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Honorable August B. Landis
United States Bankruptcy Judge



Entered on Docket
August 05, 2022

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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

In re:

Front Sight Management LLC,

Debtor.

Case No. 22-11824-abl

Chapter 11

Continued Hearing Date: August 3, 2022

Continued Hearing Time: 3:00 p.m.

**ORDER ESTABLISHING PROCEDURES FOR INTERIM MONTHLY
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR PROFESSIONALS**

Front Sight Management LLC, the chapter 11 debtor in possession herein (the “Debtor”),
filed its *Motion for Order Establishing Procedures for Interim Monthly Compensation and*

1 *Reimbursement of Expenses of Professionals* (the “Motion”) on June 27, 2022.¹ The initial hearing
2 on the Motion was heard and considered by the above-captioned Court on July 25, 2022, at 9:30 a.m.
3 and a continued hearing was held on August 3, 2022 at 3:00 p.m. (collectively, the “Hearings”). All
4 appearances were duly noted on the record of the Hearings.

5 The Court reviewed the Motion and the other pleadings on file and heard and considered the
6 argument of counsel. The Court stated its findings of fact and conclusions of law on the record at
7 the Hearings on the Motion, which findings of fact and conclusions of law are incorporated herein
8 by this reference in accordance with Rule 52 of the Federal Rules of Civil Procedure, as made
9 applicable by Bankruptcy Rule 9014. It appearing that the relief requested is necessary to preserve
10 the Debtor’s ongoing operations, and is in the best interest of the Debtor, the estate, and creditors;
11 and in the light of the circumstances and the nature of the relief requested; and after due deliberation
12 and sufficient cause appearing therefor,

13 **IT IS HEREBY ORDERED** as follows:

- 14 1. The Motion is granted in its entirety.
- 15 2. The term “Professionals” (or individually, a “Professional”) as set forth herein shall
16 include all estate professionals, including counsel for the Official Committee of Unsecured Creditors
17 for the Estate of Front Sight Management LLC (the “Creditors’ Committee”).
- 18 3. The term Professionals shall not include Stretto and Lucas Horsfall for the reasons
19 provided in the Motion.
- 20 4. The monthly payment of compensation and reimbursement of expenses of the
21 Professionals shall be as follows:
 - 22 a. On or before the 15th day of each month following the month for which
23 compensation is sought, each Professional will submit, *via* e-mail, a monthly statement (the
24 “Statement”) to the following parties; (i) the Debtor, Attn: Ignatius Piazza
25 (ignatius@frontsight.com); (ii) counsel to the Debtor, BG Law LLP, 300 S. 4th Street, Suite
26 1550, Las Vegas, Nevada 89101, Attn: Susan K. Seflin (sseflin@bg.law); (iii) the Office of
27 the United States Trustee for the District of Nevada, 300 Las Vegas Boulevard, Suite 4300,
28 Las Vegas, NV 89101, Attn: Edward M. McDonald, Esq. (edward.m.mcdonald@usdoj.gov);
(iv) counsel for the Committee, Carlyon Cica CHTD., 265 E. Warm Springs Road, Suite 107,
Las Vegas, Nevada 89119, Attn: Dawn M. Cica (dcica@carlyoncica.com) and Kelley Drye

¹ All capitalized, undefined terms shall have the meanings ascribed to them in the Motion.

1 & Warren LLP, 3 World Trade Center, 175 Greenwich Street, New York, New York 10007,
2 Attn: Robert L. LeHane (jrlethane@kelleydrye.com) and Lauren Schlussel
3 (lschlussel@kelleydrye.com); (v) counsel for FS DIP, LLC, Schwartz Law, PLLC, 601 East
4 Bridger Avenue, Las Vegas, NV 89101, Attn: Samuel Schwartz (saschwartz@nvfirm.com);
5 and (vi) counsel for LVDF, Jones Lovelock, 6600 Amelia Earhart Cr., Suite C, Las Vegas,
6 NV 89119, Attn: Andrea Champion (achampion@joneslovelock.com) and Law Offices of
7 Brian Shapiro, 510 S.8th Street, Las Vegas, NV 89101, Attn: Brian Shapiro
8 (brian@brianshapirolaw.com) (each, a “Reviewing Party,” and collectively, the “Reviewing
9 Parties”). To the extent applicable, each such statement shall contain a detailed itemization
10 of fees and costs as required by the United States Trustee Guidelines for Reviewing
11 Applications for Compensation and Reimbursement of Expenses filed under Section
12 330. Each Reviewing Party will have 15 days after receipt of a Statement to review it. At
13 the expiration of this 15-day review period, the Debtor will promptly pay (i) 80% of the fees
14 and all of the expenses requested in such Statement or (ii) the maximum allocated to such
15 professional as set forth in the Debtor’s budget approved by its post-petition lender, except
16 such fees or disbursements as to which an objection has been served by a Reviewing Party as
17 provided in subparagraph (b) below. Any Professional that fails to file a Statement for a
18 particular month or months may subsequently submit a consolidated Statement that includes
19 a request for compensation earned or expenses incurred during previous months. All
20 Professionals will provide a bi-weekly report of their fees to the Debtor’s financial advisor,
21 Province, LLC, as requested.

13 b. If a Reviewing Party objects to the compensation or reimbursement sought in
14 a Statement, the objecting party shall, within 15 days of the receipt of the Statement, serve
15 via e-mail upon all other Reviewing Parties a written “Notice of Objection to Fee Statement”
16 (the “Objection Notice”) setting forth the precise nature of the objection and amount at issue.
17 Thereafter, the objecting party and the Professional whose Statement is the subject of an
18 Objection Notice shall attempt to reach a resolution. If the parties are unable to reach an
19 agreement on the objection within ten (10) days after receipt of such objection, the
20 Professional whose Statement is objected to shall have the option of (i) filing the Objection
21 Notice with the Court, together with a request for payment of the disputed amount, or (ii)
22 foregoing payment of the disputed amount until the next interim fee application hearing, at
23 which time the Court will consider and dispose of the issue if payment of the disputed
24 amount is requested. The Debtor will be required to pay any portion of the fees and
25 disbursements requested that are not the subject of an Objection Notice promptly.

21 c. Upon entry of this Order, the Professionals are required to submit their first
22 Statement on or before August 15, 2022. This Statement should cover the period from the
23 Petition Date (or date of employment) through July 31, 2022.

24 d. After the first 120 days after the Petition Date, and at 120-day intervals
25 thereafter, each of the Professionals shall file with the Court and serve on the other
26 Reviewing Parties, and any other party who requested special notice in this chapter 11 case,
27 an application pursuant to Section 331 for interim Court approval and allowance of the
28 compensation and reimbursement of expenses requested for the prior 120 days. The first
such application shall be filed on or before September 23, 2022, and shall cover the period
from the Petition Date through August 31, 2022. Any Professional who fails to file an
application when due shall be ineligible to receive further interim payment of fees and
expenses as provided herein until such time as the application is submitted.

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e. The pendency of an objection to payment of compensation or reimbursement of expenses shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses as set forth above.

f. Neither the payment of, nor the failure to pay, in whole or in part, monthly interim compensation and reimbursement as provided herein shall bind any party-in-interest or the Court with respect to the allowance of applications for compensation and reimbursement of Professionals.

g. Notice of hearings to consider interim fee applications shall be served upon the Reviewing Parties, parties that filed requests for special notice only and all ECF parties.

5. Nothing contained herein, or any payment made under the procedures herein, is intended or shall be construed as (i) an admission as to the validity of any claim against the Debtor, (ii) a waiver of the Debtor's or any party-in-interest's rights to dispute any claim, or (iii) an approval or assumption of any agreement, contract, program, policy, or lease under Section 365.

6. Failure of a party in interest to object to fees on an interim basis as set forth in the Motion and herein does not constitute consent to any interim or final fee applications that might be made, it being expressly understood that all objections to such applications are hereby reserved until a final fee application is heard and decided by this Court.

7. Payment of compensation and fees under 11 U.S.C. § 503(b) under the proposed procedures will require that the claimant file a motion for payment of administrative expense and obtain an order granting such motion prior to any interim payment being made.

IT IS SO ORDERED.

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Prepared and Submitted By:
BG LAW LLP

Approved:
SCHWARTZ LAW, PLLC

By: /s/ Susan K. Seflin
Susan K. Seflin
Attorneys for Chapter 11 Debtor
and Debtor in Possession

By: /s/ Bryan Lindsey
Bryan Lindsey
Attorneys for FS DIP, LLC

Approved:
CARLYON CICA CHTD.

Approved:
TRACY HOPE DAVIS
UNITED STATES TRUSTEE

By: /s/ Dawn Cica
Dawn Cica
Attorneys for the Official Committee of
Unsecured Creditors

By: /s/ Edward M. McDonald Jr., Esq.
Edward M. McDonald Jr., Esq.
United States Department of Justice
Attorney for the United States Trustee

Approved:
JONES LOVELOCK

By: /s/ Andrea Champion
Andrea M. Champion
Counsel for Las Vegas Development Fund,
LLC

LR 9021 CERTIFICATION

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In accordance with LR 9021, an attorney submitting this document certifies as follows

(check one):

The court has waived the requirement set forth in LR 9021(b)(1).

No party appeared at the hearing or filed an objection to the motion.

I have delivered a copy of this proposed order to all attorneys who appeared at the hearing and opposed the relief, and each has approved or disapproved the order, or failed to respond, as indicated above.

I certify that this is a case under chapter 7 or 13, that I have served a copy of this order with the motion pursuant to LR 9014(g), and that no party has objected to the form or content of the order.

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