

1 BRIAN D. SHAPIRO, ESQ.  
2 LAW OFFICE OF BRIAN D. SHAPIRO, LLC  
3 NEVADA BAR NO. 5772  
4 510 S. 8<sup>th</sup> Street  
5 Las Vegas, NV 89101  
6 Telephone: (702) 386-8600  
7 Facsimile: (702) 383-0994  
8 brian@brianshapirolaw.com  
9 Attorney for Las Vegas Development Fund, LLC

7 **UNITED STATES BANKRUPTCY COURT**  
8 **DISTRICT OF NEVADA**

9 In re:

10 FRONT SIGHT MANAGEMENT, LLC  
11 Debtor.

Case No. BK-S-22-11824-ABL  
Chapter 11

12  
13  
14 **OPPOSITION TO EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL**  
15 **ORDERS: (I) AUTHORIZING DEBTOR TO OBTAIN POST-PETITION FINANCING,**  
16 **(II) GRANTING PRIMING LIENS AND ADMINISTRATIVE EXPENSE CLAIMS, (III)**  
17 **AUTHORIZING THE DEBTOR’S USE OF CASH COLLATERAL, (IV) MODIFYING**  
18 **THE AUTOMATIC STAY, AND (V) GRANTING RELATED RELIEF**

19 LAS VEGAS DEVELOPMENT FUND, LLC, by and through its attorney Brian D.  
20 Shapiro, Esq., of the Law Office of Brian D. Shapiro, LLC hereby submits its OPPOSITION TO  
21 MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS: (1) AUTHORIZING DEBTOR  
22 TO OBTAIN POST-PETITION FINANCING, (II) GRANTING PRIMING LIENS AND  
23 ADMINISTRATIVE EXPENSE CLAIMS, (III) AUTHORIZING THE DEBTOR’S USE OF  
24 CASH COLLATERAL, (IV) MODIFYING THE AUTOMATIC STAY, AND (V) GRANTING  
25 RELATED RELIEF (“**Opposition**”). This Opposition is based upon the attached points and  
26  
27  
28

1 authorities, the Declarations in Support, the exhibits attached thereto, and any oral argument that  
2 this Court may permit.<sup>1</sup>

3  
4 **I. PRELIMINARY STATEMENT**

5 Ignatius Piazza (**Piazza**), whose net worth was valued by him in excess of one hundred  
6 million dollars, is the managing member and appears to be the sole owner individually or by  
7 through his entities of Front Sight Management, LLC (**Debtor**). Pre-petition, the Debtor filed  
8 suit in state court against Las Vegas Development Funds, LLC (**LVDF**). In turn, LVDF filed  
9 a counterclaim against the Debtor, Piazza, his wife (Jennifer Piazza), and other third parties. As  
10 this litigation proceeded through the State Court, LVDF discovered that Piazza was fleecing the  
11 Debtor and utilizing the Debtor as his own piggy bank.

12  
13 Tax returns and financial statements of the Debtor reflected that in excess of \$20 million  
14 dollars was disbursed to Piazza and/or his entities in the form of an interest free note receivable  
15 to shareholder and shareholder distributions. In particular, from 2016 to 2019, the Debtor paid in  
16 excess of a million dollars for luxury or antique cars and approximately \$15 million dollars was  
17 disbursed to Piazza without indication of any apparent purpose or benefit to the Debtor,

18  
19 In an attempt to defend the litigation brought by the Debtor and to scrutinize the multi millions  
20 of dollars of unauthorized transactions, LVDF in the State Court action, noticed up the deposition  
21 of the Debtor, Piazza, Jennifer Piazza and other third parties. Over a year, such parties  
22 continuously evaded the ability of LVDF to take such depositions. After the tenth such delay,  
23 firm deposition dates were set. Neither the Debtor, Piazza, his wife nor any of the related  
24

25  
26  
27 <sup>1</sup> All references to “ECF No.” are to the number assigned to the documents filed in the above-captioned bankruptcy  
28 case as they appear on the docket maintained by the clerk of court. All references to “Section” or “§§ 101-1532” are  
to the provisions of the Bankruptcy Code. All references to “FRCP” are to the Federal Rules of Civil Procedure.  
All references to “FRE” are to the Federal Rules of Evidence. All references to “LR” are to the Local Rules of  
Practice within the Nevada Bankruptcy Court.

1 deponents appeared at the scheduled depositions. No justification was given for the failure to  
2 appear. Accordingly, LVDF filed a motion for terminating sanctions against the Debtor, Piazza,  
3 his wife, and all other parties. Such terminating sanctions included a request to strike the Debtor's  
4 complaint along with the answers to the counterclaims for each of the parties that failed to appear  
5 for their duly noticed depositions.  
6

7 On the eve before the State Court hearing on terminating sanctions, the Debtor filed  
8 bankruptcy. At the State Court hearing, the Court granted the motion for terminating sanctions  
9 against the remaining parties, including but not limited to Piazza.  
10

11 Piazza, the multi-millionaire, who fleeced the Debtor, now seeks bankruptcy protection of the  
12 Debtor so he can continue to manage the Debtor to the detriment of LVDF, the Debtor and the  
13 other unsecured creditors.

14 The Court and the parties to this bankruptcy proceeding are now forced to rely upon the  
15 testimony of Piazza in support of the Debtor-in-Possession financing. As stated within, LVDF  
16 contends that the Debtor has failed to meet its burden of proof and the motion should be denied.  
17 Alternatively, this Court should only permit the bare minimum amount needed to continue the  
18 operation of the business, excluding any carve out and funds payable to restructuring  
19 professionals.  
20

21 **II. RELEVANT FACTS**

22 **A. Ignatius Piazza**

23 Front Sight commenced Front Sight Management LLC v. Las Vegas Development Fund,  
24 LLC, et al., currently pending before the Eighth Judicial District Court, under Case No. A-18-  
25 781084-B (the "Foreclosure Action"), on September 14, 2018, by filing, upon other things, fraud  
26 claims against LVDF, Robert Dziubla, Linda Stanwood, Jon Fleming, EB Impact Advisors LLC,  
27  
28

1 and EB5 Impact Capital Regional Center (collectively, the “Lender Parties”) and claiming that  
2 Front Sight was fraudulently induced into entering into a Construction Loan Agreement. See  
3 Dzibula Dec., p. 5, l. 8-13

4  
5 On April 23, 2019, the Lender Parties countersued Front Sight, Ignatius Piazza, Jennifer  
6 Piazza, the VNV Dynasty Trust I and the VNV Dynasty Trust II for Front Sight’s various failures  
7 to comply with its obligations under the Construction Loan Agreement, judicial foreclosure,  
8 conversion, waste, and for civil conspiracy. Id. p. 5, l. 16-19.

9  
10 Through discovery, the Lender Parties received Front Sight’s financial records, including  
11 tax returns and bank statements, which demonstrated that the Piazzas, either individually or  
12 through the VNV Dynasty Trusts, were paying themselves millions of dollars a year from Front  
13 Sight’s bank accounts. In addition, the Front Sight bank statements and tax returns also revealed  
14 that the Piazzas were using the Front Sight bank accounts to purchase luxury automobiles for  
15 themselves because the luxury automobiles were never listed on Front Sight’s tax returns but were  
16 listed on Ignatius Piazza’s personal financial statements. Id. p. 5, l. 20-28 and Exhibit 10.<sup>2</sup>

17  
18 A forensic accountant issued an expert opinion on May 27, 2021 summarizing and  
19 detailing the evidence of the millions of dollars the Piazzas took out of Front Sight’s bank  
20 accounts from 2016-2019. Id. p. 6, l. 1-7 and Exhibit 11.<sup>3</sup>

21  
22 During the litigation, the Front Sight Parties failed to appear multiple times at duly noticed  
23 depositions and on May 12, 2022, the Lender Parties filed a Motion for Case Dispositive  
24 Sanctions, requesting the Eighth Judicial District Court: (a) strike Front Sight’s Complaint, and  
25  
26

27  
28 <sup>2</sup> The personal financial statement is attached to the declaration but is being filed under seal due to a protective order entered in the state court litigation.

<sup>3</sup> The forensic report is attached to the declaration in support but is being filed under seal due to a protective order within the state court litigation.

1 (b) strike the Answers and affirmative defenses of Front Sight, Jennifer Piazza, Ignatius Piazza,  
2 the VNV Dynasty Trust I, and the VNV Dynasty Trust II. See Champion Dec, p. 7, l. 11-15.

3  
4 As a result of the Front Sight Parties’ failures to attend depositions and in light of a  
5 newsletter Ignatius Piazza sent to his Front Sight members on April 24, 2022, promising “BIG  
6 and POSITIVE”—but secret—news, on April 29, 2022, LVDF filed an Application for a  
7 Temporary Restraining Order and Motion for Preliminary Injunction to Prevent Transfer, Waste,  
8 and Destruction of LVDF’s Security and Collateral. Id. p 6, l. 15-19.

9  
10 On May 18, 2022, the State Court enjoined Front Sight, Ignatius Piazza, Jennifer Piazza,  
11 the VNV Dynasty Trust I, and the VNV Dynasty Trust II from: (a) using any of Front Sight’s  
12 assets for any purpose other than the continuation of Front Sight’s business at its current location,  
13 (b) selling or otherwise disposing of or encumbering any stock, bond, account, business venture,  
14 personal and real property item (including vehicles, boats and yachts, Costa Rican beach front  
15 property, Alaska fishing resorts, San Francisco Giants sideline box seats, residential estate at  
16 Tiburon on the San Francisco Bay etc. purchased by Ignatius Piazza with Front Sight’s funds),  
17 or real property of any sort that may serve as assets for a potential deficiency judgment  
18 absent permission of the Court. See Champion Dec, p. 6, Exhibit 2.

19  
20 The Eighth Judicial District Court heard argument on the Motion for Case Dispositive  
21 Sanctions on May 25, 2022 and granted that motion in its entirety as it relates to Jennifer Piazza,  
22 Ignatius Piazza, the VNV Dynasty Trust I, and the VNV Dynasty Trust II. Id. p. 7, l. 16-19 and  
23 Exhibit 3.

24  
25 Because Front Sight filed bankruptcy the night before the hearing on the Motion for Case  
26 Dispositive Sanctions, the Eighth Judicial District Court did not consider the Motion for Case  
27 Dispositive Sanctions as it relates to Front Sight. Id. p. 7 and Exhibit 3.  
28

1                   **B. The Debt**

2                   The debt owed by the Debtor to LVDF is approximately \$11,233,878.47 with interest,  
3 costs and attorney fees accruing. See, Dziubla Dec., p. 4, l. 4-7.

4  
5                   **III. OBJECTION TO EVIDENCE**

6                   **A. Declaration of Ignatius Piazza**

7                   LVDF objects to the declaration of Ignatius Piazza (ECF No. 14) and specifically objects  
8 to the following paragraphs for the reasons stated herein and requests the opportunity to cross-  
9 examine the declarant at a future hearing:  
10

Paragraph No.	Basis of Objection	Statement Made
8	Speculation	The Front Sight Firearms Facility is the most successful of its type in the United States.
10	Hearsay, Improper Foundation, Lack of Authentication	As of January 19, 2022, the Front Sight Property (including the land, water rights and improvements but excluding equipment and inventory) was appraised at \$25,260,000 “as is.”
11	Improper Foundation, Hearsay and Calls For a Legal Conclusion	Dziubla and Fleming refused to show proof of where the funds the Debtor paid had been spent and apparently in retaliation for its demands Dziubla and Fleming fraudulently claimed that the Debtor was in default on a number of terms of the construction loan agreement
17	Calls for a Legal Conclusion and Lack of Foundation	Dziubla, Fleming and LVDF defaulted on their obligations, failed to raise the funds necessary to complete the Vacation Club & Resort, and litigation was commenced by the Debtor against Dziubla, Fleming, LVDF and related affiliates
22	Speculation, Lack of Foundation	the Debtor’s ability to obtain traditional financing to complete the construction is impossible while the LVDF Litigation is pending
36	Lack of Foundation, Speculation	The Debtor does not have sufficient available sources of working capital and

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

		<p>financing to carry on the operation of its business without the DIP Financing and authorized use of cash collateral. As a result of the Debtor’s financial condition, which deteriorated for an extended period of time prior to the Petition Date due to the ongoing LVDF Litigation, the use of cash collateral alone will be insufficient to meet the Debtor’s immediate postpetition liquidity needs. The Debtor’s ability to continue to operate its business, pay its employees, maintain business relationships with its members, suppliers and customers, purchase materials and provide services, and otherwise finance its operations is essential to the Debtor’s continued viability. The Debtor’s ability to finance its operations and its chapter 11 case is essential to preserving the going concern value of the Debtor’s business and ultimately maximizing the value of its estate for the benefit of all stakeholders, and approval of the DIP Financing is in the best interests of the Debtor, its estate, and its creditors.</p>
37	Lack of Foundation and Speculation	<p>The Debtor is unable to obtain sufficient financing from sources other than from the Lender on terms and subject to conditions more favorable than under the DIP Financing, and is not able to obtain unsecured credit allowable as an administrative expense under Sections 364(b) and 503(b)(1) of the Bankruptcy Code. The Debtor is also unable to obtain secured credit under Sections 364(c)(1), 364(c)(2), 364(c)(3) and 364(d) without granting to the Lender, subject to the Carve Out, (i) priming first priority, valid, bidding, enforceable and non-avoidable post-petition security interests and liens (collectively, the “DIP Liens”), senior and superior in priority to all other liens existing on the Petition Date in all of</p>

		the Debtor's assets, (ii) a superpriority claim under Section 364(c)(1), (iii) automatically perfected liens under 364(c)(1), 364(c)(2), 364(c)(3) and 364(d), and (iii) the other protections set forth in the Loan Documents.
--	--	---

**B. The Appraisal**

LVDF objects to the utilization of the Appraisal (ECF No. 14-4). The appraiser provides no declaration in support, the Appraisal is not authenticated, the content of the Appraisal relies upon information provided to him by Piazza, which in itself is hearsay. Second, by the express terms of the appraisal, it was prepared for the limited purpose of "establishing value for potential taxing or gifting purposes" and "[t]he conclusions and opinions in this appraisal are not to be relied upon for any other use other than the above stated intended use." See, Doc 14-4, p. 20. Accordingly, the Appraisal has no evidentiary support and should not be relied upon by this Court.

**IV. LEGAL ARGUMENT**

**A. Section 364**

Section 364(c) provides that, if the debtor is unable to obtain unsecured credit allowable as an administrative expense under §503(b)(1), the court may authorize obtaining of credit or incurring of debt (1) with priority over any or all administrative expenses, (2) secured by a lien on otherwise unencumbered property of the estate, or (3) secured by a junior lien on property. Section 364(d)(1) provides that the Court may authorize the obtaining of credit or incurring of debt secured by a senior or equal lien on property that is already subject to a lien (a so-called "priming lien") but only if (A) the Debtor cannot obtain credit otherwise, and (B) there is adequate protection of the interest of any holder of a lien on the property on which the proposed senior lien is to be granted. See also, *Ames Dep't Stores*, 115 B.R. at 37; *In re Aqua Assocs.*, 123



1 B.R. 192, 196 (Bankr. E.D. Pa. 1991) (stating that requests for postpetition financing must show  
2 the funds are “necessary to preserve the assets of the estate”). Once these two elements are  
3 established, the court must then consider whether the terms of the proposed financing are fair,  
4 reasonable, and adequate. *In re L.A. Dodgers LLC*, 457 B.R. 308, 312-13 (Bankr. D. Del. 2011).

5  
6 The Debtor’s motion seeks authority under Section 364(c) and 364(d) to obtain a loan  
7 providing “first priority priming security interests”. Courts recognize that parties negotiating  
8 post-petition financing have unequal bargaining power, and that a debtor often is not the best  
9 party to ensure that the proposed terms of a DIP facility are fair to, and in the best interest of, all  
10 parties in interest, particularly a debtor’s unsecured creditors. See, e.g., *Otte v. Mfg. Hanover*  
11 *Commercial Corp.* (In re Texlon Corp.), 596 F.2d 1092, 1098 (2d Cir. 1979) (“The debtor in  
12 possession is hardly neutral. Its interest is in its own survival, even at the expense of equal  
13 treatment of creditors, and close relations with a lending institution tend to prevent the exploration  
14 of other available courses in which a more objective receiver or trustee would engage”).

15  
16  
17 The Debtor has the burden of showing that it needs such financing and was unable to obtain  
18 financing other than on a superpriority or priming basis. See Sections 364(c), (d)(1)(A). The  
19 Debtor also has the burden of proof on adequate protection under § 364(d)(2).

1                   **B. The Debtor Failed to Carry its Burden of Proof**

2                   **1. The Debtor Only Needs \$615,233 to Operate its Business for 13 Weeks**

3                   The Debtor, in a conclusionary statement, asserts that the “Debtor does not have  
4 sufficient available sources of working capital and financing to carry on the operation of its  
5 business without the DIP Financing and authorized use of cash collateral. As a result of the  
6 Debtor’s financial condition, which deteriorated for an extended period of time prior to the  
7 Petition Date due to the ongoing LVDF Litigation, the use of cash collateral alone will be  
8 insufficient to meet the Debtor’s immediate postpetition liquidity needs.” See. ECF No. 14,  
9 p. 9, l. 7-18. Absent from such statement is the current amount of its “working capital”. It  
10 is unknown what amount of cash is available as working capital.<sup>4</sup>  
11  
12

13                   What is known, is that the Debtor only needs \$615,233 to continue to operate the business  
14 for 13 weeks. Assuming the Debtor has no working capital and utilizing Front Sight’s 13-Week  
15 Cashflow Projection, it is clear that the Debtor will need only \$615,233 to break even in its  
16 operations at the end of Week 13.  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

28  

---

<sup>4</sup> The Bankruptcy Schedules have not been filed and there has been no disclosure of the Debtor’s assets, including cash, deposits, nor what retainers, if any, have been paid to the restructuring professionals.

1 Attached to its Motion, Front Sight provides a 13-week cash flow “projection”. See, Doc  
 2 4, p. 48. In the analysis below, LVDF removed the influx of DIP Proceeds as Receipts and  
 3 excluded the Restructuring Costs. An analysis of the cash available is as follows:  
 4

5 Week	Cash Receipts and Daily Fees	Cash Receipts and Daily Fees Less Total Cash Available From Prior Week	Expenses (Other Disbursements + Total Range Maintenance & Operations Disbursements	Total Cash Available at the End of the Week
6 1	\$122,188	0.00 <sup>5</sup>	\$42,999	\$79,189.00
7 2	\$90,174	\$163,393	\$239,471	<\$70,108>
8 3	\$75,240	\$5,132	\$151,886	<\$146,754>
9 4	\$75,240	<\$75,240>	\$277,712.	<\$350,226>
10 5	\$245,240	<\$104,986>	\$31,821	<\$136,807>
11 6	\$48,862	<\$87,945>	\$253,957	<\$341,902>
12 7	\$25,080	<\$316,822>	\$45,177	<\$361,999>
13 8	\$25,080	<\$336,919>	\$166,393	<\$503,282>
14 9	\$25,080	<\$478,202>	\$26,892	<\$505,094>
15 10	\$195,000	<\$310,094>	\$143,457	<\$453,551>
16 11	\$25,080	<\$428,471>	\$43,637	<\$472,108>
17 12	\$25,080	<\$447,028>	\$166,393	<\$613,421>
18 13	\$25,080	<\$588,341>	\$26,892	<\$615,233>

19  
20  
21  
22  
23  
24  
25  
26  
27  
28  


---

<sup>5</sup> For purposes of LVDF’s analysis, the working capital beginning Week 1 is deemed to be zero dollars, but it is anticipated that the Debtor has actual working capital.

1 Based upon the above analysis, query, why does the Debtor need a \$5 million influx of  
2 operating expenses when it only needs \$615,233? Clearly, the request for Debtor in Possession  
3 Financing is being utilized to provide a “carve out” to the Chapter 11 Administrative Professionals  
4 at the cost of LVDF and unsecured creditors of the bankruptcy estate. This end around puts the  
5 exposure of losses upon LVDF, a secured creditor, rather than the Debtor’s restructuring  
6 professionals as a Chapter 11 administrative expense claim.<sup>6</sup>

## 8 **2. Other Financing**

9 The Debtor, by and through Piazza, alleges that it “is unable to obtain sufficient financing  
10 from sources other than from the Lender on terms and subject to conditions more favorable than  
11 under the DIP Financing, and is not able to obtain unsecured credit allowable as an administrative  
12 expense under Sections 364(b) and 503(b)(1) of the Bankruptcy Code.” See Doc No. 14, p. 9, l.  
13 34.  
14

15 Although such statement by Piazza is conclusionary and has no evidentiary value, it ignores  
16 the obvious, to whom did the Debtor request financing from? Absent from the Declaration is any  
17 evidence of attempts by the Debtor to obtain financing, when such attempts were made and to  
18 whom such requests were made.  
19

20 As stated in the evidence presented by LVDF, Piazza has stated that he has in excess of \$50  
21 million dollars’ worth of assets, excluding his interest in the Debtor. Accordingly, Piazza could  
22 provide unsecured financing to Debtor or pledge his own assets.  
23

24 Without providing such evidence as to other financing and the apparent ability to obtain  
25 unsecured financing through Piazza or his entities, the Motion must be denied.  
26  
27  
28

---

<sup>6</sup> For avoidance of doubt, LVDF objects to any attempt to surcharge its collateral.

1                   3. **Adequate Protection**

2           The Debtor, by and through Piazza, asserts that LVDF who is owed in excess of \$11 million  
3 dollars is adequately protected. The adequate protection is based in part by an appraisal which  
4 reflects that the highest and best use of the property as a firearms training facility. Despite the  
5 evidentiary concerns stated above, the appraisal provides that the value of the land is  
6 \$6,940,000.00 along with the water rights of \$3,760,000 for a total of \$10,699,625.00. Based  
7 upon this appraisal, LVDF's collateral is valued less than the amount owed and is not adequately  
8 protected.  
9

10           Conversely, assuming that the property is marketed and sold as a firearms training facility,  
11 then the appraiser asserts based upon information provided by Piazza, the improvements  
12 could be valued at \$14,564,000.00 resulting in the \$25,260,00 appraisal. Such assertion is not  
13 based upon evidence but rather speculation that a third party would be interested in continuing to  
14 operate this business as a firearms training facility.  
15

16           Also, the Debtor states that the proposed credit facility will act as a stalking horse bidder with  
17 a minimum bid to ensure the payoff of LVDF's debt. Again, this argument is made without  
18 providing evidentiary support as to the financial wherewithal of the proposed debtor in  
19 possession credit facility. Moreover, there is no proposed stalking horse purchase agreement  
20 which includes the terms of sale, conditions of sale or other procedural mechanism which binds  
21 the credit facility to such purchase. Considering the details contained in the proposed credit  
22 facility, it would be expected that the credit facility would require a detailed stalking horse  
23 purchase agreement which is not part of the documentation submitted in the motion.  
24

25           There is insufficient evidence presented that LVDF is adequately protected, and the Motion  
26 should be denied.  
27  
28

1                   **C. The Terms of the Proposed Credit Facility**

2                   The terms of the proposed financing are not fair to, and in the best interest of, all parties  
3 in interest. In particular, the unsecured creditors, who likely did not receive notice of the  
4 application are giving up valuable assets that belong to the bankruptcy estate. Such terms include  
5 but are not limited to providing a security interest in avoidance actions, indemnification of the  
6 Lender and in the Environmental Indemnification Agreement; and super priority claims. In  
7 essence, the significant claims against the principals will be secured by the credit facility.  
8

9                   **D. Reservation of Rights**

10                   The Debtor entered into the term sheet with the credit facility on May 11, 2022. On May  
11 24, 2022, the Debtor filed bankruptcy and the Debtor's Motion is being heard on less than 24  
12 hours' notice. Accordingly, LVDF reserves its rights to file further pleadings, take depositions  
13 and request an evidentiary hearing. For avoidance of doubt, LVDF desires to obtain its own  
14 competing appraisal of the Debtor's real property. Indeed, prior to the bankruptcy filing, LVDF  
15 made repeated requests that Front Sight make the property available to LVDF's appraiser but  
16 Front Sight has failed, to date, to respond or make the property available. To the extent that the  
17 Court does not deny the motion, LVDF requests this Court authorize the ability of LVDF to obtain  
18 such appraisal and require the Debtor to cooperate with such process.  
19  
20

21                   **V. CONCLUSION**

22                   LVDF recognizes that it has made serious allegations against Piazza. However, the State  
23 Court was just as concerned and issued a restraining order against Piazza and the other parties.  
24 An attempt to prime a secured creditor based upon the sworn testimony of a party who fleeced  
25 the Debtor of tens of millions of dollars and avoided state court depositions for a year which  
26 resulted in terminating sanctions, should be highly scrutinized by this Court. Moreover, one  
27  
28

1 should be skeptical about Piazza operating this Debtor. LVDF anticipates that the Department of  
2 Justice, Office of the United States Trustee will investigate these allegations which may result in  
3 new management, an examiner and/or a Chapter 11 Trustee appointed. If in fact that occurs, the  
4 Debtor will be immediately in default of the proposed credit facility.  
5

6 The Parties and this Court should also be cognizant that the Debtor states that it has secured  
7 claims on the real property totaling approximately \$11.2 million and unsecured claims of  
8 approximately \$7.6 million. Although the appraisal is disputed, in a hypothetical liquidation, the  
9 Debtor, based upon the appraisal, could sell the Real Property for \$25 million and pay its creditors  
10 in full. Conversely, with a \$5 million credit facility and the anticipated significant increase of  
11 administrative expenses, unsecured creditor recovery is minimized and can potentially be wiped  
12 out.  
13

14 As to the Debtor's motion, the Debtor, as a matter of law, has failed to meet its burden of  
15 proof and the interim request for financing should be denied.  
16

17  
18 Dated 5-26-2022

*/s/ Brian D. Shapiro, Esq.*  
BRIAN D. SHAPIRO, ESQ.  
LAW OFFICE OF BRIAN D. SHAPIRO,  
NEVADA BAR NO. 5772  
510 S. 8<sup>th</sup> Street  
Las Vegas, NV 89101  
Telephone: (702) 386-8600  
Facsimile: (702) 383-0994  
[brian@brianshapirolaw.com](mailto:brian@brianshapirolaw.com)  
Attorney for Las Vegas Development Fund