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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:

TRANSFIX PRODUCTIONS LLC,

Debtor.

Chapter 7

Case No.: 23-11283 (JLG)

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**DEBORAH J. PIAZZA, AS
CHAPTER 7 TRUSTEE OF
TRANSFIX PRODUCTIONS LLC,**

Plaintiff,

Adv. Pro. No. 24-_____ (JLG)

COMPLAINT

- v -

MICHAEL BLATTER,

Defendant.
-----X

Deborah J. Piazza, as Chapter 7 trustee (the “**Trustee**”) of the debtor, Transfix Productions LLC (“**Transfix**,” or the “**Debtor**”), by her Counsel, Tarter Krinsky & Drogin LLP, as and for her Complaint, alleges as follows against the above-captioned defendant, Michael Blatter (“**Blatter**,” or the “**Defendant**”), based upon information and belief (acquired from, among other things, (i) available internal corporate documents and records of the Debtor; and (ii) publicly available documents, along with documentation provided to the Trustee and her professionals pertaining to the allegations contained herein):

PRELIMINARY STATEMENT

1. The instant adversary proceeding is brought by the Trustee on behalf of the Debtor's bankruptcy estate, pursuant to which the Trustee seeks substantial damages against the Defendant Blatter for his multiple intentional, extremely reckless and grossly negligent actions and omissions committed by him in breach of his fiduciary duties owed to Transfix and to its creditors as Transfix's Chief Executive Officer ("CEO").

2. Blatter, with others, founded Transfix in early 2021 as an entertainment company that would produce and present a unique art exposition on a touring basis at various city sites. Its business plan was to lease from artists and display at those expositions large-scale artworks, many with pulsating lights and musical sound.

3. The first scheduled site for the Transfix exposition was at the Resorts World Hotel in Las Vegas, Nevada. Pursuant to the agreement, the exposition, named the Transfix Experience, was scheduled to run at the hotel site for an approximate 6-month period, between April and October 2023.

4. The Transfix Experience opened to the public at the hotel site on April 21, 2023. However, what was scheduled to be an approximate six (6)-month run closed in less than six (6) weeks, at the end of May 2023. As will be discussed in more detail in this Complaint, that abrupt closing was a consequence of Blatter's intentional, extremely reckless and grossly negligent acts and omissions in, among other things, causing Transfix to expend excessive amounts of funds in connection with the planning and opening of the Transfix Experience, so that Transfix was bereft of sufficient capital even before the opening in April 2023. Blatter's financial irresponsibility, coupled with the fact that his projection as to the amount of

admission tickets that would be sold was divorced from any semblance of reality, led to the quick demise of the exposition.

5. The litany of claimants who have filed proofs of claims in the Debtor's bankruptcy case, including employees, independent contractors, artists who leased their works to Transfix, vendors, suppliers, investors and the Resorts World Hotel, which claims **aggregate in excess of \$8.1 million**, attest to the out of control expenses which Blatter caused Transfix to incur and the egregious degree of financial irresponsibility and other utterly reckless conduct in which he engaged. A copy of the Claims Register in the bankruptcy case is annexed hereto as **Exhibit 1**.

6. Pursuant to Section 4.5 of Transfix's Amended and Restated Operating Agreement (a copy of which is annexed hereto as **Exhibit 2**) and applicable New York law, in his capacity as Transfix's CEO, Blatter owed Transfix fiduciary duties to, among other things, exercise the care, diligence, loyalty and skill that a reasonably prudent person in like position would exercise under comparable circumstances, to act in the best interests of Transfix, and to administer Transfix's financial and other business affairs in an honest, prudent, faithful and reasonable manner.

7. Furthermore, no later than February 2023, and continuing through the time it filed this bankruptcy case, Transfix was continuously insolvent. Accordingly, Blatter's fiduciary duties in his position as CEO also extended to Transfix's numerous creditors.

8. As will be discussed in more detail below, Blatter breached his aforesaid fiduciary duties by, among other things:

- Blatantly failing to set or adhere to any budgetary controls over Transfix's expenditures, intentionally causing Transfix to incur extremely excessive expenses in the production and operation of the Transfix Experience when he knew that Transfix did not have nearly sufficient capital to pay for same, and

grossly overestimating the number of tickets Transfix would be able to sell for admission to the exposition.

- Not only causing Transfix to breach its lease payment obligations to the many artists who leased their artworks to Transfix for display at the exposition, but also causing Transfix to default on its obligations under those leases to pay for the artists' costs in disassembling their large, complex works and transporting them off the Hotel site, as a result of which a number of those artists have filed claims against the bankruptcy estate that include the substantial costs they have incurred in that regard. Those artists' claims total **in excess of \$575,000.00**.
- Causing Transfix to fail to pay a substantial number of its employees and independent contractors, notwithstanding Blatter's promises that he would have Transfix do so. At least 17 such employees and independent contractors have filed claims against the bankruptcy estate **aggregating in excess of \$414,000.00**.
- Once the Transfix Experience had to be shut down in late May, 2023 for lack of capital, failing over the ensuing 2-1/2 months until the filing of this bankruptcy case to arrange for the removal from the hotel site of the approximate forty (40) very large storage containers, as well as portable bars, portable lounges and other personal property, utilized by Transfix during the exposition. As a result, the hotel had to arrange on its own for the removal of a substantial portion of said property to the site of a Las Vegas storage company, resulting in the filing of a claim by the storage company against the bankruptcy estate for significant transportation and storage fees.

9. In all, Blatter's egregious actions have resulted in the filing of in excess of eighty (80) timely claims against the Debtor's bankruptcy estate **in an aggregate amount that exceeds \$8.1 million!**

PROCEDURAL BACKGROUND

10. On August 11, 2023 (the "**Petition Date**"), the Debtor filed a voluntary petition under Chapter 7 of the Bankruptcy Code in this Court.

11. Shortly thereafter, Deborah J. Piazza was appointed as interim Chapter 7 trustee of the estate, has since duly qualified as permanent Trustee and is currently acting in such capacity.

THE PARTIES

12. The Trustee is a resident of the State of New York, is a licensed attorney, and as set forth above, is the Chapter 7 Trustee of the Debtor, maintaining an office at 1350 Broadway, New York, New York 10018.

13. At all times relevant herein, the Debtor was a limited liability company organized under the laws of the State of New York with a principal office address of 12 Parkway Drive, Dobbs Ferry, New York 10522.

14. At all times relevant hereto, Defendant Michael Blatter (“**Blatter**”) was and is an individual having, upon information and belief, a principal residence at 12 Parkway Drive, Dobbs Ferry, New York 10522.

15. Upon information and belief, Blatter served as CEO of the Debtor from approximately 2021 through the Filing Date. Upon information and belief, Blatter was also a member of the Debtor’s Board of Directors from approximately 2021 through the Filing Date.

JURISDICTION AND VENUE

16. This Court has jurisdiction over this adversary proceeding under 28 U.S.C. § 1334.

17. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (O).

18. In the event that any part of the claims contained herein is found to be "non-core", the Trustee consents to the entry of final orders and judgments by the Bankruptcy Court pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

19. The predicates for the relief sought herein are Transfix’s Amended and Restated Operating Agreement and the common law of the State of New York.

20. Venue of the subject Chapter 7 case and of this adversary proceeding in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

FACTS

A. Background

21. Transfix was founded by Blatter and others in or about 2021 as an entertainment company that would produce and present an immersive art exposition on a touring basis at various city sites. Its business plan was to lease from artists and display at each site large-scale artworks, many with pulsating lights and musical sound.

22. The first scheduled site for the Transfix exposition was at the Resorts World Hotel in Las Vegas, Nevada (the “**Hotel**”). In January 2023, Transfix, by Blatter as CEO, executed an Experience License Agreement with the Hotel pursuant to which Transfix was going to produce its art exposition, called the Transfix Experience, on the outdoor grounds of the Hotel for an approximate 6-month period between April and October 2023 (the “**Transfix Experience**”).

23. The Transfix Experience opened to the public on April 21, 2023. However, in late May 2023, within a mere six (6) weeks of that opening at the Hotel, the exposition permanently closed. As a result of that abrupt closure, caused by Blatter’s intentional, extremely reckless and grossly negligent acts and omissions as CEO detailed below, among other adverse consequences, many employees suddenly lost their jobs without full compensation for their services, contributing artists were compelled to make their own arrangements at their own expense to retrieve their art, the Hotel was forced to arrange on its own for the removal of the large storage containers left on its property, and numerous independent contractors, suppliers, vendors and other third parties who provided goods and/or services to Transfix for the exposition were not paid and sustained financial hardship.

**B. Blatter's Reckless and Irresponsible Expenditure of Transfix's Funds
And His Blatant Failure to Abide By Any Budgetary Controls**

24. During both the preparation for the opening of the Transfix Experience and its short-lived run, Blatter, as Transfix's CEO, failed to adhere to any of the budgets that allegedly were put in place, failed to abide by and work within any of Transfix's financial constraints, and caused Transfix to incur seven-figure expenses without anywhere near sufficient capital to pay for those expenses.

25. Among the key illustrations of Blatter's blatant failure to adhere to any proper budgetary controls, is a comparison of the respective presentations he caused Transfix to make to potential investors in January 2023 and April 2023. The pertinent portion of the January 2023 investor presentation (a copy of which is annexed hereto as **Exhibit 3**) noted that as of December 2022, it was projected that the Transfix Experience would launch with a total cost of \$7.5 million. However, the pertinent portion of the April 2023 investor presentation (a copy of which is annexed hereto as **Exhibit 4**) noted that more than \$7.5 million, in fact \$7.8 million, had already been spent through just March 2023, **and that \$2.125 million more would be needed to launch the exposition in April!**

26. Moreover, as a result of Blatter's utterly reckless actions with respect to Transfix's finances, the company continually suffered from a woeful lack of sufficient working capital. This became that much more apparent as the opening of the Transfix Experience approached. As of April 14, 2023, just seven (7) days prior to the April 21, 2023 opening, Transfix only had \$53,000 in its bank accounts. See footnote F on **Exhibit 5** hereto, which is a summary of Transfix's bank balances, of its American Express credit card balances, and of significant financial events for the company during 2023, prepared by the Trustee's Accountant. As also set forth on **Exhibit 5**, that

meager amount was even less than half of Transfix's \$114,000 outstanding balance on its American Express credit card, even ignoring the millions of dollars it already owed in the aggregate to its numerous creditors, including its investors, suppliers, independent contractors, employees, and artists.

27. Having caused Transfix to be bereft of sufficient cash for opening night of the Transfix Experience, Blatter had to solicit additional last-minute funding of \$1.25 million from an investor.¹ No sooner did that funding come in on April 17-18, 2023, than Blatter caused Transfix to blow through more than a million dollars of same in half a week, as a result of which, by the April 21, 2023 opening night of the Transfix Experience, Transfix had only approximately \$110,000 in the bank. See footnote I on **Exhibit 5**.

28. Reported comments by former Transfix employees and other observers with experience in the exposition industry further highlight Blatter's utter recklessness and gross financial irresponsibility in preparing for and producing the Transfix Experience fiasco.

29. On the online forum Reddit, one observer stated:

The CEO [Blatter] was a nut! ABSOLUTE NUT CASE! They tried to order a tarp to cover the building on the ground...

Shipping containers made into bars and retail shops and some very uncomfortable furniture and metal benches to sit on in.

100+ temps less than 4 weeks before it opened?

The canopy was over 50 feet long on each side!

Anyone who works in our industry knows that your lead time for a custom canvas/tarp is a minimum of 6 weeks...

¹ That investor has filed a claim against the bankruptcy estate of approximately \$1.3 million, representing the entirety of the amount invested with Transfix, plus accrued interest. In all, ten (10) investors and lenders have filed claims against the bankruptcy estate, **with claims aggregating approximately \$2.955 million**.

We knew it was [expletive deleted] when the interim CFO came in and was trying to get the CEO to understand that there “had to be a budget” [bold emphasis added].

30. A notice of an employment-related claim submitted to Transfix’s insurance carrier on behalf of Heather Gallagher, who is a claimant in the Debtor’s bankruptcy case, quoted a producer brought in for the Transfix Experience opening and for special events at the exposition, who reportedly had worked with Blatter previously, as stating:

Wow. Wow. Wow. All I can say is ‘wow.’ This is dysfunctional and chaotic, even by Michael Blatter standards. Are they seriously considering spending \$400,000 to build stages when ticket sales are so low? **I don’t know where that money is supposed to come from. That’s not only irresponsible, but it’s also delusional** [emphasis added].

31. In the same notice of claim submitted on behalf of Ms. Gallagher, it was reported that an executive producer with several decades of experience in the industry had stated about Blatter:

Never have I seen someone winging it and so disrespectful of everyone else’s time and talents on a production so large...

32. Blatter’s utter disregard for budgetary constraints, and his causing Transfix to incur millions of dollars of expenses for which it did not have anywhere close to sufficient capital to pay, has resulted, as stated above, in a substantial number of employees, independent contractors, artists, manufacturers of parts, material suppliers, vendors and investors involved with the short-lived Transfix Experience production – more than eighty (80) in all – proceeding to file timely claims against the Debtor’s bankruptcy estate, the aggregate amount of which exceeds \$8.1 million.

C. Blatter’s Gross Overestimation of Ticket Sales and Revenue

33. Blatter made grossly unrealistic estimates of the number of ticket sales Transfix would be able to make for admission to the exposition. As set forth in the May 2023 investor deck (attached

hereto as **Exhibit 6**), 70% of the Debtor's revenue was purportedly to come from ticket sales. However, Blatter's projection that Transfix would sell approximately 3,000 tickets per night (see second page of **Exhibit 4**) was pure pie in the sky, devoid of any realistic foundation. According to Blatter's own sworn testimony at the Section 341 meeting of creditors in the Debtor's bankruptcy case, in actuality ticket sales ranged from only 200 to 800 per night.

34. Notwithstanding the extremely poor ticket sales, Blatter continued to have Transfix engage in severe overspending, and allowed the Transfix Experience to be grossly overstaffed. Kevin Bracken, who had a principal role in site operations at the exposition, was reported in an article in the Las Vegas Review-Journal (**Exhibit 7** attached hereto) about the Transfix Experience's demise as having stated in a social media post titled "TRANFSIX IS DEAD AND THE ART IS ABANDONED" that, some 90 Transfix staffers were working at the site when there were only 300 paid guests. Not surprisingly, Transfix was reportedly not meeting its payroll obligations by the fourth week of the exposition.

**D. As a Result of Blatter's Egregious Actions and Omissions,
Transfix Failed to Pay a Number of Transfix Employees and
Independent Contractors for the Services They Rendered**

35. Blatter's grossly excessive spending and failure to adhere to budgetary constraints also resulted in Transfix's inability to compensate many of its employees and independent contractors for at least some, if not all, of the services rendered by them in connection with the Transfix Experience. As set forth above, Transfix was reportedly unable to make payroll beginning with the fourth week of the exposition. This caused a number of such employees and independent contractors substantial financial distress.

36. One such independent contractor was Brad Allen, who performed art maintenance and operation of the art exhibits during the month of May 2023. As shown in the email chain annexed hereto as **Exhibit 8**, Allen submitted to Transfix on June 1, 2023 an

itemization of the 73 hours of work he performed for which he was owed \$2,701. When he failed to receive payment, he wrote directly to Blatter in an email dated July 10, 2023 as follows:

I personally gave up a lot of other work to prioritize transfix [sic] because I believed in it. **I'm sure my pay is a drop in the bucket, but it'd mean a lot to me...I'm currently worried about affording groceries and fuel to get to work until my next paycheck, and credit card is full...**[emphasis added]

37. Not surprisingly, Blatter never arranged to get Allen paid, and Allen has had to file a proof of claim in this case.

38. Similarly, Blatter never responded to other former employees and independent contractors who inquired as to when they could expect payment. One such employee was Morgan Miller who, as shown in the series of emails she submitted with her proof of claim (copies of the emails are attached hereto as **Exhibit 9**), was repeatedly assured that Blatter would reach out to her in response to her emailed question "Will we [be] getting paid?" with respect to her final two weeks of work, but apparently Ms. Miller never heard back from Blatter.

39. Blatter intentionally failed to disclose to numerous of the employees and independent contractors whom he had continuing to work for Transfix at the exposition that the company did not have sufficient funds to pay them for their ongoing services.

40. There are at least seventeen (17) parties who are employees and/or independent contractors that have filed proofs of claim for unpaid compensation allegedly due them. Those parties' claims aggregate more than \$414,000.00 in amount.

E. Blatter Caused Transfix to Default on its Obligations to Artists To Make Lease Payments and to Bear the Artists' Costs For Disassembly and Transport of Their Artworks

41. Transfix entered into lease agreements with a number of artists for display of their large artworks at the Transfix Experience. Under the lease agreements, Transfix was obligated to make periodic lease payments to the artists, and to bear the costs incurred by the artists to, among other things, disassemble and transport their artworks off the Hotel site once the exposition concluded.

42. By reason of Blatter's grossly excessive spending and his failure to impose budgetary controls as Transfix's CEO, not only did Transfix default substantially on its lease payment obligations to the artists, but it was without any funds whatsoever to pay for the artists' disassembly and transportation costs once the exposition came to its premature end in late May 2023.

43. Blatter's breaches of his fiduciary duties left numerous of these artists in the lurch – many of them, not having sufficient funds themselves, had to desperately seek funding from third party sources in order to dismantle their large works and transport them off the Hotel grounds.

44. Moreover, a number of artists expressed complaints that parts of their works were missing and/or had suffered damage by the time they had secured sufficient financial backing for the disassembly and removal of their art.

45. Blatter, as Transfix's CEO, bears responsibility for the financial and other hardships that these artists had to endure was confirmed by Thor Young, Transfix's director of artist relations and community impact, who was also quoted in the Las Vegas Review Journal (**Exhibit 7**) as follows:

It's truly heartbreaking to see how one person's ego and greed have put so many artists in the unimaginable position of disrespect and hardship. **Overspending and**

mismanagement by the CEO has bankrupted the company and has left the majority of the art in Las Vegas. There are no resources to deinstall the works and return them as per the contracts [emphasis added].

46. At least sixteen (16) artists have filed claims against the bankruptcy estate for such matters as outstanding payments due under their leases with Transfix, unreimbursed costs incurred to disassemble their respective works and transport them off the Hotel site, and/or damages done to their works. The claims of those artists aggregate in excess of \$575,000.00 in amount.

F. Blatter Failed to Arrange for the Removal of the Majority of Transfix's Property From the Hotel Site, Resulting in a Substantial Storage Fee Claim Filed Against the Bankruptcy Estate

47. The Transfix Experience closed down in late May, 2023. Blatter did not cause Transfix to file for Chapter 7 bankruptcy until August 11, 2023. During that 2-1/2 month period, Blatter, having caused Transfix to be depleted of funds (as set forth on **Exhibit 5** hereto, only \$7,717 remained in Transfix's bank account as of August 2023), failed to make the necessary arrangements in order to comply with Transfix's contractual obligations to remove its property, including the substantial number of containers, the portable bars and lounges, furniture, and other personalty, from the Hotel site. As a result, the Hotel itself was forced to have a number of the containers transported off its site by the company Storage on Wheels and stored at the latter's business premises in Las Vegas. Accordingly, Storage on Wheels has filed a claim against the bankruptcy estate which includes significant charges for said transportation and storage.

48. In addition, several items of Transfix's personal property remained on the Hotel site for a substantial period of time, including a tunnel structure that had housed a light show during the exposition and was comprised of 5-6 large containers. The Hotel made repeated demands of the Trustee to cause said items to be removed from the Hotel site, but

the Trustee did not have sufficient funds to cover the expense of removing that property, and ultimately was compelled to abandon same to the Hotel.

G. Transfix's Insolvency

49. Commencing no later than February 2023, and continuing through and including the Petition Date (the “**Insolvency Period**”), Transfix was insolvent in that: (a) the amount of its liabilities greatly exceeded the amount of its assets; (b) it was unable to pay its obligations as they became due; and (c) it was grossly undercapitalized for the business in which it was engaged, namely, the operation of the Transfix Experience.

50. In this regard, as set forth above, as of April 14, 2023, just seven (7) days prior to the April 21, 2023 opening, Transfix only had \$53,000 in its bank accounts. See footnote F on **Exhibit 5**. As also set forth on said **Exhibit 5**, that meager amount was even less than half of Transfix's \$114,000 outstanding balance on its American Express credit card, even ignoring the millions of dollars it already owed in the aggregate to its numerous creditors, including its investors, suppliers, independent contractors, employees, and artists.

51. And by August 2023, Transfix's bank account had a mere \$7,717 in funds.

CLAIM FOR RELIEF
(Blatter's Breaches of His Fiduciary Duties Owed to Transfix and to Transfix's Creditors)

52. The Trustee realleges and incorporates by reference each of the allegations set forth in the preceding paragraphs of this Complaint as if fully set forth herein.

53. Section 4.5(c) of Transfix's Amended and Restated Operating Agreement (**Exhibit 2** hereto), titled “Duties of Officers,” states:

The officers, in the performance of their duties as such, shall owe to the Company duties of loyalty and due care of the type owed by the officers of a business corporation to such business corporation under the corporate laws of the State of New York.

54. Accordingly, as Transfix's CEO, Blatter owed Transfix fiduciary duties to exercise the care, diligence and skill that a reasonably prudent person in like position would exercise under comparable circumstances, and with a view to Transfix's best interests, and also owed Transfix fiduciary duties to administer honestly Transfix's affairs, to act solely in furtherance of Transfix's interests, and not to act in furtherance of his own personal interests, to safeguard and protect Transfix's property and assets, not to waste any of those assets, not to favor improperly or illegally his own interests, and to perform in good faith and diligently all of his duties on behalf of Transfix.

55. Furthermore, in light of the fact that Transfix was continually insolvent during the Insolvency Period, Blatter also owed the aforesaid fiduciary duties to Transfix's numerous creditors, and to take reasonable steps to preserve Transfix's assets for the benefit of said creditors.

56. As set forth above, as CEO, Blatter consistently breached the aforesaid fiduciary duties he owed to Transfix and to its creditors by committing intentional, extremely reckless and grossly negligent acts and omissions in his conduct of Transfix's financial and related affairs, including:

- Recklessly failing to set or adhere to any budgetary controls over Transfix's expenditures, and intentionally causing Transfix to incur extremely excessive expenses in the production and operation of the Transfix Experience when he knew that Transfix did not have anywhere near sufficient capital to pay for same.
- Grossly overestimating the number of tickets Transfix would be able to sell for admission to the Transfix Experience, thereby assuring that Transfix would be insolvent even prior to the opening of the exposition.
- Knowingly arranging on a continued basis for extreme overstaffing for the event notwithstanding the extremely poor ticket sales, and intentionally failing to disclose to numerous of the employees and contractors whom he had continuing to work at the exposition that Transfix did not have sufficient funds to pay them for their ongoing services, thereby giving rise to substantial claims filed by those employees and contractors for unpaid compensation.

- Due to his utter financial irresponsibility, intentionally causing Transfix to breach its lease payment obligations to the many artists who leased their artworks to Transfix for display at the exposition.
- Also due to said financial irresponsibility, intentionally causing Transfix to default on its obligations under those leases to pay for the artists' costs in disassembling their large, complex works and transporting them off the Hotel site, as a result of which a number of those artists have filed claims against the bankruptcy estate that include the substantial costs they have incurred in that regard.
- Intentionally failing over the 2-1/2 months between the shutdown of the exposition and the Petition Date to arrange for the removal from the Hotel site of the approximate forty (40) very large storage containers, as well as portable bars, portable lounges and other personal property, utilized by Transfix during the event. As a result, the hotel had to arrange on its own for the removal of a significant number of the containers from its property to the site of a Las Vegas storage company, resulting in the filing of a claim against the bankruptcy estate for significant transportation and storage fees.
- With full knowledge of Transfix's continuous insolvent condition during the Insolvency Period, intentionally and recklessly failing to preserve the assets of Transfix for the benefit of its numerous creditors, including, without limitation, failing to preserve the condition of a number of Transfix's other large storage containers, as well as portable bars, portable lounges and other personal property, that were left on the Hotel property, and which ultimately had to be abandoned by the Trustee.

57. As a result of Blatter's aforesaid egregious breaches of his fiduciary duties owed to Transfix and to Transfix's creditors, more than eighty (80) of those creditors – including employees, independent contractors, artists, manufacturers of parts, material suppliers, vendors and investors – have filed timely claims against the Debtor's estate in an aggregate amount which exceeds \$8.1 million.

58. Thus, Blatter's aforesaid breaches of his fiduciary duties owed to Transfix and to Transfix's creditors has damaged the Debtor's estate in an amount in excess of \$8.1 million.

59. By reason of all of the foregoing, the Trustee is entitled to judgment against Blatter in an amount to be determined at trial, currently estimated to be in excess of \$8.1 million, plus interest and costs.

WHEREFORE, the Trustee as Plaintiff respectfully requests that this Court grant judgment for the Trustee on behalf of the Debtor's estate against Defendant Michael Blatter as follows:

- i. Judgment against Blatter in an amount to be determined at trial, currently estimated to be in excess of \$8,100,000.00, plus interest and costs; and
- ii. For such other and further relief as the Court may deem just and proper.

Dated: New York, New York
December 6, 2024

TARTER KRINSKY & DROGIN LLP
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Trustee*

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