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9 **UNITED STATES BANKRUPTCY COURT**
 10 **FOR THE DISTRICT OF NEVADA**
 11

12 In re:
 13 Front Sight Management LLC,
 14
 15 Debtor.

Case No. 22-11824-abl
 Chapter 11

Examination Information:

Date: August 2, 2022
 Time: 1:00 p.m.
 Place: Remotely via Zoom (instructions to be
 provided separately)

18
 19 **EX PARTE MOTION FOR ORDER DIRECTING EXAMINATION OF**
 20 **DIANNE MEACHER PURSUANT TO FED. R. BANKR. P. 2004**

21 Front Sight Management LLC, the chapter 11 debtor in possession herein (the “Debtor”),
 22 respectfully moves (the “Motion”) this Court, pursuant to Rule 2004 of the Federal Rules of
 23 Bankruptcy Procedure and Rule 2004 of the Local Rules of Bankruptcy Practice and Procedure for
 24 the United States Bankruptcy Court, District of Nevada, for entry of an order directing Dianne
 25 Meacher (“Ms. Meacher”) to appear for an oral examination on **August 2, 2022 at 1:00 p.m.** to be
 26 conducted remotely via Zoom, instructions to be provided to the examinee separately and to produce
 27 records as set forth in a subpoena to be issued pursuant to Fed. R. Bankr. P. 2016 and Fed. R. Civ. P.
 28

1 45. The requested examination and production date is more than fourteen (14) days from the date of
2 filing this Motion. In support of the Motion, the Debtor represents as follows:

3 **I. JURISDICTION AND VENUE**

4 1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
5 This is a core proceeding pursuant to 28 U.S.C. § 157(b).

6 2. Venue of the Debtor’s chapter 11 case in this District is proper pursuant to 28 U.S.C.
7 §§ 1408 and 1409.

8 3. The statutory basis for the relief sought herein arises from Sections¹ 105(a),
9 Bankruptcy Rule 2004, and Local Rule 2004.

10 **II. RELEVANT PROCEDURAL BACKGROUND**

11 4. On May 24, 2022 (the “Petition Date”), the Debtor filed a voluntary petition for relief
12 under chapter 11 of the Bankruptcy Code.

13 5. The Debtor continues to manage its property as debtor and debtor-in-possession
14 pursuant to Sections 1107(a) and 1108. On June 9, 2022, the United States Trustee for the District
15 of Nevada appointed the Official Committee of Unsecured Creditors (the “Committee”) pursuant to
16 Section 1102 [ECF No. 116]. No request has been made for the appointment of a trustee. On June
17 27, 2022, Las Vegas Development Fund, LLC (“LVDF”) filed a motion to appoint an examiner
18 pursuant to Section 1104 [ECF No. 211], which matter is set for hearing on the omnibus hearing date
19 of July 25, 2022 at 9:30 a.m.

20 **III. RELIEF REQUESTED**

21 1. By this Motion, the Debtor seeks an order authorizing the Rule 2004 examination of
22 Ms. Meacher. Such request is properly made pursuant to Bankruptcy Rule 2004, as the Debtor
23 believes Ms. Meacher has information relevant to the administration of the Debtor’s estate and to
24 properly assess asserted liabilities of the Debtor. Ms. Meacher is a former employee of the Debtor
25

26 ¹ Unless otherwise stated, all references to “Sections” herein shall be to the Bankruptcy Code
27 appearing in Title 11 of the U.S. Code; all references to a “Bankruptcy Rule” shall refer to the
28 Federal Rules of Bankruptcy Procedure; and all references to a “Local Rule” shall refer to the Local
Rules of Bankruptcy Practice for the United States District Court for the District of Nevada.

1 under an employment agreement dated July 7, 2010, as amended by the Supplemental Agreement
2 dated June 1, 2018, and her husband, Michael Meacher, is the former officer and insider of the
3 Debtor. Mr. and Ms. Meacher are parties to a number of agreements with the Debtor – both in their
4 capacity individually and on behalf of Bankgroup Financial Services – including, but not limited to,
5 a Consulting Agreement dated as of July 1, 2010 and a Supplemental Agreement dated as of June 1,
6 2018 (as may have been amended, collectively, the “Agreements”). Under these Agreements, the
7 Debtor appears to have granted Mr. Meacher/Bankgroup Financial Services a security interest in,
8 among other things, “all handguns, shotguns, rifles and machine guns owned by [the Debtor] and
9 accounted for on the [Debtor’s] books” under certain federal firearms licenses. See, ¶ 5 of the July
10 1, 2010 consulting agreement, Exhibit 1 to ECF No. 126. The Debtor is preparing an objection to
11 Mr. Meacher/Bankgroup Financial Services’ claim and wishes to examine Ms. Meacher to properly
12 assess the asserted liability of the Debtor.

13 6. Additionally, the examination cannot proceed under Bankruptcy Rules 7030 or 9014
14 because there is no pending contested matter related to Mr. Meacher/Bankgroup Financial Services’
15 claim.

16 7. Bankruptcy Rule 2004(a) authorizes the Court to order the examination of any entity
17 upon motion by a party in interest. Rule 2004(b) states in pertinent part:

18 The examination of any entity under this rule . . . may relate only to the acts,
19 conduct, or property or to the liabilities and financial condition of the debtors, or to
any matter which may affect the administration of the debtor’s estate

20 Fed. R. Bankr. P. 2004(b). The scope of examination under Bankruptcy Rule 2004 extends to “any
21 matter which may affect administration of the debtor’s estate.” As Collier’s states, quoting *In re*
22 *Table Talk*, 51 B.R. 143, 145 (Bankr. D. Mass. 1985):

23 The scope of Rule 2004 is ‘unfettered and broad’ and the rule itself is ‘peculiar to
24 bankruptcy law and procedure because it affords few of the procedural safeguards
25 that an examination under Rule 26 of the Federal Rules of Civil Procedure does.’
Examinations under Rule 2004 . . . have been compared to a ‘fishing expedition.’

26 8 *Collier on Bankruptcy*, ¶ 2004.04[1], pp. 2004-9, 2004-10 (L. King ed., 15th ed. 1994).

27 8. Furthermore, Local Rule 2004 permits a party to request an order pursuant to Rule
28 2004 by motion and authorizes the Clerk to sign an order for examination if the date set for

1 examination is more than fourteen (14) days from the date the motion is filed. The Rule requires
2 that the motion state whether the examination date has been agreed on, or if there is no agreement,
3 why examination on less than fourteen (14) days' notice is requested. Local Rule 2004(b).

4 9. The Debtor submits that the proposed examination of Ms. Meacher will be made on
5 August 2, 2022, which is more than fourteen (14) days from the date of filing this Motion.
6 Accordingly, the Clerk is authorized to sign an order granting the Debtor's Motion.

7 10. Finally, Local Rule 2004 states that production of documents may not be obtained via
8 an order under Rule 2004, but that such production may be made pursuant to subpoena under
9 Federal Rule of Civil Procedure 45, incorporated into bankruptcy contested matters pursuant to Rule
10 9016. Local Rule 2004(c).

11 11. In connection with the proposed examination of Ms. Meacher, the Debtor requests
12 authorization from the Court to issue a subpoena for the production of documents related to Mr.
13 Meacher/Bankgroup Financial Services' claim against the Debtor.

14 12. In accordance with Local Rule 2004, the Debtor has lodged a proposed order granting
15 this Motion.

16 **IV. CONCLUSION**

17 Based on the foregoing, the Debtor respectfully requests that the Court enter an order
18 granting this Motion, ordering Ms. Meacher to appear for an examination pursuant to Bankruptcy
19 Rule 2004 on **August 2, 2022 at 1:00 p.m.** to be conducted remotely via Zoom, instructions to be
20 provided to the examinee separately and to produce records as set forth in a subpoena to be issued
21 pursuant to Fed. R. Bankr. P. 2016 and Fed. R. Civ. P. 45, and granting to the Debtor such other and
22 further relief that the Court deems just and proper under the circumstances.

23 DATED: July 14, 2022

BG LAW LLP

24 By: /s/Jessica S. Wellington
25 Steven T. Gubner
26 Susan K. Seflin
27 Jessica S. Wellington
28 Attorneys for Chapter 11 Debtor
and Debtor in Possession

CERTIFICATE OF SERVICE

I declare that I am over the age of 18 years and not a party to the within action. I am employed in the County of Los Angeles and my business address is 21650 Oxnard Street, Suite 500, Woodland Hills, California 91367.

On July 14, 2022, I served the following document:

**EX PARTE MOTION FOR ORDER DIRECTING EXAMINATION OF
DIANNE MEACHER PURSUANT TO FED. R. BANKR. P. 2004**

BY ELECTRONIC MAIL

Those designated "[NEF]" on the Court docket were served with the Notice by the Court via Electronic Mail, as follows:

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I declare that I am employed in the office of a member of the bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

Executed July 14, 2022, at Woodland Hills, California.

/s/ Jessica Studley
JESSICA STUDLEY