

**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

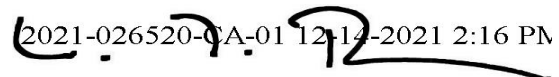
by the Receiver filing with the Court and serving upon the parties in interest a Motion to Terminate Appointment of Receiver. Upon proper notice thereof and upon hearing and determination of this Court that the purposes of the receivership have been served, the Court may terminate the receivership.

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:**

Brian Lechich, blechich@homerbonner.com

Brian Lechich, aschwartz@homerbonner.com

Brian Lechich, pjimenez@homerbonner.com

Brian Lechich, blechich@homerbonner.com

David Freedman, Esq., dfreedman@coffeyburlington.com

Priscilla Jimenez, Esq., pjimenez@homerbonner.com

Scott Dimond, Esq., Scott@dkrpa.com

**Physically Served:**