

**IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF ARKANSAS
JONESBORO DIVISION**

**EXPORT IMPORT BANK OF
THE UNITED STATES**

PLAINTIFF

V.

CASE NO. 3:09CV00022 SWW

**THEODORE M. JENNEY and
STANLEY J. CHIRAS**

DEFENDANTS

DEFAULT JUDGMENT

Pending before the Court is the application of the plaintiff, United States of America, for default judgment against defendants Theodore M. Jenney and Stanley J. Chiras. Said defendants, after having been properly served, are in default. It is therefore, ORDERED, DECREED AND ADJUDGED:

1. The Court has jurisdiction over the parties and over the Notes which are the subject of this cause of action.
2. Defendant Stanley J. Chiras is a citizen of the State of Florida who conducts business at 301 Wyanoke Road, West Memphis, Arkansas.
3. Defendant Theodore M. Jenney is a citizen of the State of New York who conducts business at 301 Wyanoke Road, West Memphis, Arkansas.
4. On or about September 27, 2002, Diaz Intermediates Corporation (the "Borrower") entered into a loan agreement with Bank of America, N.A. as lender dated September 27, 2002, for an amount of two million dollars (\$2,000,000.00) (said Loan agreement was amended on the "Loan" October 14, 2005 on).
5. The Loan was evidenced by a promissory note made payable to Bank of America in the amount of two million dollars (\$2,000,000.00), dated September 27, 2002,

amended on September 22, 2004, and further amended on September 15, 2005 (together, the “Notes”).

6. On or about September 27, 2002, each Defendant executed a personal guarantee irrevocably and unconditionally guaranteeing the Notes.

7. Under the terms of the Guaranties, each Defendant is liable for up to 50% of the total Indebtedness (as defined in the Guaranties). Additionally, under the terms of the Guaranties, each Defendant is liable for payment of all accrued and unpaid interest, costs and expenses.

8. The Borrower subsequently defaulted on the Loan and Bank of America filed a claim pursuant to the Ex-Im Bank Guarantee. The claim was approved by Ex-Im Bank in the amount of \$1,831,504.22 on October 9, 2007 and on November 7, 2007.

9. By Assignment dated October 29, 2007, Bank of America assigned to Ex-Im Bank “all of its right, title and interest” in the Loan and Notes.

10. Defendants Theodore M. Jenney and Stanley J. Chiras are in default on their obligation to plaintiff and are indebted to the United States of America, Export Import Bank, in the total principal sum of \$1,648,353.80, on the Notes plus interest, accrued to January 31, 2009, of \$133,114.94, and thereafter at the daily rate of \$11.83, plus the costs of this action, and recoverable charges made during the pendency of this action. Per the terms of the Guaranties, each Defendant is to pay \$824,176.90, which represents half of the principal amount, in addition to interest, fees and costs and any reasonable charges.

11. The Court retains jurisdiction of this cause for the making of such further orders as may be necessary to effectuate this judgment.

DATED this 28th day of May, 2009.

/s/Susan Webber Wright
UNITED STATES DISTRICT JUDGE

Approved:

/s/ Gwendolyn D. Hodge.

Gwendolyn D. Hodge.
Assistant U.S. Attorney
Attorney for Plaintiff