

MEMORANDUM IN SUPPORT

Pursuant to this Court's Order of July 19, 2018, Paul Mastronardi, the Plaintiff in this matter, timely filed Proof of Claim No. 46. The claim includes a claim for payment of the costs of the receivership expenses assessed against Mr. Mastronardi in these proceedings. Since the submission of the claim on September 12, 2018, the Court has imposed additional costs totaling \$67,438.19, which Mr. Mastronardi has timely paid. Thus, to date, the costs paid by Mr. Mastronardi for the Receiver expenses total \$268,029.50, which is the amount for Receiver expenses requested to be assessed against the estate in the proposed Amended Proof of Claim attached hereto.¹

In the original Proof of Claim No. 46, Mr. Mastronardi requested that these expenses be treated as an administrative expense and assessed against the Receivership funds. Another purpose of this Motion is to respond to the Objection to Proof of Claim No. 46 submitted by Golden Acre Farms, Inc. ("Golden Acre"), an entity controlled by the Defendant, Luis Chibante, which argues that the expenses should be treated as court costs instead of administrative expenses.

These expenses are appropriately categorized as administrative expenses. We note that "[t]he primary purpose of a receiver is to carry out the orders of the ... court, which has the power 'to exercise its sound discretion to limit or expand a receiver's powers as it deems appropriate.'" Nat'l City Bank v. Semco, Inc., 183 Ohio App. 3d 229, 232 (3rd Dist. 2009) (quoting State ex rel. Celebrezze v. Gibbs, 60 Ohio St. 3d 69, 74 (1991)). A receiver, of course, is entitled to reasonable compensation for his or her services. Especially in cases such as this one, involving a going business concern that was placed in receivership, compensation of the

¹ The total amount listed for Receiver expenses reported on line 8 and line 10 of the September 12, 2018, Proof of Claim was in error. The amount listed in the table on Exhibit B was the correct amount as of that date.

receiver is based on such factors as “the interest involved, the amount of skill necessary to conduct the business, and the time and labor given to the business.” Id. at 234.

Further, Ohio law is well settled that:

Parties who invoke the jurisdiction and process of a court for appointment of a receiver by sufficient allegations and showing of necessity therefor, resulting in such appointment, do not become personally liable for the compensation of the receiver and the expenses of administration of [the receivership] Such debts and expenses are ordinarily payable out of the corpus of the property.

[Sobin v. Lim, 21 N.E.3d 344, 353 (Ohio Ct. App. 8th Dist. 2014) (quoting Richey v. Brett, 112 Ohio St. 582, Syll. (1925)).]

Indeed, this is the rule in virtually every jurisdiction. As the court noted in Fifth Third Bank v. Dayton Lodge, LLC, 6 N.E.3d 638 (Ohio Ct. App. 2nd District), “In [Atlantic Trust Co. v. Chapman, 208 U.S. 360, 376 (1908)], the United States Supreme Court outlined the general principle that expenses and fees of a receivership estate are to be paid from the property or fund that is subject to the receivership.” Id. at 645. Accordingly, in Dayton Lodge, the court held that the trial court erred by holding the plaintiff bank liable for a deficit in the receivership estate, see id. at 647, and Sobin held that the trial court properly ordered that costs of the receivership be paid from assets of the corporation in receivership. See 21 N.E.3d at 353-54.

Similarly, in Gen. Elec. Cap. Corp. v. Golf Club of Dublin, LLC, 2009 Ohio Misc. LEXIS 12507 (Delaware C.P., Dec. 9 2009), a case involving a receiver’s operation of the subject golf club pending a lender’s foreclosure on its property, the court instructed that the receiver and receiver’s counsel were to be paid from the receivership estate and entitled to administrative expense priority on any claim for compensation. Id. at *14. The court also ordered that in the event the plaintiff made any advances to the receiver for the preservation and operation of the business, “said advances shall be treated as administrative expenses with

payment priority over general unsecured claims against the receivership estate.” Id. Indeed, in case after case, Ohio courts have followed the rule that receivership costs are paid out of the estate.²

Golden Acre’s Objection to the proof of claim ignores all of the above law and is based solely on a crabbed reading of R.C. 2735.04(C), a statute that gives a court discretion to decide which specific expenses of a receivership may be treated as court costs and which may be treated as administrative expenses. That subsection states as follows:

Any funds that are expended by or on behalf of the receiver, including receivership fees, fees for professionals assisting the receivership, and those expended in entering into or performing contracts under division (B)(4) of this section, including those for the completion of construction work authorized by the court, shall be taxed as court costs or otherwise treated as an administrative expense of the action.

[(Emphasis added).]³

² See, e.g., ZB, N.A., v. Temple Square Properties, LLC, 2018 Ohio Misc. LEXIS 1603, at *21 (Summit C.P., April 18, 2018) (court ordered that advances made by the plaintiff, the mortgagee of the receivership property, for the benefit of the receivership property “shall constitute an administrative expense claim of the Receivership and be deemed a prior and superior lien before the repayment of any and all other claims against the Receivership Property (except for taxes and assessments having first priority as a matter of law) or proceeds of either of them”); Raymond M. Powell Co. v. Akron Payroll & Tax, Inc., 2016 Ohio Misc. LEXIS 14859, at *2 (Summit C.P., Feb. 3, 2016) (ordering that “Receiver Counsel fees and any other fees incurred during the Receivership shall be considered an administrative expense of the Receivership and entitled to first priority of payment with regard to any proceeds derived from operation of the [receivership business] or the sale of any of [its] assets”); Snider Interests, LLC v. Cannata, 2014 Ohio Misc. LEXIS 24789, at *2-3 (Cuyahoga C.P., Aug. 15, 2014) (court ordered receiver to apply proceeds of sale of receivership property, after taxes and closing costs, to cover “administrative expenses and costs of the Receiver and the receivership estate”); Benchmark Bank v. Kimberly Office Park, LLC, 2012 Ohio Misc. LEXIS 22399, at *3 (Franklin C.P., Dec. 12, 2012) (ordering “that the Receiver, and its legal counsel, are entitled to payment for its fees and costs, and that the same shall be paid as an administrative expense, from the moneys generated in the receivership”).

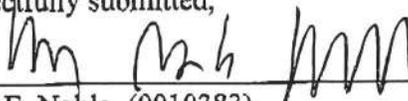
³ Regarding the reference to Subsection (B)(4), that subsection provides that a receiver may be empowered to “[e]nter into contracts, including, but not limited to contracts of sale, lease, or, so long as existing lien rights will not be impacted, contracts for construction and for the completion of construction work[.]”

Golden Acre's Objection cites a pair of cases that invoke the "plain meaning" rule of statutory construction, and it argues that "[t]he statute is disjunctive, meaning that the receivership fees may be taxed as court costs or treated as an administrative expense – one or the other." Neither of the two cases cited involved this particular statute, however. We submit that it is appropriate to apply a *different* rule of statutory construction – one that is itself enshrined in its own statute: R.C. 1.02(F) provides that: "'And' may be read 'or,' and 'or' may be read 'and' if the sense requires it." (Emphasis added.)

Given that R.C. 2735.04(C) provides that the broad category of "[a]ny funds" that may constitute expenses of a receiver, "including" (but not limited to) "receivership fees, fees for professionals assisting the receivership, and those expended in entering into or performing contracts" for sale or lease of property, a court has discretion to decide which specific type of expense may be taxed as court costs *and* which may be allotted to administrative expenses. Defendant alludes to the Court's previous orders, which have thus far treated the receivership expenses approved by the Court "as court costs assessed against" Mr. Mastronardi and Defendant Luis Chibante in equal shares, but we further note that such a decision is not final until this proof of claim process is completed and the Court's rulings on each claim are incorporated into a judgment. Thus, even if these sums are deemed as "court costs" for the present, Civil Rule 54(D) – which Golden Acre even cites – provides that, upon judgment, "costs shall be allowed to the prevailing party *unless the court otherwise directs.*"

For the reasons stated above, Mr. Mastronardi requests that the Court direct that the \$268,029.50 in receivership expenses identified in Amended Proof of Claim No. 46 be classified as an administrative expense to be paid from the corpus of the receivership estate.

Respectfully submitted,



Kraig E. Noble (0010383)
Noble, Montague & Moul, LLC
146 E. Spring Street
St. Marys, Ohio 45885
(P) 419-394-7441
(F) 419-394-7694
knoble@mmmlawyers.com

Marion H. Little, Jr. (0042679)
Matthew S. Zeiger (0075117)
ZEIGER, TIGGES & LITTLE LLP
3500 Huntington Center
41 South High Street
Columbus, Ohio 43215
(614) 365-9900
(614) 365-7900
little@litohio.com
zeigerm@litohio.com

Attorneys for Plaintiff, Paul Mastronardi

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing has been served this 23rd day of October, 2018, via email, upon the following:

Michael L. Scheier, Esq.
Jacob Rhode, Esq.
KEATING MUETHING & KLEKAMP PLL
One East Fourth Street, Suite 1400
Cincinnati, Ohio 45202

Attorneys for Defendants
Luis Chibante, Golden Fresh Farms Holdings,
Inc., and Golden Fresh Farms Enterprises, L.P.

Ronald E. Gold, Esq.
Jennifer J. Morales, Esq.
A.J. Webb, Esq.
FROST BROWN TODD LLC
3300 Great American Tower
301 E. Fourth Street
Cincinnati, OH 45202

Attorneys for Bank of Montreal

Michael A. Burton, Esq.
103 S. Blackhoof Street
PO Box 1957
Wapakoneta, OH 45895

Attorneys for 1797540 Ontario Inc.

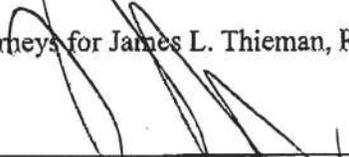
James L. Thieman, Esq.
Receiver
Faulkner, Garmhausen, Keister & Shenk
Courtview Center – Suite 300
100 South Main Avenue
Sidney, Ohio 45365

Robert M. Zimmerman, Esq.
Andrew B. Cassady, Esq.
DINSMORE & SHOHL LLP
1900 First Financial Center 255 East Fifth
Street
Cincinnati, Ohio 45202

Attorneys for Defendant
Mastronardi Produce Limited

Thomas J. Potts, Esq.
FAULKNER, GARMHAUSEN, KEISTER &
SHENK
A Legal Professional Association
Courtview Center - Suite 300
100 South Main Avenue
Sidney, OH 45365

Attorneys for James L. Thieman, Receiver



Marion H. Little, Jr. (0042679)

All Proof of Claim Forms MUST be FILED by September 18, 2018. Failure to timely file this form with supporting documents will result in a waiver of your right to file a claim. Objections must be filed by October 2, 2018. All claims will come before the court for hearing on October 29, 2018, at 9:00 a.m. at the court.

**In the Court of Common Pleas of Auglaize County, Ohio
Civil Division**

Paul Mastronardi, -vs- Luis Chibante, et al.,	 	Case No. 2017-CV-144 PROOF OF CLAIM <i>With Supporting Documents Attached</i>
Plaintiff, Defendants.		

This form is for making a claim for payment from entities that have been dissolved and the affairs of which are being wound up pursuant to a lawsuit filed in this case. The entities that have been dissolved and no longer exist, but whose affairs are being wound up, are:

Golden Fresh Farms Holdings, Inc., an Ohio corporation, and
Golden Fresh Farms Enterprises, L.P., an Ohio limited partnership.

*Filers must attach copies of any documents that support the claim, such as promissory notes, leases, purchase orders, invoices, itemized statements of accounts (including the account history showing all invoices and payments since the account's inception), contracts, judgments, mortgages and security agreements. Do not attach original documents; the copies you attach may be destroyed after scanning. If the documents are not available, attach an explanation in detail.
Distribution of the assets of the entities will be a final distribution, after determination of the validity of all secured and unsecured claims.

1.	(a) Who is the current creditor?	<u>Paul Mastronardi</u> <small>(Legal Name of the current claimant/creditor (the person or entity to be paid for this claim))</small> Other names the creditor used with the Golden Fresh entities: <u>N/A</u>
	(b) Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES: If yes, from whom? <small>(Attach documents of assignments)</small>
2.	Where should notices to this claimant/creditor be sent? (List address.)	<u>Paul Mastronardi</u> <u>c/o Marion H. Little, Jr., Esq.</u> <u>Zeiger, Tigges & Little, LLP, 41 S. High St., Ste. 3500, Columbus, OH 43215</u>
3.	Where should payments to this claimant/creditor be sent? (List address.)	<u>Paul Mastronardi</u> <u>c/o Marion H. Little, Jr., Esq.</u> <u>Zeiger, Tigges & Little, LLP, 41 S. High St., Ste. 3500, Columbus, OH 43215</u>
4.	Does this claim amend one already filed?	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES: If yes, date filed: <u>09/14/2018</u>
5.	Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES: If yes, who?
6.	Do you have a number you use to identify the Golden Fresh entity?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES: Last 4 digits of account number you use: _____

Initial each page
 VOL 187 PAGE 2053

PM0001

All Proof of Claim Forms MUST be FILED by September 18, 2018. Failure to timely file this form with supporting documents will result in a waiver of your right to file a claim. Objections must be filed by October 2, 2018. All claims will come before the court for hearing on October 29, 2018, at 9:00 a.m. at the court.

7. How much did the entities owe you on September 29, 2017? \$ 1,210,000.00 (Exh. A)

8. What is the total value of everything you provided to the entities after September 29, 2017? \$ 268,029.50 and accruing (Exh. B)

9. How much were you paid by the entities after September 29, 2017? \$ 0

10. What is the difference between the amounts in Line 8 and Line 9? \$ 268,029.50FN

11. How much is the claim? \$ 1,478,029.50 (Should equal Line 7 plus Line 10. If not, please explain.)
 Does this amount include interest or other charges? NO YES. If so, attach statement itemizing interest, fees, expenses or other charges, and explaining the basis for the interest or other charges to this page, and initial each page.

12. What is the basis of the claim? Examples: goods sold, money loaned, services performed, lease, etc.
Equity investment of \$1,210,000.00; payment of expenses
 Attach copies of all supporting documents (as listed on page 2)* and initial each page submitted.

13. Is all or part of the claim secured? NO YES, the claim is secured by a lien on property, as follows:

Real estate. If the claim is secured by a lien on real estate, attach a copy of the mortgage, certificate of judgment, or other lien documents showing date perfected; also attach prior payment history showing all payments you received from the Golden Fresh entity, which Golden Fresh entity your claim is against, and showing how all payments you have received were applied to principal, to interest, to fees or otherwise.

Motor Vehicle. If the claim is secured by a lien on a motor vehicle(s), attach a copy of the memorandum of title and all documents supporting the lien validity and the date it was perfected; also attach prior payment history showing all payments you received from the Golden Fresh entity, which Golden Fresh entity your claim is against, and showing how all payments you have received were applied to principal, to interest, to fees or otherwise.

Other. Describe property encumbered by your lien: (Use additional pages if necessary.) _____

 Attach a copy of security agreement and filed financing statement; also attach prior payment history showing all payments you received from the Golden Fresh entity, which Golden Fresh entity your claim is against, and showing how all payments you have received were applied (principal, interest, fees or other.)

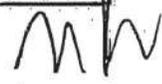
Value of the property securing the debt: \$ _____

Amount of the claim that is secured:* \$ _____ *(Should not exceed the value of the property securing the debt.)

Amount of the claim that is unsecured: \$ _____
 (The sum of the secured and unsecured amounts should match the amount of the claim in item 7, above.)

14. Is this claim subject to a right of setoff? NO YES. Identify the property: _____

FN: This amount should be treated as an administrative expense.


 VOL 187 ^{initial each page} PAGE 2054

All Proof of Claim Forms MUST be FILED by September 18, 2018. Failure to timely file this form with supporting documents will result in a waiver of your right to file a claim. Objections must be filed by October 2, 2018. All claims will come before the court for hearing on October 29, 2018, at 9:00 a.m. at the court.

15. Is any of this claim for attorney fees? NO YES. If so, explain why you are entitled to attorney fees, and attach a complete listing of all hours and all charges showing with specificity the work performed identified on the invoice sufficient to support your claim.

Use extra pages if needed to support your claim or any of your answers in this proof of claim form.

Note—The Receiver or any interested person may timely challenge whether a claim is valid, whether the security interest is valid and enforceable, the priority of any secured claim, whether a claim is an administrative claim, and whether the fees, expenses and charges listed are required to be paid, or other pertinent issues, by filing an objection to any claim filed.

Time for Filing. A proof of claim shall be deemed timely if it is filed with supporting documents not later than 4:30 p.m. on September 18, 2018. All claims filed are open for inspection by the public and all interested parties at the Clerk of Court's office during normal business hours. Objections shall be deemed timely if filed not later than 4:30 p.m. on October 2, 2018.

The person completing this form must sign and date it, initial each page attached to it, and it must be filed with the Auglaize County Clerk of Courts, Auglaize County Courthouse, 201 South Willipie Street, Room 043, P.O. Box 409, Wapakoneta, OH 45895, whose hours are: Monday thru Friday, 8 a.m. until 4:30 p.m. A proof of claim is deemed filed only when received and file-stamped by the Clerk.

A person who submits a fraudulent claim may be subject to prosecution for such fraud or attempt under the appropriate criminal code sections. Such person may also be subject to punishment for contempt of court of up to 10 days in jail and up to \$500 fine, or both.

I hereby certify that the undersigned is the:

creditor; creditor's attorney; creditor's authorized agent; (check one)

and I understand that my signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt. I certify that I have examined the information in this Proof of Claim and attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct, at Columbus
Ohio, this 23rd day of October, 2018.

(X)

(Signature is mandatory)

Print the name of the person who is completing and signing this claim:

Full Name: Maion H. Little, Jr., Esq.

Title: Partner

Company: Zeiger, Tigges & Little, LLP

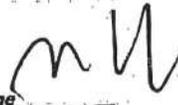
Address: 41 S. High Street, Suite 3500

Columbus, OH 43215

Contact Phone: (614) 365-9900

Email: little@litohio.com

3

Initial each page 

VOL 187 PAGE 2055

PM0003

EXHIBIT A

Paul Mastronardi submitted \$1,210,000.00 in capital to Golden Fresh Farms Enterprises, L.P. Copies of the financial statements reflecting this contribution are attached hereto.

A handwritten signature in black ink, appearing to be 'PM' or similar initials, located in the bottom right corner of the page.

PM0004

Golden Fresh Farms Enterprises LP

Comparative Balance Sheet

	As at 06/30/17	As at 03/31/17	Percent
ASSET			
CURRENT ASSETS			
Bank CDN	8,011.02	-41,423.07	-119.34
Bank US\$ Account (Leamington)	995.05	-218.56	-666.28
Bank US\$ Account	-1,640,177.35	-1,646,515.33	-16.74
Bank Euro Account	940.30	942.83	-0.27
Accounts Receivable	607,148.28	288,105.83	128.16
Prepaid Expenses	58,284.74	325,167.82	-82.76
Prepaid Orders	7,000.00	0.00	0.00
TOTAL CURRENT ASSETS	-959,817.98	-1,394,940.38	-31.19
Fixed Assets			
New Greenhouses (Can. funds)	290,602.77	293,373.71	-0.94
New Greenhouses (US\$ funds)	20,783,022.82	20,783,022.82	0.00
Warehouse	1,881,435.00	1,881,435.00	0.00
Land	1,219,384.50	1,219,384.50	0.00
Pecking Line-Euros	877,476.56	581,410.65	16.62
House	278,160.50	278,417.50	-0.09
Machinery & Equipment (CDN)	97,627.80	87,221.42	11.83
Machinery and Equipment (US\$)	688,967.91	572,650.41	19.98
Furniture/Fixtures (US\$)	97,350.39	-18,880.00	-613.45
Network and Comm. Equip. (US\$)	39,571.37	35,210.48	12.37
Automobiles-US\$	2,500.00	2,500.00	0.00
Network and Comm. Equip. CDNS	31,887.37	6,853.73	365.26
Furniture and Fixtures-CDNS	112,255.80	98,191.93	14.32
Office Equip/Computers (CDNS)	9,779.23	7,837.69	23.20
Bunkhouse	131,379.00	131,379.00	0.00
Land Improvements	26,473.00	0.00	0.00
Total Fixed Assets	28,463,873.58	28,058,033.64	1.68
Acc. Deprn-Computers	-4,500.00	-4,500.00	0.00
Accum. Depreciation-Office Furn	-6,114.00	-6,114.00	0.00
Total Accumulated Depreciation	-10,614.00	-10,614.00	0.00
Total Assets	28,453,259.58	28,047,419.64	1.56
TOTAL ASSET	25,493,441.62	24,652,479.26	3.41
LIABILITY			
CURRENT LIABILITIES			
Accounts Payable	2,113,812.49	2,453,758.12	-13.85
Accounts Payable - Year End	42,000.00	-241,848.34	-117.36
Accounts Payable - foreign exchange	-333,287.17	0.00	0.00
MCD Payable - Luis	488.14	0.00	0.00
MCD Payable - Paul	911.18	0.00	0.00
MCD Payable - Kylie	3,113.27	0.00	0.00
MCD Payable - Jackie	2,344.72	0.00	0.00
Total MCD Payable	8,855.31	0.00	0.00
Income Tax Payable	-84.90	0.00	0.00
Ohio Income Tax Payable	-15.86	0.00	0.00
Wapakoneta LIT Payable	-6.70	0.00	0.00
Wapakoneta City LIT	-5.03	0.00	0.00
Payroll Deductions Payable	-112.58	0.00	0.00
Get Paid On Purchases	-13,148.63	0.00	0.00
Loan - Jam D Int. (Warehouse)	1,981,835.00	1,981,835.00	0.00
Greenhouse Loan (2018)	18,073,952.00	17,888,435.58	1.04
Deferred finance costs	-71,750.00	-71,750.00	0.00
Lease Equipment Loan	881,228.95	0.00	0.00
Capital Lease - Steelcase Financial	82,078.70	0.00	0.00
Equipment Loan	0.00	400,000.00	-100.00
Loan-Golden Acre Farms (CDNS)	4,208.18	313.44	1,242.58
Loan-Golden Acre Farms (CDNS) - FX	0.00	-78.38	-100.00
Loan-Golden Acre Farms (US\$)	636.10	636.10	0.00
Loan - Jam D International (US\$)	140,000.00	140,000.00	0.00
Investment Due - 1797540 Ontario Inc.	0.00	1,210,000.00	-100.00

Printed On: 07/31/17

m 1/2

PM0005

Golden Fresh Farms Enterprises LP

Comparative Balance Sheet

	As at 06/30/17	As at 03/31/17	Percent
Investment Due-Jem Farms (US\$)	0.00	1,210,000.00	-100.00
Loan Payable - Ollie Mastronardi-US	1,580,000.00	1,580,000.00	0.00
Shareholder - Louis Chlante	-18,344.74	-5,000.00	-266.89
Shareholder - Paul Mastronardi	-7,788.24	-5,000.00	55.72
TOTAL CURRENT LIABILITIES	24,571,094.17	26,541,102.65	-7.42
TOTAL LIABILITY	24,571,094.17	26,541,102.65	-7.42
EQUITY			
EARNINGS			
Capital Contributions - 1797649 Orl	1,210,000.00	0.00	0.00
Capital Contributions- PMastronardi	1,210,000.00	0.00	0.00
Partners Equity Surplus (Deficit)	-334,500.32	-334,500.32	0.00
Current Earnings	-1,183,162.23	-1,564,122.97	-25.16
TOTAL EARNINGS	922,347.45	-1,888,623.29	-148.84
TOTAL EQUITY	922,347.45	-1,888,623.29	-148.84
LIABILITIES AND EQUITY	25,493,441.62	24,652,479.28	3.41

Printed On: 07/31/17

mlh

PM0006

Golden Fresh Farms Enterprises LP

Balance Sheet As of 08/31/17

ASSET

CURRENT ASSETS		
Bank-CDN		5,397.98
Bank-US\$ Account(Leamington)		906.81
Bank-US\$ Account		-1,979,129.42
Bank-Euro Account		25,936.72
Accounts Receivable		229,356.88
Advances Receivable		0.00
Prepaid Expenses		67,737.50
Prepaid Oyers		44,488.38
Prepaid Deposits		0.00
TOTAL CURRENT ASSETS:		-1,614,105.34
Fixed Assets		
New Greenhouses-(Cdn.funds)	390,877.07	
New Greenhouses-(US\$Funds)	21,423,743.63	
Warehouse	1,881,435.00	
Land	1,219,384.60	
Packing Line-Euros	622,829.95	
House	276,036.16	
Machinery & Equipment (CDN)	138,631.13	
Machinery and Equipment(US\$)	713,694.64	
Furniture/Fixtures-(US\$)	118,129.85	
Network and Comm. Equip-(US\$)	163,855.87	
Automobiles-US\$	2,500.00	
Network and Comm. Equip-CDNS	42,890.31	
Furniture and Fixtures-CDNS	141,750.84	
Office Equip/Computers(CDNS)	26,067.68	
Bunkhouses	188,378.00	
Land Improvements	64,732.85	
Total Fixed Assets		27,510,938.47
Acc.Deprn-Computers	-4,500.00	
Accum. Depreciation-Office Furn	-8,114.00	
Total Accumulated Depreciation		-10,614.00
Total Assets		27,600,324.47
TOTAL ASSET:		25,886,219.13

LIABILITY

CURRENT LIABILITIES		
Accounts Payable		1,676,476.81
Accounts Payable - Year End		36,294.63
Accounts Payable - foreign exch...		-333,267.17
Vacation Payable		0.00
MCD Payable - Luie	2,187.43	
MCD Payable - Paul	804.11	
MCD Payable - Kylla	950.59	
MCD Payable - Jackie	2,604.66	
Total MCD Payable		6,686.78
El Payable	-11.07	
Social Security Payable	0.00	
Income Tax Payable	0.00	
Medicare Payable	0.00	
Ohio Income Tax Payable	0.00	
Ohio State El Payable	-165.97	
Wapakoneta LIT Payable	0.00	
Wapakoneta City LIT	0.00	
Payroll Deductions Payable		-177.04
Advances Payable		0.00
Child Support Payable		0.00
Get Paid On Purchases		-117.72
Loan-Jam D. InL (Warehouse)		1,861,835.00

Printed On: 10/26/17

PM0007

Golden Fresh Farms Enterprises LP

Balance Sheet As at 08/31/17

Revolver Line of Credit	0.00
Greenhouse Loan (2016)	18,840,852.00
Deferred finance costs	-71,750.00
Lease Equipment Loan	-1,267,953.15
Capital Lease - Steedcase Financ...	84,676.42
Equipment Loan	0.00
Loan-Golden Acre Farms(CDN\$)	19,165.75
Loan-Golden Acre Farms(CDN\$)...	-76,640.00
Loan-Golden Acre Farms(US\$)	535.10
Loan-Jam Farms	0.00
Loan-Jam D International(US\$)	140,000.00
Loan-Ollie Mastronardi(CDN\$)	0.00
Investment Due-Golden Acres(C...	0.00
Investment Due-Golden Acres(U...	0.00
Investment Due -1787540 Ontari...	0.00
Investment Due-Jam farms(Cdn)	0.00
Investment Due-Jam farms(US\$)	0.00
Investment-Ollie Mastronardi(Cd...	0.00
Loan Payable - Ollie Mastronardi...	1,580,000.00
Partner draws - Louis Chesnie	-32,209.74
Partner draws - Paul Mastronardi	-4,898.60
TOTAL CURRENT LIABILITIES	<u>25,113,995.39</u>
TOTAL LIABILITY	<u>25,113,995.39</u>
EQUITY	
EARNINGS	
Capital Contributions - 1797540 ...	1,210,000.00
Capital Contributions- PMastrona...	1,210,000.00
Partners Equity Surplus (Deficit)	-394,600.32
Current Earnings	-1,313,276.89
TOTAL EARNINGS	<u>772,223.79</u>
TOTAL EQUITY	<u>772,223.74</u>
LIABILITIES AND EQUITY	<u>25,886,219.13</u>

Printed On 10/20/17

Milk

PM0008

Golden Fresh Farms Enterprises LP

Income Statement 01/01/17 to 03/31/17

REVENUE

REVENUE		
Sales-Tomato Clusters	1,428,488.15	
Sales-Beefsteak Tomatoes	2,058,129.90	
Sales-Cocktail Tomatoes	673,003.80	
Total Tomato Sales		4,169,621.85
Sales-Greenhouse Peppers		1,438.06
Interest Income		0.02
Adjustment Income		0.00
Exchange on US\$ Currency		489,258.81
Realized Foreign Exchange		157,318.64
TOTAL REVENUE		4,817,636.08
TOTAL REVENUE		4,817,636.08

EXPENSE

COGS		
Packing Charges	251,095.87	
Packing Charges-CDNS	305,609.87	
Packing -Wages	385,391.45	
Total Packing		942,097.09
Small Tools		10,941.10
Greenhouse Supply (CAD)		956.54
Greenhouse Supplies		145,658.37
Rockwool Slabs and Cubes		78,525.12
Seeds and Plants		711,060.81
Fertilizers		130,188.39
Chemicals-US\$		144,833.38
Chemicals-CDNS		25,005.98
Tomato Clips and Hooks		137,642.49
Propane-US\$		2,150.70
Pollination Expenses-US\$		84,389.64
Biological Expenses-US\$		78,495.75
Water and Soil Test-US\$		278.39
Seeds & Plants - Peppers		825.00
Insurance		77,425.73
Title Insurance(GDNS)		13,543.20
Gas-Farm		310,101.83
Hydro-Farm		390,847.15
Water-Farm		81,724.11
Freight		10,911.44
Licenses		3,077.47
Office Supplies		11,708.52
Telephone Expense		8,300.79
Cellular Phone Expense		2,089.72
Bank Charges-CDNS		76.50
Interest-CDNS		310.98
Interest-US\$		102,327.68
Bank Charges-US\$		5,553.03
Mortgage Interest-US\$		438,073.70
Transfer Fees-Euro\$		85.50
Advertising and Promotion		63,871.47
Donations		500.00
Guaranteed Payments- Paul M.		5,000.00
Guaranteed Payments- Luis C.		0.00
Consulting Fees		58,840.75
Wages - Administrative		150,499.89
Custom and Contract Work		87,349.33
Wages Expense		1,159,038.50
EI Expense		2,482.32
Social Security Expense		14,037.59
Medicare Expense		3,148.18
Ohio State EI Expense		12,391.07

Printed On: 10/25/17

Mtlc
PM0009

Golden Fresh Farms Enterprises LP

Income Statement 01/01/17 to 08/31/17

Healthcare Expense	39,649.40
Offshore Expenses	58,736.42
Uniforms	9,289.04
Workers Compensation Expense	22,218.65
Employee Benefits	1,622.59
Training	1,716.00
Travel Costs-US\$	6,895.68
Travel and Entertainment-CDNS	13,534.78
Meals-CDNS	2,218.96
Gas&Oil-Automotive-CDNS	210.01
Leasing Costs(US\$)	23,223.24
Meals-US\$	15,081.44
Travel and Entertainment-US\$	27,158.91
Gas & Auto-Automotive-US\$	2,419.39
Accounting and Legal	174,903.32
ADP Payroll fees	2,603.78
Rent-US\$	25,388.07
Property Taxes	4,180.88
Commercial Activity Tax	78.00
Sales Tax paid	1,489.30
Utilities - House	1,926.72
Repairs and Maintenance-Bldgs(US\$)	177,433.42
Repairs and Maint.-Bldgs-(CDNS)	18,690.23
Repairs&Maintenance-Equip. (CDNS)	6,442.64
Repairs & Maintenance - Equip.	12,623.63
Amortization	0.00
TOTAL EXPENSES	<u>6,130,912.02</u>
TOTAL EXPENSE	<u>6,130,912.02</u>
NET INCOME	<u>1,313,275.94</u>

Printed On: 10/25/17



PM0010



Pricing

Total investment for scope as described above.....\$19,370,102.00USD

INCLUDED
SHARE 9,685,051
TOM
SHARE 9,685,051

19,600 ACRES

9,685,051
LESS
DEPOSIT - 500,000
APR 25
LESS
DEPOSIT
MAY 12 - 710,000
8475,051

GRAND
TOTAL \$22,500,000.00

MITH

EXHIBIT B

Paul Mastronardi has paid the following attorneys' fees as court costs pursuant to multiple orders of the Court.

Due Date	Payment Amount
11/29/2017	\$32,436.75
12/21/2017	\$15,633.33
05/11/2018	\$63,007.43
06/13/2018	\$47,699.75
08/06/2018	\$41,814.05
10/05/18	\$40,568.64
10/17/18	\$26,869.55
TOTAL	\$268,029.50

The payment of the foregoing is reflected in the docket of the Clerk of Court, a copy of which is attached hereto.

Applicant submits that these amounts should be treated as administrative expenses charged against the receivership estates pursuant to Section 2735.04 of the Ohio Revised Code.

773782

AM

PM0014

2017 CV 0144 MASTRONARDI, INDIVID. & DERIVATIVELY BEHALF GOLDEN, PAUL vs. CHIBANTE, LUIS et al FDP

Case Type: CIVIL
 Case Status: Open
 File Date: 09/22/2017
 DCM Track:
 Action: OTHER CIVIL
 Status Date: 09/22/2017
 Case Judge: PEPPL, FREDERICK D
 Next Event: 10/29/2018

All Information Party Event Docket Financial Checks Receipt

Receipts			
Receipt Number	Receipt Date	Received From	Payment Amount
143287	09/22/2017	ZEIGER, TIGGES & LITTLE LLP	\$225.00
143574	10/10/2017	FROST BROWN TODD LLC	\$175.00
144185	11/06/2017	DINSMORE & SHOHL LLP	\$175.00
144574	11/30/2017	ZEIGER, TIGGES & LITTLE LLP	\$32,436.75
144813	12/01/2017	KEATING MUETHING & KLEKAMP, P.L.L.	\$32,436.75
144695	12/05/2017	ZEIGER, TIGGES & LITTLE LLP	\$32,589.75
144898	12/05/2017	ZEIGER, TIGGES & LITTLE LLP	(\$32,589.75)
144697	12/05/2017	ZIEGER, TIGGES, & LITTLE LLP	\$32,436.75
144898	12/05/2017	KEATING MUETHING & KLEKAMP PLL	\$32,436.75
144752	12/08/2017	KEATING, MUETHING & KLEKAMP PLL	\$175.00
145072	12/21/2017	ZEIGER, TIGGES, & LITTLE LLP	\$15,833.33
145087	12/22/2017	KEATING, MUETHING, & KLEKAMP, P.L.L.	\$15,833.34
145350	01/10/2018	ZIEGER, TIGGES & LITTLE LLP	\$16,833.33
145351	01/10/2018	KEATING, MUETHING & KLEKAMP, P.L.L.	\$15,833.34
148135	05/11/2018	ZEIGER TIGGES & LITTLE LLP	\$63,007.43
148398	05/23/2018	ZEIGER TIGGES & LITTLE LLP	\$63,007.43
148401	05/23/2018	LOUIS CHIBANTE	\$63,007.43
148478	05/31/2018	LOUIS CHIBANTE	\$63,007.43
148717	06/12/2018	ZEIGER, TIGGES & LITTLE LLP	\$47,699.75
148930	06/20/2018	ZIEGER, TIGGES & LITTLE, LLP	\$47,699.75
149020	06/25/2018	LUIS CHIBANTE	\$47,699.76
149263	07/09/2018	LUIS CHIBANTE	\$47,699.76
149295	07/11/2018	FAULKNER, GARMHAUSEN, KEISTER & SHENK	\$7,496,573.82
149649	07/30/2018	LOUIS CHIBANTE	\$41,814.05
149796	08/06/2018	ZEIGER TIGGES & LITTLE LLP	\$41,814.05
149939	08/13/2018	APPLIED DEPOSIT	\$41,814.05
149940	08/13/2018	ZEIGER TIGGES & LITTLE LLP	\$41,814.05
150172	08/22/2018	FAULKNER GARMHAUSEN KEISTER & SHENK	\$1,167.00
150223	08/27/2018	APPLIED DEPOSIT	\$1,167.00
151017	10/05/2018	ZEIGER TIGGES & LITTLE LLP	\$40,568.64
151142	10/12/2018	ZEIGER TIGGES & LITTLE LLP	\$40,568.64
			\$8,477,468.12

PM0015 *mll*

10/22/2018

CourtView Justice Solutions

Receipt Number	Receipt Date	Received From	Payment Amount
151232	10/17/2018	LUIS CHIBANTE	\$40,568.64
151242	10/17/2018	ZEIGER TIGGES & LITTLE LLP	\$26,869.55
151280	10/19/2018	LOUIS CHIBANTE	\$26,869.55
			\$8,477,468.12



FACSIMILE FILING COVER PAGE

RECIPIENT INFORMATION:

NAME OF COURT: Court of Common Pleas, Auglaize County, Ohio, Civil Division

FAX NUMBER: (419) 739-6768

SENDING PARTY INFORMATION:

NAME: Marion H. Little, Jr.

SUPREME COURT REGISTRATION NO.: (0079829)

OFFICE/FIRM: Zeiger, Tigges & Little LLP

ADDRESS: 41 S. High Street, Suite 3500, Columbus, OH 43215

TELEPHONE NUMBER: (614) 365-9900

FAX NUMBER: (614) 365-7900

E-MAIL ADDRESS: little@litoio.com

CASE INFORMATION:

TITLE OF CASE: Paul Mastronardi v. Luis Chibante, et al.

CASE NUMBER: 2017-CV-144

TITLE OF THE DOCUMENT: MOTION OF PLAINTIFF PAUL MASTRONARDI FOR LEAVE TO FILE AMENDED PROOF OF CLAIM

JUDGE: Frederick D. People

FILING INFORMATION:

DATE OF FAX TRANSMISSION: October 23, 2018

NUMBER OF PAGES (including this page): 24

A red handwritten mark, possibly a signature or initials, is located in the bottom right corner of the page.