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Attorneys for Joshua Gray

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN MARIANA ISLANDS
BANKRUPTCY DIVISION**

In re

IMPERIAL PACIFIC INTERNATIONAL
(CNMI), LLC,

Debtor and
Debtor-in-Possession.

Case No. 1:24-bk-00002

**JOINT MOTION TO DISTRIBUTE
PROCEEDS FROM THE AUCTION OF
IPI'S GAMING EQUIPMENT**

Hearing Date: n/a
Hearing Time: n/a
Judge: Hon. Robert J. Faris



1 The Official Committee of General Unsecured Creditors (the “Committee”), the debtor and
2 debtor in possession Imperial Pacific International (CNMI), LLC (the “Debtor”), the Commonwealth
3 of the Northern Mariana Islands (the “CNMI”), Joshua Gray (“Gray”), U.S.A. Fanter (“Fanter”), and
4 Michael Dotts (“Dotts”) (together, the “Parties” or “Movants”) respectfully move this Court to
5 authorize the distribution of the remaining proceeds from the auction of the casino gaming equipment
6 (the “Gaming Equipment”) belonging to the Debtor. At present, there are proceeds in the amount of
7 \$42,809.80 that remain in the escrow account of the attorney for Clear Management Ltd. (“Clear”),
8 the limited receiver who conducted the auction (the “Remaining Proceeds”). Prior to the filing of the
9 Bankruptcy Petition giving rise to this matter, the U.S. District Court for the Northern Mariana Islands
10 (the “District Court”) had approved the distribution of the proceeds from the Debtor’s sale of this
11 gambling equipment to a list of 18 judgment creditors as well as provided for the distribution of future
12 amounts where the sale had been concluded but not all payments had been made. However, in the
13 intervening time, the Debtor filed a petition for Chapter 11 bankruptcy. Accordingly, the Parties agree
14 that it is appropriate for the secured creditors to receive their pro rata share of the Remaining
15 Proceeds, but that the balance shall be transferred to the estate.

16 The Movants have all executed a Stipulation in Support of this Motion to Distribute Proceeds
17 from Auction of IPI’s Gaming Equipment (the “Stipulation”), dated October 24, 2025, which is
18 attached as **Appendix A** (hereinafter, the “Stipulation”). Clear has also consented to this Motion.

22 BACKGROUND

23 On October 26, 2021, the U.S District Court for the Northern Mariana Islands (the “District
24 Court”), in the matter *U.S.A. Fanter v. Imperial Pacific International (CNMI), LLC*, No. 20-cv-0003
25 (“*Fanter*”) created a limited receivership in equity that appointed Clear as the Limited Receiver to
26 auction IPI’s casino gaming equipment in order to satisfy the judgment obtained by Fanter. (*See*
27 *Fanter*, ECF No. 419). After Fanter’s judgment was satisfied, the District Court permitted other
28

1 judgment creditors of IPI to move to participate in the limited receivership. (*Fanter*, ECF No. 305).
2 Numerous judgment creditors then filed notices to participate in the limited receivership. (*See Fanter*,
3 ECF No. 419).
4

5 Thereafter, Clear conducted a series of auctions of IPI's gaming equipment, accepting bids
6 totaling \$1,933,098.00 and collecting a total of \$1,879,703.00. (*Fanter*, ECF No. 416). Due to
7 intermittent payments of commissions and expenses, as of January 11, 2024, the escrow account
8 contained approximately \$1,485,540.00 in funds related to the gaming equipment auction proceeds.
9 (*Fanter*, ECF No. 416). Upon a motion by Gray and other judgment creditors, on January 20, 2024,
10 this District Court issued an Order that approved the distribution of \$1,460,000 of the net proceeds
11 to the judgment creditors. (*See Fanter*, ECF No. 419 (the "Distribution Order")).
12

13 The Distribution Order further provided that future proceeds be distributed to the existing
14 judgment creditors on a pro rata basis based on the size of their outstanding judgments, and set forth
15 the pro rata share of each judgment creditor. (Distribution Order at 5 (the "Distribution List")).
16

17 On April 19, 2024, the Debtor filed a voluntary petition for bankruptcy pursuant to Chapter 11
18 of the Bankruptcy Code. (ECF No. 1 (the "Petition")).

19 On June 6, 2024, Mr. David Albanese paid Clear the balance of the purchase price on the
20 casino chips that he previously purchased at auction, totaling \$41,750.00. (*Fanter*, ECF No. 421).
21 Together with the gaming equipment auction proceeds that had not been previously distributed, this
22 brought the total proceeds in Mr. White's escrow account from these auctions to \$56,867.20. (*Id.*).
23

24 On November 13, 2024, upon a motion by Clear, the District Court issued an Order authorizing
25 the payment of Clear's outstanding commissions from the gaming equipment sales in the amount of
26 \$4,175.00 and for unpaid expenses in the amount of \$9,632.90 from these proceeds. (*Fanter*, ECF
27 No. 427).
28

1 After the payment of commissions and expenses to Clear, as well as a refund to Wise, Inc. (*see*
2 *Fanter*, ECF No. 427), Clear's attorney has confirmed that the balance of funds from the sale of IPI's
3 gaming equipment—the Remaining Proceeds—is \$42,809.80. (*See* Stipulation ¶ 7).

4
5 Since the filing of the Petition, the secured judgment creditors listed on the Distribution List
6 have received certain payments from the sale of the Debtor's other assets. Accordingly, the Parties
7 have updated the Distribution List to restate the amounts owed to each judgment creditor, their pro
8 rata share of the total amount owed by those judgment creditors, and therefore what share of the
9 Remaining Proceeds they should receive. (*See* Stipulation, Exhibit 1).

10 ARGUMENT

11
12 Prior to the Petition, the District Court had decided that the proceeds from the auction of the
13 Gaming Equipment should be distributed to the judgment creditors of the Debtor, and determined the
14 pro rata share that each of those judgment creditors should receive. However, in light of the Petition,
15 the Parties agree that it is now appropriate for the secured creditors—namely, Gray, Dotts, *Fanter*,
16 and the CNMI—to receive their pro rata share of the Remaining Proceeds, but not for the unsecured
17 creditors or those with disputed secured claims to receive a distribution. Instead, after the secured
18 creditors receive their pro rata distribution, the balance of the funds shall be transferred by Clear to
19 the estate.
20

21 To the extent that it is necessary to lift the automatic stay in order to grant this Motion and
22 distribute the remaining funds from the Gaming Equipment sale, the Movants also request that the
23 Court grant such relief under Section 362 of the Bankruptcy Code for this purpose—to which the
24 Parties have also stipulated. (*Id.* ¶ 11).
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Respectfully submitted,

/s/

Aaron Halegua
Bruce Berline
John-Patrick M. Fritz
Attorneys for Joshua Gray

JOINING THE MOTION:

/s/

Christopher K.S. Wong
*Attorney for the Official Committee of
General Unsecured Creditors*

/s/

Chuck Choi
Attorney for the Imperial Pacific International (CNMI), LLC

/s/

J. Robert Glass, Jr.
Attorney for the Creditor CNMI

/s/

Colin Thompson
Attorney for Creditor Fanter

/s/

Michael Dotts
Attorney for Creditor Dotts

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**IN THE UNITED STATES DISTRICT COURT
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In re

IMPERIAL PACIFIC INTERNATIONAL
(CNMI), LLC,

Debtor and
Debtor-in-Possession.

Case No. 1:24-bk-00002

**STIPULATION IN SUPPORT OF
MOTION TO DISTRIBUTE
PROCEEDS FROM THE AUCTION
OF IPI'S GAMING EQUIPMENT**

Hearing Date: n/a
Hearing Time: n/a
Judge: Hon. Robert J. Faris

1 The Official Committee of General Unsecured Creditors (the “Committee”), the debtor and
2 debtor in possession Imperial Pacific International (CNMI), LLC (the “Debtor”), the Commonwealth
3 of the Northern Mariana Islands (the “CNMI”), Joshua Gray (“Gray”), U.S.A. Fanter (“Fanter”), and
4 Michael Dotts (“Dotts,” together with CNMI, Gray, and Fanter, collectively, the “Secured Creditors”)
5 (together, the “Parties”), through their counsel, hereby stipulate and agree:
6

7 1. On October 26, 2021, the U.S District Court for the Northern Mariana Islands (the
8 “District Court”), in the matter *U.S.A. Fanter v. Imperial Pacific International (CNMI), LLC*, No. 20-
9 cv-0003 (“*Fanter*”) created a limited receivership in equity that appointed Clear Management Ltd.
10 (“Clear”) as the Limited Receiver to auction IPI’s casino gaming equipment in order to satisfy the
11 judgment obtained by U.S.A. Fanter. (*See Fanter*, ECF No. 419). After U.S.A. Fanter’s judgment was
12 satisfied, the District Court permitted other judgment creditors of IPI to move to participate in the
13 limited receivership. (*Fanter*, ECF No. 305). Accordingly, numerous judgment creditors filed notices
14 to participate. (*See Fanter*, ECF No. 419).
15

16 2. Thereafter, Clear conducted a series of auctions of IPI’s gaming equipment, accepting
17 bids totaling \$1,933,098.00 and collecting a total of \$1,879,703.00. (*Fanter*, ECF No. 416). Due to
18 intermittent payments of commissions and expenses, as of January 11, 2024, the escrow account
19 contained approximately \$1,485,540.00 in funds related to the gaming equipment auction proceeds.
20 (*Fanter*, ECF No. 416). Upon a motion by Joshua Gray and other judgment creditors, on January 20,
21 2024, this District Court issued an Order that approved the distribution of \$1,460,000 of the net
22 proceeds to the judgment creditors. (*See Fanter*, ECF No. 419 (the “Distribution Order”)).
23

24 3. The Distribution Order further provided that future proceeds be distributed to the existing
25 judgment creditors on a pro rata basis based on the size of their outstanding judgments, and set forth
26 the pro rata share of each judgment creditor. (Distribution Order at 5 (the “Distribution List”)).
27
28

1 4. On April 19, 2024, the Debtor filed a voluntary petition for bankruptcy pursuant to
2 Chapter 11 of the Bankruptcy Code. (ECF No. 1 (the “Petition”)).

3 5. On June 6, 2024, Mr. David Albanese paid Clear the balance of the purchase price on the
4 casino chips that he previously purchased at auction, totaling \$41,750.00. (*Fanter*, ECF No. 421).
5 Together with the gaming equipment auction proceeds that had not been previously distributed, this
6 brought the total proceeds in Mr. White’s escrow account from these auctions to \$56,867.20. (*Id.*).

7 6. On November 13, 2024, upon a motion by Clear, the District Court issued an Order
8 authorizing the payment of Clear’s outstanding commissions from the gaming equipment sales in the
9 amount of \$4,175.00 and for unpaid expenses in the amount of \$9,632.90 from these proceeds.
10 (*Fanter*, ECF No. 427).

11 7. After the payment of commissions and expenses to Clear, as well as a refund to Wise,
12 Inc. (*see Fanter*, ECF No. 427), the balance of funds from the sale of IPI’s gaming equipment is
13 \$42,809.80 (the “Remaining Proceeds”).

14 8. Since the District Court approved the Distribution List, certain secured creditors have
15 received payments towards satisfying their judgments with funds from the sale of the Debtor’s assets.
16 (ECF No. 433).

17 9. Accordingly, the Parties have produced a Revised Distribution List (see **Exhibit 1**) that
18 reflects the new amounts owed to the creditors listed on the original Distribution List, calculates the
19 pro rata judgement size of each of those creditors, and calculates the amount of the Remaining
20 Proceeds to which they are entitled based on that pro rata share.

21 10. The Parties agree that as to the Secured Creditors of the Debtor—namely, *Fanter*, *Gray*,
22 *Dotts*, and the *CNMI*—it is appropriate to distribute to them their pro rata share of these proceeds as
23 set forth in the Revised Distribution List. However, as the remainder of the judgment creditors on the
24 Revised Distribution List are either unsecured or their secured status is disputed, or otherwise is
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1 subject to disallowance (the “Disputed Claims”), the Parties agree that the remaining proceeds should
2 be transferred to the estate pending approval of a Chapter 11 plan and subject to a determination of
3 the status and/or allowance of the Disputed Claims.
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5 11. Further, to the extent that it is necessary, the Parties support granting limited relief from
6 the automatic stay under Section 362 of the Bankruptcy Code to permit Clear to make the distributions
7 of the Remaining Proceeds in accordance with this stipulation.
8

9 Dated: October 24, 2025
10

11 SIGNATURES:

12 /s/
13 Christopher K.S. Wong
14 *Attorney for the Official Committee of*
General Unsecured Creditors

15 /s/
16 Chuck Choi
17 *Attorney for the Imperial Pacific International (CNMI), LLC*

18 /s/
19 J. Robert Glass, Jr.
Attorney for the Creditor CNMI

20 /s/
21 Aaron Halegua
22 Bruce Berline
23 John-Patrick M. Fritz
Attorneys for Creditor Gray

24 /s/
25 Colin Thompson
Attorney for Creditor Fanter

26 /s/
27 Michael Dotts
Attorney for Creditor Dotts
28

EXHIBIT 1

Distribution of \$42,809.80

Case Name	Case Number	Order Date	ECF No.	Attorney	Judgment Amount (no post-judgment interest)	Remaining Judgment (2025.09.06)	Pro Rata Share of Total Judgment Amount	Share of Distribution
Federal District Court								
Winzy Corporation	20-cv-00028	5/18/21	ECF23	Scoggins	\$179,217.50	\$150,462.55	1.11%	\$476.14
USA Fanter Corp. Ltd.	21-cv-00035	11/30/22	ECF34	Thompson	\$226,127.05	\$0.00		
Kan Pacific Saipan Ltd.	21-cv-00034	12/2/22	ECF46	Seman	\$697,801.30	\$645,255.88	4.77%	\$2,041.94
Kan Pacific Saipan Ltd.	23-cv-0011	11/29/23	ECF12	Seman	\$209,808.22	\$198,271.43	1.47%	\$627.44
Art Man Environmental Corp	21-cv-00038	1/17/23	ECF30	Thompson	\$106,890.00	\$86,837.21	0.64%	\$274.80
USA Fanter Corp. Ltd.	20-cv-00005	3/20/23	ECF76	Thompson	\$500,000.00	\$472,506.33	3.49%	\$1,495.27
Joshua Gray	19-cv-00008	5/31/23	ECF226	Halegua/Berline	\$5,686,182.20	\$4,644,516.18	34.33%	\$14,697.76
James Whang dba South Pacific Lumber Company	21-cv-00027	8/29/23	ECF43/ECF54	Thompson	\$795,236.88	\$737,333.74	5.45%	\$2,333.32
Tang's Corp.	20-cv-0006	9/20/23	ECF 133	Scoggins	\$191,070.56	\$166,388.91	1.23%	\$526.54
CNMI Superior Court								
G4S	20-0166-cv	1/26/21	66283200	White	\$11,711.23	\$0.00		
RC	20-0356-cv	2/16/21	66341227	Scoggins	\$69,722.25	\$46,988.16	0.35%	\$148.70
Yu's, LLC	20-0177-cv	7/28/21	66803128	Scoggins	\$38,512.00	\$17,494.07	0.13%	\$55.36
Atkins Kroll	20-0213-cv	9/21/21	66949154	White	\$78,403.34	\$55,191.90	0.41%	\$174.66
Art Man Environmental Corp	21-0078-cv	12/28/21	67196030	Scoggins	\$83,555.78	\$60,061.02	0.44%	\$190.07
Dotts	21-0277-cv	12/28/21	67195471	Dotts	\$396,625.62	\$149,651.92	1.11%	\$473.58
Ecolab (Guam)	21-0130-cv	2/2/22	67283195	White	\$17,629.84	\$2,485.23	0.02%	\$7.86
GT Building Systems International, Ptd., Ltd.	20-0214-cv	3/9/22	67377667	Thompson	\$761,658.80	\$705,602.02	5.22%	\$2,232.91
Hemine Ipwan Island dba IPWAN Security Services	21-0179-cv	12/13/22	68586446	Thompson	\$188,125.30	\$163,605.60	1.21%	\$517.74
Fujitec Pacific Inc.	22-0171-cv	4/14/23	69820829	Thompson	\$2,679,255.45	\$2,517,755.15	18.61%	\$7,967.54
Yantze Corp.	21-0014-cv	6/6/23	70144152	Scoggins	\$248,000.00	\$220,187.95	1.63%	\$696.79
Tax Lien								
CNMI Tax Lien					\$7,943,035.39	\$2,487,368.81	18.39%	\$7,871.38
Totals:					\$21,108,568.71	\$13,527,964.07		\$42,809.80