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FILED IN THE  
UNITED STATES  
BANKRUPTCY COURT

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DISTRICT OF UTAH  
MAIL



The Honorable Chief Judge R. Kimball Mosier  
United States Bankruptcy Court  
Frank E. Moss, United States Courthouse  
350 South Main Street, Room 301  
Salt Lake City, UT 84101

Re: **Bankruptcy Case No. 18-25116 RKM** (Chapter 11)  
The Falls Event Center, LLC (Debtor)

To The Honorable Chief Judge Mosier:

While I believe my interests will be presented by the Unsecured Creditors Committee, who will be filing an objection to the motion submitted on July 27<sup>th</sup>, 2018 by Laurie Cayton, Esq. for the purpose of assigning a trustee, I still felt compelled to write to you personally, to outline my own reasons for my objection to Ms. Cayton's motion, and my PLEA to you to please leave Brooks Pickering in place as the current Chief Restructuring Officer and Manager of The Falls Event Center, LLC. I live far away, and unfortunately will be unable to personally attend the hearing on August 28<sup>th</sup>.

Brooks Pickering is an exceptional person who has done so much over the brief period he has been overseeing The Falls. He has a degree in hotel management, as well as a varied experience handling bankruptcies and managing turnarounds. Event centers that handle weddings and other celebrations, as well as business conferences and catering, are very much the business of a hotel management specialist. He understands the changes the company needs to make to achieve profitability and to emerge successfully out of this bankruptcy. And Mr. Pickering has shown an impeccable awareness of his fiduciary responsibility to the shareholders as the Chief Restructuring Officer.

My understanding is that after assessing the business, as he was asked, one of his first conclusions was something to the effect of "Steve Down has got to go." We are all so grateful for Brooks taking over, and the resultant removal of having a sole person in total control (Mr. Down), who clearly was not communicating adequately with investors about the dire state of the business.

When The Falls filed for bankruptcy on July 11<sup>th</sup>, 2018, I understand Mr. Pickering arrived at bankruptcy court already with a solid plan in place to bring us out of this bankruptcy.

More important than any of the above, he has opened the doors to utterly honest communication with investors, which has been missing from this company for some time. Brooks has tirelessly spent hours on the phone with all of us, in numerous conference calls, to discuss the way forward as an investor-run company. He is straightforward, a clear communicator, and honest. In a few short weeks of the aforementioned conference calls with investors, Mr. Pickering, and his partner Spencer Viernes, have gained what appears to be unanimous and solid support among the

investors. We have confidence that Brooks and his team are the best people, without a doubt, to perform and unwind the forensic accounting problems of the past, and move forward with honest reporting to the investors. We trust him to be the person to help set up an investor run Board of Directors. Please, after all the investors have been through, do not take Brooks Pickering away from us.

In Ms. Cayton's motion, under Statement of Facts, Item 2, she notes that Steve Down, from 2011 to June 2018, was the CEO, sole manager and person in control. The SEC case against Mr. Down stands on its own, and requires no further comment from me here. But none of this relates or has anything to do with Mr. Pickering. In fact, in her Statement of Facts, Item 15, notes that Mr. Pickering was brought in to The Falls around June 2018. Yes, exactly, at the time when it was determined that Mr. Down needed to step down.

And while she states in her motion that Steve Down was fraudulent, dishonest, incompetent, and mismanaged the affairs of The Falls, you cannot assign those same traits and actions to Mr. Pickering. She has several paragraphs where numerous accusations regarding Mr. Down are mixed in with Pickering's name, and the reader comes away with the hidden impression that they are "cut from the same cloth."

In my opinion, Ms. Cayton appears to be making an attempt in her motion to link Mr. Down's guilt to Mr. Pickering. While Mr. Down may have asked Mr. Pickering to evaluate the business, there is no relationship there, and Mr. Down's guilt (per the SEC) cannot be applied to Mr. Pickering. Mr. Pickering did not know Mr. Down until he was asked to do this. Pickering is clearly **not** a puppet for Down, as Ms. Cayton's motion may imply.

She states there is no board of directors, no direction other than that of Mr. Pickering. There will be! (And for now, with all the legal chaos going on, the investors are happy to have Pickering at the helm.) Mr. Pickering's function is exactly that – to direct us forward out of this bankruptcy, and guide us in creating a Board of Directors for an investor-run company. We couldn't do all this without his guidance. He is in constant contact with the investors, and no one doubts his ability to work in a fiduciary manner on our behalf.

On page 9, Ms. Cayton states that Down owns 22% of shares, and is in a position to control an election of the Board of Directors. This simply is not true. Neither the investors nor Pickering will allow that to happen. Fears of Steve Down having any degree of control over the company at this point are unfounded, as the investors simply will not allow it after what they have been through, and I would guess that Mr. Down likely has a quiet understanding of that at this point.

Ms. Cayton (under item II B on page 10), also acts as if there is a conflict between Pickering's involvement in The Falls, and his concurrent evaluation and assistance with the sandwich shop Even Stevens. Please understand that most of the investors in The Falls are also invested in Even Stevens. If Mr. Down comingled anything between these companies, the investors collectively trust Mr. Pickering, who has a fiduciary responsibility, but no financial interest in either firm, to reverse any inappropriate transactions, to straighten it out in a manner that is kosher and legal. While I don't believe the number of loans or transactions between the two companies is extensive, it seems far more efficient and much less costly for us as investors, to have ONE

forensic accounting team to perform this task. The investors trust that Pickering, Viernes, and the forensic accounting team will work in the best interest of the investors to undo any comingling in a manner that will increase the survivability of both companies.


I don't wish to make this too long or belabor my points. I am pleading with you, to PLEASE allow Brooks Pickering to remain in place. In a short number of weeks, Mr. Pickering has expended an incredible effort to come up with concrete plans to bring The Falls to profitability.

The investors do not believe that an “assigned trustee” will put in half the effort that Mr. Pickering has, and instead of The Falls finding its way to success, I fear a trustee will just look to liquidate The Falls, which is not what the investors want. It is no easy task to gain the respect of a bunch of investors who have just been burned, but Mr. Pickering has remarkably gained the confidence and respect of nearly all of us, in just a few short weeks.

On page 6, under Argument, Ms. Cayton states “This motion is required under 11 U.S.C §1104(e).” While she may be required to bring forward this motion, we pray that you do not feel obligated in any way to approve it. Some of our investors have their life savings invested in The Falls. Please give us all the best chance of coming out of this, and consider leaving Brooks Pickering in place as our Chief Restructuring Officer, and Manager of The Falls Event Center, LLC.

**The investors do not want a trustee. The investors want Pickering!**

Thank you very much for your time.  
Respectfully Submitted,



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