

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF HENNEPIN

FOURTH JUDICIAL DISTRICT

CASE TYPE: MISC

*In Re: Wayzata Home Products, LLC
and cliqstudios.com LLC*

**Court File No.: 27-CV-20-4326
Judge David L. Piper**

**THE ASSIGNEE'S NOTICE OF
RESPONSES AND OBJECTIONS
RECEIVED**

In its Notice of Motion and Motion of Lighthouse Management Group, Inc. For Approval of Final Report, Approval of Distribution to Creditors, and Discharge of the Receiver, Lighthouse Management Group, Inc. ("Lighthouse" or the "Assignee") provided notice to the 1,354 claimants in this Assignment for the Benefit of Creditors that any objection to the relief requested by the Assignee must be filed by Friday, January 15, 2021. While no formal objections have been filed with the Court as of the date of this Notice, the Assignee has received two informal objections or inquiries and would like to disclose them with the Court prior to the January 20, 2021 hearing, as the court may elect to decide the motion on the written submission of the parties and not require a hearing.

Informal Objection No. 1

Stephen Antonelli (claim no. 6343) contacted the Assignee on January 7, 2021 and inquired about the potential payout he might expect. When informed of the potential pro-rata distribution on his \$800.80 claim, he found it "unacceptable" and wondered how he could appeal the result. The Assignee informed he could file an objection with this Court by the January 15, 2021 deadline. Since the Assignee's response, Lighthouse has not heard from Mr. Antonelli.

Informal Objection No. 2

Joseph Cyrus (claim no. 5576) contacted the Assignee's counsel on January 15, 2021 and informed that he objects to "proposed resolution on the grounds CliqStudios and their Management deceptively induced a 'donation' in reliance upon a refund that they falsely represented was in the mail." (Emphasis his).

On January 18, 2021, the Assignee responded to Mr. Cyrus' concerns and explained that the Assignee was "ordered by the court to liquidate Cliq's assets and establish a fair and reasonable process to distribute the Assignment proceeds. So, to the extent you have a claim (whether based on fraud or otherwise), we have attempted to address it in a manner similar to the other unsecured general creditors." Further, the Assignee explained that if Mr. Cyrus disagrees with the relief requested in the proposed order in front of the Court, he may want to consider appearing at the hearing scheduled on Wednesday, January 20, 2021. Since the Assignee's response, Lighthouse has not heard from Mr. Cyrus.

These are the only two responses received from claimants since the Assignee filed and served the memoranda in support of the pending motion. It is Lighthouse's position that both parties do not object to the process or methodology behind the Assignee's efforts to distribute the Assignment proceeds to the claimants, but rather are merely frustrated with the result – the pro-rata distribution amount. Because no formal objections have been filed and since the few objections "informally" received do not present any law or fact why the Court should not enter the proposed order in front of the Court, the Assignee maintains that the Court should grant the relief requested.

Date: January 19, 2021

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