

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 TWELFTH 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 Twelfth Status Report and Inventory.

Respectfully submitted,

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CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that on October 16, 2023, a true and correct copy of the foregoing document titled: NOTICE OF FILING OF RECEIVER'S TWELFTH 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 Twelfth Status Report and Inventory

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RECEIVER'S TWELFTH 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 Twelfth Status Report.

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 (the "Scheme").

This Twelfth Status Report and Inventory details the efforts of the Receiver and his counsel to comply with the Receiver's obligations under the Receivership Order and provides an inventory of assets held by the Receiver. Last, as described herein, the Receiver reports that he expects the level of activity to substantially decrease going forward and for the Receivership to primarily act as a repository for illiquid assets and as vehicle for receipt of proceeds from certain outstanding clawback settlements.

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."

VICTIM IDENTIFICATION AND ASSET COLLECTION

Since the inception of the Receivership, the undersigned has identified victims of the Scheme and pursued collections of assets that could be used to compensate the Scheme's victims.

Victim and Asset Identification

In the initial days of the Receivership, the Receiver interviewed Mr. Stanbridge (who passed away shortly thereafter), took control of the books and records of Daily Bread, and engaged in subsequent discovery efforts to identify Scheme victims and collectible assets. Pursuant to the Stanbridge interview, a review of Daily Bread's books and records, and a litany of discovery efforts, the Receiver identified an initial list of victims. Thereafter, the Receiver retained a forensic accountant and further developed a victim database that also permitted the Receiver to trace financial transfers and identify Scheme profiteers.

Asset Collection

As reported over the past two years, the Receiver has identified and recovered multiple categories of assets, as follows.

In early January 2022, the Receiver seized and/or took ownership of certain Daily Bread equity investments to which Mr. Stanbridge formerly held title or ownership.

On February 17, 2022, the Receiver took possession of \$161,392.00 by seizing an investment account held by Daily Bread at Merrill Lynch.

On May 11, 2022, the Receiver took possession of \$14,884.50 by seizing and liquidating a Daily Bread equity investment in hedge fund Fox Capital.

On May 16, 2022, the Receiver took possession of \$5,054,556.21 in insurance proceeds from a MassMutual life insurance policy on Mr. Stanbridge.

On May 23, 2022, the Receiver completed settlement talks with Mr. Stanbridge's spouse, Odette Hitti, which resulted in net collections of \$2,158,732.61.

On May 31, 2022, the Receiver took possession of \$1,012,389.99 in life insurance proceeds from a second MassMutual life insurance policy on Mr. Stanbridge.

On December 14, 2022, the Receiver completed a settlement agreement with Mr. Stanbridge's partner Timothy Kirkwood ("Mr. Kirkwood"), pursuant to which Mr. Kirkwood agreed to pay \$3,860,000 in the form of cash and distributions from, or liquidation of, private equity assets in which Daily Bread had also been invested. As explained below, those private equity assets, though seemingly valuable, are presently illiquid.

Between December 2022 and October 2023, the Receiver has negotiated settlements of the following clawback claims against identified profiteers, which resulted in settlements in the total amount of \$427,878.00.

1. The Receiver made a demand on Lilco Trust for a net claim of \$30,000 and settled in the amount of \$22,500;
2. Kevin Harris was sued for a net claim of \$6,500 and settled in the amount of \$6,500;
3. Joe Meier was sued for \$22,500 and settled in the amount of \$22,500;
4. Tony Sherman was sued for \$92,668 and settled in the amount of \$92,668;
5. Andres Rubio was sued for \$270,336.60 and settled in the amount of \$188,710;
6. Andrew Staples was sued for \$60,000 and settled in the amount of \$45,000; and
7. Bailey Connor was sued for \$89,900 and settled in the amount of \$72,500.

DISBURSEMENT AND GOING-FORWARD STATUS

Between October 2, 2023 and October 11, 2023, the Receiver effectuated an interim distribution in the amount of \$7,000,000 in payments via check and wire transfers, in compliance with the Court's Order Granting Leave to Implement Interim Distribution Plan. As of October 16, 2023, after completing that interim distribution, the Receiver has approximately \$1,066,696.75 remaining in the Receivership's interest-bearing bank account.

The Receiver expects that the only cash that will be hereinafter received is payment due under three settlement agreements that call for installment payments. The last of those payments is expected in June 2025. The total of the expected payments over the next 20 months is \$264,377.00.

But other than those cash payments, the Receiver expects no meaningful collections other than distributions from, or the liquidation of, the aforementioned private equity investments (whether held directly by the Receiver or owed via the settlement agreement with Mr. Kirkwood.) Until that time, the Receiver expects that there will be little activity in this matter, unless an action to enforce an installment settlement agreement becomes necessary or there is a distribution or liquidation opportunity.

Based upon the foregoing posture, the Receiver expects to seek leave from this Court to file **semi-annual** status reports going forward until such time as the three settlement agreements that call for installment payments have been fulfilled. And at that time, the Receiver expects to seek leave to effectuate another interim distribution to victims of the Scheme to distribute the vast majority of the remaining assets of the Receivership. Then, as mentioned during prior hearings, the Receiver expects that he would propose a different form of fiduciary arrangement to hold, liquidate, and distribute any remaining illiquid assets of the Receivership at that time.

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