

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

-v- :

No. 1:22-cv-03897-LAK

STRAIGHTPATH VENTURE PARTNERS LLC, :
STRAIGHTPATH MANAGEMENT LLC, :
BRIAN K. MARTINSEN, :
MICHAEL A. CASTILLERO, :
FRANCINE A. LANAIA, and :
ERIC D. LACHOW, :

Defendants. :
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**NOTICE OF PROCEDURES FOR RESOLUTION OF
CLAIMS AND INTERESTS AND BAR DATES FOR CLAIMS**

**TO: ALL INVESTORS AND CLAIMANTS OF THE RECEIVERSHIP ENTITIES
IDENTIFIED BELOW**

PLEASE TAKE NOTICE OF THE FOLLOWING:

On March 30, 2023, the United States District Court for the Southern District of New York (the “**Court**”) entered the Order [Dkt. No. 180] (the “**Order**”) approving the motion of Melanie L. Cyganowski, as Receiver (the “**Receiver**”) of the Receivership Entities¹ for Resolution of Claims and Interests and Establishing Bar Dates for Claims [Dkt. No. 166] (the “**Motion**”). The Motion includes the accompanying declaration of Melanie L. Cyganowski [Dkt. No. 167] (the “**Cyganowski Dec.**”) and memorandum of law in support of the Motion [Dkt. No. 168].

The Order approves the procedures for the Receiver to verify Investors’ Interests in the Receivership Entities, and deadlines for Claimants to submit a completed Proof of Claim Form against the Receivership Entities.

This notice is being sent, among others, to persons and entities that may have invested in or had some other relationship with the Receivership Entities. **The fact that you have received this notice does not necessarily mean that you are an Investor or a Claimant.**

¹ The “**Receivership Entities**” are StraightPath Venture Partners LLC (“**SP Fund Manager**”), StraightPath Management LLC (“**SP Advisor**”), SP Ventures Fund LLC, SP Ventures Fund 2 LLC, SP Ventures Fund 3 LLC, SP Ventures Fund 4 LLC, SP Ventures Fund 5 LLC, SP Ventures Fund 6 LLC, SP Ventures Fund 7 LLC, SP Ventures Fund 8 LLC, and SP Ventures Fund 9 LLC (each an “**SP Fund**” and collectively, the “**SP Funds**”).

The Court has approved the following procedures:

1. Definitions. The following terms are defined as follows:

A. “**Claim**” is defined as: (1) a purported right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, against one or more of the Receivership Entities; and (2) a purported right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, against one or more of the Receivership Entities.

B. “**Claimant**” is defined as and includes any person or entity (including, without limitation, individuals, partnerships, corporations, estates, trusts, and governmental units) that holds a Claim. Without limiting the generality of the foregoing, the definition of Claimant includes, but is not limited to, any person or entity holding a Claim based on (1) the provision of goods or services to any Receivership Entity that has not been paid in whole; (2) money loaned to any Receivership Entity that has not been paid in whole; (3) unpaid wages, compensation, or other employment benefits; (4) tax liabilities, including those held by federal and state governments; (5) primary, secondary, direct, indirect, secured, unsecured, or contingent liability; and/or (6) contract, tort, indemnity, reimbursement, subrogation theories, or other legal or equitable theory.

C. “**Governmental Unit**” is defined as and includes the United States; State; Commonwealth; District; Territory; municipality; foreign state; department, agency, or instrumentality of the United States, a State, a Commonwealth, a District, a Territory, a municipality, or a foreign state; or other foreign or domestic government.

D. “**Interest**” is defined as an equity interest in any of the Receivership Entities, which interest is based exclusively upon invested capital in any of the Receivership Entities.

E. “**Investor**” is defined as and includes any person or entity (including, without limitation, individuals, partnerships, corporations, estates, trusts, and governmental units) that currently holds or formerly held an Interest.

F. “**Proof of Claim**” is defined as a completed and signed Proof of Claim Form under penalty of perjury (annexed as Exhibit B to the Cyganowski Dec.) (“**Proof of Claim Form**”), together with supporting documentation.

2. Verification and Reconciliation of Interests.

A. Verification of Interests

(I) The general form of the investor statement (the “**Investor Statement**”), and the information and instructions contained therein, are annexed as Exhibit A to the Cyganowski Dec.

(II) Within fourteen (14) business days of entry of the Order, the Receiver shall send an Investor Statement to each Investor, setting forth the amount(s) that each Investor invested or reinvested in each Receivership Entity on account of the Investor's Interest(s), and the amount(s) received by each Investor from each Receivership Entity on account of the Investor's Interest(s). The Receiver shall have the authority and discretion to modify the form of Investor Statement to customize it for each Investor. The Receiver may periodically prepare new, or modify previous, Investor Statements as the Receiver deems necessary, in which case the Receiver shall notify the applicable Investor of such new Investor Statement, or modification, and provide a commensurate extension of time to respond.

(III) All of the Interests associated with a single taxpayer identification number ("TIN") or social security number ("SSN") shall be included in one Investor Statement, *except that*, multiple investments associated with a single TIN or SSN shall receive a separate Investor Statement to the extent that any such an investment is in the name of a separate trust, an individual retirement account or a person other than the holder of the TIN or SSN (each an "**Associated Investment**"). In such cases, the Associated Investment shall receive a separate Investor Statement through a separate mailing in a separate envelope.

(IV) Each Investor Statement shall be sent by First Class Mail via the United States Postal Service (the "USPS") to the address for the applicable Investor set forth in the Receivership Entities' books and records or as updated (x) pursuant to a written request by the Investor and/or (y) as set forth by the USPS in returned mail with a forwarding address previously received by the Receiver.

(V) To protect the privacy of Investors, the Investor Statements shall assign each Investor with an individual investor number unique to that Investor (each an "**Investor Number**"). The Receiver shall use the respective Investor Number to identify individual Investors in public filings with the Court, and if the Investor and the Receiver engage in summary disposition litigation (as described in Section 5 *infra*), the Investor shall be identified in the submission only by Investor Number.

B. Disputed Interests

(I) Any Investor who disagrees with the information contained in the Investor Statement regarding the Investor's own Interest may dispute the accuracy of the information in the Investor Statement (each an "**Investor Objection**") by following the instructions set forth in the Investor Statement.

(II) The sole basis for an Investor Objection shall be an inaccuracy in the amount(s) set forth in the Investor Statement. An Investor may file an Investor Objection personally, through the Investor's counsel or through another authorized representative. An Investor that serves an Investor Objection through an authorized representative shall complete the Investor Authorization Form attached to the Investor Statement and the authorized representative shall serve it on the Claims Agent at the time of service of the Investor Objection. No person or entity other than the applicable Investor

(personally, through counsel or through the authorized representative) may serve an Investor Objection, and Investors may not serve an Investor Objection with respect to other Investors' Interests.

(III) Investor Objections must be served on the Receiver's claims agent, Stretto, Inc. (the "**Claims Agent**") so that the Investor Objection is actually received by the Receiver's Claims Agent on or before 45 days from the date of the Receiver's mailing of the Investor Statement. Investor Objections shall not be filed with the Court and any Investor Objection so filed shall not be considered properly served. Upon the timely service of an Investor Objection, an Interest shall become a "**Disputed Interest.**" Each Investor that properly and timely serves an Investor Objection shall be a "**Disputing Investor.**"

(IV) Investor Objections served pursuant to the instructions set forth in the Investor Statement shall be served on the Receiver's Claims Agent by either (1) First Class Mail via the USPS addressed to StraightPath Claims Processing c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; (2) overnight courier or in-person delivery addressed to StraightPath Claims Processing c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; or (3) electronic mail, as an attachment in portable document format (.pdf), to StraightPathClaims@Stretto.com.

(V) The Receiver shall have the discretion to extend the time for an Investor to serve an Investor Objection for cause shown to the Receiver.

(VI) An Investor's failure to timely serve an Investor Objection that complies with the instructions set forth in the Investor Statement shall permanently preclude the Investor's right to object to or contest its respective Investor Statement. If an Investor fails to timely serve an Investor Objection, then the information set forth in the Investor Statement shall be final and binding on the Investor and shall form the basis for calculating the allowed amount on account of the Investor's Interest(s), based upon the distribution methodology employed and pursuant to a plan of distribution (a "**Plan**").

(VII) Any person or entity that does not receive an Investor Statement but believes that they are an Investor (a "**Purported Investor**") shall serve the Receiver's Claims Agent with a written, signed statement identifying the claimed Interest (the "**Purported Interest**") together with the documentation that the Purported Investor contends establishes the existence of the Purported Interest (collectively, the "**Written Notification**"). The Purported Investor (or the Purported Investor's counsel or another authorized representative) shall serve the Written Notification within sixty (60) days of entry of the Order in the same manner that an Investor Objection must be served. If within thirty (30) days of service of the Written Notification the Receiver and the Purported Investor do not reach agreement regarding the Purported Interest, then the Purported Interest shall become a Disputed Interest and the Purported Investor shall become a Disputing Investor with all of the rights and duties of a Disputing Investor set forth in the Motion. A Purported Investor's failure to timely serve a Written Notification concerning a Purported Interest shall permanently preclude the Purported Investor from asserting the

Purported Interest. The Receiver shall have the discretion to extend the time for Purported Investors to serve Written Notification for cause shown to the Receiver.

3. Claims Procedures.

A. The general form of the Proof of Claim Form and the information and instructions contained therein are annexed as Exhibit B to the Cyganowski Dec.

B. Eligibility to Submit Proofs of Claim. Proofs of Claim shall be served by all persons or entities that believe they hold a Claim that arose prior to entry of the Consent Order Appointing Receiver on June 14, 2022. Proofs of Claim shall be completed by Claimants personally, through the Claimant's counsel, or through another authorized representative. A Claimant that serves a Proof of Claim through an authorized representative shall complete the Claimant Representative Authorization Form attached to the Proof of Claim Form. The Receiver may disallow any Proof of Claim filed by an Investor on account of an Interest on grounds, among others and without limitation, it is duplicative of an Investor Statement or Investor Objection.

C. Bar Dates.

(I) **5:00 p.m. (prevailing Eastern Time) on May 30, 2023** is the deadline for Claimants other than Governmental Units to serve Proofs of Claim against the Receivership Entities (the "**General Bar Date**"); and

(II) **5:00 p.m. (prevailing Eastern Time) on July 28, 2023** is the deadline for Governmental Units to serve Proofs of Claim against the Receivership Entities (the "**Governmental Bar Date**," and together with the General Bar Date, the "**Bar Dates**").

D. Administrative and Professional Claims. Claimants holding Claims that arose after entry of the Consent Order Appointing Receiver on June 14, 2022 ("**Administrative Claims**"), including, without limitation, the Receiver and her retained professionals, shall not be subject to the Bar Dates set forth herein. Administrative Claims, including, without limitation, those of the Receiver and her retained professionals, shall be addressed in accordance with orders of the Court.

E. Procedure for Serving Proofs of Claim. To timely serve a Proof of Claim, each Claimant must serve a completed and signed Proof of Claim Form, together with supporting documentation on the Claims Agent as required by these procedures, so that such Proof of Claim is actually received by the Claims Agent on or before the Bar Date applicable to the Claimant.

F. Proofs of Claim shall be served on the Receiver's Claims Agent by either (1) First Class Mail via the USPS addressed to StraightPath Claims Processing c/o Stretto, 410 Exchange, Suite 100, Irvine, CA 92602; (2) overnight courier or in-person delivery addressed to StraightPath Claims Processing c/o Stretto, 410 Exchange, Suite 100 Irvine, CA 92602; (3) electronic mail, as an attachment in portable document format (.pdf), to StraightPathClaims@Stretto.com; or (4) using the electronic Proof of Claim Form available on the Receiver's website at <https://www.straightpathreceivership.com/>. Proofs of Claim should not be filed with the Court, and any Proof of Claim so filed shall not be considered properly served. Any

Proof of Claim served in accordance with these procedures and that otherwise complies with the requirements of these procedures shall become a “**Filed Claim.**”

G. The Receiver has the discretion to extend the time for a Claimant to complete and serve its Proof of Claim for cause shown to the Receiver.

H. Supporting Documentation for Proof of Claim. In order to be deemed properly served, each Claimant shall attach to each Proof of Claim copies of all documents available to the Claimant that the Claimant relies and may rely upon to support such Proof of Claim. Such documentation may include, but is not limited to: copies of all agreements, promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, evidence of perfection of lien, and other documents evidencing the amount and basis of the Claim. If such supporting documentation is not available, the Claimant shall attach to the Proof of Claim an explanation of why the documentation is unavailable.

I. Proof of Claim Must Identify Receivership Entity. A Claimant shall identify in the Proof of Claim the Receivership Entity against which the applicable Claim is asserted.

J. Effect of Failure to Serve Proof of Claim Compliant With Claims Procedures.

(I) Any Claimant that fails to serve a Proof of Claim with respect to any Claim the Claimant asserts in a timely manner and in the form required pursuant to these procedures shall be deemed to hold an “**Abandoned Claim.**” Any Claimant holding an Abandoned Claim:

a. shall be forever barred, estopped, and enjoined to the fullest extent allowed by applicable law from asserting, in any manner, such Abandoned Claim against the Receivership Entities and their respective property;

b. shall not be permitted to object on account of such Abandoned Claim to any Plan proposed by the Receiver;

c. shall be denied any distribution(s) on account of such Abandoned Claim under any Plan; and

d. shall not receive any further notices on account of such Abandoned Claim.

(II) The Receivership Entities and their respective property shall be discharged from any and all indebtedness or liability with respect to any Abandoned Claim.

K. Inter-Company Claims. Notwithstanding any provisions of these procedures, none of the Receivership Entities are required to file a Proof of Claim against any other Receivership Entity, and any Claims of a Receivership Entity against another Receivership Entity are preserved.

4. Claims Reconciliation and Claims Analysis Report.

A. Claims Analysis Report.

(I) The Receiver shall file and serve (in accordance with Section 4.C, *infra*) one or more claims analysis reports (a “**Claims Analysis Report**”). A Claims Analysis Report will include a schedule that will set forth, as to each Filed Claim, the Receiver’s determination (each a “**Determination**”) as to whether a Filed Claim will become a “**Fully Allowed Claim,**” a “**Partially Allowed Claim,**” or a “**Disallowed Claim.**” A Claims Analysis Report shall provide a brief explanation of the Receiver’s Determination to the extent the Filed Claim is a Partially Allowed Claim or a Disallowed Claim.

(II) The Receiver shall not be required to include an Abandoned Claim in a Claims Analysis Report. The Receiver may periodically modify previous Claims Analysis Reports as the Receiver deems necessary and provide a commensurate extension of time to respond.

B. Allowed Claims.

(I) The Receiver may determine whether a Filed Claim is a Fully Allowed Claim, a Partially Allowed Claim, or a Disallowed Claim by taking into account, among other things and without limitation, whether (i) the Claim is properly and timely asserted against a Receivership Entity against which the Claim is asserted; (ii) the Claim is duplicative of any other Claim asserted against a Receivership Entity; (iii) the Claim arose out of any of the activities, agreements, or other obligations of the Receivership Entity against which the Claim is asserted; (iv) the Claim is consistent with the books and records of the Receivership Entity against which the Claim is asserted; (v) the Claim is supported by adequate documentation; (vi) the Claim is secured by a lien on property of the Receivership Entity against which the Claim is asserted; (vii) the Claim is subject to any offsets or defenses that may be asserted; and/or (viii) whether other grounds exist for denying the Claim, in whole or in part.

(II) The Receiver’s Determination of the allowed amount of each Fully Allowed Claim or Partially Allowed Claim shall serve as the basis for calculating a Claimant’s distribution of assets of the Receivership Entities in accordance with a Plan and is not necessarily indicative of the priority or treatment of the Claim under any Plan or the amount or type of distribution a Claimant may ultimately receive from the Receivership Entities on account of that Claim. The Receiver may estimate the amount of a Claim that is contingent, unliquidated, or unmatured for purposes of determining the allowed amount of any Fully Allowed Claim or Partially Allowed Claim.

C. Notice of Claims Analysis Report.

(I) The Receiver shall serve a Claims Analysis Report by First Class Mail via the USPS on each Claimant that holds one or more Filed Claims that is the subject of a Determination in such Claims Analysis Report at the address listed on the Proof of

Claim for notice purposes or as updated (x) pursuant to a written request by the Claimant and/or (y) by returned mail from the post office with a forwarding address.

(II) Notwithstanding Section 4(C)(I), where the holder of a Filed Claim has provided an email address in its Filed Claim, the Receiver shall only be required to serve the Claims Analysis Report on such Claimant via email at that email address.

(III) Within five (5) business days of filing a Claims Analysis Report, the Receiver will post the applicable Claims Analysis Reports on the Receiver's website <https://www.straightpathreceivership.com/>.

D. Claimant Objections and Disputed Claims.

(I) A Claimant may challenge the Receiver's Determination of the Claimant's Filed Claim(s) set forth in a Claims Analysis Report including, without limitation, any objection to the Receiver's determination (i) that the Filed Claim is a Partially Allowed Claim, or a Disallowed Claim, (ii) the allowed amount of the Filed Claim, or (iii) the Receiver's Determination concerning the secured status of the Filed Claim or the property of a Receivership Entity by which the Filed Claim is secured.

(II) A Claimant that seeks to object to the Receiver's Determination of the Claimant's Filed Claim(s) shall serve on the Receiver a written objection to the Receiver's Determination (each a "**Claimant Objection**") personally, through counsel or through another authorized representative. No person or entity other than the applicable Claimant (personally, through counsel or through another authorized representative) may file a Claimant Objection to the Claims Analysis Report, and Claimants may not object to the Receiver's Determinations of other Claimants' Filed Claims.

(III) Objections to the Determination(s) in a Claims Analysis Report shall (i) be in writing; (ii) state the name and address of the objecting Claimant and the name and address of the Claimant's counsel or another authorized representative (if any), (iii) the claim number assigned to the Filed Claim(s), and the nature of the Claim(s) of such Claimant; (iv) state with particularity the basis and nature of all objections to the applicable Determination(s); and (v) be electronically mailed to the Receiver, at her email address, StraightPathReceiver@Otterbourg.com, so as to be *actually received* on or before 45 days following the Receiver's emailing or mailing to a Claimant (pursuant to the notification procedures described in Section 4(C), *supra*) of a Claims Analysis Report addressing the Determination to which the Claimant Objection responds. Upon the timely service of a Claimant Objection, a Claim shall become a "**Disputed Claim.**" Each Claimant that properly and timely serves a Claimant Objection shall be a "**Disputing Claimant.**"

(IV) Claimant Objections should not be filed with the Court except as an exhibit to a Resolution Motion (as defined in Section 5(B)(I), *infra*) or a response thereto to the extent allowed by the procedures set out in Section 5(B)(III), *infra*.

(V) A Claimant's failure to timely serve the Receiver with a Claimant Objection to its Filed Claim(s) that complies, in all respects, with the instructions set forth in these procedures shall permanently preclude the Claimant's right to object to or contest

the Receiver's Claims Analysis Reports and Determination(s) as the same relate to such Filed Claim(s).

(VI) If a Claimant fails to serve a Claimant Objection to the Receiver's Determination set forth in a Claims Analysis Report, then the Receiver's Determination shall be final and binding as to the applicable Filed Claim(s).

5. Resolution of Disputed Interests and Disputed Claims.

A. Alternative Dispute Resolution of Disputed Interests and Disputed Claims.

(I) The Receiver shall make a good-faith attempt, within forty-five (45) days of receipt of an Investor Objection or a Claimant Objection, to resolve a Disputed Interest or a Disputed Claim with the respective Disputing Investor or Disputing Claimant (each, a "**Disputing Party**") (or the Disputing Party's counsel or another authorized representative).

(II) Unless the Disputed Interest or Disputed Claim is consensually resolved within forty-five (45) days after the date the Disputing Investor or Disputing Claimant serves an Investor Objection or Claimant Objection, respectively, the Disputed Interest and Disputed Claim, respectively, shall be submitted to mediation before a disinterested mediator, to be completed within thirty (30) days from commencement of a mediation session unless extended by the Receiver in her discretion. The costs of mediation will be borne one-half by the receivership and one-half by the Disputing Party.

(III) The Receiver may, in her sole discretion, settle and compromise any Disputed Interest or Disputed Claim on terms and for reasons that she deems, in her business judgment, to be appropriate without further Order of the Court.

B. Summary Disposition. Any Disputed Interest or Disputed Claim that is not resolved by agreement between the Receiver and the Disputing Party shall be adjudicated by the Court in a summary proceeding as follows:

(I) The Receiver may file one or more motions with the Court requesting that the Court confirm the Receiver's determination(s) as to the particular Disputed Interest(s) or Disputed Claim(s) addressed in the motion (a "**Resolution Motion**").

(II) Each Resolution Motion shall attach, as applicable, (i) the Disputed Claim(s) or Disputed Interest(s), (ii) for Disputing Claimants: the applicable Proof(s) of Claim, the applicable Claims Analysis Report and each applicable Claimant Objection, (iii) for Disputing Investors: the applicable Investor Statement(s) and Investor Objection(s), and (iv) the Receiver's basis for her Determination(s) as to each Disputed Claim or Disputed Interest addressed therein, as well as any relevant declarations, exhibits, documentation and/or testimony. The Receiver's Resolution Motion and supporting brief shall be served on the applicable Disputing Party at the time of its filing via (x) email where an email address was provided in the applicable Investor Objection or Claimant Objection;

or (y) if no email address was provided, by First Class Mail via the USPS to the address provided in the applicable Investor Objection or Claimant Objection.

(III) Any response (each a “**Response**”) to a Resolution Motion must be served electronically on the Receiver no later than fourteen (14) days after filing of the Resolution Motion (the “**Response Deadline**”) by delivery to the Receiver’s email address (StraightPathReceiver@Otterbourg.com). The Receiver shall file the Responses on the case docket within two (2) business days of the expiration of the Response Deadline, pursuant to the Protocols Order (Dkt. Nos. 92, 98).

(IV) Within ten (10) days of the Response Deadline, the Receiver shall file her reply, if any, in further support of a Resolution Motion.

(V) At the Receiver’s election, a Resolution Motion may consist of omnibus motion(s) addressing multiple Disputed Interests and Disputed Claims at one time, rather than individually.

(VI) The Court, at its option, may entertain oral argument on a Resolution Motion, and/or may receive testimony from witnesses before ruling on a Resolution Motion.

6. Plan. The list of Allowed Claims or Partially Allowed Claims and allowed amounts for such Claims, and the information set forth in the Investor Statements, and any resolved Disputed Claims and Disputed Interests, will be used to calculate the distribution that Claimants and Investors may receive pursuant to any approved Plan. Any Plan shall be subject to separate review by the Court and nothing in these procedures is intended to or shall be deemed to approve any Plan or type of Plan.

7. Consent to Jurisdiction. Any Investor who serves an Investor Objection or any Claimant who serves a Proof of Claim to the Receiver is deemed to consent to the jurisdiction of the United States District Court for the Southern District of New York for all purposes related to any Claim or Interest contained therein and agrees to be bound by its decisions, including, without limitation, a determination as to the validity and amount of any Interests in or Claims asserted against the Receivership Entities. Nothing in the foregoing sentence or otherwise in these procedures shall in any way limit the jurisdiction of the Court whether or not a person or entity serves an Investor Objection or a Proof of Claim.

Dated: New York, New York
March 31, 2023

OTTERBOURG P.C.

By: /s/ Erik B. Weinick
Erik B. Weinick
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
eweinick@otterbourg.com
*Attorneys for Melanie L. Cyganowski, as
Receiver*