

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 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 Status Report and Inventory.

Respectfully submitted,

By: s/ Lorenz Michel Prüss

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**CERTIFICATE OF SERVICE**

**WE HEREBY CERTIFY** that on September 18, 2024, a true and correct copy of the foregoing document titled: NOTICE OF FILING OF RECEIVER'S 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 Status Report and Inventory**

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STEPHEN EZEKIEL JOSEPH *et. al.*,

Plaintiffs,

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Daily Bread, LLC,

Defendant.

CBL Division

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**RECEIVER'S STATUS REPORT**

Scott M. Dimond (“Mr. Dimond” or the “Receiver”), as Receiver of Daily Bread, LLC, pursuant to the Court’s December 14, 2021 Order Granting Plaintiffs’ Emergency Motion for Appointment of Receiver (the “Order”), hereby files this Receiver’s Status Report.

On August 15, 2024, this Court ordered the Receiver to explore establishing a long-term solution for overseeing and managing the illiquid assets of the Receivership with the ultimate goal of stewarding those assets for the benefit of the victims and terminating this Receivership. More specifically, this Court instructed the Receiver to explore the potential appointment of an institutional trustee and formation of a trust (or similar vehicle) for holding the illiquid investments for the foreseeable future and, eventually, monetizing those investments and distributing them to the victims. The Court ordered the Receiver to present that report at a Case Management Conference scheduled for September 19, 2024.

In advance of that Case Management Conference, this Status Report details the efforts of the Receiver and his counsel to comply with the Receiver’s obligations under the Receivership Order since the August 15<sup>th</sup> hearing.

## RECEIVER'S ACTIVITIES

1. Counsel for Receiver has made inquiries to the following potential corporate trustees for the assets of this Receivership:

- a. Wells Fargo Bank, NA;
- b. Coral Gables Trust Company (“CG Trust”);
- c. Bessemer Trust Private Wealth Management (“Bessemer”);
- d. Fiduciary Trust Company International (“Fiduciary”);
- e. First Horizon Bank;
- f. Grove Bank & Trust;
- g. Northern Trust Bank;
- h. Security Bank and Trust Company; and
- i. First National Bank and Trust Company of Miami.

2. In light of the posture of the Receivership and the nature of the investments, only the following entities expressed any interest the possibility of undertaking a corporate trusteeship.

3. First, on August 26, 2024, counsel for the Receiver discussed the potential role of an institutional trustee with Bessemer. Following a detailed discussion, Bessemer declined to advance a proposal, citing the nature of the situation, specifically, the uncertainty of compensation (based upon the illiquidity of the assets), the large number of beneficiaries, the nature of the illiquid assets, and that a possible trust would not truly be intended to serve as a long-term holding vehicle.

4. Second, on August 29, 2024, counsel for the Receiver discussed the potential role of an institutional trustee with Fiduciary. Following a detailed discussion, Fiduciary was initially not inclined to advance any proposal to the Receiver, again expressing concerns that the illiquid nature of the investments would make a compensation arrangement difficult and would be difficult to hold.

Further, Fiduciary was concerned about potential liability for any necessary capital calls and worried that a possible trust would not truly be intended to serve as a long-term holding vehicle. Fiduciary further advised that the nature and number of potential beneficiaries posed a high risk for any prospective trustee, particularly given the uncertainty surrounding the trustee's compensation. But in the interest of assisting the Receiver, Fiduciary stated it would consult its legal department to explore any possible role it might take on and provide a proposal if it decide to assume the role of trustee.

5. Accordingly, on September 4, 2024, Fiduciary followed up with counsel for the Receiver and the parties had a detailed discussion about the structural issues involved in setting up the trust and about Fiduciary's fees. Following that discussion, Fiduciary submitted a request for detailed financial information regarding the underlying investments. Counsel for the Receiver is currently working to gather this information, which is being retrieved directly from the underlying investment holdings.

6. Finally, on September 17, 2024, counsel for the Receiver discussed the potential role of an institutional trustee with CG Trust. Following a detailed discussion, CG Trust expressed doubt of assuming such a role, again expressing concerns regarding the overall circumstances (*i.e.*, the number of beneficiaries, the duration of a trust, and the illiquidity of the assets). Given those factors, CG Trust indicated that if were to assume the role of trustee, it would require higher than usual compensation. But in the interest of assisting the Receiver, CG Trust is considering whether to present a proposal for presentation to the Court.

7. In light of the foregoing, the Receiver plans to continue discussions with Fiduciary and CG Trust to explore the possibility of one or the other assuming the role of trustee and the Receiver will report back to the Court on the results of those discussions.

8. Last, the Receiver's counsel also consulted with Timothy Kirkwood ("Mr. Kirkwood"), the Receiver's 50% partner in the entity that holds the illiquid investments. Mr. Kirkwood is required to inform the Receiver regarding developments in the underlying investments and the possibility of any impending monetization events.

9. During that meeting, Receiver's counsel relayed the Court's concerns regarding an open-ended Receivership and interest in developing an alternative long-term plan as discussed herein. Mr. Kirkwood responded that while he expects progress over time in monetizing the assets, the long-term nature of these investments severely limits the potential for a quick recovery. In short, Mr. Kirkwood conveyed that the investments were simply never designed for a quick liquidation. Irrespective, Mr. Kirkwood confirmed that he would continue monitor the investments and act promptly to bring any potential liquidity event to the attention of the Receiver.

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