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 and Plan Proponent

8
 9 **UNITED STATES BANKRUPTCY COURT**
 10 **FOR THE DISTRICT OF NEVADA**

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

Case No. 22-11824-abl
 Chapter 11
Plan Objection Deadline: 5:00 p.m. PST on ____, 2022
Ballot Deadline: 5:00 p.m. PST on ____, 2022

Disclosure Statement Hearing:
Hearing Date: September 1, 2022
Hearing Time: 9:30 a.m.

Plan Confirmation Hearing:
Hearing Date: To Be Set
Hearing Time: To Be Set

23
 24 **DEBTOR’S CHAPTER 11 PLAN OF REORGANIZATION DATED JULY 15, 2022**
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TABLE OF CONTENTS

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

	<u>Page</u>
I. INTRODUCTION	1
II. DEFINITIONS AND EXHIBITS.....	7
A. Definitions.....	7
B. Exhibits.	17
C. Computing Time Periods.....	17
D. Notices and Delivery of Documents.....	17
III. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN	17
A. What Creditors and Interest Holders Will Receive Under this Plan.....	17
B. Unclassified Claims.	17
1. Administrative Claims.	17
2. Priority Tax Claims.....	20
C. Classified Claims and Interests.....	20
1. Class of Secured Claims.	20
2. Classes of Priority Unsecured Claims.....	24
3. Classes of General Unsecured Claims.....	25
4. Classes of Interest Holders.....	26
D. Means of Effectuating this Plan and Implementation of this Plan.....	26
1. Plan Funding.	26
2. Release of Liens.....	27
3. Composition of the Reorganized debtor and Post-Confirmation Management.....	27
4. Disbursing Agent.	28
5. Objections to Claims.....	28
6. Payment Upon Resolution of Disputed Claims.	29
7. Investigation and Prosecution of Claims and Avoidance Actions.....	29
8. Payment of Professional Fees and Expenses Incurred After the Effective Date.	30

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

9. Distributions to Be Made Pursuant to the Plan.....30

10. Corporate Matters.31

11. Exemption from Transfer Taxes.31

12. Exculpations and Releases.....31

E. Other Provisions of the Plan.32

1. Treatment of Prepetition Lifetime Memberships.....32

2. Executory Contracts and Unexpired Leases.32

a. Assumptions.....32

b. Rejections.....33

c. Cures.34

3. Risk Factors.34

4. Changes in Rates Subject to Regulatory Commission Approval.....35

F. Retention of Jurisdiction.35

G. Amendments to Operating Agreement.36

H. Dissolution of the Committee.36

I. Miscellaneous Issues Regarding Plan Distribution.....36

1. No Fractional Distributions.....36

2. Name and Address of Holder of Claim.....37

3. Unclaimed Distribution.....37

4. De Minimus Cash Distributions.37

IV. EFFECT OF CONFIRMATION OF THE PLAN38

A. Discharge.38

B. Continuing Stay/Injunction.....39

C. Revesting of Property in the Reorganized Debtor.40

D. Modification of the Plan.40

E. Post-Confirmation Status Reports.....40

F. Post-Confirmation Conversion/Dismissal.40

G. Final Decree.....41

TABLE OF AUTHORITIES

	<u>Page</u>
<u>STATUTES</u>	
11 U.S.C. § 101.....	1, 9
11 U.S.C. § 101(16).....	12
11 U.S.C. § 101(41).....	14
11 U.S.C. § 1102.....	10
11 U.S.C. § 1103.....	15
11 U.S.C. § 1106.....	15
11 U.S.C. § 1112(b).....	41
11 U.S.C. § 1124.....	13, 16
11 U.S.C. § 1125.....	11
11 U.S.C. § 1127.....	36
11 U.S.C. § 1129.....	31
11 U.S.C. § 1141.....	38
11 U.S.C. § 1141(d)(1)(A).....	38
11 U.S.C. § 1141(d)(1)(A)(i).....	38
11 U.S.C. § 1141(d)(1)(A)(ii).....	38
11 U.S.C. § 1141(d)(1)(A)(iii).....	38
11 U.S.C. § 1146(c).....	31
11 U.S.C. § 327.....	15
11 U.S.C. § 328.....	15
11 U.S.C. § 329.....	15
11 U.S.C. § 330.....	15
11 U.S.C. § 330(a).....	8
11 U.S.C. § 331.....	8, 15
11 U.S.C. § 501.....	38
11 U.S.C. § 502.....	38
11 U.S.C. § 502(c).....	29

1	11 U.S.C. § 502(g)	16, 38
2	11 U.S.C. § 502(h)	38
3	11 U.S.C. § 502(i)	38
4	11 U.S.C. § 503(b)	7, 15
5	11 U.S.C. § 503(b)(2)	15
6	11 U.S.C. § 503(b)(3)(D)	15
7	11 U.S.C. § 503(b)(4)	15
8	11 U.S.C. § 506(a)	16
9	11 U.S.C. § 507(a)	14
10	11 U.S.C. § 507(a)(1)	18
11	11 U.S.C. § 507(a)(2)	7
12	11 U.S.C. § 507(a)(3)	24
13	11 U.S.C. § 507(a)(4)	24
14	11 U.S.C. § 507(a)(5)	24
15	11 U.S.C. § 507(a)(6)	24
16	11 U.S.C. § 507(a)(7)	24
17	11 U.S.C. § 507(a)(8)	14, 20
18	11 U.S.C. § 510	8
19	11 U.S.C. § 521	16
20	11 U.S.C. § 541	8, 12
21	11 U.S.C. § 542	8, 14
22	11 U.S.C. § 543	14
23	11 U.S.C. § 544	8, 14
24	11 U.S.C. § 545	8, 14
25	11 U.S.C. § 547	8, 14
26	11 U.S.C. § 548	14
27	11 U.S.C. § 549	14
28	11 U.S.C. § 550	14

1 11 U.S.C. § 5518, 14
 2 11 U.S.C. § 552 14
 3 11 U.S.C. § 5538, 14, 16
 4 28 U.S.C. § 1930(a)(6).....18, 41

5 **OTHER AUTHORITIES**

6 28 U.S.C. § 1930.....8

7 **RULES**

8 Federal Rules of Bankruptcy Procedure 100031
 9 Federal Rules of Bankruptcy Procedure 1007 16
 10 Federal Rules of Bankruptcy Procedure 1009 16
 11 Federal Rules of Bankruptcy Procedure 3001(e)..... 13
 12 Federal Rules of Bankruptcy Procedure 3020(e)..... 1
 13 Federal Rules of Bankruptcy Procedure 9006(a).....9, 17
 14
 15
 16
 17
 18
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1 **Front Sight Management LLC (the “Debtor”) is still in the process of (i) negotiating with
2 various creditors and parties interest as to the terms of the plan and disclosure statement, and (ii)
3 determining membership terms for its business going forward. The bar date for filings claims in this
4 case has also not yet passed which also will affect the terms of the Debtor’s plan. The Debtor will
5 be filing an amended disclosure statement and plan on or before August 4, 2022 that includes more
6 detailed information and financial projections, and reserves the right to make further amendments
7 and modifications.

8 **THE DEBTOR HAS NOT AUTHORIZED ANY ENTITY TO GIVE ANY**
9 **INFORMATION ABOUT OR CONCERNING THE PLAN. THE DEBTOR HAS NOT**
10 **AUTHORIZED ANY REPRESENTATION CONCERNING THE DEBTOR, THE VALUE**
11 **OF ITS PROPERTY OR THE TERMS OF ITS ONGOING MEMBERSHIP AGREEMENTS**
12 **OTHER THAN AS SET FORTH IN THIS PLAN AND IN THE DISCLOSURE**
13 **STATEMENT.**

I. INTRODUCTION

1
2 Front Sight Management LLC (the “Debtor” or “Front Sight”) is the chapter 11 debtor in
3 possession in the above-captioned chapter 11 bankruptcy case. On May 24, 2022, the Debtor
4 commenced its bankruptcy case by filing a voluntary petition under chapter 11 of the United States
5 Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”). This case is pending before
6 the Honorable August B. Landis, Chief United States Bankruptcy Judge for the District of Nevada
7 (the “Court”). This document is the Debtor’s *Chapter 11 Plan of Reorganization Dated July 15,*
8 *2022* (as may be amended or modified, the “Plan”). Concurrently with the filing of this Plan, the
9 Debtor filed its *Disclosure Statement Describing Debtor’s Chapter 11 Plan of Reorganization Dated*
10 *July 15, 2022* (as may be amended or modified, the “Disclosure Statement”). Please be advised that
11 this Plan should be read in conjunction with the Disclosure Statement, and that there are disclosures
12 and information provided in the Disclosure Statement which are not included in the Plan.

13 The effective date (“Effective Date”) of the plan will be the first business day after entry of
14 the order confirming the Plan (the “Confirmation Order”), provided the Bankruptcy Court has
15 waived the provisions of Rule 3020(e) of the Federal Rules of Bankruptcy Procedure (the
16 “Bankruptcy Rules”) and no stay of the Confirmation Order is in effect.¹ The Debtor following the
17 Effective Date is referred to herein as the “Reorganized Debtor.”

18 The Plan provides for the Debtor’s emergence from its chapter 11 case, which the Debtor
19 anticipates will occur in November 2022. Under the Plan, the Debtor will satisfy its debt and other
20 claims as set forth in Article III below and implement a recapitalization with approximately \$[Still
21 Being Negotiated] million to \$__ million of new capital. The Plan described below has been
22 designed to position the Reorganized Debtor to succeed.

23 After confirmation of the Plan, the Reorganized Debtor will continue operating its business
24 as a world class firearms training center located in Nye County, Nevada. Through its chapter 11

25
26 ¹ If the Bankruptcy Court does not waive the provisions of Bankruptcy Rule 3020(e), then the
27 Effective Date will be the first business day which is at least fifteen (15) days following the date of
28 entry of the Confirmation Order, assuming there has been no appeal from and order staying the
effectiveness of the Confirmation Order. If there has been an order entered staying the effectiveness
of the Plan Confirmation Order, the Effective Date shall be the first business day after the stay is no
longer in effect with respect to the Confirmation Order.

1 reorganization and the Plan, the Debtor has modified the terms of its membership agreements, which
 2 is set forth more in Article ____ below.

3 The following is a summary of the Plan:

4 1. Recapitalization: The Plan provides for a recapitalization as follows: (a) \$5 million of
 5 presently available New Secured Debt through a conventional loan and/or credit facility which will
 6 have a first priority lien against substantially all of the Reorganized Debtor’s assets; and (b) a
 7 \$_____ ² contribution from the Debtor’s founder, manager and Chief Executive Officer Ignatius
 8 Piazza in exchange for retaining the same equity ownership as pre-petition (i.e., Dr. Piazza will own
 9 1% voting membership units of the Debtor, VNV Dynasty Trust – FS I will own 49.5% of non-
 10 voting membership units of the Debtor and VNV Dynasty Trust – FS II will own 49.% non-voting
 11 membership units of the Debtor). The \$___ million will be used to, among other things, fund
 12 certain Plan payments on or around the Effective Date and provide the Reorganized Debtor with
 13 sufficient working capital.

14 2. The Plan segregates Claims³ into Classes and treats them as summarized immediately
 15 below, which summaries are subject to the provisions specified in Article III below. The following is
 16 a summary of the Plan:

Class No.	Description	Estimated Amount or Value of Claims as of the Effective Date	Estimated Projected Payment / Treatment for Allowed Claims
N/A	Administrative Claims (Professional Fees)	Approximately \$_____	Full payment, subject to Bankruptcy Court approval as may be required, except as otherwise agreed by such Professionals.
N/A	Administrative Claims (Incurred in the Ordinary Course of Business)	Approximately \$_____	Allowed Administrative Claims representing post-Petition Date liabilities incurred by the Debtor in the ordinary course of business, for which no approval by the Bankruptcy Court is required, shall be paid in full in accordance with the terms and conditions of the particular transaction

26 _____
 27 ² The Debtor is awaiting the result of the Committee’s investigation of any potential avoidance
 28 actions and at that point the Debtor will attempt to reach a consensual resolution as to the
 appropriate contribution from the Debtor’s principal.

³ Any capitalized term not yet defined will be defined in Article II of this Plan.

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Class No.	Description	Estimated Amount or Value of Claims as of the Effective Date	Estimated Projected Payment / Treatment for Allowed Claims
			giving rise to such liabilities and any agreements relating thereto.
N/A	Priority Tax Claims	\$500	If there are any Allowed Priority Tax Claims on the Effective Date, full payment consistent with Bankruptcy Code section 1129(a)(9)(C).
1	<p>The secured claim of post-petition lender FS DIP LLC ("FS DIP")</p> <p>Collateral Description: 1st Priority Lien on substantially all assets of the Debtor's Estate [except as set forth in ECF No. 288].</p>	Approximately \$5.1 million	<p>The FS DIP Secured Claim will be paid in full on the Effective Date.</p> <p>Unimpaired. This Class 1 Claim is a Secured Claim and will be paid in full on the Effective Date. Presumed to accept the Plan and not entitled to vote.</p>
2	<p>Secured claim of Las Vegas Development Fund, LLC ("LVDF")</p> <p>Collateral Description: Real property located at 1 Front Sight Road, Pahrump, NV 89061 ("Front Sight Property")</p> <p>Interest rate: Non-Default – 6%</p> <p>Maturity Date – October 4, 2021</p> <p>*Debtor has a pending action against LVDF and affiliates</p>	<p>\$11,233,878.47 with interest, costs and attorneys' fees accruing. [Pursuant to ECF No. 35, 6:2-3]</p> <p>\$_____ Pursuant to the order estimating the claim motion. Debtor has pending litigation against LVDF, and is filing an objection to claim and claim estimation motion].</p>	<p>LVDF has not yet filed a proof of claim in the Debtor's bankruptcy case but has asserted what it alleges it is owed in multiple Court pleadings, and there is pending litigation between the Debtor and LVDF. The Debtor will shortly file an objection to LVDF's claim and a motion to estimate LVDF's claim for Plan confirmation purposes.</p> <p>Treatment:</p> <p>The Reorganized Debtor will make quarterly payments of \$_____ to LVDF (calculated at the non-default rate of 6% set forth in the underlying loan documents on an estimated claim amount of \$__ million). These payments are subject to turnover if LVDF's allowed claim is less than what is paid to LVDF under the terms of this Plan.</p> <p>Payment Start Date: _____</p> <p>Lien: LVDF shall retain its second priority lien against the Front Sight Property (behind only the New Secured Debt in an amount not to exceed \$5.5 million).</p> <p>New Maturity Date: Estimated at 4 years from the Effective Date. To the extent that LVDF has not been paid in full on its allowed secured claim, if any, after 4 years of quarterly payments to LVDF, LVDF shall receive a lump sum payment of the balance of its allowed</p>

Class No.	Description	Estimated Amount or Value of Claims as of the Effective Date	Estimated Projected Payment / Treatment for Allowed Claims
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>claim on or before the date that is estimated to be 4 years after the Effective Date.</p> <p>EB5 Related Obligations: The Debtor shall have no further EB5 Related Obligations.</p> <p>Such treatment shall be in full and complete satisfaction of the Class 2 claim. The Debtor shall have no other obligations under the requisite loan agreements.</p> <p>Alternative Treatment / Mutual Settlement of Claims:</p> <p>As an alternative to the treatment of the Class 2 claim set forth above, the Debtor would resolve all claims and disputes by and among the Class 2 claimant and its affiliates as follows:</p> <p>\$__ million allowed secured claim to be paid as follows: (a) __ paid to LVDF within 10 days of the Effective Date; (b) quarterly payments of \$____ at 6% interest in ; and (c) lump sum payment of \$____ [unknown] years from the Effective Date.</p> <p>If accepted by the Class 2 claimant and its affiliates, such treatment shall be in full and complete satisfaction of the Class 2 claim and shall compromise and fully resolve and settle all claims by and against the Debtor and its officer, members and affiliates, on the one hand, and the Class 2 claimant and its officers, managers and affiliates, on the other hand.</p> <p>The Debtor reserves the right to withdraw the proposed compromise of claims and disputes with the Class 2 claimant at any time prior to acceptance in a writing executed by the Class 2 claimant and all parties to the LVDF Litigation.</p> <p>This proposed compromise with the Class 2 claimant and the alternative treatment under the Plan is subject to approval under Bankruptcy Rule 9019 and confirmation of the Plan.</p> <p>Impaired; Entitled to Vote</p> <p>This Claim is Disputed – Debtor to</p>

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Class No.	Description	Estimated Amount or Value of Claims as of the Effective Date	Estimated Projected Payment / Treatment for Allowed Claims
			Object to Claim and file a motion to estimate the claim.
3	<p>Secured claim of Michael Meacher dba Bankgroup Financial Services</p> <p>Collateral Description: Certain of the Debtor's firearms</p> <p>Value of Collateral: Approximately \$214,569 book value of collateral set forth in the Bankgroup UCC financing statement filed March 22, 2021</p>	<p>[To Be Determined]</p> <p>Former insider.</p>	<p>The Debtor disputes the validity of this claim and is filing an objection to claim and a claim estimation motion. The Debtor believes that the Class 3 claimant's security interest is avoidable as a fraudulent transfer.</p> <p>Proposed Treatment:</p> <p>Upon resolution of the objection to claim, if the Class 3 claimant has an allowed secured claim, such claim shall be paid in full over four years, with payments commencing after payment in full of the New Secured Debt and any allowed Class 2 secured claim.</p> <p>Alternative Treatment / Mutual Settlement of Claims:</p> <p>As an alternative to the treatment of the Class 3 claim set forth above, the Debtor would resolve all claims and disputes with the Class 3 claimant and its affiliates as follows:</p> <p>Treatment:</p> <p>Debtor will assume the supplemental agreement amended as follows: Section 3 (a) and 3 (b) are replaced and superseded with the following language:</p> <p>Claimant will have an allowed secured claim, secured only by its existing collateral, in the amount of \$ _____. Claimant will receive _____.</p> <p>This proposed compromise with the Class 3 claimant and the alternative treatment under the Plan is subject to approval under Bankruptcy Rule 9019 and confirmation of the Plan.</p> <p>Impaired; Entitled to Vote</p> <p>This Claim is Disputed – Debtor to Object to Claim and file a motion to estimate the claim.</p>
4	<p>M2 EPC</p> <p>Mechanics Lien</p>	<p>\$110,000 secured claim as of the Petition Date.</p>	<p>The Class 4 claim will be paid in monthly installments of \$10,000 commencing February 1, 2023 until paid in full.</p> <p>Payment start date – February 1, 2023</p>

Class No.	Description	Estimated Amount or Value of Claims as of the Effective Date	Estimated Projected Payment / Treatment for Allowed Claims
			Payment end date – December 1, 2023 Impaired; Entitled to Vote
5	Top Rank Builders / Morales Construction Mechanics Lien	\$15,000 secured claim as of the Petition Date.	The Class 5 claim will be paid in three quarterly installments of \$5,000. Payment start date – April 1, 2023 Payment end date – June 1, 2023 Impaired; Entitled to Vote
6	Employee Wage Claim	\$8,758.99	Paid in full within 12 months of the Effective Date. Impaired; Entitled to Vote
7	Champions Club Member and Platinum Member General Unsecured Claims	As of the Petition Date, Champions Club Members held \$5,671,709 in unsecured claims, and Platinum Members were owed \$880,000	Class 7 claimants who remain active members of Front Sight have the option of choosing the following treatment: Option 1: Class 7 Claimants can choose to participate in go forward membership program [to be described in amended Plan filed by August 4, 2022] Option 2: Class 7 claimants can choose to be treated as Class 7 general unsecured claimants. Option 3: Class 7 claimants can choose to accept no recovery on their claim. Impaired; Entitled to Vote
8	All Other General Unsecured Claims	Approximately \$4 million to \$20 million plus. (This number is subject to change as follows: (a) the bar date is not until August 8, 2022; (b) the amount of Class 7 claimants who choose to receive treatment under Class 8; (c) the resolution of objections to Disputed Claims; and (d) the amount of rejection damages claims asserted by members who do not choose to remain active or inactive members of Front Sight.) Currently, the total amount of unsecured claims scheduled and filed against the Debtor is over \$25 million. This number is grossly inflated due to several claims including one \$21 million claim asserted by a former member who	Holders of Class 8 Allowed General Unsecured Claims shall receive their pro rata share of \$500,000 within 45 days of the Effective Date (or as soon as practicable thereafter). Holders of Class 8 Allowed General Unsecured Claims will also receive a pro rata distribution of the Debtor's net operating cash flow once the New Secured Debt, Class 2 allowed secured claim (if any), Class 3 allowed secured claim (if any), Class 4 allowed secured claim and Class 5 allowed secured claim have been paid in full (estimated to be paid in year ___ in the amount of at least \$___ million). Estimated recovery: At least ___% and up to ___% of their Allowed General Unsecured Claim. The foregoing treatment is in full

Class No.	Description	Estimated Amount or Value of Claims as of the Effective Date	Estimated Projected Payment / Treatment for Allowed Claims
		was terminated prepetition and who was refunded in full for all amounts he paid for his membership.	settlement and satisfaction of all obligations of the Debtor to holders of Claims in Class 8. Impaired; Entitled to Vote
9	Equity Interests of Ignatius Piazza (1% Voting), VNV Dynasty Trust – FS I (49.5% Non-Voting) and VNV Dynasty Trust – FS II (49.5% Non-Voting)	The Debtor’s current equity holders who collectively own 100% of the Debtor.	As set forth more fully in Section IV.D.3 below, the Debtor’s equity holders will keep their respective equity interests. Dr. Piazza will contribute \$_____ to the Debtor (to be paid to his counsel’s trust account or Debtor’s counsel’s trust account at least five business days prior to the Plan confirmation hearing.) Dr. Piazza also waives any right that he has for unpaid salary prepetition or post-petition (Dr. Piazza has not received a salary from the Debtor since _____). Collectively, all of Dr. Piazza’s contributions are referred to as the “New Value Contribution”). In exchange for the New Value Contribution, any claim the estate may have against its equity holders will be waived as of the Effective Date. Not Impaired. Not Entitled to Vote

II. DEFINITIONS AND EXHIBITS

A. Definitions.

For the purposes of this Plan, except as expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in this Article II. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to such terms in the Bankruptcy Code or the Bankruptcy Rules, in that order or priority. Throughout this Plan, the use of the masculine, feminine, neuter, plural or singular shall be understood to include each of the others as the context may reasonably dictate. As used in this Plan, the following definitions shall apply:

1. Administrative Claim. A Claim for costs and expenses of administration allowed under Section 503(b) of the Bankruptcy Code and referred to in Section 507(a)(2) of the Bankruptcy Code including, without limitation: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estate and operating the business of the Debtor

1 (such as wages, salaries or commissions for services); (b) compensation for legal, financial advisory,
2 accounting and other services, and reimbursement of expenses awarded or allowed under Sections
3 330(a) or 331 of the Bankruptcy Code; and (c) all fees and charges assessed against the Estate under
4 28 U.S.C. § 1930.

5 **2. Administrative Claims Bar Date.** The date which is thirty (30) days after
6 the Effective Date.

7 **3. Allowed Administrative Claim.** An Administrative Claim which is an
8 Allowed Claim.

9 **4. Allowed Claim.** A Claim against the Debtor and/or the Estate as to which no
10 objection has been filed, or if an objection has been filed, has either been overruled or otherwise
11 resolved by the allowance of such Claim by the Bankruptcy Court, if the Claim was: (1) scheduled in
12 the list of creditors prepared and filed with the Bankruptcy Court by the Debtor and not listed as
13 disputed, contingent or unliquidated as to amount; or (2) the subject of a timely filed proof of claim;
14 or (3) which has been allowed by order of the Bankruptcy Court.

15 **5. Allowed Priority Claim.** A Priority Claim which is an Allowed Claim.

16 **6. Allowed Priority Tax Claim.** A Priority Tax Claim which is an Allowed
17 Claim.

18 **7. Allowed Professional Fees.** The amount of fees and costs incurred by
19 Professionals engaged by the Debtor or the Committee in connection with the Case which are (1)
20 timely requested by application filed on or prior to the Administrative Claims Bar Date; and (2)
21 which are allowed by order of the Bankruptcy Court.

22 **8. Allowed Secured Claim.** A Secured Claim which is an Allowed Claim.

23 **9. Allowed General Unsecured Claim.** A General Unsecured Claim which is
24 an Allowed Claim.

25 **10. Assets.** All tangible and intangible assets of every kind and nature of the
26 Debtor and its Estate, and all proceeds thereof, as of the Effective Date.

27 **11. Avoidance Actions.** Causes of Action arising under Bankruptcy Code
28 sections 510, 541, 542, 544, 545, 547 through 551 and/or 553, or under related state or federal

1 statutes and common law including, without limitation, fraudulent transfer laws, whether or not
2 litigation is commenced to prosecute such Causes of Action.

3 **12. Ballot.** The form of ballot or ballots that will be distributed with the
4 Disclosure Statement to holders of Claims entitled to vote under the Plan in connection with the
5 solicitation of votes to accept or to reject the Plan.

6 **13. Bankruptcy Code.** Title 11 of the United States Code (11 U.S.C. §§ 101 *et*
7 *seq.*), as now in effect or hereafter amended. All citations in the Disclosure Statement or in the Plan
8 to section numbers are to the Bankruptcy Code unless otherwise expressly indicated.

9 **14. Bankruptcy Court.** The United States Bankruptcy Court for the District of
10 Nevada, or such other federal court with competent jurisdiction over the Case.

11 **15. Bankruptcy Rules.** Federal Rules of Bankruptcy Procedure, as now in effect
12 or hereafter amended.

13 **16. Bar Date.** August 8, 2022, for non-governmental creditors; and October 8,
14 2022, for governmental units.

15 **17. Business Day.** Any day, other than a Saturday, Sunday or legal holiday as
16 defined in Bankruptcy Rule 9006(a).

17 **18. Case.** This Chapter 11 bankruptcy case, filed by the Debtor, pending in the
18 Bankruptcy Court as Case No. 22-11824-abl.

19 **19. Cash.** Currency, checks, negotiable instruments and wire transfers of
20 immediately available funds.

21 **20. Causes of Action.** Any and all causes of action, Avoidance Actions, suits,
22 rights of action, rights to legal remedies, rights to equitable remedies, rights to payment of any
23 amounts owing to the Debtor or the Estate for any reason whatsoever, whether known, unknown,
24 reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured,
25 unmatured, disputed, undisputed, secured or unsecured, and whether asserted or assertable directly
26 or derivatively, in law, equity or otherwise, that the Debtor and/or Estate may hold against any
27 Person but excluding those Persons who are released or exculpated, or against whom claims were
28 waived, pursuant to the Plan.

1 **21. Claim.** Any right to payment, whether or not such right is reduced to
2 judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed,
3 legal, equitable, secured or unsecured, against the Debtor and/or the Estate, and any right to any
4 legal or equitable remedy for breach of any obligation giving rise to a right to payment, whether or
5 not such right is an equitable remedy or is reduced to judgment, liquidated, unliquidated, fixed,
6 contingent, matured, unmatured, disputed, undisputed, secured or unsecured, against the Debtor
7 and/or the Estate.

8 **22. Claimant.** A Person who holds a Claim.

9 **23. Claim Chart.** Exhibit A to the Plan and Disclosure Statement which lists all
10 Claims scheduled by the Debtor and/or filed against the Debtor as of the date reflected therein.

11 **24. Claims Objection Deadline.** One hundred eighty (180) days following the
12 Effective Date, which date may be extended by the Bankruptcy Court upon motion of any party in
13 interest for cause.

14 **25. Class.** A category of Claims which are substantially similar to each other and
15 into which Allowed Claims are grouped and classified pursuant to the Plan, unless a member of the
16 Class has agreed to a subordinated treatment. The Classes provided for in the Plan are summarized
17 in Article IV of the Disclosure Statement and Article III of the Plan.

18 **26. Committee.** The Official Committee of Unsecured Creditors appointed by
19 the OUST on June 9, 2022, pursuant to § 1102 of the Bankruptcy Code.

20 **27. Confirmation.** The entry of the Confirmation Order on the docket of the
21 Bankruptcy Court.

22 **28. Confirmation Date.** The date upon which the Confirmation occurs.

23 **29. Confirmation Hearing.** The hearing or hearings held by the Bankruptcy
24 Court to consider and rule upon the Debtor's request for confirmation of the Plan.

25 **30. Confirmation Order.** The order entered by the Bankruptcy Court confirming
26 the Plan.

27 **31. Creditor.** A Person asserting a Claim; *aka* a Claimant.

28 **32. Debtor.** Front Sight Management LLC is the chapter 11 debtor in the Case.

1 **33. DIP Financing.** The post-petition credit facility of up to \$5 million extended
2 by FS DIP to the Debtor and approved by the Bankruptcy Court by the Final DIP Order.

3 **34. Disallowed.** With respect to a Claim, or any portion thereof, that (a) has been
4 disallowed by a Final Order, (b) is Scheduled at zero, or as contingent, disputed or unliquidated and
5 as to which no Proof of Claim has been filed by the applicable Bar Date or deemed timely filed
6 pursuant to either the Bankruptcy Code or any Final Order or under applicable law, or (c) is not
7 Scheduled, and as to which (i) no Proof of Claim has been filed by the applicable Bar Date or
8 deemed timely filed pursuant to either the Bankruptcy Code or any Final Order or under applicable
9 law, or (ii) no request for payment of an Administrative Claim has been filed by the Administrative
10 Claims Bar Date, as appropriate, or deemed timely filed pursuant to either the Bankruptcy Code or
11 any Final Order or under applicable law.

12 **35. Disbursing Agent.** The Reorganized Debtor is the Disbursing Agent.

13 **36. Disclosure Statement.** The Disclosure Statement Dated July 15, 2022 (as
14 may be amended or modified) prepared by the Debtor as required by § 1125 of the Bankruptcy Code
15 describing the Plan.

16 **37. Disputed Claim.** Disputed Claims include: (i) a Claim which has been
17 scheduled as disputed, contingent or unliquidated where a Proof of Claim has not been timely filed
18 thereafter; (ii) a Claim as to which an objection has been timely filed with the Bankruptcy Court, and
19 which objection has not been withdrawn on or before any date fixed for filing such objections by the
20 Plan or by order of the Bankruptcy Court and has not been overruled or denied by a Final Order; and
21 (iii) any Claim listed as a Disputed Claim on the Claim Chart.

22 **38. Distribution(s).** Any distribution by the Reorganized Debtor to any Class,
23 Claimant or Creditor.

24 **39. Effective Date.** The first Business Day after the Confirmation Date, provided
25 that the Bankruptcy Court has waived the provisions of Bankruptcy Rule 3020(e) and no stay of the
26 Confirmation Order is in effect. If the Bankruptcy Court does not waive the provisions of
27 Bankruptcy Rule 3020(e), then the Effective Date will be the first Business Day which is at least
28 fifteen (15) days following the date of entry of the Confirmation Order, providing there has been no

1 appeal from and order staying the effectiveness of the Confirmation Order. If there has been an
2 order entered staying the effectiveness of the Confirmation Order, the Effective Date shall be the
3 first Business Day after the stay is no longer in effect with respect to the Confirmation Order.

4 **40. Equity Interest.** An “equity security” as defined in § 101(16) of the
5 Bankruptcy Code, including membership units and interests.

6 **41. Equity Holder(s).** A holder of any Unit or an Equity Interest. Dr. Ignatius
7 Piazza, VNV Dynasty Trust – FS I, and VNV Dynasty Trust – FS II were the Equity Holders of the
8 Debtor on the Petition Date. Dr. Ignatius Piazza held 1% voting interest and VNV Dynasty Trust –
9 FS I and VNV Dynasty Trust – FS II each held a 49.5% non-voting interest in the Debtor.

10 **42. Estate.** The estate of the Debtor created upon commencement of the Case
11 pursuant to § 541 of the Bankruptcy Code.

12 **43. Exit Financing.** Financing in the sum of approximately \$_____ million
13 consisting of the following: (a) New Secured Debt in the amount of at least a \$5 million
14 conventional loan and/or line of credit; and (b) New Value Contribution of \$_____ from the
15 Debtor’s principal Dr. Ignatius Piazza.

16 **44. Final Fee Application(s).** The final request for payment of Professional Fee
17 Claims.

18 **45. Final DIP Order.** *The Final Order: (I) Authorizing Debtor to Obtain Post-*
19 *Petition Financing, (II) Granting Liens and Administrative Expense Claims, (III) Authorizing*
20 *Debtor’s Use of Cash Collateral, (IV) Modifying the Automatic Stay, and (V) Granting Other*
21 *Related Relief* [ECF No. 228] entered by the Bankruptcy Court on July 1, 2022.

22 **46. Final Order.** An order or judgment of the Bankruptcy Court, as entered on
23 the applicable docket, that has not been reversed, stayed, modified or amended, and as to which the
24 time to appeal, petition for certiorari, or move for re-argument or rehearing has expired, and as to
25 which no appeal, petition for certiorari, or other proceedings for re-argument or rehearing shall then
26 be pending, or as to which any right to appeal, petition for certiorari, reargue, or rehear have been
27 waived in writing in form and substance satisfactory to the Debtor prior to the Effective Date, or to
28 the Reorganized Debtor after the Effective Date, or, in the event that an appeal, writ of certiorari, or

1 re-argument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court
2 shall have been affirmed by the highest court to which such order or judgment was appealed, or
3 certiorari has been denied, or from which re-argument or rehearing was sought and denied, and the
4 time to take any further appeal, petition for certiorari or move for re-argument or rehearing shall
5 have expired.

6 **47. Front Sight Property.** The Debtor’s primary place of business located at 1
7 Front Sight Road, Pahrump, Nevada 89061, Nye County Assessor’s Parcel Nos. 045-481-05 and
8 045-481-06, consisting of 550 acres of raw land and approximately 500 acre feet of water rights.

9 **48. FS DIP.** The Debtor’s senior secured lender FS DIP, LLC.

10 **49. General Unsecured Claim.** A Claim against the Debtor that is not secured
11 by a charge against, or interest in, any of the Debtor’s Assets, that is not an Administrative Claim, a
12 Priority Claim, or a Priority Tax Claim.

13 **50. Holder(s).** A Person holding a Claim or Interest against the Debtor, provided,
14 however, with respect to transfers of Claims governed by Bankruptcy Rule 3001(e), in order for the
15 transferor to be deemed the Holder of the Claim for distribution purposes, the deadline for any
16 objection to the proposed transfer of a Claim must have passed with either (1) no objection to the
17 transfer having been filed, or (2) any objection to such transfer having been resolved in favor of the
18 transferor by no later than the Confirmation Date. In other words, after the Effective Date, without
19 the express consent of the Reorganized Debtor, no transfer of Claims will be recognized by the
20 Reorganized Debtor for Distributions made pursuant to the Plan.

21 **51. Impaired.** When used in reference to a Claim, Interest or Class, a Claim,
22 Interest or Class that is impaired within the meaning of § 1124 of Bankruptcy Code.

23 **52. Interest.** When “Interest” is used in the context of holding an equity security
24 or unit of the Debtor (and not used to denote (i) the compensation paid for the use of money for a
25 specified time and usually denoted as a percentage rate of interest on a principal sum of money, or
26 (ii) a security interest in property), then “Interest” shall mean an interest or share in the Debtor of the
27 type described in the definition of “Equity Interest.”
28

1 **53. Litigation Claims.** Any and all Causes of Action of the Effective Date,
2 including without limitation all causes of action arising under chapter 5 of the Bankruptcy Code,
3 including without limitation those causes of actions which could be brought by the Debtor under one
4 or more of sections 542, 543, 544, 545, 547, 548, 549, 550, 551, 552, and 553 of the Bankruptcy
5 Code against any Person or other entity, including any governmental entity, who received an
6 avoidable transfer from the Debtor, including but not limited to insiders, employees, officers, and
7 equity holders of the Debtor. Although the Debtor has not concluded its investigation of all the
8 potential Litigation Claims and all the potential parties to such claims, a non-exclusive summary of
9 known potential Litigation Claims is described in the Disclosure Statement.

10 **54. New Secured Debt:** The new conventional loan and/or line of credit with at
11 least \$5 million available on or about the Effective Date obtained in connection with the Exit
12 Financing, which will be senior secured debt with first priority liens on substantially all of the
13 Reorganized Debtor's assets, except as provided in the Plan.

14 **55. OUST.** Office of the United States Trustee for Region 17.

15 **56. Person.** Person shall have the same meaning as in § 101(41) of the
16 Bankruptcy Code.

17 **57. Petition Date.** May 24, 2022, the date on which the Debtor filed its voluntary
18 petition for relief under chapter 11, thereby commencing this Case.

19 **58. Plan.** This *Plan of Reorganization Dated July 15, 2022* (as may be amended
20 or modified) proposed by the Debtor and including, without limitation, all exhibits, supplements,
21 appendices and schedules thereto, either in its present form or as it may be altered, amended,
22 supplemented, or modified from time to time.

23 **59. Post-Confirmation Status Report.** The post-confirmation status report to be
24 filed by the Reorganized Debtor if so ordered by the Bankruptcy Court.

25 **60. Priority Claim.** A Claim entitled to priority under § 507(a) of the
26 Bankruptcy Code, other than a Priority Tax Claim pursuant to § 507(a)(8) of the Bankruptcy Code.

27 **61. Priority Tax Claim.** A Claim entitled to priority under § 507(a)(8) of the
28 Bankruptcy Code.

1 **62. Professional Fee Applications.** Applications filed pursuant to sections 330,
2 331 or 503(b)(4) of the Bankruptcy Code for allowance of Administrative Claims relating to the
3 compensation and reimbursement of expenses of Professionals employed pursuant to an order of the
4 Bankruptcy Court under sections 327 or 1103 of the Bankruptcy Code for services provided and
5 expenses incurred prior to the Effective Date.

6 **63. Professional Fee Claims.** (A) a claim under sections 327, 328, 330, 331,
7 503(b), 1103 or 1106 of the Bankruptcy Code for compensation for professional services rendered or
8 expenses incurred on and after the Petition Date and prior to the Effective Date on behalf of the
9 Estate by a Professional duly employed and authorized by an Order of the Bankruptcy Court; or (b) a
10 claim under § 503(b)(4) of the Bankruptcy Code for reasonable compensation for professional
11 services rendered by an attorney or accountant of an entity whose expense is allowable under §
12 503(b)(3)(D) of the Bankruptcy Code for making a substantial contribution to the Estate.

13 **64. Professionals.** Those Persons (i) that are subject to the retention pursuant to
14 an order of the Bankruptcy Court in accordance with sections 327, 1103 and/or 1106 of the
15 Bankruptcy Code and to be compensated for services rendered prior to the Effective Date pursuant
16 to sections 327, 328, 329, 330 and 331 of the Bankruptcy Code or (ii) for which compensation and
17 reimbursement has been allowed by the Bankruptcy Court pursuant to sections 330 and 503(b)(2) of
18 the Bankruptcy Code.

19 **65. Proponent.** The proponent of the Plan is the Debtor.

20 **66. Pro Rata.** Pro rata means proportionate so that the ratio of (a) the amount of
21 consideration distributed on account of an Allowed Claim to (b) the amount of the Allowed Claim is
22 the same as the ratio of (x) the amount of consideration available for distribution on account of all
23 Allowed Claims in the Class in which the Allowed Claim is included to (y) the amount of all
24 Allowed Claims in that Class.

25 **67. Reorganized Debtor.** The Debtor following the occurrence of the Effective
26 Date.

27 **68. Reserve Account.** An account created, and in an amount determined, by the
28 Reorganized Debtor pending the resolution of a Disputed Claim, containing a sufficient amount to

1 satisfy such Disputed Claim in a manner consistent with that Claim's treatment under the Plan
2 should it ultimately become an Allowed Claim.

3 **69. Scheduled.** Scheduled means the information set forth in the Schedules.

4 **70. Schedules.** The Schedules of Assets and Liabilities filed by the Debtor in
5 accordance with § 521 of the Bankruptcy Code and Bankruptcy Rule 1007 [ECF No. 137], as the
6 same may be amended from time to time in accordance with Bankruptcy Rule 1009 prior to the
7 Effective Date.

8 **71. Secured Claim.** A Claim that is secured by a lien against any Assets to the
9 extent of the value of the Estate's interest in such Assets, or to the extent of the amount of such
10 Claim subject to setoff in accordance with § 553 of the Bankruptcy Code, in either case determined
11 pursuant to § 506(a) of the Bankruptcy Code.

12 **72. Unclaimed Distribution.** Any Distribution made by the Reorganized Debtor
13 to the address of the recipient reflected in the Schedules (or on any Proof of Claim filed by the
14 Claimant), by: (a) checks which have been returned as undeliverable without a proper forwarding
15 address; (b) checks which were not mailed or delivered because of the absence of a proper address to
16 which to mail or deliver the same; (c) checks which have not been cashed for a period of ninety (90)
17 days after the date such checks were issued, or (d) disbursements that were not made because the
18 Holder of such Allowed Claim failed to provide required tax information within forty-five (45) days
19 after the Reorganized Debtor has sent any request for same to such Claimant's address as reflected in
20 the Schedules and/or such Claimant's Proof of Claim.

21 **73. Unclassified Claim.** Any Claim which is not part of any Class, including
22 Administrative Claims and Priority Tax Claims.

23 **74. Unimpaired.** A Claim is unimpaired when it is within a class that is not
24 impaired within the meaning of § 1124 of the Bankruptcy Code.

25 **75. Unsecured Claim.** Any Claim, including without limitation any claim arising
26 under § 502(g) of the Bankruptcy Code, that is not secured by a lien on, security interest in, or
27 charge against, any Asset.
28

1 **B. Exhibits.**

2 All Exhibits to this Plan and to the Disclosure Statement are incorporated into and are part of
3 this Plan as if set forth in full herein.

4 **C. Computing Time Periods.**

5 In computing any period of time prescribed or contemplated by the Plan, Bankruptcy Rule
6 9006(a) shall apply.

7 **D. Notices and Delivery of Documents.**

8 All notices, correspondence, and other deliveries under the Plan must be directed as follows:

9 To the Debtor or Reorganized Debtor: Front Sight Management LLC
10 1 Front Sight Road
Pahrump, NV 89061

11 With a Copy to: Susan K. Seflin
12 BG Law LLP
300 S. 4th Street, Suite 1550
13 Las Vegas, NV 89101
14 Fax: (866) 995-0215
Email: sseflin@bg.law

15 **III. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**
16 **UNDER THE PLAN**

17 **A. What Creditors and Interest Holders Will Receive Under this Plan.**

18 As required by the Bankruptcy Code, this Plan classifies Claims and Interests in various
19 Classes according to their right of priority under the Bankruptcy Code. This Plan states whether
20 each Class of Claims or Interests in impaired or unimpaired. This Plan provides the treatment each
21 Class will receive.

22 **B. Unclassified Claims.**

23 Certain types of Claims are not placed into voting Classes; instead they are unclassified.
24 They are not considered impaired and they do not vote on this Plan because they are automatically
25 entitled to specific treatment provided for them in the Bankruptcy Code. As such, the Debtor has not
26 placed the following Unclassified Claims in a Class.

27 **1. Administrative Claims.**

28 Administrative Claims are for costs or expenses of administering the Debtor's Chapter 11

1 Case which are allowed under Bankruptcy Code Section 507(a)(1). Allowed Administrative Claims
 2 representing post-Petition Date liabilities incurred by the Debtor in the ordinary course of business,
 3 for which no approval by the Bankruptcy Court is required, shall be paid in full in accordance with
 4 the terms and conditions of the particular transaction giving rise to such liabilities and any
 5 agreements relating thereto. The Bankruptcy Code requires that all Administrative Claims be paid
 6 on the Effective Date unless a particular Claimant agrees to a different treatment. After the Effective
 7 Date, while the Debtor’s Chapter 11 Case remains open, the Reorganized Debtor will (i) file with the
 8 United States Trustee quarterly operating reports; and (ii) timely pay fees incurred pursuant to 28
 9 U.S.C. Section 1930(a)(6).

10 The following chart lists all of the Debtor’s Section 507(a)(1) administrative claims and their
 11 treatment under the Plan.

NAME	AMOUNT OWED ⁴	TREATMENT
Clerk’s Office Fees	\$0 (Estimate)	Paid in full on the Effective Date
Office of the U.S. Trustee Fees	\$0 (Estimate)	Paid in full on the Effective Date
BG Law LLP, bankruptcy counsel to the Debtor	Approximately \$_____ in addition to the post-petition payments to BG pursuant to the order approving the Interim Compensation Motion [ECF No. __] (the “Interim Compensation Order”)	Paid in full on the later of the Effective Date and the date the Court enters an order allowing such fees and expenses.
Province, LLC, financial advisor to the Debtor	Approximately _____ in addition to the post-petition payments made by the Debtor in connection with the Interim Compensation Order.	Paid in full on the later of the Effective Date and the date the Court enters an order allowing such fees and expenses.

27 ⁴ The amounts set forth in this chart are estimates of the administrative claim amount that the Debtor
 28 believes each administrative claimant will be entitled to on the Effective Date. The amounts set forth in this chart are subject to change.

NAME	AMOUNT OWED ⁴	TREATMENT
Lucas Horsfall, accountant to the Debtor	\$_____ [in addition to the \$_____ that Lucas Horsfall has been paid pursuant to its ordinary course work done as approved the Lucas Horsfall Order].	Paid in full on the later of the Effective Date and the date the Court enters an order allowing such fees and expenses.
Stretto, claims, noticing and solicitation agent for the Debtor	\$0	Paid in the ordinary course of business pursuant to the order approving Stretto's employment [ECF No. 64]
Carlyon Cica CHTD., proposed counsel to the Committee	Approximately _____ in addition to the post-petition payments made by the Debtor in connection with the Interim Compensation Order.	Paid in full on the later of the Effective Date and the date the Court enters an order allowing such fees and expenses.
Kelley Drye & Warren LLP, proposed counsel to the Committee	Approximately _____ in addition to the post-petition payments made by the Debtor in connection with the Interim Compensation Order.	Paid in full on the later of the Effective Date and the date the Court enters an order allowing such fees and expenses.
Dundon Advisers LLC, proposed financial advisor to the Committee	Approximately _____ in addition to the post-petition payments made by the Debtor in connection with the Interim Compensation Order.	Paid in full on the later of the Effective Date and the date the Court enters an order allowing such fees and expenses.
TOTAL	[_____] est.	Paid in the manner described above

Court Approval of Fees Required:

The Bankruptcy Court must approve, or must have previously approved on a final basis, all Professional Fee Claims listed in the foregoing chart before they may be paid. Only the amount of fees and expenses approved by the Bankruptcy Court is required to be paid under the Plan. The administrative claim amounts set forth above for professional fees and expenses simply represent the Debtor's best estimate as to the amount of Allowed Professional Fee Claims, which estimates assume that the Debtor makes all of the post-petition professional fee monthly payments that the

1 Bankruptcy Court has authorized the Debtor to make. The actual Administrative Claims for
2 Professional fees and expenses may be higher or lower. By voting to accept the Plan, Creditors are
3 not acknowledging the validity of, or consenting to the amount of, any of these Administrative
4 Claims for professional fees and expenses, and Creditors are not waiving any of their rights to object
5 to the allowance of any of these Professional Fee Claims. Also, the Professionals employed in this
6 Case may, prior to the Effective Date, seek Court approval of interim fees and expenses incurred in
7 excess of the post-petition professional fee monthly payments received by such Professionals,
8 pursuant to prior orders of the Bankruptcy Court. To the extent any such interim fees and expenses
9 are allowed by the Bankruptcy Court and paid by the Debtor prior to the Effective Date, that will
10 reduce the amount of professional fees and expenses to be paid by the Reorganized Debtor.

11 **The last day to file any Administrative Claims (but NOT for ordinary post-petition**
12 **operating obligations or Professional Fee Claims) is thirty (30) days after the Effective Date.**

13 Administrative expenses will be paid on the later of the Effective Date or 10 days after the entry of a
14 Final Order allowing the administrative expense, unless the administrative claimant has consented
15 otherwise in writing.

16 **2. Priority Tax Claims.**

17 Priority tax claims include certain unsecured income, employment and other taxes described
18 by Section 507(a)(8) of the Bankruptcy Code. The Bankruptcy Code requires that each holder of
19 such a Section 507(a)(8) priority tax claim receive the present value of such claim in deferred cash
20 payments, over a period not exceeding five years from the Petition Date. The Debtor believes that it
21 owes \$500 to the Internal Revenue Service. The Reorganized Debtor will pay this Priority Tax
22 Claim on the Effective Date. If there are any other Priority Tax Claims as of the Effective Date, the
23 Reorganized Debtor will pay those Allowed Priority Tax Claims in full by the Reorganized Debtor
24 over a period not exceeding five years from the Petition Date.

25 **C. Classified Claims and Interests.**

26 **1. Class of Secured Claims.**

27 Secured Claims are claims secured by liens on property of the Estate. The following chart
28 sets forth the description and treatment of each of the Debtor's known Secured Claims. The Debtor

has listed the below Creditors based on the priority of their liens.

CLASS #	DESCRIPTION	IMPAIRED (Yes/No)	TREATMENT
1	<p>Secured Claim of FS DIP</p> <p>Collateral Description: 1st Priority Lien on substantially all assets of the Debtor’s Estate [except as set forth in ECF No. 288].</p> <p>Amount of Claim: Approximately \$5,115,000</p>	No.	<p>The FS DIP Secured Claim will be paid in full on the Effective Date.</p> <p>Upon the occurrence of the Effective Date and payment in full of the FS DIP Secured Claim, the commitments and obligations under the FS DIP loan agreements and the Final DIP Order are terminated, and FS DIP’s security interest in the Debtor’s Assets is terminated.</p> <p>Unimpaired. This Class 1 Claim is a Secured Claim and will be paid in full on the Effective Date. Presumed to accept the Plan and not entitled to vote.</p>
2	<p>Secured claim of LVDF</p> <p>Collateral Description: Real property located at 1 Front Sight Road, Pahrump, NV 89061 (“Front Sight Property”)</p> <p>Interest rate: Non-Default – 6%</p> <p>Maturity Date – October 4, 2021</p> <p>*Debtor has a pending action against LVDF and believes that it has significant affirmative claims against LVDF and significant offsets.</p>	Yes.	<p>LVDF has not yet filed a proof of claim in the Debtor’s bankruptcy case but has asserted what it alleges it is owed in multiple Court pleadings, and there is pending litigation between the Debtor and LVDF. The Debtor will shortly file an objection to LVDF’s claim and a motion to estimate LVDF’s claim for Plan confirmation purposes.</p> <p>Treatment:</p> <p>The Reorganized Debtor will make quarterly payments of \$_____ to LVDF (calculated at the non-default rate of 6% set forth in the underlying loan documents on an estimated claim amount of \$__ million). These payments are subject to turnover if LVDF’s allowed claim is less than what is paid to LVDF under the terms of this Plan.</p> <p>Payment Start Date: _____</p> <p>Lien: LVDF shall retain its second priority lien against the Front Sight Property (behind only the New Secured Debt in an amount not to exceed \$5.5 million).</p> <p>New Maturity Date: Estimated 4 years from the Effective Date. To the extent that LVDF has not been paid in full on its allowed secured claim, if any, after 4 years of quarterly payments to LVDF, LVDF shall receive a lump sum payment</p>

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CLASS #	DESCRIPTION	IMPAIRED (Yes/No)	TREATMENT
			<p>of the balance of its allowed claim on or before the date that is estimated to be 4 years after the Effective Date.</p> <p><u>EB5 Related Obligations:</u> The Debtor shall have no further EB5 Related Obligations.</p> <p>Such treatment shall be in full and complete satisfaction of the Class 2 claim. The Debtor shall have no other obligations under the requisite loan agreements.</p> <p><u>Alternative Treatment / Mutual Settlement of Claims:</u></p> <p>As an alternative to the treatment of the Class 2 claim set forth above, the Debtor would resolve all claims and disputes by and among the Class 2 claimant and its affiliates as follows:</p> <p><u>Treatment:</u></p> <p>\$__ million allowed secured claim to be paid as follows: (a) __ paid to LVDF within 10 days of the Effective Date; (b) quarterly payments of \$___ at 6% interest in ; and (c) lump sum payment of \$___ [unknown] years from the Effective Date.</p> <p>If accepted by the Class 2 claimant and its affiliates, such treatment shall be in full and complete satisfaction of the Class 2 claim and shall compromise and fully resolve and settle all claims by and against the Debtor and its officer, members and affiliates, on the one hand, and the Class 2 claimant and its officers, managers and affiliates, on the other hand.</p> <p>The Debtor reserves the right to withdraw the proposed compromise of claims and disputes with the Class 2 claimant at any time prior to acceptance in a writing executed by the Class 2 claimant and all parties to the LVDF Litigation.</p> <p>This proposed compromise with the Class 2 claimant and the alternative treatment under the Plan is subject to approval under Bankruptcy Rule 9019</p>

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CLASS #	DESCRIPTION	IMPAIRED (Yes/No)	TREATMENT
			and confirmation of the Plan. Impaired; Entitled to Vote This Claim is Disputed – Debtor to Object to Claim and file a motion to estimate the claim.
3	Secured claim of Michael Meacher dba Bankgroup Financial Services Collateral Description: Certain of the Debtor’s firearms Value of Collateral: Approximately \$214,569 book value of collateral set forth in the Bankgroup UCC financing statement filed March 22, 2021 Former insider.	Yes	The Debtor disputes the validity of this claim and is filing an objection to claim and a claim estimation motion. The Debtor believes that the Class 3 claimant’s security interest is avoidable as a fraudulent transfer. <u>Proposed Treatment:</u> Upon resolution of the objection to claim, if the Class 3 claimant has an allowed secured claim, such claim shall be paid in full over four years, with payments commencing after payment in full of the New Secured Debt and any allowed Class 2 secured claim. <u>Alternative Treatment / Mutual Settlement of Claims:</u> As an alternative to the treatment of the Class 3 claim set forth above, the Debtor would resolve all claims and disputes with the Class 3 claimant and its affiliates as follows: <u>Treatment:</u> Debtor will assume the supplemental agreement amended as follows: Section 3 (a) and 3 (b) are replaced and superseded with the following language: Claimant will have an allowed secured claim, secured only by its existing collateral, in the amount of \$_____. Claimant will receive_____. This proposed compromise with the Class 3 claimant and the alternative treatment under the Plan is subject to approval under Bankruptcy Rule 9019 and confirmation of the Plan. Impaired; Entitled to Vote This Claim is Disputed – Debtor to Object to Claim and file a motion to estimate the claim.

CLASS #	DESCRIPTION	IMPAIRED (Yes/No)	TREATMENT
4	M2 EPC Collateral Description: the Front Sight Property. Amount of Claim: \$110,000	Yes	The Class 4 claim will be paid in monthly installments of \$10,000 commencing February 1, 2023 until paid in full. Payment start date – February 1, 2023 Payment end date – December 1, 2023 Impaired; Entitled to Vote
5	Top Rank Builders Inc. Collateral Description: the Front Sight Property. Amount of Claim: \$15,000	Yes	The Class 5 claim will be paid in three quarterly installments of \$5,000. Payment start date – April 1, 2023 Payment end date – June 1, 2023 Impaired; Entitled to Vote

2. Classes of Priority Unsecured Claims.

Certain Priority Claims that are referred to in Bankruptcy Code Sections 507(a)(3), (4), (5), (6), and (7) are required to be placed in Classes. These types of Claims are entitled to priority treatment as follows: the Bankruptcy Code requires that each holder of such a Claim receive cash on the Effective Date equal to the allowed amount of such claim. However, a class of unsecured priority claim holders may vote to accept deferred cash payments of a value, as of the Effective Date, equal to the allowed amount of such claim. The Debtor does not believe that there are any valid outstanding Section 507(a)(3), (4), (5), (6), or (7) priority unsecured claims. If there are any allowed priority unsecured claims as of the Effective Date, these claims will be paid in full by the Reorganized Debtor on the Effective Date (or as soon as practicable thereafter). All allowed Section 507(a)(3), (4), (5), (6), or (7) priority unsecured claims, if any, will be characterized as Priority Claims.

<u>CLASS #</u>	<u>DESCRIPTION</u>	<u>IMPAIRED (Yes/No)</u>	<u>TREATMENT</u>
6	Employee Wage Claim of \$8,758.99	Yes.	Paid in full within 12 months of the Effective Date. Impaired; Entitled to Vote

3. Classes of General Unsecured Claims.

General Unsecured Claims are classified and treated as follows:

<u>CLASS #</u>	<u>DESCRIPTION</u>	<u>IMPAIRED (Yes/No)</u>	<u>TREATMENT</u>
7	<p>Champions Club Member and Platinum Member General Unsecured Claims</p> <p>As of the Petition Date, Champions Club Members held \$5,671,709 in unsecured claims, and Platinum Members were owed \$880,000</p>	Yes.	<p>Class 7 claimants who remain active members of Front Sight have the option of choosing the following treatment:</p> <p>Option 1: Class 7 Claimants can choose to participate in go forward membership program [to be described in amended Plan filed by August 4, 2022]</p> <p>Option 2: Class 7 claimants can choose to be treated as Class 7 general unsecured claimants.</p> <p>Option 3: Class 7 claimants can choose to accept no recovery on their claim.</p> <p>Impaired; Entitled to Vote</p>
8	<p>All Other General Unsecured Claims</p> <p>Approximately \$4 million to \$20 million plus. (This number is subject to change as follows: (a) the bar date is not until August 8, 2022; (b) the amount of Class 7 claimants who choose to receive treatment under Class 8; (c) the resolution of objections to Disputed Claims; and (d) the amount of rejection damages claims asserted by members who do not choose to remain active or inactive members of Front Sight.)</p> <p>Currently, the total amount of unsecured claims scheduled and filed against the Debtor is over \$25 million. This number is grossly inflated due to several claims including one \$21 million claim asserted by a former member who was terminated prepetition and who was refunded in full for all amounts he paid for his membership.</p>	Yes	<p>Holders of Class 8 Allowed General Unsecured Claims shall receive their pro rata share of \$500,000 within 45 days of the Effective Date (or as soon as practicable thereafter).</p> <p>Holders of Class 8 Allowed General Unsecured Claims will also receive a pro rata distribution of the Debtor's net operating cash flow once the New Secured Debt, Class 2 allowed secured claim (if any), Class 3 allowed secured claim (if any), Class 4 allowed secured claim and Class 5 allowed secured claim have been paid in full (estimated to be paid in year ___ in the amount of at least \$ ___ million).</p> <p>Estimated recovery: At least ___% and up to ___% of their Allowed General Unsecured Claim.</p> <p>The foregoing treatment is in full settlement and satisfaction of all obligations of the Debtor to holders of Claims in Class 8.</p> <p>Impaired; Entitled to Vote</p>

4. Classes of Interest Holders.

Interest holders are the parties who hold an ownership interest (i.e., equity interest) in the Debtor. The following chart identifies the Plan’s treatment of the class of interest holders:

CLASS #	DESCRIPTION	IMPAIRED (Yes/No)	TREATMENT
9	Equity Interests of Dr. Ignatius Piazza (1% Voting), VNV Dynasty Trust – FS I (49.5% Non-Voting) and VNV Dynasty Trust – FS II (49.5% Non-Voting)	Yes.	<p>As set forth more fully in Section IV.D.3 below, the Debtor’s equity holders will keep their respective equity interests.</p> <p>Dr. Piazza will contribute his New Value Contribution of \$_____ to the Debtor (to be paid to his counsel’s trust account or Debtor’s counsel’s trust account at least five business days prior to the Plan confirmation hearing.) Dr. Piazza also waives any right that he has for unpaid salary prepetition or post-petition (Dr. Piazza has not received a salary from the Debtor since _____).</p> <p>In exchange for the New Value Contribution, any claim the estate may have against its equity holders will be waived as of the Effective Date.</p> <p>Not Impaired. Not Entitled to Vote Contribution”).</p>

D. Means of Effectuating this Plan and Implementation of this Plan.

1. Plan Funding.

The Plan will be funded by the Exit Financing in the aggregate amount of approximately \$_____, plus the Debtor’s Cash on hand of approximately \$_____. After deducting fees and costs relating to obtaining the New Secured Debt (in the amount of approximately \$_____) and assuming \$_____ in Exit Financing and estimated annual membership fees of \$_____ that will be owed for January 2023, the Debtor will net approximately \$_____ as the Effective Date. Of this amount, the Reorganized Debtor anticipates that it will require at least \$_____ for working capital to meet the Debtor’s operating needs, thereby reducing available funds to implement the Plan to \$_____ to \$_____. Such proceeds will be utilized as follows:

1	Administrative (Professional)	\$
	Administrative (Accounts Payable)	\$
2	FS DIP Secured Claim	\$
	LVDF Secured Claim	\$
3	Lease/Contract Cures	\$
	Unsecured Claims	\$
4	Total	\$

5 Based on the foregoing, the Debtor is confident that sufficient funds will exist to make all required
6 Effective Date payments. The balance of Allowed Claims will be satisfied over time by the
7 Reorganized Debtor pursuant to the terms of the Plan.

8 **2. Release of Liens.**

9 Within 30 days of satisfaction of Secured Claims as set forth in the Plan, holders of such
10 Claims shall file releases of their liens with the appropriate government agencies (the “Release
11 Procedures”). In the event that the foregoing Claimants do not complete the Release Procedures, the
12 Reorganized Debtor shall be granted, pursuant to the Confirmation Order, power of authority for the
13 limited purpose of implementing and consummating the Release Procedures.

14 **3. Composition of the Reorganized debtor and Post-Confirmation Management.**

15 On the Effective Date, the Reorganized Debtor will remain a Nevada limited liability
16 company and the Reorganized Debtor will retain the same equity structure (i.e., Dr. Piazza will hold
17 1% voting shares, and VNV Dynasty Trust – FS I and VNV Dynasty Trust – FS II shall each hold
18 49.5% non-voting shares). The Reorganized Debtor’s Chief Executive Officer and manager shall be
19 Dr. Piazza.

20 The Debtor currently anticipates that the management of the Reorganized Debtor
21 immediately following the Effective Date will remain the same. It is contemplated that within one
22 month of the Effective Date, the Debtor will hire a controller or Chief Financial Officer. The Debtor
23 plans on beginning to interview potential candidates prior to exiting bankruptcy, but recognizes that
24 it will be very difficult to secure a CFO until after the Effective Date.

25 The Debtor’s current operations manager, Brad Ackman, is not an officer but he does oversee
26 the Debtor’s day-to-day business operations and will continue to do after the Effective Date.

27 On the Effective Date, the Reorganized Debtor reserves the right and shall be authorized to
28

1 pay Dr. Piazza his salary of \$_____ in the ordinary course of business. Dr. Piazza agrees
2 not to cause an increase in his salary until after all Plan payments have been made.

3 **4. Disbursing Agent.**

4 The Reorganized Debtor will act as the Disbursing Agent for purposes of making all
5 Distributions under the Plan. The Disbursing Agent will serve without bond and will receive no
6 compensation for distribution services and expenses incurred pursuant to the Plan. The Disbursing
7 Agent may employ others to assist it in making Distributions under the Plan.

8 **5. Objections to Claims.**

9 The claims Bar Date in this Case is August 8, 2022, for non-governmental entities and
10 October 8, 2022, for governmental entities. Attached as **Exhibit** __ hereto is a Claim Chart, which
11 identifies all of the Debtor's scheduled claims and all proofs of claims which have been filed to date
12 against the Debtor. Following Confirmation of the Plan, the Reorganized Debtor shall be the sole
13 entity with the standing and authority to file objections to Claims in this Case, and shall have the
14 right to file objections to all Claims which are inconsistent with the Debtor's books and records
15 unless the Reorganized Debtor deems the inconsistency to be insignificant. Any proof of claim that
16 is filed with the Bankruptcy Court and/or served on the Debtor after the Effective Date will be
17 deemed invalid (without the need for the Reorganized Debtor to file an objection to such late-filed
18 claim) unless the claimant files a motion for leave of Court to file such claim. With respect to
19 disputed claims which are not resolved prior to the Effective Date, the Reorganized Debtor shall
20 have the authority, in its sole discretion, in the reasonable exercise of its business judgment to settle
21 or compromise any Claim following the Effective Date by submitting a stipulation to the Bankruptcy
22 Court without a notice or hearing thereon.

23 As provided by Section 502(c) of the Bankruptcy Code, the Bankruptcy Court may estimate
24 any contingent or unliquidated disputed claim for purposes of Confirmation of the Plan. The
25 Bankruptcy Court shall retain jurisdiction over the Debtor, the Reorganized Debtor, this Case and
26 this Estate to resolve and to adjudicate any and all such objections to Claims which are commenced
27 or continued following the Confirmation of the Plan. Nothing contained in the Plan shall constitute
28 a waiver or release by the Debtor or the Reorganized Debtor of any rights of setoff or recoupment, or

1 of any defense, the Debtor or the Reorganized Debtor may have with respect to any claim, or of any
2 basis that the Reorganized Debtor Trustee may have to object to any such claim.

3 **Any Proof of Claim or Interest that is filed with the Bankruptcy Court and/or served on**
4 **the Debtor or Reorganized Debtor after the Effective Date will be deemed invalid unless the**
5 **Claimant files a motion for leave of Court to file such Claim.**

6 The Debtor specifically reserves the right to file objections to any and all Claims set forth in
7 **Exhibit** _ hereto. An order confirming the Plan shall not be *res judicata*, collateral estoppel, or other
8 bar to the Reorganized Debtor's or other party in interest's right to object to such Claims after the
9 Effective Date.

10 **6. Payment Upon Resolution of Disputed Claims.**

11 Except as provided for with respect to the Class 2 claimant, the Reorganized Debtor will not
12 make any payment to the holder of a Disputed Claim until such Disputed Claim becomes an
13 Allowed Claim. Pending a resolution of the Disputed Claim, the Reorganized Debtor will create a
14 reserve account (the "Reserve Account") which will contain proposed distributions based on the
15 Disputed Claims. Within sixty (60) days after a Disputed Claim becomes an Allowed Claim, the
16 Reorganized Debtor will make a payment on such Allowed Claim from the Reserve Account in an
17 amount equal to what the holder of such Allowed Claim would have received if the Claim had been
18 allowed in such amount as of the Effective Date. In the event that the Disputed Claim is disallowed,
19 the portion of the Reserve Account which was designated for payment of the Disputed Claim will be
20 transferred to Allowed Claims in accordance with the treatment set forth in Class 8 above.

21 **7. Investigation and Prosecution of Claims and Avoidance Actions.**

22 Under the Plan, the Debtor's current General Unsecured Creditors holding Allowed Claims
23 will receive their pro rata share of \$500,000 shortly after the Effective Date, and approximately
24 \$_____ to \$_____ commencing by the end of the fourth year following the Effective
25 Date. Based on the foregoing, any recoveries from preference litigation would be retained by the
26 Reorganized Debtor and only indirectly benefit the Debtor's current General Unsecured Creditors.
27 The Debtor believes that such preference litigation would cause substantial ill-will against the
28 Reorganized Debtor with its vendors, which the Debtor believes would negatively interfere with the

1 Reorganized Debtor's business operations and reorganization efforts. Furthermore, the Debtor does
2 not believe that any significant preferences were paid. As a result, the Debtor has determined that
3 neither the Debtor nor the Reorganized Debtor will pursue any preference litigation based on
4 monetary transfers. Notwithstanding the foregoing, the Reorganized Debtor, as the representative of
5 the Debtor's Estate and for the benefit of the Estate, shall have the right to pursue any preference
6 actions.

7 The Debtor specifically reserves the right to continue to prosecute the LVDF Litigation, the
8 objections to the LVDF claim and the Meacher/BFS claim(s) and potential other litigation against
9 Meacher/BFS. An order confirming the Plan shall not be *res judicata*, collateral estoppel, or any
10 other bar to the Reorganized Debtor's right to prosecute the LVDF Litigation, the LVDF objection to
11 claim, the Meacher/BFS objection to claim or any litigation against Meacher/BFS. To the extent the
12 LVDF claim objection results in a reduced secured claim against LVDF or the LVDF Litigation
13 results in an affirmative recovery for the Debtor, such reduction below a \$_____ secured claim
14 shall be divided equally between the Reorganized Debtor and Holders of Allowed General
15 Unsecured Claims.

16 **8. Payment of Professional Fees and Expenses Incurred After the Effective Date.**

17 The Reorganized Debtor shall be entitled to employ such professionals that the Reorganized
18 Debtor deems appropriate and to pay the fees and expenses incurred by such professionals in the
19 ordinary course without any further order of the Bankruptcy Court.

20 **9. Distributions to Be Made Pursuant to the Plan.**

21 Except as otherwise agreed to by the Reorganized Debtor in writing, Distributions to be
22 made to holders of Allowed Claims pursuant to the Plan may be delivered by regular mail, postage
23 prepaid, to the address shown in the Debtor's Schedules, as they may from time to time be amended
24 in accordance with Bankruptcy Rule 1000, or, if a different address is stated in a proof of claim duly
25 filed with the Bankruptcy Court, to such address. Checks issued to pay Allowed Claims shall be null
26 and void if not negotiated within ninety (90) days after the date such check was mailed to the
27 intended recipient. Those funds represented by voided checks that were not timely negotiated shall
28 become the property of the Reorganized Debtor.

1 **10. Corporate Matters.**

2 Upon Entry of the Plan Confirmation Order, Dr. Ignatius Piazza shall be the Reorganized
3 Debtor's 1% voting member and VNV Dynasty Trust – FS I shall be the Reorganized Debtor's
4 49.5% non-voting member and VNV Dynasty Trust – FS II shall be the Reorganized Debtor's
5 49.5% non-voting member. Therefore, entry of the Plan Confirmation Order shall constitute all
6 approvals, consents and actions required by any member of the Debtor under applicable law, and
7 shall enable the Debtor or the Reorganized Debtor to execute any documents, instruments or
8 agreements, and to take all corporate and other actions that are specified in the Plan or the Plan
9 Confirmation Order that are necessary or appropriate to perform, implement and effectuate the Plan.

10 **11. Exemption from Transfer Taxes.**

11 Pursuant to § 1146(c) of the Bankruptcy Code, the issuance, transfer or exchange of a
12 security, or the making or delivery of an instrument of transfer under a plan confirmed under § 1129
13 of the Bankruptcy Code, may not be taxed under any law imposing a stamp tax or similar tax.
14 Transfers under the Plan that are exempt from taxes under § 1146(c) of the Bankruptcy Code include
15 all transfers by the Debtor after the commencement of its chapter 11 case in contemplation of the
16 Plan but prior to the Effective Date, and all transfers to and by the Reorganized Debtor. The taxes
17 from which such transfers are exempt include stamp taxes, recording taxes, sales and use taxes,
18 transfer taxes, and other similar taxes.

19 **12. Exculpations and Releases.**

20 To the maximum extent permitted by law, neither the Debtor, the Reorganized Debtor, the
21 Committee members nor any of their successors and assigns, advisors, attorneys, employees,
22 officers, directors, shareholders, agents, members, representatives, or Professionals employed or
23 retained by any of them whether or not by Bankruptcy Court order, each in their capacity as such,
24 shall have or incur liability to any Person for an act taken or omitted to be taken in connection with,
25 or related to formulating, negotiating, soliciting, preparing, confirming, implementing, or
26 consummating the Plan or the transactions contemplated therein, or a contract, instrument, release or
27 other agreement or document created or entered into in connection with the Plan; provided, however,
28 that each of the above Persons shall be entitled to rely upon the advice of counsel concerning his or

1 her duties pursuant to, or in connection with, the Plan or any related document, instrument or
 2 agreement; provided further that the foregoing exculpation shall have no effect on liability of any
 3 Person that results from any act or omission that is determined in a Final Order to have constituted
 4 fraud, gross negligence, or willful misconduct.

5 [Additional exculpation language to be added pursuant to terms of Final DIP Order.]

6 **E. Other Provisions of the Plan.**

7 **1. Treatment of Prepetition Lifetime Memberships.**

8 [Debtor is in the process of retaining counsel to assist with the terms and conditions of
 9 ongoing membership agreements. This section will be filled out in the amended Plan filed on or
 10 before August 4, 2022]

11 **2. Executory Contracts and Unexpired Leases.**

12 a. Assumptions.

13 The following is a list of the Debtor's executory contracts and unexpired leases which the
 14 Debtor intends to assume on the Effective Date with the obligations of the Debtor to the other parties
 15 to such executory contracts and unexpired leases to become obligations of the Reorganized Debtor.
 16 Also set forth below is an itemization of the defaults which the Debtor contends exist and must be
 17 cured in connection with the Debtor's assumption of such executory contracts and unexpired leases
 18 (the "Cure Amounts"), unless the other parties to such executory contracts and unexpired leases
 19 agree to the contrary. The Debtor estimates that the total Cure Amounts that the Reorganized Debtor
 20 will be required to pay on the Effective Date will be approximately \$_____. The Confirmation
 21 Order will constitute a Bankruptcy Court order approving the Debtor's assumption of all such
 22 executory contracts and unexpired leases and fixing the Cure Amounts for each such executory
 23 contract and unexpired lease in the amounts asserted by the Debtor as set forth below.

24 **Executory Contracts/Unexpired Leases To Be Assumed:**

25 Vendor/Lessor	Description	Vendor/Lessor Address	Cure Amount	Cure Terms
26 Evolution Insurance Brokers, LLC	Certificate of Insurance – Commercial Liability	27 8722 S. Harrison St. Sandy, UT 84070	\$	TBD

Vendor/Lessor	Description	Vendor/Lessor Address	Cure Amount	Cure Terms
Nevada Retail Network Self Insured Group	Workers' Compensation and Employers Liability Coverage	575 S. Saliman Road Carson City, NV 89701	\$	TBD
Risk Placement Services	Evidence of Property Insurance	1231E Basin Road, #6 Pahrump, NV 89060	\$	TBD
Scottsdale Insurance Company	Common Policy Agreement	One Nationwide Plaza Columbus, OH 43215	\$	TBD
State Farm	Auto Insurance Renewal	3250 S Highway 160, Ste 1 Pahrump, NV 89048-4876	\$	TBD
Williams Scottsman, Inc.	Amendment to Lease Agreement	PO Box 91975 Chicago, IL 60693-1975	\$	TBD
	Merchant Agreement(s)			
Members Choosing to Be Active	Lifetime membership agreements subject to new terms and conditions set forth in Section _____. Members to retain all course certificates and tbd memberships. Other memberships terms to be set forth in amended Plan.		\$	
Members Choosing to Be Inactive	Lifetime membership agreements where members will not be active going forward but will retain their existing (a) course certificates, and (b) tbd memberships. Members who choose to be inactive can choose at any time to become active with an activation fee and subject to the new terms and conditions. Other membership terms to be set forth in amended Plan.		N/A	

b. Rejections.

To the extent that any of the Debtor's members do not opt in to become an active member or inactive member by _____, 2022, their membership agreement will be deemed rejected and the Court order confirming the Plan will constitute a Court order approving the Debtor's rejection of such membership agreements. To the extent that any member whose membership was terminated prior to the Petition Date asserts that somehow he/she/they assert that they have an interest in a lifetime membership, such membership agreement is also deemed rejected and terminated effective as of entry of the Confirmation Order.

To the extent the Debtor is a party to any executory contract and/or unexpired lease that is

1 not addressed above, such executory contract or unexpired lease will be deemed rejected, and the
2 Court order confirming the Plan will constitute a Court order approving the Debtor's rejection of all
3 such executory contracts and unexpired leases.

4 c. Cures.

5 The Cure Amounts that the Debtor believes are required are set forth in the charts in section a
6 above. Any party who wishes to object to the Debtor's assumption of any of the unexpired leases or
7 executory contracts and/or to the Cure Amounts of any defaults the Debtor believes exist must file a
8 written objection with the Bankruptcy Court no later than 14 days prior to the date first set for the
9 Plan Confirmation Hearing, and serve such objection on counsel to the Debtor. The Bankruptcy
10 Court may deem the failure of any party to file such a timely objection to constitute consent to the
11 Debtor's assumption of the unexpired leases and executory contracts set forth above and to the Cure
12 Amounts of any defaults the Debtor must cure in connection with the Debtor's assumption of these
13 unexpired leases and executory contracts.

14 THE BAR DATE FOR FILING A PROOF OF CLAIM BASED ON A CLAIM ARISING
15 FROM THE REJECTION OF ANY EXECUTORY CONTRACT OR UNEXPIRED LEASE
16 WHICH IS REJECTED ON THE EFFECTIVE DATE SHALL BE THIRTY (30) DAYS AFTER
17 THE EFFECTIVE DATE. Any claim based on the rejection of an unexpired lease or executory
18 contract will be barred if the proof of claim is not timely filed, unless the Bankruptcy Court orders
19 otherwise. Any Allowed Claim resulting from the rejection of an unexpired lease or executory
20 contract will be classified and treated as a Class 8 Allowed Claim.

21 **3. Risk Factors.**

22 The primary risk of implementing the Plan would be the Debtor's inability to obtain an
23 entered Confirmation Order prior to November 29, 2022, the current deadline for the Debtor to
24 confirm its plan pursuant to the DIP Financing Order. Additionally, there is a risk that not enough of
25 the Debtor's members will opt-in to the new membership program, such that the Debtor will not
26 have sufficient funds available to maintain its ongoing operations. However, the Debtor is confident
27 that it will have at least 10,000 members that will opt-in to the new membership program, such that
28 the Debtor believes that it will have sufficient cash flow to fund the Plan as set forth in **Exhibit ___**.

1 **4. Changes in Rates Subject to Regulatory Commission Approval.**

2 The Debtor is not subject to governmental regulatory commission approval of its rates.

3 **F. Retention of Jurisdiction.**

4 Following the Confirmation of the Plan and occurrence of the Effective Date, in addition to
5 jurisdiction which exists in any other court, the Bankruptcy Court shall retain such jurisdiction as is
6 legally permissible including for the following purposes:

- 7 1. To resolve any and all disputes regarding the operation and interpretation of the Plan
8 and the Confirmation Order;
- 9 2. To determine the allowability, classification, or priority of Claims and to consider any
10 objection to claim or interest whether such objection is filed before or after the Effective Date;
- 11 3. To determine the extent, validity and priority of any lien asserted against any Asset or
12 property of the Debtor or the Debtor's Estate;
- 13 4. To construe and take any action to enforce the Plan, the Confirmation Order, and any
14 other order of the Bankruptcy Court, issue such orders as may be necessary or appropriate for the
15 implementation, execution, performance, and consummation of the Plan, the Confirmation Order,
16 and all matters referred to in the Plan and the Confirmation Order, and to determine all matters that
17 may be pending before the Bankruptcy Court in this Case on or before the Effective Date;
- 18 5. To determine (to the extent necessary) any and all applications for allowance of
19 compensation and reimbursement of expenses of Professionals for the period on or before the
20 Effective Date;
- 21 6. To determine any request for payment of administrative expenses;
- 22 7. To determine motions for the rejection, assumption, or assignment of executory
23 contracts or unexpired leases filed before the Effective Date and the allowance of any Claims
24 resulting therefrom;
- 25 8. To determine all applications, motions, adversary proceedings, contested matters, and
26 any other litigated matters instituted during the pendency of this Case whether before, on, or after the
27 Effective Date, including Claims, Causes of Action, and Avoidance Actions, and the Reorganized
28 Debtor shall have the right to commence in the Bankruptcy Court any Causes of Action, including

1 any Avoidance Actions, after the Effective Date, and to continue with the prosecution in the
2 Bankruptcy Court of any such claims, Causes of Action and Avoidance Actions which were
3 commenced but not completed by the Debtor prior to the Effective Date;

4 9. To determine such other matters and for such other purposes as may be contemplated
5 by the Plan or Confirmation Order;

6 10. To modify the Plan under § 1127 of the Bankruptcy Code in order to remedy any
7 apparent defect or omission in the Plan, or to reconcile any inconsistency in the Plan, so as to carry
8 out its intents and purposes;

9 11. Except as otherwise provided in the Plan or the Confirmation Order, to issue
10 injunctions, to take such other actions, or make such other orders, as may be necessary or
11 appropriate to restrain interference with the Plan or the Confirmation Order, or the execution or
12 implementation by any Person or other entity of the Plan or the Confirmation Order;

13 12. To issue such orders in aid of consummation, and in aid of implementation, of the
14 Plan and the Confirmation Order, notwithstanding any otherwise applicable nonbankruptcy law,
15 with respect to any Person or entity, to the fullest extent authorized by the Bankruptcy Code or
16 Bankruptcy Rules; and

17 13. To enter a final decree closing the Case.

18 **G. Amendments to Operating Agreement.**

19 On the Effective Date, the members of the Reorganized Debtor shall be authorized to amend
20 the operating agreement to take all actions necessary and appropriate to carry out the terms of the
21 Plan.

22 **H. Dissolution of the Committee.**

23 On the Effective Date, the Committee, to the extent that it serves as the Official Committee
24 of Unsecured Creditors appointed in this Case, shall be dissolved and its members shall be released
25 and discharged from all rights and duties arising from or related to this Case.

26 **I. Miscellaneous Issues Regarding Plan Distribution.**

27 **1. No Fractional Distributions.**

28 No Distributions in fractions of hundredths of U.S. Dollars (\$0.00's) (i.e., cents) shall be

1 issued. If the Distribution amount allocated to an Allowed Claim at the time of a Distribution
2 hereunder would include fractions of cents, the amount to be distributed to the holder of such Claim
3 shall be rounded down to the highest integral number of cents in the applicable Claim amount.

4 **2. Name and Address of Holder of Claim.**

5 For purposes of all distributions under the Plan, the Disbursing Agent can rely on the name
6 and address of the holder of each Allowed Claim as shown on any timely filed proof of claim and, if
7 none, as shown on the Debtor's Schedules, except to the extent that the Disbursing Agent first
8 receives adequate written notice of a change of address, properly executed by the Holder or its
9 authorized agent.

10 **3. Unclaimed Distribution.**

11 Any Unclaimed Distribution under the Plan shall be forfeited to the Reorganized Debtor. An
12 Unclaimed Distribution is any Distribution made by the Reorganized Debtor to the address of the
13 recipient reflected in the Schedules (or on any Proof of Claim filed by the Claimant), by: (a) checks
14 which have been returned as undeliverable without a proper forwarding address; (b) checks which
15 were not mailed or delivered because of the absence of a proper address to which to mail or deliver
16 the same; (c) checks which have not been cashed for a period of ninety (90) days after the date such
17 checks were issued, or (d) disbursements that were not made because the Holder of such Allowed
18 Claim failed to provide required tax information within forty-five (45) days after the Reorganized
19 Debtor has sent any request for same to such Claimant's address as reflected in the Schedules and/or
20 such Claimant's Proof of Claim.

21 **4. De Minimus Cash Distributions.**

22 Notwithstanding anything to the contrary in the Plan, no Cash Distributions shall be made on
23 account of any Allowed Claim if the Cash Distribution amount is less than \$25.00. Holders of
24 Allowed Claims who would otherwise be entitled to a Distribution in the amount of less than \$25.00
25 shall receive no Distribution on account of such Allowed Claim because the value of such Allowed
26 Claim would be de minimus and the administrative costs associated with processing and mailing the
27 Distributions to the holder of such Allowed Claim would likely exceed the amount of the
28 Distribution.

IV. EFFECT OF CONFIRMATION OF THE PLAN

A. Discharge.

On the Effective Date, the Debtor will receive a discharge under the Plan pursuant to and in accordance with the provisions of § 1141 of the Bankruptcy Code because there has not been a liquidation of all or substantially all of the property of the Debtor's Estate. Pursuant to § 1141(d)(1)(A), Confirmation of the Plan will discharge "the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) of this title, whether or not – (i) a proof of claim based on such debt is filed or deemed filed under section 501 of this title; (ii) such claim is allowed under section 502 of this title; or (iii) the holder of such claim has accepted the plan ...". 11 U.S.C. §§ 1141(d)(1)(A)(i), (ii) and (iii). **In other words, Confirmation of the Plan will effectuate a discharge as to all debts or liabilities, whether contingent, unliquidated, disputed, known or unknown, that were incurred or arose before Confirmation of the Plan.** This includes all types of Claims and obligations arising out of and/or including, but not limited to, (i) all causes of action under state and Federal law (e.g., breach of contract, breach of fiduciary duty, etc.), (ii) trade payables, (iii) landlord claims, (iv) tax Claims including interest, (v) environmental claims, and (vi) any other known or unknown Claim from any debt arising prior to Plan Confirmation.

This Plan shall bind the holders of all Claims whether or not they vote to accept the Plan. The rights afforded in this Plan and the treatment of all Claims therein shall be in complete satisfaction, discharge and release of all Claims against the Debtor or its Assets of any nature whatsoever except as otherwise specifically provided in the Plan. Except as set forth in the Plan, all Claims shall be forever satisfied, discharged and released in full on the Effective Date, and all holders of Claims shall be forever precluded and enjoined from asserting Claims against the Reorganized Debtor. Any litigation pending prepetition and/or initiated postpetition in any court other than the Bankruptcy Court where relief from stay was not obtained from the Bankruptcy Court shall be deemed discharged upon Plan Confirmation and the occurrence of the Effective Date.

1 **B. Continuing Stay/Injunction.**

2 The automatic stay is lifted upon the Effective Date as to property of the Estate. However,
3 the stay continues to prohibit collection or enforcement of prepetition Claims against the
4 Reorganized Debtor or the Reorganized Debtor's property until the earlier of the date: (1) the
5 Debtor's bankruptcy Case is closed, or (2) the Debtor's bankruptcy Case is dismissed. Therefore, all
6 parties bound by the Plan shall take no action with respect to, and are enjoined from, collecting or
7 enforcing their prepetition Claims against the Reorganized debtor as set forth herein, and as
8 otherwise provided by operation of law, until the earlier of the date that (1) the Debtor's bankruptcy
9 Case is closed, or (2) the Debtor's bankruptcy Case is dismissed.

10 The Confirmation Order shall enjoin the prosecution, whether directly, derivatively or
11 otherwise, of any Claim, obligation, suit, judgment, damage, demand, debt, right, cause of action,
12 liability or interest released, discharged or terminated pursuant to the Plan.

13 Except as provided in the Plan or the Confirmation Order, as of the Effective Date, all
14 entities that have held, currently hold or may hold a Claim or other debt or liability that is discharged
15 or an interest or other right of an equity holder that is impaired pursuant to the terms of the Plan are
16 permanently enjoined from taking any of the following actions against the Debtor, the Debtor's
17 Estate, the Reorganized Debtor or its property on account of any such discharged Claims, debts or
18 liabilities or terminated interests or rights: (i) commencing or continuing, in any manner or in any
19 place, any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any
20 manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any lien or
21 encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any
22 debt, liability or obligation due to the Debtor; and (v) commencing or continuing any action in any
23 manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

24 **By accepting distribution pursuant to the Plan, each holder of an Allowed Claim**
25 **receiving a Distribution pursuant to the Plan will be deemed to have specifically consented to**
26 **the injunctions set forth in this Section.**

1 **C. Revesting of Property in the Reorganized Debtor.**

2 Except as provided elsewhere in the Plan, the Confirmation of the Plan revests all of the
3 property of the Debtor's Estate in the Reorganized Debtor, including, but not limited to, any
4 Litigation Claims and the LVDF Litigation. From and after the Effective Date, the Reorganized
5 Debtor may operate its business and may use, acquire, and dispose of property, including payment of
6 all business expenses and professional fees and expenses, and compromise and settle any claims or
7 causes of actions without supervision or consent of the Bankruptcy Court, and free of any
8 restrictions of the Bankruptcy Code or Bankruptcy Rules.

9 The Reorganized Debtor shall have, retain, reserve and be entitled to assert all claims, causes
10 of action, rights of setoff and other legal or equitable defenses that the Debtor had immediately prior
11 to the Petition Date as fully as if the Debtor's bankruptcy Case had not been commenced; and all of
12 the Reorganized Debtor's legal and equitable rights respecting any such claims which are not
13 specifically waived, extinguished, or relinquished by the Plan may be asserted after the Effective
14 Date by the Reorganized Debtor.

15 **D. Modification of the Plan.**

16 The Debtor may modify the Plan at any time before confirmation. However, the Bankruptcy
17 Court may require a new disclosure statement and/or re-voting on the Plan if the Debtor modifies the
18 Plan before confirmation. The Debtor or the Reorganized Debtor, as the case may be, may also seek
19 to modify the Plan at any time after Confirmation of the Plan so long as (1) the Plan has not been
20 substantially consummated, and (2) the Bankruptcy Court authorizes the proposed modifications
21 after notice and a hearing.

22 **E. Post-Confirmation Status Reports.**

23 Until a final decree closing the Debtor's Chapter 11 Case is entered, the Reorganized Debtor
24 shall file a -----.

25 **F. Post-Confirmation Conversion/Dismissal.**

26 A Creditor or any other party in interest may bring a motion to convert or dismiss the Case
27 under § 1112(b) of the Bankruptcy Code after the Plan is confirmed if there is a default in
28 performing the Plan. If the Bankruptcy Court orders the Case converted to chapter 7 after the Plan is

1 confirmed, then all property that had been property of the chapter 11 Estate, and that has not been
2 disbursed pursuant to the Plan, will revert in the chapter 7 estate, and the automatic stay will be re-
3 imposed upon the revested property, but only to the extent that relief from stay was not previously
4 authorized by the Bankruptcy Court during this Case. The Plan Confirmation Order may also be
5 revoked under very limited circumstances. The Bankruptcy Court may revoke the Plan
6 Confirmation Order if it was procured by fraud and if a party in interest brings an adversary
7 proceeding to revoke confirmation within 180 days after the entry of the Plan Confirmation Order.

8 **G. Final Decree.**

9 Once the estate has been fully administered as referred to in Bankruptcy Rule 3022, the
10 Reorganized Debtor shall file a motion with the Bankruptcy Court to obtain a final decree to close
11 this case. The Reorganized Debtor shall be responsible for the timely payment of all fees incurred
12 pursuant to 28 U.S.C. § 1930(a)(6).

13 Dated: July 15, 2022

Front Sight Management LLC

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16 By: _____
Dr. Ignatius Piazza, Manager

17 Submitted By:

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19 BG LAW LLP

20
21 By: /s/ Susan K. Seflin
22 Steven T. Gubner
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24 Jessica S. Wellington
Attorneys for Chapter 11 Debtor
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