

## Trouble in Paradise: Fyre Festival Trustee Has its Eyes on Third Parties

By now, most of you have seen both or one of Netflix or Hulu's documentaries detailing the ill-fated music festival that was supposed to take place on the island of Great Exuma in the Bahamas during the spring of 2017. Billy McFarland, the now infamous 27-year old mastermind behind Fyre Festival, promised guests "the best in food, art, music and adventure" on a private island "once owned by Pablo Escobar." Eager concertgoers were assured a VIP experience alongside supermodels like Bella Hadid and Kendall Jenner. The models promoted the festival through their social media after having traveled to the island where they captured video footage foreshadowing this once in a lifetime experience. Kendall Jenner was allegedly paid \$250,000 for a single Instagram post. The hefty ticket prices –starting at \$1,595–only seemed consistent with these promises, especially because Fyre Festival was supposed to be "the cultural experience of the decade."

In reality, the festival was anything but "fire." Upon arrival, guests were confronted with FEMA-style tents, far from the luxury villas and suites they paid for. There was also no food—guests were offered a measly cheese sandwich. And the main attraction was absent – there were no performances or entertainment. In fact, headliner Blink-182 canceled its performance at the last minute, explaining to fans they were concerned the festival organizers wouldn't be able to provide the production needed for their performance. Panicked festival attendees feverishly tried to get on flights back to Miami, but the small island was not equipped to handle so many people, leaving many stranded in the airport until more flights became available.

But just as the white sand was settling on Exuma, investigations of McFarland and other festival promoters launched full speed ahead. McFarland was arrested in late 2017 and pled guilty to two counts of wire fraud in 2018 for orchestrating the \$26 million fraud. He's now serving a six year prison sentence.

While McFarland was undoubtedly the architect behind this massive fraud, unquestionably deceiving even his own employees, to what extent, if any, are others responsible? Jerry Media had a significant role in promoting the festival and many celebrities advertised the festival on their social media accounts, getting paid hundreds of thousands of dollars for a single post. Indeed, it was these influencers

who fueled the sold out festival – but how could they really have known what was going on behind the scenes?

On January 25, the court-appointed liquidation trustee for the production company behind Fyre Festival requested permission to subpoena over a dozen third parties in pursuit of tracking the millions of dollars lost in the doomed festival. The trustee, Gregory M. Messer explained that he “has been forced to obtain critical financial information related to the Debtor through third parties” because of the Debtor’s “lack of basic disclosures and books and records” and the “failure of the Debtor to file basic bankruptcy schedules and a statement of financial affairs.” The court granted Messer’s request on January 28. The trustee appears to be investigating, among other things, a \$250,000 payment made to Kendall Jenner in January 2017 and a \$1.2 million payment that IMG Models –who represents supermodels like Bella Hadid, Hailey Bieber and Emily Ratajkowski – received between November 2016 and February 2017.