

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

STEPHEN EZEKIEL JOSEPH *et. al.*,

CASE NO: 2021-026520-CA-01 CA44

Plaintiffs,

v.

CBL Division

Daily Bread, LLC,

Defendant.

\_\_\_\_\_ /

**RECEIVER’S MOTION TO EXPAND SCOPE OF RECEIVERSHIP**  
**[TO CAPTURE EARLIER TRANSACTIONS]**

Scott M. Dimond (the “Receiver”), as Receiver of Daily Bread, LLC (“Daily Bread”),<sup>1</sup> files this Receiver’s Motion to Expand Scope of Receivership [to Capture Earlier Transactions].

**INTRODUCTION**

Plaintiffs allege that Daily Bread presented itself to customers as an investment firm operated by John Stanbridge (“Mr. Stanbridge”) that was profitably trading investors’ money, when in fact Daily Bread was actually being run as a Ponzi scheme that resulted in the loss of millions of investor dollars.<sup>2</sup> Since his appointment, the Receiver has determined that Daily Bread in fact does not appear to have had legitimate business operations and has not operated profitably for several years, if ever. And while the current scope of the receivership encompasses the entity Daily Bread, the Receiver has determined that Mr. Stanbridge was operating essentially the same Ponzi scheme prior to the actual establishment of Daily Bread. As such, the Receiver seeks to expand the scope of the receivership to capture investor withdrawals and deposits that occurred prior to the formation of Daily Bread in order to properly and fairly calculate investor losses from Mr. Stanbridge’s scheme.

---

<sup>1</sup>See Order Granting Plaintiffs’ Emergency Motion for Appointment of Receiver, attached as Exhibit 1 (the “Receivership Order”).

<sup>2</sup>See Complaint (without exhibits), attached as Exhibit 2.

## BACKGROUND

Daily Bread was formed in April 19, 2017. Based upon his professionals' investigation, the Receiver has now determined that the "investment" activities that comprised Mr. Stanbridge's Ponzi scheme actually began prior to the creation of the Daily Bread entity. Indeed, such investment activities can be traced to have begun as early as February 2015. But as noted above, the current scope of the receivership is limited to the entity Daily Bread itself, which means that the receivership does not encompass earlier – but substantially related – investments.

Indeed, the Receiver has determined that so-called profit distributions made to investors by Daily Bread or Mr. Stanbridge could only have come from money raised from other investors *prior to* the formation of Daily Bread. As such, the Receiver does not believe that limiting the calculation of each investor's withdrawals and deposits to the period of time since Daily Bread was formed will be the most full and accurate way to assess each investor's position. In many cases, the inability to include the earlier withdrawals and deposits would improperly affect the amount of an investor's claim in this receivership.

The following examples are illustrative of the type of impact that excluding the earlier withdrawals and deposits could have:

First, consider an investor that had deposited \$100,000 in Mr. Stanbridge's scheme prior to the establishment of the Daily Bread entity, but later withdrew \$200,000 when Mr. Stanbridge operated the scheme through Daily Bread. If the earlier deposit is not considered, then such an investor would be subject to a clawback claim in the amount of \$200,000 notwithstanding the fact that the investor only came out ahead in the overarching scheme by \$100,000.

Second, consider an investor who deposited \$200,000 in Mr. Stanbridge's scheme prior to the establishment of Daily Bread and later on deposited an additional \$100,000 when Mr. Stanbridge

operated the scheme through Daily Bread. If the earlier deposit is not considered, then such an investor would only have a claim in the receivership of \$100,000 notwithstanding having actually lost \$300,000 as a result of the scheme.

Third, consider an investor that deposited \$100,000 in Mr. Stanbridge's prior to the establishment of Daily Bread, then withdrew \$300,000 prior to the formation of Daily Bread, and then withdrew another \$100,000 when Mr. Stanbridge operated the scheme through Daily Bread. If the earlier transactions are not considered, the Receiver only would have a clawback claim in the amount of \$100,000 notwithstanding that the investor received \$300,000 in excess of the investor's deposits.

The Receiver's professionals have prepared the table attached as Exhibit 3 to demonstrate the impact that limiting the receivership to the post-Daily Bread period would have on each investor's claim.

#### **ARGUMENT**

The Receivership Order provides that 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."<sup>3</sup> Further, Florida law provides that this Court is within its authority to expand or clarify the scope of the Receivership.<sup>4</sup> In the interest of implementing a truly equitable distribution of assets recovered in this matter, the Receiver submits that there is good cause to expand the scope the Receivership.

---

<sup>3</sup>Receivership Order, Exhibit 1, at ¶29.

<sup>4</sup>*See, e.g., Murtha v. Steijskal*, 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.").

As detailed herein, limiting the scope of the receivership to transactions effectuated after the establishment of Daily Bread would result in aberrant and inequitable claims calculations. Indeed, in such case, investors who lost money overall may find themselves designated as profiteers, which would be inequitable. As such, based upon the foregoing, the Receiver requests that this Court expand the scope of the receivership to capture transactions involving Mr. Stanbridge that occurred since February 2015 in order to properly and equitably calculate investors' losses.

**WHEREFORE**, the Receiver respectfully requests the Court enter an order expanding the scope of the receivership to encompass transactions involving Mr. Stanbridge that occurred since February 2015 and further providing all such other relief as this Court deems just and proper.

**CERTIFICATE OF CONFERRAL**

Between December 22, 2022 and January 10, 2023, the undersigned conferred, via e-mail and teleconference, with Adam L. Schwartz, Esq., counsel for Plaintiffs, and Cary O. Aronovitz, Esq., counsel for the Intervenors, regarding this request for relief. As of the filing of this motion, Plaintiffs and Intervenors have not yet taken a position regarding the instant request for relief.

Respectfully submitted,

By: s/ Lorenz Michel Prüss

Lorenz Michel Prüss, Esq.

Fla. Bar No.: 581305

[LPruss@dkrpa.com](mailto:LPruss@dkrpa.com)

Alexander Peraza, Esq.

Fla. Bar No. 107044

[Aperaza@dkrpa.com](mailto:Aperaza@dkrpa.com)

[MLopez@dkrpa.com](mailto:MLopez@dkrpa.com)

Primary E-Mail Address

Primary E-Mail Address

Secondary E-Mail Address

DIMOND KAPLAN & ROTHSTEIN, P.A.

Offices at Grand Bay Plaza

2665 South Bayshore Drive, PH-2B

Miami, Florida 33133

Telephone: (305) 374-1920

*Counsel for the Receiver*

**CERTIFICATE OF SERVICE**

**WE HEREBY CERTIFY** that on January 10, 2023, a true and correct copy of the foregoing document titled: RECEIVER'S MOTION TO EXPAND SCOPE OF RECEIVERSHIP [TO CAPTURE EARLIER TRANSACTIONS] 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

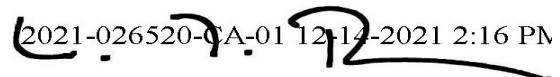
by the Receiver filing with the Court and serving upon the parties in interest a Motion to Terminate Appointment of Receiver. Upon proper notice thereof and upon hearing and determination of this Court that the purposes of the receivership have been served, the Court may terminate the receivership.

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:**

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:**

# **EXHIBIT 2**

IN THE CIRCUIT COURT OF THE 11<sup>TH</sup>  
JUDICIAL CIRCUIT IN AND FOR MIAMI-  
DADE COUNTY, FLORIDA

CASE NO.: \_\_\_\_\_

STEPHEN JOSEPH EZEKIEL, MASTER  
STATE (HONG KONG) LIMITED, a  
Hong Kong company, GABRIEL  
BREEMAN, BRAD GRAY, and  
JEFFREY LINDHOLM,

**COMPLEX BUSINESS DIVISION**

Plaintiffs,

v.

DAILY BREAD, LLC,  
a Colorado limited liability company,

Defendant.

---

**VERIFIED COMPLAINT  
SEEKING DISSOLUTION, INJUNCTIVE  
RELIEF, AND THE APPOINTMENT OF A RECEIVER**

Plaintiffs Stephen Joseph Ezekiel, Master State (Hong Kong) Limited, Gabriel Breeman, Brad Gray, and Jeffrey Lindholm (“**Victim Investors**”) sue<sup>1</sup> Ponzi scheme Daily Bread, LLC (“**Daily Bread**”) and allege:

**Introduction**

1. Daily Bread claims to be a hedge fund operated by John Stanbridge and Timothy Kirkwood. From 2015 to 2021, Stanbridge and Kirkwood solicited investors, including the Victim Investors, to put approximately \$20 million or more into Daily Bread’s supposed hedge

---

<sup>1</sup> Victim Investors reserve the right to amend and file claims for damages against Daily Bread.

fund. Based on falsified net asset value statements created by Daily Bread and possibly co-conspirators, investors had reason to believe that they had earned substantial returns on their investments and, indeed, some paid taxes year after year on these supposed returns and falsified tax schedules. By September 2021, Daily Bread's statements suggested that it had more than \$36 million in assets in its Merrill Lynch account.

2. In reality, by the end of October 2021, there was only approximately \$165,000 in assets in Daily Bread's Merrill Lynch account. If not for the fact that Stanbridge supposedly has become terminally ill with cancer, the Daily Bread Ponzi scheme would be ongoing even now. Facing his death apparently, Stanbridge attempted to clear his conscience by confessing, on video staged and taken by Kirkwood in November, to faking brokerage statements, making up investor returns, and using new investor money to redeem others, including himself, Kirkwood, and apparently many family members of Kirkwood.

3. Kirkwood's response was not to report this massive financial fraud to criminal and regulatory authorities but instead to hire a personal attorney, David Freedman of Coffey Burlington, and have his attorney run a Zoom conference with investors. In the Zoom conference, Kirkwood claimed to be shocked and dismayed over Stanbridge's admission and denied any foreknowledge of the fraud. He also claimed that, given Stanbridge's supposed terminal condition, he saw no reason to notify authorities upon supposedly learning for the first time about this multi-million-dollar financial crime.

4. The limited financial records the Victim Investors have been able to obtain and review so far belie Kirkwood's proclaimed ignorance and suggest the real reason for Kirkwood's failure to report this crime to authorities. Those records show that Kirkwood treated Daily Bread's Bank of America account as his own and used it to pay at least \$776,932 for his

children's tuition, and \$343,574 for his rent and property leases. There also appear to be payments to credit cards and ATM withdrawals of approximately \$188,255. In addition, over the last three years, the records show that Kirkwood's family members have received at least \$1,341,583 in cash distributions at the expense of Daily Bread's other investors. In total, Stanbridge, Kirkwood, and their respective family members appear to have taken more than \$11 million from Daily Bread's coffers.

5. Kirkwood's response to the revelation of this massive financial crime has been to engage in personal damage control. In addition to quickly hiring personal counsel, Kirkwood boldly presented to the Daily Bread investors, including the Victim Investors, a plan for them to recoup part of their stolen investments by accepting investments in other companies with which Kirkwood was involved, invested, or controlled in exchange for a complete and confidential release. Kirkwood paired this offer with a threat that even this meager and absurd offer would be withdrawn if anyone filed a public lawsuit. At the same time, Kirkwood rejected requests from Daily Bread's investors to appoint an independent trustee or receiver over Daily Bread to investigate and marshal assets on behalf of Daily Bread's defrauded investors. Nor did he agree to hire an independent forensic accountant to trace funds. Instead, Kirkwood had his own accountant review and prepare schedules. Kirkwood is effectively running Daily Bread for his own benefit at the expense of the Victim Investors.

6. The Victim Investors are not deterred by this threat and file this lawsuit seeking the appointment of a receiver to prevent further fraud by Daily Bread, stop further dissipation of Daily Bread assets, trace Daily Bread's misuse of investor money, marshal assets for the benefit of all Daily Bread investors, and wind down and dissolve the company. The Victim Investors also seek an injunction to preserve Daily Bread's assets until a receiver is appointed.

### **Jurisdiction and Venue**

7. This action seeks the distribution of assets in excess of \$750,000, exclusive of interest, costs, and attorney's fees.

8. Pursuant to Florida Statutes Section 605.0704, the Court has authority to "appoint one or more receivers to wind up and liquidate or one or more custodians to manage the business and affairs of the limited liability company." Fla. Stat. § 605.0704(1). The Court has jurisdiction and authority to appoint a receiver over Daily Bread, a foreign limited liability company, as Daily Bread's operations and assets are located in Miami-Dade County, Florida. *See* Fla. Stat. § 605.0704(6) ("The court may appoint a receiver for a foreign limited liability company even though a receiver has not been appointed elsewhere.").

9. The Court has personal jurisdiction over Defendant Daily Bread because it committed the acts alleged in this complaint and operates in Miami-Dade County.

10. Venue is proper in Miami-Dade County because the Ponzi scheme occurred in Miami-Dade County and Daily Bread operates in, and its true principal place of business is in, Miami-Dade County.

### **The Parties**

11. Plaintiff Stephen Joseph Ezekiel is a citizen of Australia and currently resides in Hong Kong. From November 2019 through April 2020, Mr. Ezekiel invested \$400,000 in Daily Bread.

12. Plaintiff Brad Gray is a citizen of Australia and currently resides Republic of Singapore. From April 2020 through September 2020, Mr. Gray invested approximately \$700,000 in Daily Bread.

13. Plaintiff Gabriel Breeman is a citizen of the Kingdom of the Netherlands and currently resides in Spain. From December 2017 through December 2018, Mr. Breeman invested \$650,000 in Daily Bread.

14. Plaintiff Jeffrey Lindholm is a resident of Massachusetts. In April 2020, Mr. Lindholm invested \$250,000 in Daily Bread.

15. Plaintiff Master State (Hong Kong) Limited is a Hong Kong company and is owned and controlled by Adam Judd, who is a citizen of Australia and currently resides in the Republic of Singapore. From May 2017 through November 2018, Master State (Hong Kong) Limited invested \$1.2 million in Daily Bread.

16. Defendant Daily Bread, LLC is a Colorado limited liability company, with its principal place of business in Miami-Dade County, Florida.<sup>2</sup> Daily Bread operates in Miami-Dade County, Florida and all of its known bank and brokerage accounts are located in Miami-Dade County, Florida.

#### **Other Interested Persons**

17. John Stanbridge is a resident of Miami-Dade County, Florida. Stanbridge owns Class A units of Daily Bread through the Colorado limited liability company “Daily Bread Class A Holder, LLC.” As a Class A owner, he and his partner Kirkwood effectively control Daily Bread as the fund’s 2017 and 2018 LLC agreements call for the Class A unit holders to comprise the Board of Managers. For the relevant period, Stanbridge served as Daily Bread’s manager and may still continue to do so. Stanbridge ran Daily Bread’s operations (and the Ponzi scheme) from

---

<sup>2</sup> Daily Bread’s initial Limited Liability Company Agreement of Daily Bread, LLC, attached as Ex. 1 at § 2.4, states that its principal place of business is in Aspen, Colorado, but in reality, Daily Bread operated in Miami-Dade County, Florida, and all its bank and financial accounts known to the Victim Investors are located in Miami-Dade County, Florida.

his home and office in Miami-Dade County, Florida. Stanbridge has admitted on video that he operated Daily Bread as a Ponzi scheme since 2017. In November 2021, the Victim Investors were told that Stanbridge was incapacitated. For the relevant period, Stanbridge was not associated with a member of the Financial Industry Regulatory Authority (FINRA) or an investment advisor registered with the State of Florida or the U.S. Securities and Exchange Commission (SEC).

18. Timothy Kirkwood is believed to reside in the United Kingdom. Kirkwood has conducted, and continues to conduct, business for Daily Bread. Kirkwood held himself out as a principal of Daily Bread, providing governance, accountability, and oversight. Kirkwood owns Class A units of Daily Bread through the Colorado limited liability company “Daily Bread Class A Holder, LLC.” As a Class A owner, he and his partner Stanbridge effectively control Daily Bread. Moreover, the 2018 Daily Bread Limited Liability Company Agreement provides in Section 8.2(d) that “any vacancy created by the death, resignation, or incapacity of John Stanbridge . . . shall be immediately and automatically filled by Timothy Kirkwood.” Amended and Restated Limited Liability Company Agreement of Daily Bread, attached as Ex. 2 at § 8.2(d). Despite the clear language in the agreement, in recent correspondence and telephone/video conferences, Kirkwood disclaims that he is the manager. Yet, at the same time, he is acting in that capacity. For the relevant period, Kirkwood was not associated with a member of FINRA or an investment advisor registered with the State of Florida or the SEC.

### **How Investors Were Misled**

19. Starting in 2015, two years before Daily Bread was incorporated, Kirkwood and Stanbridge promoted and began raising money for the fund.

20. Kirkwood solicited investors to put money in the fund by explaining that his partner, Stanbridge, would day trade an exchange traded fund and cash out every night using their “Daily Bread Strategy.” For the first few years, Stanbridge would trade investors’ money in his own personal brokerage account, and Kirkwood instructed investors to wire their funds directly to Stanbridge. Later on, Kirkwood and Stanbridge opened accounts in Daily Bread, LLC’s name.

21. From its inception, Kirkwood touted to potential investors Daily Bread’s success. For example, in a January 5, 2017, email to a Victim Investor, Kirkwood touted that from October 2015 through October 2016, Daily Bread achieved returns of 77.79%. *See* Jan. 5, 2017 email, attached as Ex. 3. According to Kirkwood and the initial Limited Liability Company Agreement, Ex. 1 at § 7.5(a), Daily Bread investors would receive on a quarterly basis the first 7.5% of profit (i.e., a 30% capped annual return), with the Class A members (i.e., Stanbridge and Kirkwood) keeping any profits above that amount.

22. At some point in 2019, Kirkwood and Stanbridge reduced the quarterly return for investors to 5.625% (i.e., a 22.5% capped annual return) under the guise that Stanbridge wanted to trade less days per month to reduce his stress. *See* Dec. 11, 2019 email, attached as Ex. 4; Second Amended and Restated Limited Liability Company Agreement of Daily Bread, LLC, attached as Ex. 5 at 3.

23. All the while Kirkwood and Stanbridge touted Daily Bread’s returns to solicit new investors and to have its existing investors deposit more money in the fund. For example, in a December 11, 2019 email, Stanbridge and Kirkwood represented that Daily Bread had 210.05% gross return since inception, a 52.51% annual return since inception, and an average monthly gain of 4.26% when soliciting an existing investor to invest more money in Daily

Bread. *See* Ex. 4. More recently, in a March 15, 2020 email sent by Stanbridge and signed by Stanbridge and Kirkwood, Stanbridge touted that “[a]s a result of the global disruption over the Corona Virus and general market uncertainty we are seeing significant volatility in our ETFs. The result has been extremely positive for Daily Bread . . . .” Mar. 15, 2020 email, attached as Ex. 6.

24. Daily Bread investors received weekly statements showing positive performance and increases in their capital accounts. Many investors received K-1’s from Daily Bread, requiring them to pay taxes on their purported profits, and many investors did.

25. The Victim Investors subsequently learned that it was all a lie.

### **The Fraud Unravels**

26. In November 2021, Kirkwood notified Daily Bread investors that Stanbridge has terminal cancer and few days to live.

27. Kirkwood claimed that when learning that Stanbridge was ill, he travelled to South Florida to see Stanbridge. He claims that while Stanbridge was in the hospital, he asked Stanbridge’s wife for account login information and was surprised by what he saw—the company had only about \$165,000 left in its financial accounts, not the more than \$36 million Daily Bread claimed to have had on paper.

28. Upon Stanbridge’s apparent return home from the hospital, Kirkwood made two short videos of Stanbridge confessing to operating Daily Bread as a Ponzi scheme (the “**Videos**”). In the Videos, Stanbridge confesses that Daily Bread began to operate as a Ponzi scheme starting in March 2017, when he began to take massive losses in trading. Stanbridge admitted that he began to create fake brokerage statements to hide the losses and used new

investor money to redeem others. He admitted that he would just make up the returns for each investor. The transcript of one of the Videos is attached as Ex. 7.

29. To hide these trading losses, Daily Bread created and distributed to investors, including the Victim Investors, fictitious and fraudulent financial statements showing that Daily Bread had generated significant trading profits. Daily Bread investors, including the Victim Investors, relied on these fictitious and fraudulent financial documents to report gains to tax authorities, and paid taxes on these fictitious gains.

30. The Victim Investors demanded financial information from Kirkwood and hired a forensic accountant to review the limited records Kirkwood provided. The forensic accountant's review of limited trading and bank account records suggest that fraud was more extensive than Stanbridge admitted.

31. First, the fact that, prior to 2018, investors deposited funds into Stanbridge's personal brokerage account suggests the scheme began much earlier. The forensic accountant believes from the limited records he has had access to that the Ponzi scheme began much earlier than March of 2017. *See Decl. of Paul DeStefanis, attached as Ex.8.*

32. Second, limited trading records provided to the forensic accountant show that Daily Bread did not exclusively day trade exchange traded funds as Daily Bread promised and promoted. Instead, Daily Bread traded other securities and held positions overnight. *Id.*

33. Yet, most alarming is that based on the limited records acquired by the Victim Investors, between July 2018 and October 2021, it appears that Stanbridge and Kirkwood used Daily Bread's bank account as if it was their own. Records suggest that the two withdrew more than \$11 million from Daily Bread's accounts to pay themselves, to pay for personal expenses, to pay family members, and to make payments for the benefit of family members. *Id.*

34. For instance, a preliminary review of the limited accounts available to the Victim Investors shows that Stanbridge and Kirkwood used the Daily Bread bank account as their own:

- a. at least \$589,590 in payments to Stanbridge;
- b. at least \$1,471,358 in payments to Kirkwood and an entity he controls with his family;
- c. at least \$188,255 in ATM withdrawals and credit card payments;
- d. at least \$776,932 to pay the tuition for Kirkwood's children (or others);
- e. at least \$343,547 to pay rent for Kirkwood in London and Barbados;
- f. at least \$2,604,459 in payments to Kirkwood's other businesses;
- g. at least \$3,928,675 in net payments to Stanbridge's wife's company; and
- h. at least \$1,341,583 in payments to Kirkwood's family members.

*Id.* These are just a sample of suspicious payments that appear on the limited financial statements obtained by the Victim Investors.

35. Based on the limited review of the records available to the Victim Investors, it appears that Kirkwood's family members received cash distributions at the expense of the Victim Investors and others.

### **The Fraud Continues**

36. Despite previously holding himself out as Stanbridge's partner and a principal of Daily Bread, Kirkwood's first instinct was to protect himself by immediately attempting to distance himself from both Daily Bread and Stanbridge.

37. On November 5, 2021, Kirkwood and his attorney conducted a Zoom meeting with Daily Bread investors. During the meeting, Kirkwood stressed his shock and lack of knowledge regarding the Ponzi scheme. During the meeting, Kirkwood's counsel also remarked

that Kirkwood had “pinned down what appears to be a five-million-dollar key man insurance policy running in favor of the company.” When investors asked if law enforcement had been notified of the fraud, Kirkwood’s attorney said, “[n]o. Frankly didn’t cross my mind particularly in light of his life expectancy.” Kirkwood’s claim that it did not cross his mind to report to authorities a massive financial fraud perpetrated by a company co-run by him, when it did cross his mind to immediately hire himself an attorney, strains credulity.

38. The company’s financial records suggest a more credible explanation for Kirkwood’s reluctance to notify law enforcement. It turns out that Kirkwood and his family members appear to have siphoned millions from Daily Bread’s coffers, with Kirkwood using Daily Bread’s bank accounts to pay his children’s tuition and his rent payments.

39. Upon information and belief, Kirkwood also appears to have taken commissions on Daily Bread investors’ capital contributions. Kirkwood is not associated with a FINRA-registered broker/dealer, and his receipt of such commissions would violate Section 15 of the Securities Exchange Act of 1934. *See* 15 U.S.C. § 78o.

40. Instead of self-reporting to law enforcement, Kirkwood has tried a different tact. On November 22, 2021, Kirkwood proposed his “Way Forward,” which is an attempt to make Daily Bread investors 85% whole—eventually, maybe—by giving them interests in Kirkwood’s other investment vehicles, themselves speculative, venture stage investments, which may well be other vehicles of fraud. Kirkwood’s “Way Forward” proposal to maybe someday make partial restitution for the fraud for which he was largely responsible comes with a threat, too: publicly file any legal action like this lawsuit and the offer is revoked. The clear implication of the offer and its accompanying threat is that Kirkwood does not want this fraud to see the light of day. He

wants time to pass, the statute of limitations to run, investors to accept the inevitability of their losses, and maybe some good fortune to help Kirkwood escape the consequences of this fraud.

### **Lack of Transparency and Control**

41. Due to the discovery of the massive fraud, Stanbridge's apparent terminal illness, and Kirkwood's disavowal of responsibility, there is a lack of control over Daily Bread.

42. Investors do not know who has control over Daily Bread, its assets, and its financial accounts.

43. A receiver is needed to identify, secure, and marshal Daily Bread's assets, including all claims, to facilitate an organized wind down of Daily Bread for the benefit of its investors.

### **Count I – Appointment of a Receiver for Daily Bread**

44. The Victim Investors reallege and incorporate their allegations from Paragraphs 1-43.

45. Daily Bread received millions of dollars from the Victim Investors, and millions more from other investors.

46. The investors' funds were misappropriated by Daily Bread, Stanbridge, and Kirkwood.

47. Stanbridge has already admitted in the Videos to operating a Ponzi scheme, and both Stanbridge and Kirkwood concede that Daily Bread has few remaining funds in its financial accounts.

48. There is also uncertainty as to whether Daily Bread has a manager. While Stanbridge is apparently incapacitated, Kirkwood has disclaimed serving as Daily Bread's

despite the clear language in the relevant LLC agreements, but at the same time it appears that he is currently controlling Daily Bread.

49. Accordingly, a receiver is required to manage Daily Bread, to stop further dissipation of Daily Bread assets, to trace, recover, and marshal assets and funds on behalf of Daily Bread investors, and to wind down and dissolve the company.

50. The Court has the power to appoint “one or more receivers to wind up and liquidate or one or more custodians to manage the business and affairs of the limited liability company.” § 605.0704(1), Fla. Stat.

WHEREFORE, the Victim Investors seek the entry of an order appointing a receiver for Daily Bread under § 605.0704, Fla. Stat., and granting any other relief that the Court deems appropriate.

### **Count II – Dissolution of Daily Bread**

51. The Victim Investors reallege and incorporate their allegations from Paragraphs 1-43.

52. The Victim Investors seek dissolution of Daily Bread.

53. The Victim Investors are non-managing members of Daily Bread.

54. As pled above, all or substantially all of Daily Bread’s activities and affairs are unlawful, and the managers in control of Daily Bread have acted and are acting illegally and fraudulently.

55. Upon information and belief, Daily Bread’s assets are being misappropriated and/or wasted, causing injury to Daily Bread and to its non-managing members. Further, Daily Bread has already misappropriated and/or wasted nearly all of its assets.

56. In these circumstances, the Court has both the power and the obligation to dissolve Daily Bread pursuant to § 605.0702(1)(b)(1), (3), and (4), Fla. Stat.

WHEREFORE, the Victim Investors seek the entry of an order dissolving Daily Bread under § 605.0702, Fla. Stat., and granting any other relief that the Court deems appropriate.

### **Count III – Injunction**

57. The Victim Investors reallege and incorporate their allegations from Paragraphs 1-43.

58. The Victim Investors seek an injunction to prevent Daily Bread from conducting any business until a receiver is appointed.

59. The Victim Investors seek dissolution of Daily Bread in Count II.

60. Under these circumstances, the Victim Investors have an interest in Daily Bread and have clear legal right to an injunction against Daily Bread.

61. There is a substantial likelihood of irreparable harm because there is no adequate remedy at law. Moreover, the Florida Legislature has empowered the Court to enter an injunction against Daily Bread under these circumstances. *See* § 605.0703(3), Fla. Stat.

62. Stanbridge admitted in the Videos that Daily Bread is a Ponzi scheme and that it has misappropriated investor funds. This alone means the Victim Investors have a substantial likelihood of success on the merits. The initial forensic investigation reflected in Exhibit 8 only further establishes this probability.

WHEREFORE, the Victim Investors seek the entry of an injunction against Daily Bread, under § 605.0703, Fla. Stat., forbidding Daily Bread to conduct any business until a receiver is appointed, and granting any other relief that the Court deems appropriate.

Respectfully submitted:




Attorneys for Stephen Joseph Ezekiel, Master State  
(Hong Kong) Limited, Gabriel Breeman, Brad  
Gray, and Jeff Lindholm  
1200 Four Seasons Tower  
1441 Brickell Avenue  
Miami Florida 33131  
Phone: (305) 350-5116  
Fax: (305) 372-2738

By: /s/Brian Lechich  
Adam L. Schwartz, Esq.  
Email: [aschwartz@homerbonner.com](mailto:aschwartz@homerbonner.com)  
Florida Bar No. 103163  
Priscilla Jimenez, Esq.  
Email: [pjimenez@homerbonner.com](mailto:pjimenez@homerbonner.com)  
Florida Bar No. 44266  
Brian Lechich, Esq.  
Email: [blechich@homerbonner.com](mailto:blechich@homerbonner.com)  
Florida Bar No. 84419

**VERIFICATION BY PLAINTIFF MASTER STATE (HONG KONG) LIMITED**

Under penalties of perjury under the laws of the United States and the State of Florida, I declare that I read the foregoing Verified Complaint Seeking Dissolution, Injunctive Relief, and the Appointment of a Receiver and the facts stated in it are true to the best of my knowledge and belief.


Dated December 8, 2021

By:   
\_\_\_\_\_  
Adam Judd  
Trustee  
Master State (Hong Kong) Limited

**VERIFICATION BY PLAINTIFF STEPHEN JOSEPH EZEKIEL**

Under penalties of perjury under the laws of the United States and the State of Florida, I declare that I read the foregoing Verified Complaint Seeking Dissolution, Injunctive Relief, and the Appointment of a Receiver and the facts stated in it are true to the best of my knowledge and belief.

Dated December \_\_, 2021

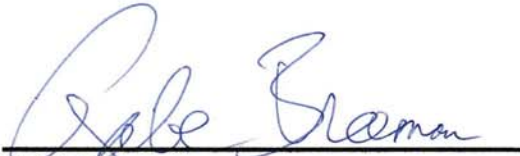
By:   
\_\_\_\_\_

Stephen Joseph Ezekiel

**VERIFICATION BY PLAINTIFF GABRIEL BREEMAN**

Under penalties of perjury under the laws of the United States and the State of Florida, I declare that I read the foregoing Verified Complaint Seeking Dissolution, Injunctive Relief, and the Appointment of a Receiver and the facts stated in it are true to the best of my knowledge and belief.

Dated December 8, 2021

By:   
Gabriel Breeman

**VERIFICATION BY PLAINTIFF BRAD GRAY**

Under penalties of perjury under the laws of the United States and the State of Florida, I declare that I read the foregoing Verified Complaint Seeking Dissolution, Injunctive Relief, and the Appointment of a Receiver and the facts stated in it are true to the best of my knowledge and belief.


Dated December 8\_\_, 2021

By:  \_\_\_\_\_  
Brad Gray

**VERIFICATION BY PLAINTIFF JEFFREY LINDHOLM**

Under penalties of perjury under the laws of the United States and the State of Florida, I declare that I read the foregoing Verified Complaint Seeking Dissolution, Injunctive Relief, and the Appointment of a Receiver and the facts stated in it are true to the best of my knowledge and belief.

Dated December 7, 2021

By:   
\_\_\_\_\_  
Jeffrey Lindholm

**VERIFIED COMPLAINT EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
1	Limited Liability Company Agreement of Daily Bread LLC (dated Feb. 2017)
2	Amended and Restated Limited Liability Company Agreement of Daily Bread LLC (dated Nov. 2, 2018)
3	Jan. 5, 2017 email from Tim Kirkwood to Adam Judd, Trustee of Plaintiff Master State (Hong Kong) Limited
4	Dec. 11, 2019 email from John Stanbridge to Plaintiff Gabriel Breeman
5	Second Amended and Restated Limited Liability Company Agreement of Daily Bread, LLC (dated as of Dec. 1, 2020)
6	Mar. 15, 2020 email from John Stanbridge to Plaintiff Gabriel Breeman
7	John Stanbridge video transcript
8	Declaration of Paul DeStefanis

# **EXHIBIT 3**

### Impact of Claim Adjustment

	<b>Current</b>	<b>Expanded</b>	<b>Claim or Profit Adjustment</b>
Amy Kirkwood	20,000	20,000	0
Andres Rubio	(270,337)	(270,337)	0
Andrew Staples	(60,000)	(60,000)	0
Andrew Wainwright	100,000	175,000	Claim rises by 75,000
Bailey Connor	(117,400)	(89,900)	Profit decreases by 27,500
Brad Gray	450,000	450,000	0
Brad Stevenson	137,500	137,500	0
Brian Winot	750,000	750,000	0
Charlie Bridge	100,000	100,000	0
Charles Kirkwood	(497,000)	(397,000)	Profit decreases by 100,000
Christopher Kirkwood	(523,289)	(523,289)	0
Craig Hendricks	1,310,000	1,360,000	Claim rises by 50,000
Daniel Sebring	85,000	235,000	Claim rises by 150,000
Daren Sebring	175,000	325,000	Claim rises by 150,000
Gabriel Breeman	550,000	550,000	0
George Westerwelt	450,000	450,000	0
Gillian S Kellogg	150,000	250,000	Claim rises by 100,000
Hal Fiske	100,000	100,000	0
Howath Perry Boyle Jr.	500,000	500,000	0
James M. Johnson	100,000	100,000	0
Jeff Lindholm	250,000	250,000	0
Jesse Johnson	684,815	684,815	0
Joe Meier	(47,500)	(22,500)	Profit decreases by 25,000
Jon Jamieson	250,000	250,000	0
Joy Danielewicz-Britton	70,000	70,000	0
John Stanbridge	(5,338,260)	(5,601,827)	Profit rises 263,566
JP Toppino	50,000	100,000	Claim rises by 50,000
Kevin Harris - Other	(87,000)	(41,500)	Profit decreases by 45,500
Lilco Trust	(30,000)	(30,000)	0
Linda C Sherlock	20,000	20,000	0
Lord Mark Malloch Brown	250,000	250,000	0
Lucas S. d'Oelsnitz	9,000	9,000	0
Luke Hessler	(40,261)	(10,261)	Profit decreases by 30,000
Master State- Adam	790,741	790,741	0
Michael Haisfield	50,000	50,000	0
Michael Keogh	25,000	25,000	0
Michael Krupka	3,000,000	3,000,000	0
Nelson Bell	85,000	85,000	0
Old Bay Preserve LLC	50,000	50,000	0
Patches Ohoullihan, Inc.	35,000	35,000	0
Patrick Wasserman -		(7,500)	Profit rises by 7,500
Peter Kirkwood	110,000	110,000	0
Peter Yolles	125,000	125,000	0
Regina Wall	1,000,000	1,000,000	0
Rob Bennett	350,000	350,000	0
Sangeeta Prasad	200,000	200,000	0
Scott Hartl	200,000	200,000	0
Shawnee Holdings Inc	(10,000)	(10,000)	0
Shawnee Ridge	100,000	100,000	0
Shawnee Trust	800,000	800,000	0
Stephen Ezekiel	400,000	400,000	0
Suzanna Murray	250,000	250,000	0
Terry (Waters) Kellogg	(191,526)	42,474	Profit decreases by 234,000
Tim Kirkwood	(2,553,081)	(3,139,581)	Profit rises by 586,500
Tom Sherlock	240,075	265,075	Claim rises by 25,000
Tom Kirkwood	(105,546)	(105,546)	0
Tony Sherman	(92,668)	(92,668)	0
Virginia Kirkwood	(20,000)	(20,000)	0
Wayne Lapak	147,600	155,100	Claim rises by 7,500

Wendi Sorum	677,947	827,947	Claim rises by 150,000
William Pote		25,000	Claim rises by 25,000
Will Parrish	500,000	485,000	Claim falls by 15,000