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12 Attorneys for Province, LLC, solely in its capacity as  
 13 the Liquidating Trustee of the Front Sight Creditors Trust

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

16 In re:  
 17 Front Sight Management LLC,  
 18  
 19 Debtor.

20 Case No. 22-11824-abl

21 Chapter 11

22 **Hearing Date:** July 16, 2024

23 **Hearing Time:** 1:30 p.m.

24 **LIQUIDATING TRUSTEE’S MOTION FOR ENTRY OF FINAL DECREE**  
 25 **CLOSING THE DEBTOR’S BANKRUPTCY CASE PURSUANT TO**  
 26 **11 U.S.C. § 350, RULE 3022 OF THE FEDERAL RULES OF BANKRUPTCY**  
 27 **PROCEDURE AND LOCAL BANKRUPTCY RULE 3022**

28 Province, LLC, solely in its capacity as the duly authorized and acting Liquidating Trustee  
 (the “Liquidating Trustee”)<sup>1</sup> of the Front Sight Creditors Trust (the “Trust”), hereby files its motion  
 (the “Motion”) for entry of a final decree closing the above-captioned chapter 11 case (the “Chapter

<sup>1</sup> Pursuant to Front Sight Management, LLC’s (the “Debtor”) confirmed chapter 11 plan of reorganization and order thereon, the Liquidating Trustee is overseeing and administering general unsecured claims and distributions thereon.

1 11 Case”) pursuant to 11 U.S.C. § 350 and Federal Rule of Civil Procedure 3022.<sup>2</sup> In support of the  
2 Motion, the Liquidating Trustee represents as follows:

3 **MEMORANDUM OF POINTS AND AUTHORITIES**

4 **I. JURISDICTION AND VENUE**

5 1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and  
6 1334 and Local Rule 3022.

7 2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

8 3. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

9 4. As required by Local Rule 9014.2, the Liquidating Trustee consents to the entry of  
10 final orders or judgments by this Court if it is determined that this Court, absent consent of the  
11 parties, cannot enter final orders or judgments consistent with Article III of the United States  
12 Constitution.

13 **II. RELEVANT FACTS**

14 5. On May 24, 2022, Front Sight Management, LLC (the “Debtor”) filed a voluntary  
15 petition for relief under chapter 11 of the Bankruptcy Code [ECF No. 1].

16 6. On June 9, 2022, the United States Trustee (“UST”) filed its amended notice  
17 appointing the Official Committee of Unsecured Creditors (the “Committee”).

18 7. On June 15, 2022, the Debtor filed its Schedule of Assets and Liabilities [ECF No.  
19 137] (the “Schedules”). The Schedules listed over 2,900 general unsecured claims against the  
20 Debtor. In addition, at least 1,073 proofs of claim were filed against the Debtor. The vast majority  
21 of these claims were filed by pre-petition members of the Debtor and arose out of money they paid  
22 for memberships and/or related member rewards.

23 8. On October 3, 2022, the Debtor filed its *Second Amended Chapter 11 Plan of*  
24 *Reorganization* [ECF No. 405] (together with any and all amendments thereto, all exhibits and  
25  
26

27  
28 <sup>2</sup> References to “Section” refer to the Bankruptcy Code (11 U.S.C. §§ 101 et seq.); references to  
“Bankruptcy Rule” refer to the Federal Rules of Bankruptcy Procedure; and references to “Local  
Rule” refer to the Local Bankruptcy Rules.

1 schedules thereto and all documents incorporated by reference therein including all supplements, the  
2 “Plan”).

3 9. On November 29, 2022, the Court entered its *Findings of Fact, Conclusions of Law,*  
4 *and Order Confirming the Debtor’s Second Amended Chapter 11 Plan of Reorganization* [ECF No.  
5 556] (the “Confirmation Order”).

6 10. Pursuant to the Confirmation Order, the “Reorganized Debtor” has new ownership  
7 and membership as of the effective date of the Plan. The effective date (the “Effective Date”) of the  
8 plan was December 2, 2022 [ECF No. 584].

9 11. Pursuant to the Plan, there were four classes of secured claims (Classes 1-4), one  
10 class of priority claims (Class 5) and one class of general unsecured claims (Class 6). Plan, pgs. 21-  
11 25.

12 12. All of the Debtor’s professionals and all of the Committee’s professionals filed their  
13 final fee applications after the Effective Date, and all amounts owed under the professionals’  
14 respective fee orders have been paid in full.

15 13. Pursuant to the Confirmation Order and *Liquidating Trust Agreement* [ECF No. 553]  
16 (“Liquidating Trust Agreement”), the Trust was created to, among other things, oversee and  
17 administer general unsecured claims, objections thereto, and ultimately distributions on allowed  
18 general unsecured claims. Province, LLC was appointed as the Liquidating Trustee of the Trust.

19 14. The Liquidating Trustee has objected to all of the objectionable general unsecured  
20 claims and thereby reduced the outstanding claims against the estate significantly. All claim  
21 objections have been completed.

22 15. In April, the Liquidating Trustee made distributions to all holders of allowed general  
23 unsecured claims (Class 6) on a pro rata basis of 23% (which was higher than the Plan estimate of 10  
24 to 20%).

25 16. Counsel for the Liquidating Trustee has confirmed with counsel for the Reorganized  
26 Debtor that the Reorganized Debtor has paid all allowed secured and priority claims under the Plan  
27 (Classes 1, 2, 3, 4 and 5).  
28

1           17. Pursuant to the Plan and the Liquidating Trust Agreement, the Liquidating Trustee  
2 and the Reorganized Debtor have paid all fees (the “Trustee Fees”) due to the UST under Section  
3 1930 of Title 28 of the United States Code that they have been billed for. It is possible that there are  
4 additional fees owed, which will be paid by the Liquidating Trustee and/or the Reorganized Debtor  
5 as necessary prior to the hearing on this Motion.

6           18. At this point in time, the provisions of the Plan have been substantially consummated  
7 and the only outstanding tasks relate to the winding down of the Trust (which necessarily has to take  
8 place after the final decree has been entered closing the Debtor’s bankruptcy case). All distributions  
9 pursuant to the Plan have been made, and all outstanding litigation has been fully resolved. There  
10 are no pending or open matters or proceedings and all final motions for approval of compensation  
11 and reimbursement of expenses incurred by professionals employed in the Debtor’s cases have been  
12 filed and approved by the Court. In sum, the Debtor’s bankruptcy estate has been fully  
13 administered, and the Debtor’s bankruptcy case should be closed.

### 14 **III. DISCUSSION**

15           The Bankruptcy Code defines “substantial consummation” of a plan of reorganization as  
16 follows:

- 17           (A) transfer of all or substantially all of the property proposed by the plan to be transferred;  
18           (B) assumption by the debtor or by the successor to the debtor under the plan of the business  
19 or of the management of all or substantially all of the property dealt with by the plan; and  
20           (C) commencement of distribution under the plan.

21           11 U.S.C. §1101(2). Whether a plan has been “substantially consummated” is a question of fact to  
22 be determined upon the circumstances of each case. *In re Antiquities of Nevada, Inc.*, 173 B.R. 926,  
23 928 (9th Cir. BAP 1994). “The word ‘substantial’ suggests more than halfway, more than a mere  
24 preponderance.” *In re Jorgensen*, 66 B.R. 104, 107 (9th Cir. BAP 1986).

25           As set forth above, the Plan has been substantially consummated as all allowed claims  
26 have been paid according to their treatment in the Plan, and there are no more Plan distributions to  
27 be made. Furthermore, all applications concerning professionals’ compensation have been resolved,  
28 and there are no pending or open matters or proceedings before this Court. Accordingly, the Plan is

1 substantially consummated.

2 Section 350(a) of the Bankruptcy Code provides that “[a]fter an estate is fully administered,  
3 and the court has discharged the trustee, the court shall close the case.” 11 U.S.C. § 350(a). Section  
4 350 is implemented by Bankruptcy Rule 3022, which provides that “[a]fter an estate is fully  
5 administered in a Chapter 11 reorganization, the court, on its own motion or on motion of a party in  
6 interest, shall enter a final decree closing the case. Fed. R. Bankr. P. 3022.

7 Here, the Debtor’s case is fully administered as allowed claims have been paid according to  
8 their treatment under the Plan, and all other open matters and litigation have been resolved. Under  
9 these circumstances, the Liquidating Trustee respectfully submits that this bankruptcy case has now  
10 been fully administered and that the Debtor’s bankruptcy case should be closed, and that the  
11 Liquidating Trustee should not be required to pay quarterly U.S. Trustee fees beyond those for the  
12 third quarter of 2024.

13 **IV. CONCLUSION**

14 **WHEREFORE**, for the foregoing reasons, the Liquidating Trustee respectfully requests that  
15 the Court (i) enter a final decree closing the Debtor’s chapter 11 bankruptcy case, (ii) enter an order  
16 that the Liquidating Trustee is not required to pay quarterly U.S. Trustee fees beyond those for the  
17 third quarter 2024, and (iii) grant such other and further relief as the Court deems just and proper  
18 under the circumstances.

19 DATED: June 17, 2024

BG Law LLP

20  
21 By: /s/ Susan K. Seflin  
22 Susan K. Seflin  
23 Jessica S. Wellington  
24 Attorneys for Province, LLC, solely in its capacity as  
25 the Liquidating Trustee of the Front Sight Creditors  
26 Trust  
27  
28

**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 June 17, 2024, I served the following document:

**LIQUIDATING TRUSTEE’S MOTION FOR ENTRY OF FINAL DECREE CLOSING THE DEBTOR’S BANKRUPTCY CASE PURSUANT TO 11 U.S.C. § 350, RULE 3022 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND LOCAL BANKRUPTCY RULE 3022**

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

**(1) The Court’s CM/ECF List:**

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- JESSICA S. WELLINGTON jwellington@bg.law, ecf@bg.law

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 June 17, 2024, at Woodland Hills, California.

/s/ Jennifer Warner  
JENNIFER WARNER