

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

CASE NO: 2021-026520-CA-01 CA44

STEPHEN EZEKIEL JOSEPH *et. al.*,

Plaintiffs,

v.

Daily Bread, LLC,

Defendant.

CBL Division

RECEIVER'S NOTICE OF FILING OF FIRST STATUS REPORT AND INVENTORY

Scott M. Dimond, as Receiver of Daily Bread, LLC, pursuant to the Court's December 14, 2021 Order Granting Plaintiffs' Emergency Motion for Appointment of Receiver, hereby files the Receiver's First Status Report and Inventory.

Respectfully submitted,

By: s/ Lorenz Michel Prüss

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CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that on January 13, 2022, a true and correct copy of the foregoing document titled: NOTICE OF FILING OF RECEIVER'S FIRST STATUS REPORT AND INVENTORY was filed with the Clerk of Court and served via e-mail upon counsel of record.

By: /s Lorenz Michel Prüss
Lorenz Michel Prüss

**Receiver's
First Status
Report and
Inventory**

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Daily Bread, LLC,

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CBL Division

RECEIVER'S FIRST STATUS REPORT AND INVENTORY

Scott M. Dimond, as Receiver of Daily Bread, LLC (the "Receiver"), pursuant to the Court's December 14, 2021 Order Granting Plaintiffs' Emergency Motion for Appointment of Receiver (the "Receivership Order"), hereby files his First Status Report and Inventory.

INTRODUCTION

On December 14, 2021, this Court appointed the undersigned as Receiver to "manage the wind down and dissolution of the Defendant [Daily Bread, LLC] 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."¹ Daily Bread presented itself to customers as an investment firm operated by John Stanbridge ("Mr. Stanbridge"), but is alleged by Plaintiffs to have been run as a Ponzi scheme that resulted in the loss of millions of investor dollars. This First Status Report and Inventory details the efforts of the Receiver and his counsel to comply with the Receiver's obligations under the Receivership Order in the 30 days since his appointment.

¹December 14, 2021 Order Granting Plaintiffs' Emergency Motion for Appointment of Receiver at p. 2. Hereinafter, Daily Bread LLC is referred to as "Daily Bread" or the "Receivership Estate."

RECEIVER'S ACTIVITIES SINCE APPOINTMENT

On December 14, 2021, the undersigned received the Receivership Order and immediately commenced activities on behalf of the Receivership Estate. Since then, the Receiver and his counsel have done the following:

1. Established a Receivership bank account with City National Bank.
2. Filed the Oath of Receiver.²
3. On the dates indicating the transmission of correspondence and subpoenas below, served copies of the Receivership Order.
4. Retained financial forensic analyst Paul DeStefanis ("Mr. DeStefanis") of Paul D. DeStefanis, PA d/b/a Advanced Business Valuations to conduct a financial tracing of monies to or from Daily Bread. Mr. DeStefanis was originally retained by Plaintiffs and had performed extensive preliminary analysis by the time of the Receiver's appointment. To take advantage of those prior efforts and avoid having to pay a new expert to reinvent that wheel, and having confirmed the lack of objection by Plaintiffs and Daily Bread co-owner Timothy Kirkwood ("Mr. Kirkwood"), the Receiver retained Mr. DeStefanis at a reduced hourly rate.
5. Retained ESI forensic analyst Santiago Ayala ("Mr. Ayala") of ATX Forensics, who conducted a forensic download of data of Mr. Stanbridge's computer, which we understand to have been the primary (*i.e.*, not only) operating computer for Daily Bread. The files recovered from that effort are currently being reviewed.

²See Notice of Filing of Oath of Receiver filed on December 22, 2021.

6. Conducted the fact interview of Mr. Stanbridge. Because Mr. Stanbridge was gravely ill at the time of the Receiver's appointment, that Zoom interview was taken under oath with a court reporter and video recorded on December 20, 2021. Mr. Stanbridge subsequently passed away on or about January 1st or 2nd, 2022.

7. Engaged extensively with both prior and current counsel for Mr. Stanbridge's spouse, Odette Hitti ("Ms. Hitti"), to discuss potential recovery of assets held by Ms. Hitti but traceable to Daily Bread. Discussions regarding the potential recovery of those assets for the benefit of the Receivership Estate, including Ms. Hitti's home in Coral Gables, are ongoing.

8. Engaged extensively with counsel for Plaintiffs and counsel for third-party Timothy Kirkwood ("Mr. Kirkwood") regarding the gathering of information and assets.

9. On or about December 15, 2021, delivered requests for information relating to bank, brokerage, and insurance accounts and information relating to Daily Bread and related parties to the following institutions, and are currently processing information from them:

- a. Merrill Lynch, Pierce, Fenner, & Smith Inc.;
- b. Bank of America, N.A.;
- c. Wells Fargo Bank, N.A.;
- d. TD Ameritrade, Inc.;
- e. TD Bank, N.A.;
- f. Massachusetts Mutual Life Insurance Co.; and
- g. Interactive Brokers Corp.

10. On or about December 15 and 16, 2021, delivered requests for information relating to bank, brokerage, and insurance accounts and information relating to Daily Bread and related parties to the following related third parties and are currently processing information from them:

- a. Mr. John Stanbridge;
- b. Ms. Hitti;
- c. Mr. Kirkwood; and
- d. One Rodeo, LLC.

11. On or about December 17, 2021, delivered myriad requests for information relating to bank, brokerage, and insurance accounts and information to persons identified as having invested through Daily Bread, and have been processing those persons' responses and production; as well as subsequently conducting teleconferences with several investors.

12. On December 23, 2021, filed a Notice of Production from Non-Party seeking to serve Subpoenas *Duces Tecum*, and since has served Subpoenas *Duces Tecum*, upon the following institutions:³

- a. Merrill Lynch, Pierce, Fenner, & Smith Inc.;
- b. Bank of America, N.A.;
- c. Wells Fargo Bank, N.A.;
- d. TD Ameritrade, Inc.;
- e. TD Bank, N.A.;
- f. Massachusetts Mutual Life Insurance Co.;
- g. Interactive Brokers Corp.;
- h. Sprint Funding, Inc.; and

³See Notice of Production from Non-Parties filed on December 22, 2021.

i. Angel Oak Mortgage Solutions, LLC.

14. Filed a Notice of Production from Non-Party seeking to serve Subpoenas *Duces Tecum*, and have served or are in the process of serving Subpoenas *Duces Tecum*, upon the following related parties:⁴

- a. Mr. Stanbridge;
- b. Ms. Hitti;
- c. Mr. Kirkwood; and
- d. One Rodeo, LLC.

INVENTORY

The following is a complete list of all the Daily Bread property of which the Receiver has taken possession by virtue of the appointment.

To date, the Receiver has taken possession of the available books and records of Daily Bread, including, but not limited to, Daily Bread investor records, financial records, bank, brokerage, and insurer records, and communications. The undersigned has also taken possession of Daily Bread's electronic data. The Receiver and his counsel are conducting a review to determine the completeness of those records.

The Receiver and his counsel have communicated with each institution that may have assets held in the name of Daily Bread. The undersigned is in the process of transferring assets held at Merrill Lynch to the Receivership Estate. The expected value of such assets is approximately \$168,000.

⁴See Notice of Production from Non-Parties filed on December 23, 2021.

The Receiver and his counsel have communicated with counsel for Mr. Kirkwood, who currently has possession of certain Daily Bread equity investments. Counsel for Mr. Kirkwood have assigned those assets to the Receivership Estate. To date, the value of these assets has not been formally determined. The Receiver expects to conduct a formal valuation of those assets.

Finally, the Receiver and his counsel have communicated with Massachusetts Mutual Life Insurance Co., which issued a \$5 million life insurance policy on Mr. Stanbridge of which Daily Bread was the beneficiary. The Receiver and his counsel are working to recover those policy benefits for the Receivership Estate.

By: /s Scott M. Dimond
Scott M. Dimond,
as Receiver of Daily Bread, LLC, pursuant to the
Court's December 14, 2021 Order Granting Plaintiffs'
Emergency Motion for Appointment of Receiver