



Salter
McGowan
Sylvia &
Leonard

RECEIVED
R.I. DEPT. OF STATE
BUS SVCS DIV

2020 JUL 8 AM 9:09
MATTHEW J. MCGOWAN
mmcgowan@smsllaw.com

July 2, 2020

188255

To: Creditors And Other Parties In Interest
Re: The Bard Group, LLC; C.A. No.: NC-2019-0246

On June 9, 2020, the Rhode Island Superior Court, sitting in Newport County (the "Court"), entered an Order (copy enclosed) appointing the undersigned as Temporary Receiver of The Bard Group, LLC ("Bard Group"). Bard Group is the owner of nine (9) commercial and residential condominiums at 10 Brown & Howard Wharf and one finished and furnished residential unit at 26 Brown & Howard Wharf in Newport Rhode Island.

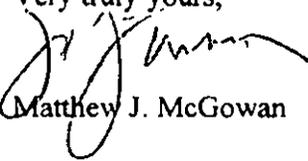
As Receiver, I have been appointed to represent the interests of all creditors and other parties in interest. Preliminarily, I intend to retain an appraiser to determine the value of the condominiums in their current state, including those that are unfinished, and to engage a construction expert to provide a reliable estimate of the costs to complete the unfinished condominium units that are unfinished. After that, I intend to file papers with the Court with recommendations and proposed actions.

Please note that, as set forth in paragraph 7 of the enclosed Order Appointing Temporary Receiver, all creditors are enjoined and stayed from taking any action to enforce their claims against Bard Group or its assets.

In order that your interests are considered and to ensure that you receive notice of court filings in this proceeding, I am enclosing a Proof of Claim form, which I suggest that you complete, execute before a Notary Public, and return to me at the earliest possible date. The Court has scheduled a hearing on continuation of the undersigned as Permanent Receiver for July 27, 2020 at 9:30 a.m. You are welcome but not required to attend that hearing. It is expected that such a hearing will be conducted remotely via the Court's WebEx protocols. A firm "bar date" for the filing of proofs of claims will be set at that hearing, and notice of that will be provided to you.

If you have any questions or need any further information at this time, please contact me, attorney Patricia Antonelli (pantonelli@smsllaw.com) of this office, or our paralegal, Amanda Carlow (acarlow@smsllaw.com). Thank you.

Very truly yours,


Matthew J. McGowan

Mjm/ac
Enclosures

RECEIVED
R.I. DEPT. OF STATE
BUS SVCS DIV

OUT-COUNTY BUSINESS CALENDAR

2020 JUL -8 AM 9:09

SUPERIOR COURT

**STATE OF RHODE ISLAND
NEWPORT, SC.**

EPIC ENTERPRISES LLC; KURT
RAUSCHENBACH; KRISTIN
RAUSCHENBACH; and DONNA
MORVILLO, as TRUSTEE of
the DONNA R. MORVILLO
REVOCABLE TRUST,

Petitioners

v.

C.A. No.: NC-2019-0246

10 BROWN & HOWARD WHARF
CONDOMINIUM ASSOCIATION, an
unincorporated association whose
members include Petitioners and THE
BARD GROUP, LLC, by and through
JOHANNES ERSKINE FLOE and
LONNIE SOUSA, President and Vice
President, respectively, of the Association

Respondent

ORDER APPOINTING TEMPORARY RECEIVER

This cause came on to be heard on May 29, 2020, Justice Licht presiding, upon the Petitioner's motion for appointment of a receiver, and upon consideration thereof, the objection thereto and arguments of counsel, and for the reasons expressed by the Court on the record at such hearing and other good cause shown, it is hereby:

ORDERED, ADJUDGED and DECREED that:

1. For the purposes of this Order, wherever the word "respondent" is used, that term shall mean The Bard Group, LLC.
2. Matthew J. McGowan, Esq., of Providence, Rhode Island, be and is hereby appointed Temporary Receiver ("Receiver") of the respondent.
3. Said Receiver shall, no later than five days from the date hereof, file a bond in the sum of \$10,000.00 with any surety company authorized to do business in the State of Rhode Island as surety thereon, conditioned that the Receiver will well and truly perform the duties of said office, and duly account for all monies and property which may come into the Receiver's

hands, and abide by and perform all things which the Receiver will be directed to do by this Court.

4. Said Receiver is authorized to take possession and charge of the property and assets of the respondent, to collect the debts and property belonging to it, and to preserve the same until further order of this Court.

5. Said Receiver is authorized until further order of this Court, in the Receiver's discretion and as said Receiver deems appropriate and advisable, to conduct the business of said respondent, to borrow money from time to time, to purchase for cash or upon credit, merchandise, materials and other property, to engage appraisers and/or employees and assistants, clerical or otherwise, and to do and perform or cause to be done and performed all other acts and things as are appropriate in the premises.

6. Pursuant to and in compliance with Rhode Island Supreme Court Executive Order No. 95-01, this Court finds that the designation of the afore-described person for appointment as Receiver herein is warranted and required because of the Receiver's specialized expertise and experience in operating businesses in receivership, and in administering non-routine receiverships which involve unusual or complex legal, financial, or business issues.

7. Except as provided in paragraph 8 below, that the commencement, prosecution or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law or in equity, or under any statute, or otherwise, against respondent or any of its property, in any court, agency, tribunal or elsewhere, or before any arbitrator, or otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said respondent, or the taking or attempting to take into possession any property in the possession of the respondent or of which the respondent has the right to possession, or the cancellation at any time during the receivership proceeding herein of any insurance policy, lease or other contract with respondent, by any of such parties as aforesaid, other than the Receiver designated as aforesaid, or the termination of telephone, electric, gas or other utility service to respondent, by any public utility, without prior approval thereof from this Court, in which connection said Receiver shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further order of this Court.

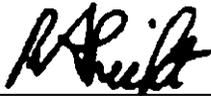
8. That the foregoing paragraph does not stay the exercise of rights of a party to a swap agreement, securities contract, repurchase agreement, commodity contract, forward contract or master netting agreement, as those terms are defined in the federal Bankruptcy Code, to the extent that a court would not have the power to stay the exercise if respondent were a debtor under the Bankruptcy Code.

9. A citation be issued to said respondent, returnable to the Superior Court sitting at Kent County (on the out-county Business Calendar conducted from Kent County), on July 27, 2020 at 9:30 A.M., at which time and place this cause is set down for hearing on the prayer for the appointment of a permanent receiver; that the clerk of this

Court shall give notice of the pendency of the petition herein by publishing a copy of the annexed receivership notice once in The Providence Journal on or before June 27, 2020, so long as the Receiver's bond has been filed, and the Receiver shall give further notice by mailing, on or before July 7, 2020, a copy of this Order Appointing Temporary Receiver to each of respondent's creditors and members whose addresses are known or may become known to the Receiver.

10. This Order is entered by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

Enter:



Richard A. Light, Associate Justice

Associate Justice

Dated: June 9, 2020

Per Order:



Michael C. Rampone

Clerk
Deputy Clerk

Dated: June 9, 2020

Presented by

/s/ Matthew J. McGowan, Esq.
Matthew J. McGowan, Esq. (Bar No. 2770)
Salter McGowan Sylvia & Leonard, Inc.
56 Exchange Terrace, Suite 500
Providence, RI 02903
401.274.0300
m.mcgowan@smsslaw.com