2622-00011 – Case Administration

18 2622-00012 – Claims Administration/Objection

19 2622-00013 – Plan Implementation

20 2622-00015 – Asset Analysis and Recovery

21 5. In the interests of the estate and pursuant to the DM Employment Order, I have
22 reduced my hourly rate from \$595.00 to \$425.00. Additionally, Sheryl Guigliani, another partner at
23 Diamond McCarthy has reduced her hourly rate to \$425.00. The hourly rates of paralegals have
24 also been discounted. Diamond McCarthy has agreed to a 20% holdback of the allowed fees.

25 2622-00011 – Case Administration

26 6. Attached as Exhibit “A” hereto are true and correct copies of billing statements
27 itemizing case administration services provided by Diamond McCarthy and costs incurred in
28 connection with representing the Receiver from April 1, 2019 through June 30, 2019. During this

1 period, Diamond McCarthy performed 19.40 hours of case administration services for total fees of
2 \$7,808.00 and incurred costs in the amount of \$1,557.99.

3 7. As the receivership was pending for almost three years prior to the Receiver's
4 appointment and Diamond McCarthy's employment, Diamond McCarthy has worked efficiently
5 and economically to ensure a smooth transition. I reviewed physical file inventory and electronic
6 materials obtained from the former receiver and his counsel and participated in a detailed
7 conference with both of them to discuss transition issues. I also evaluated various action items to be
8 handled to move the case forward.

9 8. I reviewed files and information pertaining to prior tax returns and prepared letters to
10 the accounting firm involved in the preparation of these prior taxes in order to obtain copies of filed
11 returns and schedules for my review and examination. I also analyzed tax implications under
12 various distribution and valuation scenarios. I evaluated the transfer of Mongo DB shares to the
13 Receiver.

14 9. Diamond McCarthy has continued to keep itself informed on the bankruptcy of the
15 principal of the defendant entities John V. Bivona. Diamond McCarthy filed a notice of
16 appointment of the Receiver in that case and negotiated with the debtor's counsel to extend the
17 deadline to object to the discharge or dischargeability of debts. Diamond McCarthy also drafted and
18 prepared a proof of claim to be filed in the bankruptcy case.

19 2622-00012 – Claims Administration/Objection

20 10. Attached as Exhibit "B" hereto are true and correct copies of billing statements
21 itemizing services provided by Diamond McCarthy and costs incurred in connection with claims
22 administration and filing objections to claims from April 1, 2019 through June 30, 2019. Diamond
23 McCarthy performed 56.40 hours for total fees of \$13,551.00 and incurred costs in the amount of
24 \$366.17.

25 11. In order to keep fees low, under my supervision and the supervision of the Receiver,
26 the principal amount of work for this billing category was performed by Cathy Burrow, an
27 experienced paralegal at my firm, at a reduced hourly rate of \$195. Ms. Burrow reviewed the
28 claims filed and analyzed and compiled the data which is contained in the spreadsheets attached as

1 Exhibits 1 through 4 of the Receiver’s declaration in support of the Receiver’s Motion to Disallow
2 Certain Claims (Dkt No. 481) (“Motion to Disallow”). Evaluating and putting together the data in
3 the Exhibits was a time-consuming task. Exhibit 1, spanning 5 pages, contains a list of claims
4 which the Receiver sought to disallow because the claimants had already received disbursements
5 on account of the claims. Exhibit 2 lists claims against the estate that involve non-receivership
6 entities, such that claimants on Exhibit 2 are free to pursue their claims against the company that
7 they invested with or invested in. Exhibit 3 is a spreadsheet of duplicate claims and Exhibit 4
8 spanning 9 pages is a list of proofs of claim submitted for recovery in connection with failed
9 investments, where companies filed bankruptcy, were acquired or otherwise wound up their
10 operations.

11 12. I provided legal counsel to the Receiver by reviewing the claims filed, evaluating
12 possible objections, conducting research and determining what evidence was needed in support of
13 the objections.

14 13. Prior to filing, I reviewed and revised the Motion to Disallow and the Receiver’s
15 supporting declaration, and prepared comments for the Receiver’s consideration.

16 14. I also assisted the Trustee in her negotiations with Progresso Ventures, LLC
17 (“Progresso”) pertaining to the treatment of its claim. I analyzed the proposed stipulation with
18 Progresso, prepared revisions and provided comments to the Receiver.

19 2622-00013 – Plan Implementation

20 15. Attached as Exhibit “C” hereto are true and correct copies of billing statements
21 itemizing services provided by Diamond McCarthy from April 1, 2019 through June 30, 2019 in
22 connection with drafting a plan of distribution. Diamond McCarthy performed 13.30 hours for
23 total fees of \$4,548.50.00.

24 16. First, I reviewed the plan put forth by SRA Funds Investor Group and provided my
25 analysis to the Receiver, particularly with respect to the treatment of claims, tax issues, and the
26 plan’s ability to pay administrative expenses. I also analyzed issues put forth by the Securities and
27 Exchange Commission.

28 17. I assisted the Receiver in constructing her Plan of Distribution (“Receiver’s Plan”)

1 (Dkt. 487). I reviewed and evaluated the Receiver's Plan, prepared comments and proposed
2 revisions. I participated in a conference call on the Receiver's Plan with the SEC, creditors and
3 investors. Additionally, I analyzed issues raised by the SRA Funds Investor Group and the SEC to
4 the Receiver's Plan and advised the Receiver on the same.

5 2622-00015 – Asset Analysis and Recovery

6 18. Attached as Exhibit "D" hereto are true and correct copies of billing statements
7 itemizing services provided by Diamond McCarthy in connection with analyzing the estate's assets
8 from April 1, 2019 through June 30, 2019. Diamond McCarthy performed 11.10 hours for total
9 fees of \$4,717.50.

10 19. I along with the Receiver continued to make considerable progress in evaluating the
11 estate's primary assets, its shareholdings. I evaluated which third parties needed to be contacted in
12 order to confirm the location and holdings of shares. I reviewed documentation, including forward
13 purchase agreements and stock transfer agreements.

14 20. I then drafted numerous letters to send to companies and forward contract/stock
15 transfer contract parties to verify holdings and to advise them of the change of receiver.

16 21. I have read the Motion and the billing statements attached to this declaration. To the
17 best of my knowledge, information and belief formed after reasonable inquiry, all the fees and
18 expenses requested in the attached billing statements are true and correct and the Motion complies
19 with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and
20 Exchange Commission.

21 22. The fees that Diamond McCarthy has charged are reasonable, necessary, and
22 commensurate with the skill and experience required for the activity performed. Diamond
23 McCarthy's services and time expenditures are reasonable in light of the labor required for the
24 matters for which Diamond McCarthy was retained and the balancing act that must be performed to
25 efficiently and effectively represent the Receiver. Diamond McCarthy respectfully submits that it
26 has not expended time unnecessarily and that it has rendered efficient and effective services.

27 23. In seeking reimbursement of services for which Diamond McCarthy purchased or
28 contracted for from a third party, it has only requested reimbursement for the amount billed by the

1 third party vendor and paid to the vendor. Diamond McCarthy has not included in the amount for
2 which reimbursement is sought the amortization of the cost of any investment, equipment, or
3 capital outlay.

4 I declare under penalty of perjury that the foregoing is true and correct. Executed on this 9th
5 day of August 2019 at San Francisco, California.

6
7 /s/Lesley Anne Hawes

8 Lesley Anne Hawes
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00011 - KBP
 Re: Case Administration

July 22, 2019
 Invoice 32984
 Page 2

Fee Recap					
			Hours	Rate/Hour	Amount
Sheryl P. Giugliano	Partner		9.80	425.00	4,165.00
Lesley A. Hawes	Partner		7.70	425.00	3,272.50
Catherine A. Burrow	Paralegal		1.90	195.00	370.50
Totals			19.40		7,808.00

Fees					
Date	Atty	Description	Hours	Rate	Amount
04/01/19	LAH	Analyze auditor request for confirmation of holdings of Cloudera.	0.10	425.00	42.50
04/01/19	LAH	Review electronic material obtained, hard drive for Bivona (confidential) received, inventory issues between former receiver list and list from physical boxes received.	0.20	425.00	85.00
04/01/19	LAH	Review file inventory to update for physical documents received from Sherwood.	0.10	425.00	42.50
04/01/19	LAH	Review materials sent by Sherwood on shares and other materials to prepare for call.	0.30	425.00	127.50
04/01/19	LAH	Conference call with Sherwood and counsel and K. Phelps on transition issues, shares, Solis, and electronic material turned over.	0.70	425.00	297.50
04/02/19	LAH	Compare former receiver 9/2018 share figures in share report to SEC report (long sheet) and file materials to prepare exhibit for receiver's report.	0.20	425.00	85.00
04/02/19	LAH	Address case issues regarding treatment of Solis, timing of filings, letters to request confirmation of shares, claims objection timing and other case matters.	0.20	425.00	85.00
04/03/19	LAH	Prepare share exhibit for future report.	0.10	425.00	42.50
04/04/19	SPG	Review correspondence from K. Phelps regarding request to draft notice of stay in Smith litigation (.1); review order appointment receiver and pleadings in Smith litigation (.2); draft notice of stay and appointment of receiver (.4); correspondence to K. Phelps regarding same (.1).	0.80	425.00	340.00
04/04/19	SPG	Correspondence to K. Phelps regarding notice of stay and appointment of receiver.	0.10	425.00	42.50
04/05/19	SPG	Review and respond to correspondence from K. Phelps regarding notice of stay and appointment of receiver to file in Smith proceeding (.1); confer with N. Sullivan regarding same (.1).	0.20	425.00	85.00
04/05/19	SPG	Telephone discussions with N. Sullivan regarding filing notice of stay and appointment of receiver in Richmond County litigation, and service of same.	0.20	425.00	85.00
04/15/19	CAB	Assist with preparation of reporting form to SEC requested by L. Hawes (.4); forward same to L. Hawes (.1).	0.50	195.00	97.50
04/15/19	LAH	Review confirmation of receipt of re-issued checks from Citizens	0.10	425.00	42.50

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00011 - KBP
 Re: Case Administration

July 22, 2019
 Invoice 32984
 Page 3

Date	Atty	Description	Hours	Rate	Amount
		Bank on Practice Fusion liquidation.			
04/16/19	LAH	Address additional information for cash status of estate on Wells Fargo accounts and interest and share confirmation issues.	0.20	425.00	85.00
04/23/19	SPG	Review 9019 order entered approving settlement in Bivona bankruptcy case (.1); correspondence to K. Phelps and L. Hawes regarding same (.1).	0.20	425.00	85.00
04/24/19	LAH	Prepare outline of pending issues for Receiver to address in John Bivona bankruptcy.	0.10	425.00	42.50
04/24/19	SPG	Correspondence to L. Hawes regarding stipulation with Debtor and Trustee extending certain deadlines (.1); review correspondence from L. Hawes regarding same and related legal strategy (.1).	0.20	425.00	85.00
04/29/19	SPG	Review order approving Trustee's extension of time to assert claims against Ann Bivona.	0.10	425.00	42.50
04/30/19	CAB	Continue preparation of draft omnibus objection to claims (1.1); forward draft and proposed exhibits to L. Hawes and K. Phelps (.1); communications with K. Phelps regarding same (.2).	1.40	195.00	273.00
04/30/19	LAH	Address new materials provided by Sherwood regarding receiver records.	0.10	425.00	42.50
04/30/19	SPG	Telephone discussion with K. Phelps and L. Hawes regarding issues to be addressed in NY bankruptcy case.	0.30	425.00	127.50
04/30/19	LAH	Address claims in J. Bivona bankruptcy, extension of discharge and dischargeability deadlines, and Progresso claim with potential release of bankruptcy estate's interest in attached funds.	0.20	425.00	85.00
05/01/19	SPG	Confer with T. Pavalis regarding debtor counsel and case information needed to negotiate extension of deadline to object to discharge and amend proof of claim.	0.20	425.00	85.00
05/07/19	SPG	Review docket and stipulations extending deadline to object to discharge with prior receiver Sherwood in Bivona case (.2); correspondence to L. Hawes concerning notice of appearance and notice of replacement receiver (.1); correspondence to Debtor's counsel regarding stipulation and order further extending deadline to object to discharge (.2).	0.50	425.00	212.50
05/07/19	SPG	Review and respond to correspondence from L. Hawes regarding notices to file in Bivona bankruptcy case (.1); correspondence to T. Pavalis regarding same (.1).	0.20	425.00	85.00
05/07/19	LAH	Address appearance in Bivona bankruptcy and extension of discharge and dischargeability deadlines.	0.10	425.00	42.50
05/08/19	SPG	Revise notice of appearance (.2) and notice of appointment of receiver drafted by T. Pavalis (.2); correspondence to L. Hawes and K. Phelps regarding same (.1).	0.50	425.00	212.50
05/08/19	SPG	Review and respond to correspondence from L. Hawes regarding waiver language in notices of appearance versus proofs of claim.	0.20	425.00	85.00
05/08/19	LAH	Review and provide comments on draft filings in Bivona bankruptcy for successor receiver.	0.10	425.00	42.50

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00011 - KBP
 Re: Case Administration

July 22, 2019
 Invoice 32984
 Page 4

Date	Atty	Description	Hours	Rate	Amount
05/09/19	LAH	Review upcoming case deadlines and June 27 hearing matters for receiver to address.	0.30	425.00	127.50
05/13/19	SPG	Revise notice of appointment of successor permanent receiver and notice of appearance to be filed in Bivona bankruptcy case (.2); correspondence to L. Hawes regarding same and required exhibits (.1).	0.30	425.00	127.50
05/14/19	SPG	Review final versions of notice of appearance and notice of appointment of successor permanent receiver to be filed in Bivona bankruptcy case (.1); confer with T. Pavalis regarding same and ensure proper filing (.1).	0.20	425.00	85.00
05/14/19	LAH	Analyze filings for Bivona bankruptcy and provide documents for exhibits for filing.	0.10	425.00	42.50
05/15/19	SPG	Review and respond to correspondence from Debtor's counsel in Bivona regarding request to extend deadline to object to discharge (.1); correspondence to Receiver regarding same (.1).	0.20	425.00	85.00
05/15/19	SPG	Review final filed Notice of Appearance and Notice of Appointment filed in Bivona bankruptcy case (.1); correspondence to Receiver and L. Hawes regarding same and amended POC to be prepared and filed (.1).	0.20	425.00	85.00
05/16/19	SPG	Review proof of claim filed in Bivona by prior Receiver (.4); draft Amended POC form to file in Bivona bankruptcy for review by L. Hawes and K. Phelps (.3); draft Rider to Amended POC (.4); revise Rider for review by L. Hawes and K. Phelps (.2); correspondence to L. Hawes regarding same (.1).	1.40	425.00	595.00
05/21/19	SPG	Correspondence to Debtor's counsel (Bivona) requesting stipulation extending time to object to discharge.	0.10	425.00	42.50
05/21/19	LAH	Analyze tax issues raised by accountants and issues on QSF, liquidation or distribution scenarios, and valuation issues.	0.40	425.00	170.00
05/28/19	LAH	Review files and information on prior tax returns and information on CPA firm and specific accountant who was involved in return preparation.	0.20	425.00	85.00
05/28/19	LAH	Prepare letter to accounting firm Schwartz & Co regarding obtaining copies of prior filed returns and schedules and review enclosures to include in letter.	0.40	425.00	170.00
05/29/19	SPG	Review correspondence from L. Hawes with comments to proof of claim to file on behalf of successor receiver (.1); revise Rider to POC accordingly (.1); correspondence to T Pavalis regarding revisions needed to POC form (.1).	0.30	425.00	127.50
05/29/19	SPG	Review revised POC form to file in Bivona bankruptcy (.1); correspondence to K. Phelps providing final drafts of POC form, Rider, and Exhibits for review and comment (.1).	0.20	425.00	85.00
05/30/19	SPG	Correspondence with K. Phelps regarding proof of claim to file in Bivona.	0.20	425.00	85.00
05/30/19	SPG	Review correspondence from K. Phelps and L. Hawes regarding proof of claim to file in Bivona (.1); correspondence to K. Phelps	0.20	425.00	85.00

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00011 - KBP
 Re: Case Administration

July 22, 2019
 Invoice 32984
 Page 5

Date	Atty	Description	Hours	Rate	Amount
		and L. Hawes regarding same (.1).			
05/30/19	SPG	Review finalized proof of claim, rider and exhibits and approve for filing.	0.10	425.00	42.50
06/04/19	LAH	Analyze lengthy emails on share restrictions on MongoDB and steps to transfer to Wells Fargo.	0.20	425.00	85.00
06/06/19	SPG	Begin drafting stipulation extending time to object to discharge.	0.30	425.00	127.50
06/07/19	LAH	Review (a) failure of Schwartz to respond to demand for prior tax returns, and (b) steps needed to transfer with AST MongoDB shares to current receiver.	0.10	425.00	42.50
06/09/19	LAH	Review information from prior correspondence and receiver appointment order and prepare follow up letter to M. Schwartz on demand for copies of tax returns.	0.40	425.00	170.00
06/10/19	LAH	Review files and materials on prior communications with AST and on MongoDB shares for letter to MongoDB counsel.	0.20	425.00	85.00
06/10/19	LAH	Draft letter to Cooley attorney representing MongoDB and address enclosures for letter.	0.40	425.00	170.00
06/10/19	LAH	Prepare follow up letter by email to Cooley on the shares of MongoDB being transferred to Wells Fargo Advisors.	0.20	425.00	85.00
06/11/19	LAH	Exchange emails with N. Brown at AST on MongoDB stock to Wells Fargo Advisors.	0.10	425.00	42.50
06/12/19	SPG	Continue drafting stipulation extending discharge deadlines (.4); correspondence to L. Hawes regarding same (.1).	0.50	425.00	212.50
06/13/19	LAH	Address computer systems stored from receivership entities and inventory of same.	0.10	425.00	42.50
06/14/19	SPG	Correspondence to L. Hawes regarding stipulation extending time to object to discharge.	0.10	425.00	42.50
06/14/19	SPG	Review correspondence from L. Hawes regarding draft stipulation to extend deadline to object to discharge (.1); correspondence to Debtor's counsel, M. Frankel, regarding same (.1).	0.20	425.00	85.00
06/14/19	SPG	Review filing of complaint by trustee against Anne Bivona (.1); correspondence to Receiver and L. Hawes regarding same (.1).	0.20	425.00	85.00
06/14/19	SPG	Review filing of complaint by trustee against John Vincent Bivona (.1); correspondence to Receiver and L. Hawes regarding same (.1).	0.20	425.00	85.00
06/17/19	SPG	Review correspondence from Debtor's J. Bivona's counsel regarding stipulation extending objection to discharge deadline, and executed Stipulation (.2); review correspondence from L. Hawes regarding same (.1).	0.30	425.00	127.50
06/17/19	LAH	Review stipulation to extend non-dischargeability objection deadlines in Bivona estate and signature by debtor counsel.	0.10	425.00	42.50
06/18/19	SPG	Finalize proposed stipulation and order extending time to object to discharge (.1); telephone discussion with Debtor's counsel regarding same (.1); review docket for prior versions to ensure proper filing (.1).	0.30	425.00	127.50

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00011 - KBP
 Re: Case Administration

July 22, 2019
 Invoice 32984
 Page 6

Date	Atty	Description	Hours	Rate	Amount
06/18/19	SPG	Ensure proper filing of proposed stipulation and order extending time to object to Debtor John Bivona's discharge (.1); correspondence to Chambers regarding same (.1).	0.20	425.00	85.00
06/18/19	LAH	Review email from Cooley on release of restriction on MongoDB shares to allow them to go to Wells Fargo Advisors and prepare and send email to AST to confirm.	0.10	425.00	42.50
06/18/19	LAH	Review files on account information and exchange multiple emails with N. Brown at AST regarding transfer of MongoDB shares to Wells Fargo Advisors receiver account.	0.20	425.00	85.00
06/18/19	LAH	Analyze emails and status of Wells Fargo submission of demand to AST for transfer of the MongoDB stock.	0.10	425.00	42.50
06/18/19	LAH	Prepare and send email to A. Haggerty at Cooley confirming share transfer restriction removed to allow transfer of MongoDB to Wells Fargo Advisors receiver account.	0.10	425.00	42.50
06/19/19	SPG	Correspondence with L. Hawes regarding complaints filed by Trustee against Debtor John Bivona and his wife Anne Bivona.	0.10	425.00	42.50
06/19/19	SPG	Review and respond to correspondence from F. Stevens regarding complaint objecting to Debtor's discharge (.1); review ordered Stipulation extending Receiver's time to object to discharge (.1); correspondence to K. Phelps and L. Hawes regarding same (.1).	0.30	425.00	127.50
06/20/19	LAH	Review files and pleadings for filings related to upcoming hearings.	0.20	425.00	85.00
06/20/19	LAH	Review status of filings in response to claims objections, plans and comments, and filing by SRA Investors.	0.20	425.00	85.00
06/21/19	LAH	Address estate's potential non-dischargeability claims and whether to pursue such claims, and the trustee's objection to discharge and recommendation to receiver.	0.10	425.00	42.50
06/24/19	LAH	Exchange emails with M. Schwartz office regarding setting up call to discuss prior tax returns.	0.10	425.00	42.50
06/25/19	LAH	Review matters on calendar and status for hearing on June 27.	0.10	425.00	42.50
06/25/19	LAH	Call with M. Sanjurjo regarding obtaining copies of tax returns with K1s for investors and timing and method of delivery.	0.10	425.00	42.50
06/26/19	LAH	Address obtaining K1s from former accountants and transmission concurrently to current accountants to expedite analysis of potential tax issues for investors and receivership estate.	0.10	425.00	42.50
06/26/19	LAH	Prepare and send email to M. Sanjuro at former accountants and request copies of tax returns be sent also directly to receiver's current accountants and provide contact information.	0.10	425.00	42.50
06/26/19	LAH	Address storage of computers from former receiver.	0.10	425.00	42.50
06/27/19	LAH	Analyze orders on claims disallowance, approval of stipulated Progresso claim.	0.10	425.00	42.50
Total Fees			19.40		7,808.00

Disbursements

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River I.D. 2622-00011 - KBP Re: Case Administration		July 22, 2019 Invoice 32984 Page 7
Date	Description	Amount
	On-Line Research	109.22
04/01/19	Delivery Services; to 450 Golden Gate Avenue, San Francisco, CA 03/22/2019/Inv. 1213758; Western Messenger Service, Inc.	19.16
04/29/19	Delivery Services; to Rick Prasad-General Counsel, Evernote Corporation, 305 Walnut Street, Redwood City, CA 04/18/2019/Inv. 6-532-29127; Federal Express	16.25
04/29/19	Delivery Services; to Alexander Guastella, 728 Ancient Oaks Drive, Holly Springs, NC 04/23/2019/Inv. 6-532-29127; Federal Express	52.64
04/30/19	Delivery Services; to Akshay Rustagi, Chasm Capital Group, LLC, 375 Park Avenue, New York City, NY 04/25/2019/Inv. 6-540-14371; Federal Express	47.89
04/30/19	Delivery Services; to Michael Irvine, Gunderson Dettmer Stough et al, 1200 Seaport Boulevard, Redwood City, CA 04/29/2019/Inv. 6-540-14371; Federal Express	21.90
04/30/19	Delivery Services; to Lookout, Inc. 1 Front Street, San Francisco, CA 04/29/2019/Inv. 6-540-14371; Federal Express	21.90
	Postage	1.75
05/14/19	Delivery Services; to Alexander Guastella, 728 Ancient Oaks Drive, Holly Springs, NC 04/30/2019/Inv. 6-546-38862; Federal Express	21.04
05/31/19	Court Fees; certified copies of pleadings from the USDC of San Francisco, 450 Golden Gate Avenue, San Francisco, CA and delivered to Diamond McCarthy 12/21/2019/Inv. 20105125; First Legal Network, LLC	73.30
05/31/19	Court Fees; certified copies of pleadings from the USDC of San Francisco, 450 Golden Gate Avenue, San Francisco, CA and delivered to Diamond McCarthy 12/21/2019/Inv. 20105125; First Legal Network, LLC	88.70
05/31/19	Court Fees; certified copies of pleadings from the SCSC of San Jose, 191 North 1st Street, San Jose, CA delivered to Diamond McCarthy 12/26/2019/Inv. 20105125; First Legal Network, LLC	283.92
05/31/19	Court Fees; certified copies of pleadings from the SCSC of San Jose, 191 North 1st Street, San Jose, CA delivered to Diamond McCarthy 12/26/2019/Inv. 20105125; First Legal Network, LLC	196.75
05/31/19	Court Fees; copies of 9 certified orders through the USDC of San Francisco, 450 Golden Gate Avenue, San Francisco, CA and delivered to Diamond McCarthy 02/28/2019/Inv. 20113759; First Legal Network, LLC	226.74
05/31/19	Court Fees; copies from the USDC of San Francisco, 450 Golden Gate Avenue, San Francisco, CA with 8 certified copies delivered to Diamond McCarthy 02/11/2019/Inv. 20110947; First Legal Network, LLC	126.78
06/10/19	Delivery Services; delivery to United States District Court of San Francisco, 450 Golden Gate Avenue, San Francisco, CA 05/24/2019/Inv. 20121088; First Legal Network, LLC	32.50
06/17/19	Delivery Services; to Alexander Guastella, 728 Ancient Oaks. Dr., Holly Springs, NC 06/05/2019/Inv. 6-582-23708; Federal Express	51.07
06/17/19	Delivery Services; to Michael Schwartz, Schwartz & Co. LLP, 2580 Sunrise Highway, Bellmore, NY 06/11/2019/Inv. 6-582-51518; Federal Express	29.06
06/17/19	Delivery Services; to Alison Haggerty, Cooley LLP, 550 West 34th street, New York, NY 06/11/2019/Inv. 6-582-51518; Federal Express	52.40
06/25/19	Delivery Services; to Alexander Guastell, 9339 Trinana Circle, Winter Garden, FL 06/12/2019/Inv. 6-588-61683; Federal Express	48.53

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
I.D. 2622-00011 - KBP
Re: Case Administration

July 22, 2019
Invoice 32984
Page 8

Date	Description	Amount
06/25/19	Delivery Services; to 450 Golden Gate Avenue, San Francisco, CA 05/29/2019/Inv. 1216212; Western Messenger Service, Inc.	36.49
Total Disbursements		1,557.99

EXHIBIT B

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00012 - KBP
 Re: Claims Administration/Objection

July 22, 2019
 Invoice 32985
 Page 2

Fee Recap

		Hours	Rate/Hour	Amount
Lesley A. Hawes	Partner	11.10	425.00	4,717.50
Catherine A. Burrow	Paralegal	45.30	195.00	8,833.50
Totals		56.40		13,551.00

Fees

Date	Atty	Description	Hours	Rate	Amount
04/15/19	CAB	Extended telephone conference with K. Phelps and L. Hawes regarding preparation of omnibus claim objection (.4); begin review of information received from K. Phelps for use in preparation of claim objection (1.1).	1.50	195.00	292.50
04/16/19	CAB	Receive and review claim spreadsheet and information received from K. Phelps related to claim objections (1.1); extended telephone conference with K. Phelps and L. Hawes regarding background and information needed to prepare claim objections and exhibits (.3).	1.40	195.00	273.00
04/16/19	LAH	Review issues concerning claims filed and objections to assert, evidence, and timing for filing of objections.	0.80	425.00	340.00
04/16/19	LAH	Review materials on confession of judgment claims for potential future objection.	0.20	425.00	85.00
04/17/19	LAH	Address proposal to Progresso and comments.	0.20	425.00	85.00
04/18/19	CAB	Begin assembly of information and preparation of exhibits to omnibus claim objection (5.0); telephone conference with L. Hawes regarding same (.2).	5.20	195.00	1,014.00
04/18/19	LAH	Address case background and information needed to prepare claims objections and form and content of exhibits to objections.	0.30	425.00	127.50
04/22/19	CAB	Continue review of data spreadsheets to obtain information needed for exhibits to omnibus claim objection.	4.20	195.00	819.00
04/23/19	CAB	Continue review of information from receiver and preparation of exhibit to omnibus claim objection related to Class 6 claims (4.6); communication with L. Hawes regarding additional information needed related to certain claims (.1).	4.70	195.00	916.50
04/24/19	CAB	Continue review of claims filed to obtain information needed to update exhibit to omnibus claim objection (1.7); extended telephone conference with L. Hawes regarding questions related to same (.3).	2.00	195.00	390.00
04/24/19	LAH	Address multiple issues on claims objections and questions on Big 10 and Series X claims objections.	0.30	425.00	127.50
04/25/19	CAB	Continue review of claims to obtain information needed and update claim objection spreadsheet.	1.20	195.00	234.00
04/26/19	CAB	Continue review of claims and preparation of exhibit to claim	4.80	195.00	936.00

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00012 - KBP
 Re: Claims Administration/Objection

July 22, 2019
 Invoice 32985
 Page 3

Date	Atty	Description	Hours	Rate	Amount
		objection to Class 6.			
04/29/19	CAB	Continue and complete preparation of spreadsheet exhibits to omnibus claim objection (6.5); begin preparation of omnibus objection (.3).	6.80	195.00	1,326.00
04/30/19	LAH	Review information on draft claims objection motion.	0.10	425.00	42.50
05/03/19	CAB	Extended telephone conference with K. Phelps regarding draft claim objection and additional information to be included in exhibits to same (.4); begin revisions to exhibits (2.4); research to obtain information on failed investments requested by K. Phelps (.4); assemble and forward same (.2).	3.40	195.00	663.00
05/06/19	LAH	Review and prepare comments and revisions on draft Progresso settlement.	1.00	425.00	425.00
05/06/19	CAB	Additional review of information received from SEC (.3); revise claim objection exhibits to include additional information requested by K. Phelps (5.1).	5.40	195.00	1,053.00
05/07/19	CAB	Continue and complete revisions to exhibits for claim objections (4.6); forward same to K. Phelps (.1).	4.70	195.00	916.50
05/16/19	LAH	Review and revise claims objections, and in connection therewith, analyze grounds for objections, authorities to support objections including issues on guaranty objections.	0.80	425.00	340.00
05/17/19	LAH	Address authorities for claims objections on commissions and guaranties.	0.60	425.00	255.00
05/17/19	LAH	Address issues on claims objections with respect to guaranties and deferring those objections.	0.10	425.00	42.50
05/19/19	LAH	Add objections with authorities concerning claims for performance fees and other claims by ██████████, Cilano, and others.	0.30	425.00	127.50
05/19/19	LAH	Continue research on authorities to disallow claims for commissions, illegality authorities or for subordination of claims.	1.70	425.00	722.50
05/20/19	LAH	Analyze additional authorities on equitable subordination of claims to support claim objection.	0.60	425.00	255.00
05/20/19	LAH	Analyze Progresso stipulation, compare to prior settlement, prepare comments on same and address issue of releases.	0.40	425.00	170.00
05/20/19	LAH	Analyze specific claims subject to objection based on commissions and performance fees (including ██████████ filed claim, Klein claim, Cilano claim) or alternative subordination theory, equity interest, and evidence for objection on involvement of claimant and conduct to support relief, potential deferral of objections along with guaranty objections.	0.60	425.00	255.00
05/20/19	LAH	Analyze equitable subordination authorities, subordination authorities in receiverships, and additional cases on commissions and their avoidability.	1.30	425.00	552.50
05/23/19	LAH	Review and prepare comments and revisions on motion, memorandum, declaration and order on claims objections.	1.30	425.00	552.50
05/23/19	LAH	Evaluate comment on time deadline for responses to motion,	0.30	425.00	127.50

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00012 - KBP
 Re: Claims Administration/Objection

July 22, 2019
 Invoice 32985
 Page 4

Date	Atty	Description	Hours	Rate	Amount
		review local rules, provide response to Receiver regarding same and inability to change Court deadline set by local rule without a court order, and revise text of notice of motion and motion to conform to and cite local rule on oppositions.			
05/23/19	LAH	Coordinate and prepare final instructions regarding finalizing claims objection motion pleadings and filing and service of same.	0.20	425.00	85.00
Total Fees			56.40		13,551.00

Disbursements

Date	Description	Amount
	On-Line Research; Westlaw/May, 2019	366.17
Total Disbursements		366.17

EXHIBIT C

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00013 - KBP
 Re: Plan Implementation

July 22, 2019
 Invoice 32986
 Page 2

Fee Recap

		Hours	Rate/Hour	Amount
Lesley A. Hawes	Partner	8.50	425.00	3,612.50
Catherine A. Burrow	Paralegal	4.80	195.00	936.00
Totals		13.30		4,548.50

Fees

Date	Atty	Description	Hours	Rate	Amount
05/09/19	LAH	Analyze materials related to plan, investor comments on plan for required meet and confer upcoming and issues for receiver to address.	0.20	425.00	85.00
05/21/19	LAH	Telephone conference with accountants at Grobstein regarding tax implications of plan and various alternative scenarios.	0.90	425.00	382.50
05/21/19	LAH	Analyze plan issues raised by SEC.	0.30	425.00	127.50
05/24/19	LAH	Review preliminary draft plan comments by Receiver and issues regarding plan, treatment of claims, tax issues and administrative expense issues to address with SEC and investors, and new plan strategies developed by Receiver.	1.30	425.00	552.50
05/24/19	LAH	Review available documents on Sindhu and Carmona claims and missing information, issues regarding interest claimed by Sindhu.	0.20	425.00	85.00
05/28/19	LAH	Analyze issues for conference call scheduled with SEC and investor group counsel.	0.10	425.00	42.50
05/29/19	LAH	Analyze extensive tax issues, revised plan proposal and information needed on Solis Fund.	0.30	425.00	127.50
05/29/19	LAH	Attend conference call on proposed receiver plan with counsel for SEC, investors, creditors.	1.10	425.00	467.50
05/29/19	LAH	Analyze Receiver's proposed plan; prepare comments and revisions on receiver's plan and additional provisions concerning Solis Fund, and review available documents on Solis to support Solis as receivership entity.	1.80	425.00	765.00
06/06/19	LAH	Review and provide redlines and comments on receiver comments on revised plan.	0.80	425.00	340.00
06/06/19	LAH	Review receiver plan and address certain issues regarding same.	0.70	425.00	297.50
06/06/19	LAH	Review issues on filing and service of pleadings concerning comments, receiver's plan, and provide address information.	0.30	425.00	127.50
06/06/19	CAB	Assist with preparing receiver's proposed distribution plan and exhibits thereto (3.2); assist with revising receiver's comments to proposed distribution plan (.6); assemble information and prepare proof of service to be filed (.2); revise exhibits to distribution plan and comments per K. Phelps instructions (.8).	4.80	195.00	936.00
06/21/19	LAH	Analyze SRA Investors issues raised in plan response, issue on ICA composition, Anne Bivona funds and tax issues.	0.20	425.00	85.00

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
I.D. 2622-00013 - KBP
Re: Plan Implementation

July 22, 2019
Invoice 32986
Page 3

Date	Atty	Description	Hours	Rate	Amount
06/25/19	LAH	Analyze remainder of investor position on plans concerning tax issues, and analyze SEC response to investor position on plans, issues to address for hearing.	0.30	425.00	127.50
Total Fees			13.30		4,548.50

EXHIBIT D

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00015 - KBP
 Re: Asset Analysis and Recovery

July 22, 2019
 Invoice 32987
 Page 2

Fee Recap

		Hours	Rate/Hour	Amount
Lesley A. Hawes	Partner	11.10	425.00	4,717.50
Totals		11.10		4,717.50

Fees

Date	Atty	Description	Hours	Rate	Amount
04/01/19	LAH	Prepare letter to Citizens Bank to have checks reissued.	0.30	425.00	127.50
04/03/19	LAH	Draft letters to send to companies and forward contract/stock transfer contract parties to confirm shares held and advise of change in receivers.	0.60	425.00	255.00
04/08/19	LAH	Update stock list and refine third party confirmation letter list.	0.40	425.00	170.00
04/09/19	LAH	Revise letter to Airbnb for confirmation of shares.	0.30	425.00	127.50
04/09/19	LAH	Revise draft letter to Addepar for confirmation of shares of estate.	0.40	425.00	170.00
04/09/19	LAH	Address stock chart and confirmation letters with Receiver.	0.10	425.00	42.50
04/10/19	LAH	Review information concerning ZocDoc stock based on review of records received on forward contracts and other stock documents.	0.20	425.00	85.00
04/10/19	LAH	Review information on ZocDoc stock and EAC, review and compare contracts received from SEC on ZocDoc stock to available information and provide stock information from files to receiver, note discrepancies.	0.30	425.00	127.50
04/13/19	LAH	Address status of Citizens Bank response to re-issuance of checks for Practice Fusion.	0.10	425.00	42.50
04/13/19	LAH	Analyze available ZocDoc documents to prepare letters for confirmation of shares.	0.20	425.00	85.00
04/15/19	LAH	Prepare draft letter to ZocDoc to confirm estate interests in shares.	0.30	425.00	127.50
04/15/19	LAH	Prepare draft letter to O. Jung, forward seller under December 2015 contract.	0.30	425.00	127.50
04/15/19	LAH	Review Guastella documents on shares in ZocDoc and long sheet on ZocDoc interests.	0.30	425.00	127.50
04/15/19	LAH	Prepare letter for EAC to obtain confirmation of ZocDoc shares.	0.30	425.00	127.50
04/16/19	LAH	Complete remainder of confirmation letters (4) for ZocDoc stock.	0.70	425.00	297.50
04/16/19	LAH	Prepare additional share confirmation letters.	0.10	425.00	42.50
04/17/19	LAH	Address ZocDoc stock and EAC shares issue.	0.10	425.00	42.50
04/17/19	LAH	Review information on Airbnb and M. Labouisse forward contract for letters regarding shares.	0.30	425.00	127.50
04/23/19	LAH	Prepare draft letter on Lookout shares confirmation.	0.60	425.00	255.00
04/24/19	LAH	Address and confirm status of Evernote request for share confirmation.	0.10	425.00	42.50
04/24/19	LAH	Update share information and confirmations, address remainder of	0.30	425.00	127.50

Diamond McCarthy LLP

Counsel to K. Phelps, Receiver re: SEC v. Saddle River
 I.D. 2622-00015 - KBP
 Re: Asset Analysis and Recovery

July 22, 2019
 Invoice 32987
 Page 3

Date	Atty	Description	Hours	Rate	Amount
		stock needed to be confirmed, and Palantir information for confirmation.			
04/24/19	LAH	Analyze Palantir information on shares.	0.10	425.00	42.50
04/25/19	LAH	Prepare letter to Gunderson to confirm Palantir shares.	0.20	425.00	85.00
04/25/19	LAH	Analyze share issues on (a) confirmation of Evernote, and (b) issues on Lookout and review materials concerning same in light of issues on forward contract, including monitor's "confirmation" sheet.	0.30	425.00	127.50
04/26/19	LAH	Analyze available records on Palantir stock and receivership claims to stock for letter requesting confirmation of shares and discrepancies in figures for shares.	0.30	425.00	127.50
05/09/19	LAH	Review Solis Fund issues, notice and creditor list issues for anticipated hearing relating to fund.	0.10	425.00	42.50
05/14/19	LAH	Review information and documents on Lookout shares.	0.10	425.00	42.50
05/17/19	LAH	Review issues on EAC discussions, position on Badgeville.	0.20	425.00	85.00
05/28/19	LAH	Analyze multiple Lookout documents on agreement to transfer shares, exercise notices on options, and effect of restrictions, whether approval was obtained for the transfer, and information on D. Feldman who agreed to transfer the shares.	1.20	425.00	510.00
05/28/19	LAH	Review status of attempt to confirm ZocDoc shares.	0.10	425.00	42.50
05/28/19	LAH	Prepare letter to D. Feldman, optionee of stock in Lookout, regarding approval to transfer shares or economic interest in shares, and analyze related documents and prepare enclosures for letter.	0.50	425.00	212.50
05/28/19	LAH	Review background information on D. Feldman and Lookout for letter to Feldman.	0.10	425.00	42.50
05/28/19	LAH	Analyze implications of Lookout shares information for potential recoveries by estate and potential claims by the estate, timing issues on any fraudulent transfer claim.	0.20	425.00	85.00
06/04/19	LAH	Analyze email on EAC settlement discussions.	0.10	425.00	42.50
06/04/19	LAH	Review prior correspondence and prepare follow up letter to individual under forward agreement to transfer ZocDoc shares.	0.40	425.00	170.00
06/07/19	LAH	Finalize and update letter to Feldman on Lookout shares.	0.10	425.00	42.50
06/11/19	LAH	Follow up on letter to Guastella on ZocDoc stock.	0.10	425.00	42.50
06/14/19	LAH	Exchange follow up emails with D. Feldman regarding setting call to address Lookout shares.	0.10	425.00	42.50
06/18/19	LAH	Exchange emails with D. Feldman on Lookout shares information.	0.10	425.00	42.50
06/18/19	LAH	Exchange emails with D. Feldman resetting call on Lookout.	0.10	425.00	42.50
06/18/19	LAH	Telephone call with D. Feldman on Lookout shares and prepare follow up summary of call on timing of transfer and restrictions.	0.30	425.00	127.50
06/19/19	LAH	Review share confirmation email on Palantir.	0.10	425.00	42.50
Total Fees			11.10		4,717.50