

Judge to Appoint 'Master' to Oversee Mamtek Suit

JEFFERSON CITY, Mo. (AP) — A Cole County judge will appoint a special master to oversee a lawsuit stemming from the collapse of a proposed artificial sweetener plant in Moberly.

Judge Patricia Joyce said after a hearing Monday that she did not have time for the work required to keep the complex Mamtek case on track for trial early next year. A special master is a lawyer, or often a retired judge, who handles legal and technical issues and advises a judge.

"You are going to need someone to herd you all in the right direction," Joyce said.

The city of Moberly and its industrial development agency agreed to issue \$39 million in bonds in July 2010 to finance construction of the Mamtek plant, which was expected to create 600 jobs. The project collapsed, causing damage to Moberly's credit rating. Mamtek is in involuntary bankruptcy, and its former CEO, Bruce Cole, is facing criminal charges.

Monday's hearing involved a lawsuit pitting Shelter Insurance Co. against the banking firm Morgan Keegan, which was the bond underwriter on the project.

Shelter Insurance bought \$5.6 million in bonds for the project and the Kansas investment firm of Wadell & Reed purchased \$8.5 million. They allege in the lawsuit that the Mamtek project was sold on misleading information, which should have been discovered by Morgan Keegan, [The Columbia Daily Tribune](#) [1] reported.

Joyce ruled Monday only on minor aspects of the case.

Information from: Columbia Daily Tribune, <http://www.columbiatribune.com> [2]

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