

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA
PITTSBURGH DIVISION

ALEX FERRARI,)	Civil Action No. 2:23-CV-01541-CBB
)	
Plaintiff,)	
)	
vs.)	United States Magistrate Judge
)	Christopher B. Brown
MATTHEW FERRARI,)	
)	
Defendant,)	

ORDER REGARDING APPOINTMENT OF SPECIAL MASTER

In the briefing and exhibits for the Motion to Appoint a Receiver (the “Receiver Motion”), the Parties have raised extensive questions that require expert knowledge of business law and accounting. *See* ECF No. 44, 46, 52, 61-62, 67-71. The Court has determined that it requires the expertise of a JD/CPA to address these questions prior to the adjudication of the Receiver Motion and plans to appoint a special master.

The Court has the authority to appoint a special master to “address pretrial and posttrial matters that cannot be effectively and timely addressed by an available district judge or magistrate judge of the district.” Fed. R. Civ. P. 53(a)(1)(C). The Supreme Court has also given federal courts broad authority to appoint a special master, saying that courts have “inherent power to provide themselves with appropriate instruments required for the performance of their duties,” including the authority to “appoint persons unconnected with the court to aid judges in the performance of specific judicial duties.” *In re Peterson*, 253 U.S.

300, 312 (1920). A special master with a relevant expert background may “act as a sounding board for the judge—helping the jurist to educate himself in the jargon and theory disclosed by the testimony and to think through the critical technical problems.” *In re Diet Drugs (Phentermine/Fenfluramine/Dexfenluramine) Prods. Liab. Litig.*, 573 F. App'x 186, 189 (3d Cir. 2014) (quoting *Reilly v. United States*, 863 F.2d 149, 158 (1st Cir. 1988)). *See also Michaelian v. Lawsuit Fin., Inc.*, No. 17-13321, 2018 WL 5603622, at *1 (E.D. Mich. Oct. 30, 2018) (appointing a special master to investigate the financial health and stability of the company to assist in resolving a motion to appoint a receiver); *Curtis v. Brunsting*, No. 4:12- CV-592, 2013 WL 12100751 (S.D. Tex. Apr. 19, 2013) (appointing an accountant to investigate financial records of a trust).

Accordingly, by **March 12, 2026**, the Parties are ORDERED to propose a qualified JD/CPA to serve as the special master and submit the candidate’s CV. The special master should be located within the Greater Pittsburgh, Pennsylvania area and must have a background in accounting and business law and familiarity with receivership law. The parties shall submit their proposal via email to Chambers at eleonora_kaloyeropoulou@pawd.uscourts.gov. Should the Parties not be able to agree on a proposed special master, then each Party shall submit a list of two proposed candidates and their CVs by **March 12, 2026**.

Once appointed, the special master will be asked to submit a report to the Court regarding the following:

- The ability of a minority shareholder to seek the equitable relief of a receiver over a company, where the company is not a full party to the action;
- The current financial health and stability of Ferrari Importing, Inc., including (a) its long-term sustainability and viability and (b) its ability to refinance or repay the Citizens Loan;
- The financial impact, if any, of Defendant Matthew Ferrari's actions as alleged by Plaintiff in the Receiver Motion¹ on (a) the current financial health and stability of Ferrari Importing, Inc., and (b) Plaintiff Alex Ferrari's shareholder dividends or returns from 2024-present;
- Whether, in lieu of a receiver, the alternative solution proposed by Defendant Matthew Ferrari² would sufficiently protect Plaintiff Alex Ferrari's shareholder interests.

By **March 12, 2026**, the Parties may also submit a joint notice to the Court as to any other specific issues they would like the special master to address. This notice should be submitted to Chambers as outlined above. These additional issues must be agreed upon by the Parties; the Court will only entertain a joint notice.

The Court will make a decision as to the special master after it receives the Parties' proposal and will enter an order delineating the special master's responsibilities.

DATED this 25th day of February, 2026.

BY THE COURT:

s/Christopher B. Brown
United States Magistrate Judge

¹ This includes Plaintiff's allegations that Defendant Matthew Ferrari charged personal expenses to Ferrari Importing, Inc., diverted business opportunities, and failed to repay loans including those to family trusts and estates. *See generally*, ECF No. 44.

² *See* ECF No. 46 at 18 ("The Court could fashion a remedy which allows [Ferrari Importing, Inc.] to replace the Citizens debt with a new lender, ensure that no new collateral that has not already been pledged is being pledged, and enter an order prohibiting Matthew using [Ferrari Importing, Inc.] funds for personal expenses").