

IN THE CIRCUIT COURT OF THE
ELEVENTH JUDICIAL CIRCUIT IN AND
FOR MIAMI-DADE COUNTY, FLORIDA

STEPHEN EZEKIEL JOSEPH *et. al.*,

Plaintiffs,

v.

Daily Bread, LLC,

Defendant.

CASE NO: 2021-026520-CA-01 CA44
CBL Division

MOTION FOR LEAVE TO IMPLEMENT DISTRIBUTION PLAN PRIOR TO TRUST CONVERSION

Scott M. Dimond (the “Receiver”), as Receiver of Daily Bread, LLC (“Daily Bread”), hereby files this Motion for Leave to Implement Distribution Plan Prior to Trust Conversion.¹ As detailed herein, the Receiver seeks this Court’s approval to make a substantial distribution of monies that have been recovered during the course of the Receivership prior to the Court’s consideration (and anticipated approval) of the Receiver’s pending Motion to Convert Remaining Dormant Assets into a Form of Trusteeship [DIN 160].

INTRODUCTION

This Court appointed the Receiver to assume control of and manage the affairs of Daily Bread, LLC, which had been operating as a Ponzi scheme. Since his appointment, the Receiver undertook significant efforts to marshal assets and liquidate holdings, resulting in the collection of approximately \$8.1mm so far. That amount is 50% of the total losses of \$16,507,653.

In conjunction therewith, the Receiver worked to return funds to the victims of the Daily Bread scheme through a Court-approved interim distribution process. That process provided meaningful relief to victims while ensuring fairness and transparency.

¹See Order Granting Plaintiffs’ Emergency Motion for Appointment of Receiver, attached as Exhibit 1 (the “Receivership Order”). The Receivership Order was amended pursuant to the Court’s February 7, 2023 Agreed Order Granting Receiver’s Motion to Expand Scope of Receivership [to Capture Earlier Transactions], which is attached as Exhibit 2.

The Receivership currently holds a balance of approximately \$1,398,065.45 in liquid assets, primarily consisting of cash proceeds from ongoing recoveries and account holdings. In light of those funds, and consistent with the Receivership's duty to maximize and return value to victims, the Receiver seeks authorization to conduct another round of claims verification and pro-rata distribution before the Receivership's remaining illiquid assets are converted into a trusteeship.

This Motion is intended to complement the Receiver's pending Motion to Convert Remaining Dormant Assets into a Form of Trusteeship. The creation of the Daily Bread Remediation Trust remains the appropriate long-term mechanism for managing and ultimately liquidating illiquid assets, specifically, equity interests in Pink Chit, LLC and Turnerfield Holdings, LLC. But before that conversion occurs, it is both equitable and efficient to permit this additional interim distribution so that victims may promptly receive the benefit of significant funds already in hand.

BACKGROUND

Since his appointment, the Receiver has worked to identify, secure, and recover assets traceable to the Daily Bread scheme. Those efforts have included the seizure of bank and brokerage accounts, the pursuit and resolution of litigation claims, and the liquidation of real property and other assets. As reported to the Court, the Receiver has marshaled millions of dollars in recoveries, a substantial portion of which (\$7,000,000) has already been distributed to the victims of the scheme pursuant to a Court-approved interim distribution plan.²

²See Status Reports at DIN 20, 27, 39, 44, 51, 54, 56, 68, 78, 90, 113, 124, 132, 141, 146, 148, 152; *see also* Motion for Leave to Implement Interim Distribution Plan at DIN 92.

That prior distribution was implemented through a structured claims process designed to ensure that each investor's claim was verified against the Receiver's financial records, and that funds were distributed equitably on a pro-rata basis according to each investor's recognized loss. The process provided timely relief to victims while maintaining transparency and fairness.

Since that distribution, the Receivership has continued to collect additional recoveries. As of the date of this Motion, the Receivership holds approximately \$1,398,065.45 in liquid assets, comprised of cash on deposit. But the Receiver anticipates the need to retain a minimum of \$500,000 of that balance, an amount sufficient to operate the Trust for ten years. While the Receiver will testify in further support and detail, the Receiver expects that operating costs will include, *inter alia*, professional expenses, administrative costs, and any capital calls associated with the Receivership's interests in underlying holdings, both prior to and following trust conversion.³ Accordingly, roughly \$900,000 is available for distribution to the victims in accordance with their pro-rata losses.

At the same time, the Receivership continues to hold certain illiquid assets – including equity interests in Pink Chit, LLC and Turnerfield Holdings, LLC – that cannot be readily liquidated or distributed. Those assets are the subject of the Receiver's pending Motion to Convert Remaining Dormant Assets into a Form of Trusteeship, which seeks Court approval to establish the Daily Bread Remediation Trust as the mechanism for their long-term management and eventual liquidation.

³The Receiver is attaching herewith as Exhibit 3 an explanatory table of expected expenses. To be clear, the estimated operating expenses total \$550,000. But to maximize the amount of monies disbursed to the victims now and with the expectation that interest and future investment liquidations could result in additional funds, the Receiver is requesting a reserve of only \$500,000.

PROPOSED DISTRIBUTION PLAN

The Receiver proposes to implement a claims process and distribution plan substantially identical to the process previously approved by this Court, with modifications only as necessary to account for the reduced scope of funds available. The Receiver believes that replicating the earlier plan will ensure consistency, efficiency, and fairness to all investors.

- 1. Claims Forms:** The Receiver will transmit to each investor of record (as identified in the Financial Report previously submitted to and approved by this Court) a Claim Form at the investor's last known email and/or mailing address. The Claim Form will require the investor only to confirm and update their current contact information, including a valid physical mailing address.
- 2. Reliance on Prior Data:** The Receiver will rely on the financial data and recognized loss amounts established during the first distribution round. Investors will not be asked to reconfirm their losses, nor will there be a new process for disputing the Receiver's previously confirmed calculations.
- 3. Distribution of Funds:** Upon receipt of updated contact information, the Receiver will issue a distribution check to each investor representing their pro-rata share of the available funds, based on their previously confirmed percentage of the Total Loss.
- 4. Availability of Funds:** Of the approximately \$1,398,065.45 in Receivership cash on hand, the Receiver proposes to retain approximately \$500,000 to cover anticipated professional and administrative costs, as well as potential capital calls relating to the Receivership's interests in underlying holdings. \$900,000 will be distributed to victims on a pro-rata basis according to each investor's recognized percentage of the Total Loss.

5. Calculations: Distributions will be calculated proportionally: each investor will receive a percentage of the \$900,000 distribution equal to the investor's share of the Total Loss, as reflected in the Financial Report. By way of example, if an investor's recognized loss represents five percent (5%) of the Total Loss, that investor would receive five percent (5%) of the \$900,000 distribution, or \$45,000.

Through those measures, the proposed claims process ensures that all investors are treated consistently and equitably, while protecting estate assets and preserving judicial oversight. The Receiver submits that this framework strikes the proper balance between efficiency and fairness, while protecting the interests of the Receivership's beneficiaries.

ARGUMENT

This Court has broad discretion under the Receivership Order to authorize distributions of assets in a manner that is fair, equitable, and consistent with the Receiver's fiduciary duties. The Receivership Order expressly provides that the Receiver may apply to the Court for "further or other instructions or orders and for additional powers necessary to enable the Receiver to perform the Receiver's duties properly and/or to expand the scope of the receivership."⁴ Florida law is clear that the Court possesses inherent equitable authority to determine the manner in which receivership assets are administered and distributed.⁵

⁴Receivership Order at ¶29.

⁵*See, e.g., Murtha v. Stejskal*, 232 So. 2d 53, 55 (Fla. 4th DCA 1970) ("The custody of property by the court through its receiver is the custody of the sovereign power or government acting through the courts, possession by the court of the res gives jurisdiction over the res to the court appointing the receiver and gives such court power to determine all questions concerning the ownership and disposition of the property."); *Edenfield v. Crisp*, 186 So. 2d 545, 549 (Fla. 2d DCA 1966) ("receiver after all is the agent of the Court, and his possession of receivership funds is the Court's possession"); *see generally Granada Lakes Villas Condo. Ass'n, Inc. v. Metro-Dade*

Here, good cause exists for authorizing another interim distribution prior to the conversion of the Receivership's remaining illiquid assets into trusteeship. Under the circumstances explained below, it is clear that equity and efficiency strongly favor authorizing another interim distribution under the Receivership before the transition to trusteeship.

Funds Are Available for Immediate Distribution

The Receivership presently holds approximately \$1,398,065.45 in liquid assets, of which \$900,000 should be made available for distribution after accounting for necessary reserves. Those funds are sufficient to provide meaningful recovery to victims and should not remain idle.

Victims Benefit from Prompt Relief

The Receivership's victims have suffered losses exceeding \$16 million. While partial distributions cannot make them whole, every dollar distributed now provides meaningful relief without prejudicing the future management of the Receivership's remaining assets.

Consistent with Prior Court-Approved Process

The proposed claims and distribution plan relies upon the same process that the Court previously approved and that was successfully implemented. That ensures fairness, transparency, and efficiency.

Judicial Economy

Authorizing this distribution now avoids the need for the Trust to assume responsibility for a discrete distribution process, allowing the Trust to begin its work focused solely on long-term management and liquidation of illiquid assets.

Investments Co., 125 So. 3d 756, 758 (Fla. 2013) (“A receiver is ‘[a] disinterested person appointed by a court, or by a corporation or other person, for the protection or collection of property that is the subject of diverse claims.’”).

COORDINATION WITH THE TRUST MOTION

The Receiver emphasizes that this Motion is intended to complement, not displace, the pending Motion to Convert Remaining Dormant Assets into a Form of Trusteeship. The Daily Bread Remediation Trust remains the appropriate mechanism for the long-term management and eventual liquidation of illiquid assets, such as the Receivership's equity interests in Pink Chit, LLC and Turnerfield Holdings, LLC.

By completing one final pro-rata distribution of available liquid assets under the Receivership before conversion, the Court will ensure that victims promptly receive meaningful relief while enabling the Trust to commence its administration focused exclusively on illiquid and residual assets. This sequencing avoids unnecessary delay, reduces administrative burden on the Trust, and ensures a seamless transition between the Receivership and trusteeship.

CONCLUSION

As detailed herein, the Receivership has substantially advanced its mandate by recovering and distributing significant funds to the victims of the Daily Bread scheme. With approximately \$900,000 in additional liquid assets now available for distribution after appropriate reserves, the equitable course is to provide victims with another pro-rata recovery before converting the Receivership's illiquid assets into trusteeship. The proposed claims process mirrors the structure previously approved by this Court, ensuring fairness, transparency, and judicial oversight.

WHEREFORE, the Receiver respectfully requests that this Court enter an order: (a) approving the claims process and distribution plan described herein; (b) authorizing the Receiver to distribute approximately \$900,000 of Receivership funds, representing the net amount available after retention of necessary reserves, on a pro-rata basis; (c) directing that this additional distribution be completed

prior to the conversion of the Receivership's remaining assets into the Daily Bread Remediation Trust; and (d) granting such other and further relief as the Court deems just and proper.

CERTIFICATE OF CONFERRAL

Pursuant to the Court's requirements, undersigned counsel hereby certifies that the undersigned counsel for the Receiver conferred with Adam L. Schwartz, Esq., counsel for Plaintiffs, and Cary O. Aronovitz, Esq., counsel for the Intervenors, regarding the relief requested herein. Plaintiffs have indicated that they do not oppose this Motion. To date, the Intervenors' position is undetermined.

Respectfully submitted,

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Counsel for Receiver

CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that on September 3, 2025, a true and correct copy of the foregoing document was filed with the Clerk of Court and served via e-mail upon counsel of record.

By: /s Lorenz Michel Prüss

Lorenz Michel Prüss

EXHIBIT 1

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL
CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

CASE NO: 2021-026520-CA-01

SECTION: CA44

JUDGE: William Thomas

Stephen Ezekiel Joseph et al

Plaintiff(s)

vs.

Daily Bread, LLC

Defendant(s)

**ORDER GRANTING PLAINTIFFS' EMERGENCY MOTION FOR APPOINTMENT OF
RECEIVER**

Plaintiffs Stephen Ezekiel, Gabe Breeman, Master State (Hong Kong) Limited, Brad Gray, and Jeffrey Lindholm (collectively, the "Plaintiff Members"), as unit holders of the Defendant Daily Bread LLC (the "Defendant"), filed an Emergency Motion for Appointment of Receiver (the "Motion") to recover assets of the Defendant, and to manage the wind down and dissolution of the Defendant. On December 12, 2021, the Court held a duly noticed emergency hearing on the Motion (the "Hearing"). Having considered the Motion, the Verified Complaint, and other supporting papers filed by Plaintiff Members including the Declaration of Paul DeStefanis, Plaintiffs Members' expert forensic accountant, and having heard from Mr. DeStefanis, and the arguments of counsel for Plaintiff Members and Defendant's member Timothy Kirkwood, and finding that satisfactory evidence has been presented that Defendant operated as a Ponzi scheme and that a receivership is essential to protect the interests of the Plaintiff Members and all other members of the Defendant, Plaintiff Members' Motion is granted, and the Court HEREBY FINDS AS FOLLOWS:

Based on the proffer of the Plaintiff Members at the Hearing by Plaintiff Members'

counsel Adam Schwartz and forensic expert Paul DeStefanis, and the Verified Complaint and Declaration of Paul DeStefanis submitted therein, the Court finds that: (a) Defendant's manager, John Stanbridge, has admitted that Defendant is a fraudulent Ponzi-scheme; (b) based on Plaintiff Members' review of limited documents available to them, Defendant had received from investors approximately \$20 million; (c) in September 2021, Defendant provided to investors falsified account statements showing that Defendant had more than \$36 million in assets in its Merrill Lynch account; (d) the account statements obtained from Merrill Lynch show that Defendant currently has approximately \$165,000 in assets in its Merrill Lynch account; (e) more than \$11 million of Defendant's funds were received by its Class A unit holders and their affiliated businesses and family members; (f) there is no clear management of the company; and (g) given the above, the appointment of a receiver is necessary to ensure its proper management and to wind down of the entity.

ACCORDINGLY, IT IS ORDERED AS FOLLOWS:

1. Scott M. Dimond, Esq. ("Receiver") is hereby appointed as temporary receiver to manage the wind down and dissolution of the Defendant with all powers and duties of a Receiver, as set forth below and pursuant to § 605.0704, Fla. Stat., and of all real and personal property of the Defendant, including, without limitation, all tangible and intangible property, all litigation claims, all licenses and permits, all books, records, papers, electronically stored information, bank accounts, brokerage and other financial accounts, including, but not limited to, all accounts in the name of Daily Bread, LLC at Merrill Lynch, Bank of America, TD Bank/TD Ameritrade, Wells Fargo, Scott Trade, and Interactive Brokers; insurance policies including, but not limited to a Massachusetts Mutual Life Insurance Company term life insurance policy for John Stanbridge, listing Daily Bread, LLC, as its beneficiary; and all goodwill of the Defendant (collectively, the "Receivership

Assets”) for a period commencing on the date of this Order and ending upon termination of such appointment. All the Defendant’s monies coming into the possession of the Receiver shall be deemed Receivership Assets and may be used for the purposes authorized, as set forth below.

2. The Receiver shall be the agent of this Court in acting as Receiver under this Order.
3. The Receiver shall file a report with the Court every thirty (30) days providing a narrative of events, a financial report, and a schedule of all fees paid to the Receiver, employees, and professionals.
4. Within twenty (20) days of entry of this Order, the Receiver shall file an Oath of Receiver. The Receiver shall also, within twenty (20) days of his appointment, prepare and file with the Court an inventory containing a complete list of all the property of which the Receiver has taken possession by virtue of the appointment pursuant to Fla. R. Civ. P. Rule 1.620(b). The Receiver shall promptly file and provide to the members of the Defendant a supplemental inventory of all subsequently obtained property.
5. Due to Defendant’s apparent limited remaining assets, no bond shall be required in connection with the appointment of the Receiver. Except for acts of willful misconduct or gross negligence, the Receiver shall not be liable for any loss or damage incurred by the Defendant or by the Receiver’s officers, agents or employees, or any other person, by reason of any act performed or omitted to be performed by the Receiver in connection with the discharge of the Receiver’s duties and responsibilities;
6. The Receiver is authorized to retain counsel and other professionals, including, employees or other professionals, for any purpose for which the Receiver, in his sole discretion, deems necessary or advisable, to fulfill his duties as set forth herein, including for the operation and maintenance of the Receivership Assets. All

reasonable expenses incurred in connection with the hiring and retention of such personnel and counsel shall be expenses of, and paid for by or from, the Receivership Assets, or by the Members pursuant to an agreement with the Receiver, subject to the jurisdiction of this Court, as set forth herein.

7. The Receiver shall conserve, hold, and manage all Receivership Assets and perform all acts necessary or advisable to preserve the value of those assets in order to prevent any irreparable loss, damage, or injury. In performing these duties, the Receiver is further authorized, as he deems necessary or advisable, to accomplish the following:
 - a. Assume control of, and be named as authorized signatory for, all accounts at any bank, brokerage firm or financial institution which as possession, custody or control of any assets or funds, wherever situated, of the Defendant and, upon order of this Court, of any of their subsidiaries or affiliates, provided that the Receiver deems it necessary;
 - b. Determine the Defendant's available assets and prevent the unauthorized transfer, withdrawal, or misapplication of those assets;
 - c. Liquidate any and all securities or commodities owned by or for the benefit of the Defendant;
 - d. Enter into contracts on behalf of any of the Defendant;
 - e. Make payments and disbursements from Receivership Assets that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order. For the avoidance of doubt, the Receiver shall not be liable for any expenses incurred prior to entry of this Order, nor shall the Receiver be required to use any revenues collected after the Receiver takes possession of the Receivership Assets for payment of any expenses incurred prior to the Receiver having taken control of the Defendant. Notwithstanding the foregoing, the Receiver may, in the Receiver's sole and absolute discretion, pay those expenses incurred

in the normal and ordinary course of business of the Defendant for which it was incurred prior to the Receiver taking control of the Receivership Assets, if, and only if, the payment of any such pre-existing expenses is necessary and critical to the ongoing operation of the Defendant (e.g., taxes, employee compensation, rents, etc.). It is within the Receiver's sole and absolute discretion to determine which expenses incurred prior to the Receiver taking control of the Receivership Assets were incurred in the normal and ordinary course of business and the payment of which is necessary and critical to the ongoing operation of the Defendant for the purposes set forth herein;

- f. In the Receiver's discretion, maintain the Defendant's existing bank accounts or open new bank accounts at one or more banks in the Receiver's name for the deposit and disbursement of monies and funds collected and received in connection with the Receiver's administration of the Receivership Assets. Any such accounts opened in the Receiver's name may use the tax identification number for the Defendant for which the account is opened or a new tax identification number obtained by the Receiver on behalf of the receivership;
- g. Maintain accurate records of all receipts and expenditures that he makes as Receiver;
- h. Take immediate possession of all business premises and personal property of the Defendant, wherever located, including but not limited to, offices, storage facilities, electronically stored information, passcodes, keys, PINs, computers, laptops, hard drives, external storage drives, and any other such memory, media or electronic storage devices, books, papers, data processing records, evidence of indebtedness, bank records and accounts, cryptocurrency exchange records and accounts, clearing firm records and accounts, savings records and accounts, brokerage records and accounts, life settlement insurance policies, cryptocurrencies, certificates of deposit, stocks, bonds, debentures, investments, contracts, mortgages, furniture, office supplies and equipment;
- i. Cooperate with reasonable requests for information or assistance from any state or federal law enforcement or consumer protection agency; and

j. Maintain the chain of custody of all of the Defendant's documents and records in the Receiver's possession.

8. All banks, cryptocurrency exchanges, clearing firms, brokerage firms, financial institutions, and other natural persons or corporate entities which have possession, custody or control of any assets, life insurance policies, monies, cryptocurrencies, funds or accounts held by, in the name of, or for the benefit of, directly or indirectly, the Defendant that receive actual notice of this Order by personal service, electronic mail, facsimile transmission or otherwise shall: Not liquidate, move, sell, convey or otherwise transfer any assets, life insurance policies, monies, cryptocurrencies, funds, and/or accounts in the name of the Defendant or for the benefit of their investors, except upon written instructions from the Receiver;

1. Not exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any assets, life settlement insurance policies, monies, cryptocurrencies, funds, and/or accounts to the Receiver's control without the written permission of the Receiver or upon further Order of this Court; and

1. Cooperate expeditiously in providing information and assets, life settlement insurance policies, monies, cryptocurrencies, funds, and/or accounts to the Receiver or at the direction of the Receiver.

9. Immediately upon service of this Order upon them, or within such time as permitted by the Receiver in writing, managing members of the Defendant, including but not limited to John Stanbridge and Timothy Kirkwood, shall: Deliver to the Receiver all rights, control, and authority held by the Defendant over all assets, life settlement insurance policies, monies, cryptocurrencies, funds and/or accounts belonging to the Defendant or their investors;

1. Deliver to the Receiver possession and custody of documents of the Defendant, including, but not limited to, all books and records of accounts, all financial and

accounting records, balance sheets, income statements, bank and brokerage records (including monthly statements, canceled checks, records of wire transfers, and check registers), investor lists, loan documents, title documents, electronically stored information, all information concerning insurance coverage, and all taxpayer ID numbers, and other papers;

1. Deliver to the Receiver all keys, computer passwords, entry codes, PIN numbers and combinations to locks necessary to gain or to secure access to any of the assets, monies, cryptocurrencies, funds, accounts and/or documents of the Defendant, including, but not limited to, access to business premises, means of communication, accounts, computer systems, websites, or other property;

1. Deliver to the Receiver all information identifying the accounts, employees, properties or other assets or obligations of the Defendant;

1. Promptly notify the Receiver in writing of the names, addresses, and telephone numbers of all parties who appear in the action and their counsel known to them;

1. Give notice to the Receiver of all events known to them that affect the receivership;

1. Assist and cooperate fully with the Receiver in the administration of the Receivership Assets and the discharge of the Receiver's duties, and;

1. Provide to the Receiver an accounting of the Defendant's property transferred in or out of the territorial limits, for the period of January 1, 2017, to present. The accounting shall be submitted to the Receiver within ten (10) calendar days of this Order.

10. The Receiver shall have the sole and exclusive authority to sell or dispose of Receivership Assets in the ordinary course of business; provided, that the Receiver shall not sell any Receivership Assets other than in the ordinary course

of business without an order of this Court. Any valid lien or mortgage interest of a secured party in Receivership Assets shall attach to the proceeds of sale or disposition of such Receivership Assets. The Receiver is authorized to hire and retain consultants and agents who the Receiver deems reasonably necessary for the sale or disposition of Receivership Assets.

11. The Receiver shall have sole and exclusive standing and authority, in the name of the Defendant or in the name of the receivership, to demand, collect, settle, release and compromise any and all debts owed to the Defendant. The Receiver may investigate and institute and prosecute or defend, in the name of the Defendant or in the Receiver's name, as receiver, all suits and legal proceedings at equity or law, in tort or contract, as may be reasonably necessary in the Receiver's judgment to maximize and protect the Receivership Assets, including but not limited claims of professional malpractice, intentional or negligent misrepresentation, negligence, and violation of securities laws, in this state or any other court or foreign jurisdiction or in arbitration. The Receiver may defend all such suits and actions as may be instituted against the Receiver or the Defendant, including, without limitation, the exclusive discretion, power and authority to file a bankruptcy or similar petition on behalf of the Defendant. The Receiver is also hereby authorized to assert, prosecute, negotiate, and settle any claim under any insurance policy held by or issued on behalf of Defendant, including their officers or member managers, and to take any and all appropriate steps in connection with such policies. By this authorization and empowerment, this Court specifically determines that the Receiver is not prohibited and shall not be barred from bringing any claims due to the doctrine in *pari delicto*.
12. In order to maximize the receivership estate, the Receiver may retain litigation counsel to handle such specifically identified litigation on a fixed contingency fee basis.

13. Immediately upon entry of this Order, the Receiver may take depositions upon oral examination and seek the production of documents from parties and non-parties via subpoenas duces tecum.
14. The Receiver may endorse any checks, drafts, negotiable instruments or other writings in the name of any of the Defendant.
15. The Receiver is authorized to open all mail—including electronic mail—directed to or received by or at the Defendant’s business premises, offices, post office boxes or electronic mail domains, and to inspect all mail opened prior to the entry of this Order, to determine whether items or information therein fall within the mandates of this Order. The Receiver is authorized to instruct the U.S. Postmaster to reroute, hold, and/or release said mail to the Receiver.
16. The Receiver is authorized to instruct the Defendant’s website hosting company and internet service provider (“ISP”) to hold and/or reroute any and all electronic mail which is related, directly or indirectly, to the business, operations or activities of the Defendant (the “Corporate Monitor’s Electronic Mail”), including all electronic mail addressed to, or for the benefit of, the Defendant or any of the Defendant’s officers, directors, member managers, managers, agents or employees in their capacity for the Defendant. The website hosting company and ISP shall not comply with, and shall immediately report to the Receiver, any change of internet or e-mail address or other instruction given by anyone other than the Receiver concerning the Defendant’s Electronic Mail. Defendant shall not open any of the Corporate Monitor’s Electronic Mail and shall immediately turn over such electronic mail, regardless of when received, to the Receiver. All personal electronic mail of any individual, and/or any electronic mail appearing to contain privileged information, and/or any electronic mail not falling within the mandate of the Receiver, shall be released to the named addressee by the Receiver. The foregoing instructions shall apply to any proprietor, whether

individual or entity, of any private electronic mail box, depository, business or service, or electronic mail service provider hired or used by the Defendant. The Defendant shall not open a new electronic mailbox, or take any steps or make any arrangements to receive electronic mail in contravention of this Order.

17. The Receiver may maintain such accounting, bookkeeping and record-keeping systems as the Receiver determines to be advisable in the Receiver's business judgment with respect to the operation and management of the Defendant's business.
18. The Receiver shall exercise such other and further powers in an emergency as shall be necessary under the circumstances, from time to time, provided that the Receiver shall report promptly to the Court in writing and apply for such order or orders authorizing or ratifying the Receiver's actions as reasonable and appropriate under the circumstances.
19. The Receiver shall receive a fee of \$550 per hour, reduced from his standard rate of \$700 (a 21.4% reduction), with respect to his individual time and, to the extent that they provide assistance to the Receiver, the Receiver may charge for time spent by employees of Dimond, Kaplan, Rothstein, P.A., at the reduced rates of \$375 per hour for junior partners and \$275 per hour for associates. The Receiver will be entitled to reimbursement for reasonable travel, lodging and other out-of-pocket costs, as necessary, for the performance of his duties under this Order. All fees and costs incurred by the Receiver shall be subject to objection by the Members and allowance by the Court after notice to the Members.
20. On a monthly basis, the Receiver may provide each of the Defendant's members with a statement listing the expenses of the Receivership during the prior month, including the Receiver's fees, pursuant to the attached service list. Absent objection from one or more of the Defendant's members within thirty (30) days following the members' receipt of the foregoing statement, the Receiver may pay

the expenses listed in the monthly statement from the Receivership Assets, including from borrowed funds, on a provisional basis without further order of the Court. In the event that one or more of Defendant's members object to any expense listed in the monthly statement, the Receiver may pay from the Receivership Assets the expenses as to which no objection was made, including from borrowed funds, on a provisional basis without further order of the Court. At any time, the Receiver may file a motion seeking authority to pay any expenses to which a member has objected and, whether or not a member has objected to any expenses, shall, no less frequently than every six months, file an interim request for Court approval of the Receiver's expenses, including the Receiver's fees, not previously approved by the Court. The Receiver and its counsel shall not disclose attorney-client privileged communications, including work product or other privileged information, with his fee and expense applications, and may redact from any filing time entries and/or references to tasks that would reveal privileged information.

21. The approved fees and costs of the Receiver and his consultants, agents and professionals are administrative expenses and shall be paid from the Receivership Assets and, to the extent not paid, shall be paid from proceeds of the Receivership Assets prior to payment thereof to the secured creditors, and shall in addition and otherwise be secured by a first priority lien on the Receivership Assets which lien shall be senior to the lien of any other secured party, now existing or hereafter arising.
22. The Receiver and the Receiver's Professionals may rely on: (i) all outstanding court orders, judgments, decrees and rules of law, and shall not be liable to anyone for their good faith compliance with any such order, judgment, decree or rule of law; and (ii) any resolution, certificate, statement, opinion, report, notice, consent, or other document believed in good faith by them to be genuine and to

have been signed or presented by the proper parties. Neither the Receiver nor the Receiver's Professionals shall be personally liable: (i) for their good faith compliance with their duties and responsibilities as Receiver, or as attorney, agent, or other professional for the Receiver; or (ii) for any losses, costs, damages or expenses (collectively, "Losses") arising from their acts or omissions, except upon a final adjudication that any such Losses were solely as a result of their gross negligence or willful misconduct. Persons dealing with the Receiver shall only look to the Receivership Assets and bond posted by the Receiver, if any, to satisfy any liability, and neither the Receiver nor the Receiver's Professionals shall have any personal liability to satisfy any such obligation. Thus, any Losses suffered or incurred by the Receiver as a result of any claim, suit, action, or other demand or proceeding brought against the Receiver or any of his employees, consultants, professionals, counsel, agents or representatives in connection with its performance as receiver will be solely an expense of the receivership estate, and not of the Receiver. To the fullest extent possible, the Receiver and the Receiver's Professionals shall be exculpated and released from any and all liability arising out of their actions or inactions in support of the Receivership except in the event of a final adjudication that any Losses were solely as a result of their gross negligence or willful misconduct. The Receiver is an officer of this Court, and no individual or entity may sue the Receiver without first obtaining the permission of this Court.

23. Upon taking possession of the Receivership Assets, the Receiver shall determine whether there is sufficient insurance coverage. The Receiver may procure and maintain insurance covering liability, casualty and such other risks in such amounts as are deemed necessary by the Receiver, subject to the rights of any secured party to the extent that such insurance relates to Receivership Assets encumbered by a lien or mortgage. The Receiver shall notify insurers that the

Receiver shall be named as an additional insured and/or loss payee on any insurance policies for the period that the Receiver shall be in possession of the insured Receivership Assets. If the Receiver does not have sufficient funds to obtain insurance, the Receiver shall seek instructions from the Court on whether to obtain insurance and how it is to be paid for.

24. The Receiver may use any federal taxpayer identification numbers relating to the Defendant for any lawful purpose. The Receiver shall be under no obligation to complete or file income or other tax returns on behalf of the Defendant. The Receiver shall furnish the members of the Defendant and their authorized agents with such access to books and records within the Receiver's custody or control as reasonably may be necessary in order for the Members to complete and file tax returns on the Defendant's behalf.
25. The Receiver shall not be bound by any contracts, agreements, understandings, or other commitments between the Defendant's Members. The Receiver may, by a written ratification executed by the Receiver, agree to bind the Receivership Assets to any such contracts, agreements, understandings or other commitments. Nothing in this Order constitutes or shall be construed to constitute the Receiver's assumption of any such contracts, agreements, understandings or other commitments, or the Receiver's waiver of any default under any such contracts, agreements, understandings or other commitments.
26. The Receiver shall not be required to continue to operate the Defendant's business in the same manner as they are being operated on the date of this Order, and the Receiver is authorized to discontinue or consolidate business operations as the Receiver deems advisable in his business judgment in an effort to preserve and maximize the value of the Receivership Assets for the purposes set forth herein.
27. The receivership authorized and created hereby may be terminated at any time

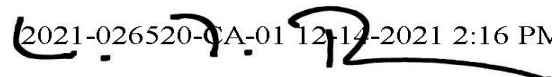
by the Receiver filing with the Court and serving upon the parties in interest a Motion to Terminate Appointment of Receiver. Upon proper notice thereof and upon hearing and determination of this Court that the purposes of the receivership have been served, the Court may terminate the receivership.

28. Not later than 60 days after the receivership terminates, the Receiver shall file his final report, which shall include a narrative summary of significant receivership events, and a summary of the proposed distribution to creditors and/or the Members of the proceeds of all Receivership Assets. Notice of such hearing shall be given to all persons of whom the Receiver is aware who have potential claims against the proceeds of the Receivership Assets. Upon approval of the final report, the Receiver shall be discharged from all obligations as receiver and the Receiver's bond shall be exonerated.
29. The enumeration herein of the duties and powers of the Receiver shall not be construed as a limitation upon him, nor shall it exclude in any manner his right to do such other acts not herein specifically enumerated, or otherwise provided for, as may be necessary or appropriate for the accomplishment, or in aid of the purpose, of the receivership. The Receiver may at any time apply to this Court for further or other instructions or orders and for additional powers necessary to enable the Receiver to perform the Receiver's duties properly and/or to expand the scope of the receivership.
30. This Court shall retain jurisdiction over the Receivership Assets, including but not limited to litigation asserted by the Receiver.
31. This Court may order such other and further relief as deemed just and proper by this Court.
32. Within thirty (30) days from the entry of this Order, should any interested person challenge or object to the appointment of the Receiver, the Court reserves the right to conduct a full evidentiary hearing on the issue(s) and matter(s) raised by

such interested person(s) and to potentially terminate the receivership provided in this Order. If no such challenge or objection is filed within such time, Receiver's receivership shall be deemed permanent (subject to further order of the Court modifying or terminating the receivership).

33. Counsel for Plaintiff Members are instructed to serve a copy of this Order on all interested persons presently known to them.

DONE and ORDERED in Chambers at Miami-Dade County, Florida on this 14th day of December, 2021.

 2021-026520-CA-01 12-14-2021 2:16 PM

2021-026520-CA-01 12-14-2021 2:16 PM

Hon. William Thomas

CIRCUIT COURT JUDGE

Electronically Signed

No Further Judicial Action Required on **THIS MOTION**

CLERK TO **RECLOSE** CASE IF POST JUDGMENT

Electronically Served:

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Physically Served:

EXHIBIT 2

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL
CIRCUIT IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

CASE NO: 2021-026520-CA-01

SECTION: CA44

JUDGE: Alan Fine

Stephen Ezekiel Joseph et al

Plaintiff(s)

vs.

Daily Bread, LLC

Defendant(s)

**AGREED ORDER GRANTING RECEIVER'S MOTION TO EXPAND SCOPE OF
RECEIVERSHIP [TO CAPTURE EARLIER TRANSACTIONS]**

THIS CAUSE having come before the Court on the Motion to Expand Scope of Receivership [to Capture Earlier Transactions] (the "Motion") filed by Court-appointed Receiver Scott M. Dimond (the "Receiver"), and the Court having considered the Motion and the opposition thereto, heard the argument of counsel on February 1, 2023, and all relevant factors, it is hereby

ORDERED AND ADJUDGED that:

1. The Motion is **GRANTED**.
2. Paragraph 1 of this Court's December 14, 2021 Order Granting Plaintiffs' Emergency Motion for Appointment of Receiver shall hereby be supplemented with the following paragraph:

Because the commencement of the Ponzi-scheme by John Stanbridge pre-dated the formation of the Defendant Daily Bread, LLC, the scope of the Receivership is hereby expanded to encompass the time period from February 15, 2015 to the date of the Receivership Order. Accordingly, the Receiver shall use that time period to calculate investor withdrawals and deposits for purposes of making any distribution to creditors and/or the Members under paragraph 28 hereunder.

DONE and **ORDERED** in Chambers at Miami-Dade County, Florida on this 7th day of February, 2023.

2021-026520-CA-01 02-07-2023 11:47 AM
A. Alan Fine

2021-026520-CA-01 02-07-2023 11:47 AM

Hon. Alan Fine

CIRCUIT COURT JUDGE

Electronically Signed

No Further Judicial Action Required on **THIS MOTION**

CLERK TO **RECLOSE** CASE IF POST JUDGMENT

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EXHIBIT 3

PROJECTED TRUST EXPENSES

The following memorandum summarizes the anticipated costs and expenses associated with managing the Daily Bread Remediation Trust over the next ten years.

I. CAPITAL CALLS

The Receiver expects ongoing capital calls associated with investment obligations in the following entities:

Capital Calls	Annual	10-Year Total
Helios Dyrtr Partners LLC	\$2,500	\$25,000
Helios Everon24 Partners LLC	\$1,500	\$15,000
Helios ZincFive Partners LLC	<u>\$6,000</u>	<u>\$60,000</u>
Total	\$10,000	\$100,000

These capital calls total \$10,000 annually. It is reasonable to anticipate similar expenses continuing over the subsequent five years, for an estimated ten-year total of approximately \$100,000.

II. PROFESSIONAL FEES

The Receiver anticipates professional fees related to the Trusteeship. Historically, professional fees incurred by the Receiver, which would equate expected expenses at the equivalent of the Trustee level, have cost approximately \$7,000 annually. Hence, the ten-year total is expected to cost approximately \$70,000.

The Receiver anticipates professional fees related to legal representation. Historically, legal representation fees at the equivalent of the Trust level have cost approximately \$16,000 annually. Hence, the ten-year total is expected to cost approximately \$160,000.

The Receiver anticipates professional fees related to accounting and tax preparation at the Trust investment level. The Receiver was not required to prepare tax returns for the receivership and was not subject to an accounting requirement. As a trust, the Receiver would be required to have tax returns filed and prepare accountings in conformance with Florida law. The Receiver estimates that these expenses will cost \$10,000 annually. Hence, the ten-year total is expected to cost approximately \$100,000.

Historically, allocable accounting and tax preparation expenses at the (lower) investment level (as opposed to the equivalent Trust level) have cost \$10,000 annually. Hence, the ten-year total is expected to cost approximately \$100,000.

IV. SUMMARY OF ANTICIPATED EXPENSES

Expense Category	Annual Amount	10-Year Total
Capital Calls	\$10,000	\$100,000
Investment Level Professional Fees (Reese Henry & Co)	\$10,000	\$100,000
Trustee Fees	\$9,000	\$90,000
Trustees Legal Counsel Fees	\$16,000	\$160,000
Trustee's Bookkeeper and CPA Fees	<u>\$10,000</u>	<u>\$100,000</u>
Total	\$53,000	\$550,000

The anticipated expenses outlined above reflect the obligations and prudent administrative costs necessary for responsible trust management over the next ten years.