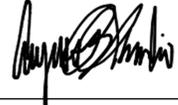


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Honorable August B. Landis
United States Bankruptcy Judge



Entered on Docket
August 05, 2022

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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re
Front Sight Management LLC,

Case No. 22-11824-abl

Chapter 11

Original Hearing Date: May 27, 2022
Original Hearing Time: 9:30 a.m.

Final Hearing Date: July 25, 2022
Final Hearing Time: 9:30 a.m

**FINAL ORDER AUTHORIZING MAINTENANCE OF CERTAIN PREPETITION BANK
ACCOUNTS AND MERCHANT ACCOUNTS AND CASH MANAGEMENT SYSTEM**

1 The Court, having reviewed and considered the motion (the “Motion”)¹ filed by Front Sight
2 Management LLC, the chapter 11 debtor in possession herein (the “Debtor”), for entry of an order,
3 pursuant to Sections 105(a) and 363, 364(a), 503(b), 1107(a) and 1108 of title 11 of the United
4 States Code (the “Bankruptcy Code”), Rules 4001, 6003 and 6004 of the Federal Rules of
5 Bankruptcy Procedure (the “Bankruptcy Rules”), for entry of an order authorizing the maintenance
6 of certain of the Debtors’ pre-petition bank accounts; and this Court having jurisdiction over this
7 matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that venue of this
8 proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this
9 Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court
10 having found that the Debtor’s notice of the Motion and hearing appropriate under the circumstances
11 and no other notice need be provided; and this Court having reviewed the Motion and having heard
12 the statements in support of the relief requested therein at the initial hearing held on May 27, 2022 at
13 9:30 a.m., the continued hearing held on June 27, 2022 at 9:30 a.m. and the final hearing held on
14 July 25, 2022 at 9:30 a.m. (collectively, the “Hearings”); appearances having been noted on the
15 record at the Hearings; the Court having stated its findings of fact and conclusions of law on the
16 record at the Hearings on the Motion, which findings of fact and conclusions of law are incorporated
17 herein by this reference in accordance with Fed. R. Civ. P. 52, as made applicable by Bankruptcy
18 Rule 9014; and it appearing that the relief requested is necessary to preserve the Debtor’s ongoing
19 operations and necessary to avoid immediate and irreparable harm, and is in the best interests of the
20 Debtor, its estates, and its creditors; and in the light of the circumstances and the nature of the relief
21 requested; and after due deliberation and sufficient cause appearing therefor,

22 **IT IS HEREBY ORDERED** that the Motion is GRANTED on a final basis as set forth in
23 this Final Order and in the interim order [ECF No. 81] (the “Interim Order”); and

24 **IT IS FURTHER ORDERED** that the Debtor is authorized to use the Debtor’s pre-petition
25 cash management system and existing pre-bankruptcy accounts as follows, provided the Debtor shall
26 establish a general DIP operating account which will act as its main operating account:
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¹ All capitalized, undefined terms shall have the meaning ascribed to them in the Motion.

Bank	Acct. #	Type	Description	Treatment/Order
Bank of Texas	xxx6255	Business Checking & Merchant	Pre-petition account that was Debtor's primary disbursement account.	<ul style="list-style-type: none"> To remain open as the recipient of the Debtor's merchant credit card account funds. Converted to collateralized DIP account post-petition and evidence provided to United States Trustee ("UST").
Bank of America	xxx8176	Business Checking	Former primary disbursement account and merchant account. \$560,000 owed to Debtor from former credit card merchant. Debtor was unable to get this account converted to a collateralized DIP account.	<ul style="list-style-type: none"> Debtor is waiting for an approximately \$170,000 refund from its former credit card merchant (payment expected at end of July 2022). If Debtor has received the aforementioned refund, Debtor will close this account by August 10, 2022. If Debtor has not received the aforementioned refund by August 10, 2022, Debtor will close the account within 3 business days of receiving the refund.
American First National Bank	xxx0322 xxx0187	Business Checking	Used locally in Pahrump for depositing cash and checks from business operations.	<ul style="list-style-type: none"> Both accounts were closed post-petition.
Wells Fargo	xxx7051	Line of Credit	Debtor had a \$100,000 line of credit.	<ul style="list-style-type: none"> Account closed post-petition.
City National Bank	Credit Card	CD	\$100,000 Certificate of Deposit which secures the Debtor's credit card	<ul style="list-style-type: none"> \$100,000 wired to the Debtor, and approximately \$3,000 credit on credit card wired to the Debtor. Credit card cancelled post-petition.

IT IS FURTHER ORDERED that other than on a limited basis as set forth in the above chart, the Court is not waiving the requirements of 11 U.S.C. § 345.

1 **IT IS FURTHER ORDERED** as follows:

2 1. Bank of America shall not place any administrative holds or freezes on Bank of
3 America account (xxx8175) until the Debtor has received its refund from its pre-petition credit card
4 merchant and has transferred those funds to its general operating DIP account at Bank of Texas.

5 2. Those certain existing deposit agreements between the Debtor and its existing
6 depository and disbursement banks (collectively, the “Banks”) shall continue to govern the post-
7 petition cash management relationship between the Debtor and the Banks, and that all of the
8 provisions of such agreements, including, without limitation, the termination and fee provisions,
9 shall remain in full force and effect. Either the Debtor or the Banks may, without further Order of
10 this Court, implement changes to the cash management systems and procedures in the ordinary
11 course of business pursuant to terms of those certain existing deposit agreements, including, without
12 limitation, the opening and closing of bank accounts.

13 3. Each of the Debtor’s Banks is authorized to debit the Debtor’s accounts in the
14 ordinary course of business without the need for further order of this Court for: (i) all checks drawn
15 on the Debtor’s accounts which are cashed at such Bank’s counters or exchanged for cashier’s
16 checks by the payees thereof after the petition date; and (ii) any pre-petition checks authorized
17 pursuant to Court order to be honored as may be set forth in other orders on the Debtor’s first day
18 motions.

19 **IT IS FURTHER ORDERED THAT** the fourteen-day stay applicable to any order
20 approving the use of estate property imposed by Bankruptcy Rules 6004(h) is waived; and

21 **IT IS SO ORDERED.**

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1 Submitted by:
2 BG LAW LLP

3 By: /s/ Susan K. Seflin
4 Steven T. Gubner
5 Susan K. Seflin
6 Jessica Wellington

7 Attorneys for Chapter 11 Debtor
8 Debtor and Debtor in Possession

9 **Approved:**

10 TRACY HOPE DAVIS
11 UNITED STATES TRUSTEE

12 By: /s/ Edward M. McDonald Jr., Esq.
13 Edward M. McDonald Jr., Esq.
14 United States Department of Justice
15 Attorney for the United States Trustee
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LR 9021 CERTIFICATION

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

(check one):

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

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

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

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

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