

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re: )  
 )  
RYNE JOSEPH VITUG, ) Case No. 25-13120  
 ) Chapter 11 (Subchapter V)  
Debtor. ) Hon. David D. Cleary  
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**JOINT OBJECTION TO CONFIRMATION OF CHAPTER 11 PLAN AND MOTION TO  
DISMISS CASE WITH PREJUDICE AND REQUEST FOR REFERRAL TO U.S.  
ATTORNEY FOR CRIMINAL INVESTIGATION. (Filed Pro Se on Behalf of 100+  
Defrauded Creditors)**

The undersigned creditors, representing more than 100 timely-filed proofs of claim totaling \$1 million in filed claims, representing 335+ victims and \$2.7 million+ in total losses from the Debtor's admitted "Vitug Travel" scheme, hereby object to confirmation of the Debtor's Chapter 11 Subchapter V Plan (Dkt. 44, filed Nov. 24, 2025 at 4:59 PM) and move to dismiss this case with prejudice under 11 U.S.C. §§ 1112(b), 1181, and 105(a). We further request this Court refer the Debtor to the U.S. Attorney's Office for investigation of bankruptcy fraud (18 U.S.C. § 157) and related federal crimes.

**I. INTRODUCTION & STANDING**

1.1 We are unsecured creditors in Class 2 (travel victims) and Class 3 (alleged loan claimants), holding \$1 million+ in filed claims across 16 states and 6 countries, representing 335+ victims and \$2.7 million+ in total losses.

1.2 Over 100 proofs of claim have been filed (Dkt. entries 45–150+).

1.3 This objection is filed pro se by Jason Andersen authorized representative of the Vitug Fraud Victims Group (ryneviturugfraud.com), with written joinder from all signatories attached as Exhibit A.

## **II. THE PLAN FAILS EVERY CONFIRMATION REQUIREMENT**

### **A. Not Proposed in Good Faith – § 1129(a)(3)**

2.1 The Debtor admits to a multi-year scheme taking millions in customer funds under false pretenses (Plan, p. 2).

2.2 He downplays a \$2.7M+ Ponzi-style fraud as a “side hustle” that “proved unsustainable.”

2.3 The 4:59 PM filing on the final deadline shows intent to delay and obfuscate, not reorganize in good faith.

2.4 Class 3 includes insider loans to family and other individuals complicit in the fraud (Maria Vitug, Joel Vitug, Yolanda Vitug “Lola”, Mary Foronda, Rhea Bell, Max Mendelson, Alexander Sanchez), per victim affidavits (Exhibit B). Paying them after only 10% to victims is preferential and fraudulent.

### **B. Not Feasible – § 1129(a)(11)**

2.5 The Debtor is currently unemployed, has no job offer, and provides zero income projections.

2.5a. Debtor falsely claims unemployment ‘appeal remains pending’ (Status Report ¶5, Dkt. 46). The administrative appeal was finally denied 12/9/2024 (Exhibit C – IDES Board Decision). Debtor’s judicial review lawsuit (Cook County 2025L050439) was filed

7/16/2025 — filed 7/16/2025 and does not restore benefits — proving misrepresentation of current eligibility to current benefits eligibility.

2.6 At the Nov. 21, 2025 §341 meeting, Subchapter V Trustee Ira Bodenstein expressed grave doubt about any repayment ability — and adjourned sine die for lack of credible evidence.

2.7 Exhibit B (5-year budget) is not attached or meaningless without a salary. The promised 10% recovery is mathematically impossible.

2.7a Debtor's November 26 Status Report (Dkt. 46) confirms zero income, no job offer, and only vague 'interviews' — further proving the Plan's infeasibility under §1129(a)(11).

#### **C. Fails Best Interests of Creditors – § 1129(a)(7)**

2.8 Exhibit A (liquidation analysis) is missing or inadequate.

2.9 The Debtor admits no significant non-exempt assets (Plan, p. 2).

2.10 2.10 Chapter 7 liquidation would allow a trustee to claw back fraudulent transfers to family (11 U.S.C. §§ 547, 548) — yielding more than 10%.

#### **D. Violates Projected Disposable Income Rule – § 1191(c)(2)**

2.11 The Plan commits zero dollars in Year 1 and speculative drips thereafter.

2.12 No monthly budget, job search plan, or bar status update is provided.

#### **E. Unfair Discrimination – § 1129(b)(1)**

2.13 Class 2 (victims) get 10% first, then split the rest with Class 3 (insiders).

2.14 This rewards alleged co-conspirators over defrauded consumers.

### **III. THIS CASE SHOULD BE DISMISSED WITH PREJUDICE – § 1112(b)**

Cause exists under § 1112(b)(4):

- (A) Substantial loss to the estate (ongoing admin fees with no income)
- (B) Gross mismanagement
- (E) Failure to file credible plan
- (J) Inability to effectuate a plan

3.1 The Debtor is using Subchapter V as a shield to evade criminal liability, not to repay creditors.

3.2 Dismissal with prejudice (180-day refiling bar) is warranted under § 349(a) and § 105(a).

### **IV. REFERRAL TO U.S. ATTORNEY IS REQUIRED**

4.1 The Debtor's conduct violates 18 U.S.C. § 157 (bankruptcy fraud):

- Misrepresenting unemployment appeal status to inflate 'no income' narrative
- Filing a false plan to conceal fraud
- Omitting income and insider transfers
- Using the court to attempt to delay federal investigations

4.2 The U.S. Trustee and Trustee Bodenstein have flagged credibility issues. This Court has authority under 28 U.S.C. § 351 and Local Rule 5009-1 to refer suspected fraud.

## **V. RELIEF REQUESTED**

**WHEREFORE**, the undersigned creditors respectfully request this Court:

- 5.1 DENY confirmation of the Plan (Dkt. 44);
- 5.2 DISMISS this case WITH PREJUDICE under 11 U.S.C. § 1112(b);
- 5.3 BAR the Debtor from refiling for 180 days;
- 5.4 REFER the Debtor to the U.S. Attorney's Office, Northern District of Illinois, for investigation of bankruptcy fraud (18 U.S.C. § 157), wire fraud, and mail fraud.
- 5.5 GRANT such other relief as is just.
- 5.6 ORDER Debtor to amend all filings to disclose the final IDES denial and Cook County lawsuit (2025L050439).

Dated: 11/26/2025

Respectfully submitted,

/s/ Jason Andersen - Claim #16

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