



**NOTICE REGARDING STATUS OF BANKRUPTCY AND RELATED PROCEEDINGS AND OF  
DISTRIBUTION TO BONDHOLDERS**  
**(NOTICE #17)**

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF MOBERLY, MISSOURI ANNUAL APPROPRIATION  
CAPITAL PROJECT BONDS  
(PROJECT SUGAR)  
SERIES 2010-A, SERIES 2010-B AND SERIES 2010-C (THE "BONDS")

\*CUSIPS: 607010AB1, 607010AC9, 607010AD7  
60701AE5, 607010AG9, 607010AF2 AND 607010AH8

**Please forward this Notice to beneficial holders (the "Bondholders").**

UMB Bank, n.a., serves as Trustee ("Trustee") for the holders of the above-referenced Bonds pursuant to that certain Indenture of Trust dated as of July 1, 2010 (the "Indenture") between The Industrial Development Authority of the City of Moberly, Missouri (the "Authority"), the City of Moberly, Missouri (the "City") and the Trustee. The Bonds are secured by, among other obligations, that certain Financing Agreement dated July 1, 2010 (the "Financing Agreement") between the Authority and the City, a Security Agreement dated as of July 1, 2010 (the "Security Agreement") between the City and the Trustee, a First Deed of Trust dated July 1, 2010 (the "Deed of Trust") between the City, the Mortgage Trustee and the Trustee, and an Assignment of Agreement dated as of July 1, 2010 (the "Security Assignment") between the City and the Trustee. The Indenture, Financing Agreement, Security Agreement, Deed of Trust, Security Assignment and other documents evidencing the Bonds and/or obligations associated with the Bonds are described herein as the "Bond Documents". All assets and property of the City, Authority or Mamtek U.S., Inc. ("Mamtek") in which the Trustee maintains any interest are referred to as the "Mamtek Assets."

**A. STATUS OF BANKRUPTCY AND RELATED PROCEEDINGS**

The following summary is meant to inform Bondholders about the status of proceedings in the Bankruptcy Court and other proceedings. The Notice does not include Bondholder litigation in which the Trustee is not a party:

1. The Bankruptcy Proceedings

The Bankruptcy Trustee recently filed a notice indicating that the bankruptcy estate currently holds \$1,331,221.91. Of that amount, \$907,027.36 consists of proceeds from the sale of Bruce and Nanette Coles' house, in which there continues to be a dispute with the Bankruptcy Trustee. Among other things, the Coles assert a right to certain of the proceeds to pay their taxes on the sale of the house. The Bankruptcy Trustee has denied any obligation to pay the Coles' taxes. The funds held by the Bankruptcy Trustee include avoidance claim recoveries against Alissa Roston and the Perkins Coie Law Firm. There are several avoidance claim settlements currently being processed by the Bankruptcy Trustee. These should be concluded shortly, but are not

anticipated to bring substantial additional funds into the estate. Any distribution in the bankruptcy case will not be made until the case (including the litigation described below) is fully administered, at which time there will also be fees and expenses to which the Bankruptcy Trustee and his counsel may be entitled.

2. Litigation Against Mamtek's Former Counsel

The Bankruptcy Trustee filed a lawsuit against former counsel to Mamtek, Steven Peden, and several law firms in which he was associated. This case, *Strauss v. Peden, et al.*, Case No. 14-02001, is currently pending in the United States District Court for the Western District of Missouri. It is set for trial on February 26, 2016. Dispositive motions were filed by the law firms in March of 2015 which have not yet been ruled upon. The parties engaged in mediation during the week of August 10, 2015, which was not successful. Either settlement or success in the litigation if it goes to trial is uncertain, but it is unlikely this litigation will be resolved for a considerable period of time.

3. Mamtek Real Property

The Mamtek real property has been sold. Currently the amount of \$585,990.96 is being held by the state court in Randolph County, Missouri, pending further proceedings. The dispute which will require resolution absent settlement is whether the Trustee is entitled to the proceeds, or mechanics' lien holders that are owed millions of dollars. If the parties are unable to settle, they will be required to litigate priority in state court.

**B. DISTRIBUTION TO BONDHOLDERS**

Not including the above amounts which cannot at this time be distributed, the Trustee is currently holding approximately \$643,670.49. The Trustee has determined that the cash on hand exceeds the amount needed to conclude its role on the outstanding matters set forth above. As a result, on August 25, 2015 the Trustee will make a distribution in the amount of \$500,000 to holders of record on August 24, 2015. The details of the distribution are as follows:

Series	Maturity	CUSIP No.	Total Amount of Distribution	Interest Distribution per \$1,000	Principal Distribution per \$1000	Amount of The Distribution/ \$1,000 in Par Principal Amount of the Bonds (Factor)
Series A	9/1/2012	607010AB1	\$ 29,153.96	1.5287	11.8446	13.3734
Series A	9/1/2013	607010AC9	\$ 29,608.41	1.7372	11.8446	13.5818
Series A	9/1/2014	607010AD7	\$ 26,245.59	1.9688	11.8446	13.8135
Series B	9/1/2025	607010AE5	\$ 14,044.02	0.2929	4.3498	4.6427
Series C	9/1/2020	607010AG0	\$ 35,691.82	2.4321	11.8446	14.2767
Series C	9/1/2024	607010AF2	\$ 329,921.29	2.7795	11.8446	14.6242
Series C	9/1/2024	607010AH8	\$ 35,334.90	2.4321	11.8446	14.2767

**C. RETENTION OF COUNSEL**

The Trustee has retained the law firm of Spencer Fane Britt & Browne LLP and specifically Norman Fretwell, Scott Goldstein, Doug Weems, Lisa Epps and Adam LaBoda of that firm to assist it in matters relevant to the Bonds.

**D. UNOFFICIAL BONDHOLDERS' COMMITTEE**

Certain institutional Bondholders have joined an unofficial committee which may receive confidential information and participate in strategy discussions and negotiations along with the Trustee and its counsel. Bondholders participating in such group could be restricted in their ability to trade their Bonds for at least some period of time. The Trustee invites additional holders to join this committee. Any Bondholders interested in joining this committee are asked to contact the Trustee.

**E. ADDITIONAL INFORMATION**

The Trustee intends to issue periodic notices to holders regarding certain matters relevant to the Bonds. Bondholders who wish to receive future notices directly may do so by contacting the Trustee. Holders should not rely on the Trustee as their sole source of information.

Holders with questions regarding this notice should direct them in writing to Mark Flannagan, EVP/Dir Legal & Compliance, Institutional Asset Management, UMB Bank, n.a., 1010 Grand Blvd., 4<sup>th</sup> Floor, Kansas City, Missouri 64106, or by email at mark.flannagan@umb.com. The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. The Trustee makes no recommendations and gives no investment or tax advice.

**UMB Bank, n.a., as Trustee**

**August 19, 2015**

\*The Trustee is not responsible for the selection or use of these CUSIPs. They are included solely for holder convenience.