

1 PETER CLINCO, (SBN 79008)  
E-mail: peter@clinco.net  
2 LAW OFFICES OF PETER CLINCO  
1901 Avenue of the Stars, Suite 1100  
3 Los Angeles, CA 90067-6002  
Telephone: (310) 553-3400  
4 Facsimile: (310) 553-3408

5 Attorneys for Defendants  
INTERNATIONAL PERFORMING ARTS ACADEMY, LLC,  
6 BARBIZON SCHOOL OF SAN FRANCISCO, INC.,  
LION MANAGEMENT GROUP INC., LARRY D.  
7 LIONETTI and LENA QUESADA LIONETTI

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **FOR THE COUNTY OF SAN FRANCISCO**

10  
11 ANGELICA COSIO, an individual, on her own  
12 behalf and on behalf of all others similarly  
situated,

13 Plaintiff,

14 v.

15 INTERNATIONAL PERFORMING  
ARTS ACADEMY, LLC, a California limited  
16 liability company, BARBIZON SCHOOL OF  
SAN FRANCISCO, INC., a California  
17 corporation, ANTHONY LOUIS LIONETTI,  
LION MANAGEMENT GROUP INC., a  
18 California corporation, LARRY D. LIONETTI,  
LENA QUESADA LIONETTI, LENA M.  
19 LIONETTI, and DOES 1-100 inclusive

20 Defendants.  
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Case No. CGC-16-551337

**DECLARATION OF LENA LIONETTI**

Date: September 14, 2021

Time: 9:15 am

Dept: 304

Assigned for all purposes:  
Hon. A. C. Massullo

Complaint Filed: April 6, 2016

1 DECLARATION OF LENA LIONETTI

2 I, Lena Lionetti declare as follows.

3 1 I am one of the defendants in the above captioned action. I execute this Declaration in  
4 compliance with the terms of the First Amendment and Stipulation to and Agreement  
5 of Settlement respecting the suspension of payments otherwise due under the  
6 Agreement of Settlement filed and entered by this Court on October 20, 2020. I have  
7 personal knowledge of the following and if called as a witness could and would  
8 competently testify to the matters contained in this Declaration.  
9

10 2 I am personally responsible for the preparation of financial records to be transmitted  
11 to our accountants for preparation of our tax returns. This responsibility is for all the  
12 entities which I own with my husband, Larry Lionetti, defendants in the above  
13 captioned action. The records prepared and attached are my work product.  
14

15 3 The ravages of Covid-19 have taken a large impact on our business. We were not  
16 permitted to operate our modeling schools for some time due to the shelter in place  
17 orders, and only after said orders were lifted were we able to resume operations.  
18

19 4 Not all our businesses survived the Covid Crisis in 2020-21. Our main offices of  
20 Barbizon of San Francisco closed, the lease terminated, and there is no expected time  
21 for its reopening at another facility in Downtown San Francisco. Similarly, the  
22 satellite school in Los Angeles was also not able to stay open. Both leases for space  
23 in Los Angeles and San Francisco have been surrendered to the respective landlords.  
24 The only satellite of Barbizon School of San Francisco, Inc. remaining open is in  
25 Sacramento, California, and the revenues from the resulting diminished San  
26 Francisco operation have seen a substantial reduction of gross income as a result.  
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1           5   Similarly, our New York operations have also seen a substantial reduction in income  
2                   over the past year. We also were forced to close the New York classrooms and have  
3                   relied solely on online teaching, with some, but not similar success, as was the case  
4                   for in-person educating. It is taking time to rebuild operations in a new teaching  
5                   format for Barbizon of New York.

6           6   Our other real estate assets have been impaired by the Covid -19 turndown in retail  
7                   sales, and we have not been able to re-let these spaces due to a generally depressed  
8                   market. I have made several attempts to refinance each of these properties and  
9                   because of our reduced income, cannot secure any commitments to lend. We had  
10                  already sold two of our 4 properties during the course of the litigation. We have been  
11                  unsuccessful in attempting to sell our investment apartment (one unit of a six-unit  
12                  building) in San Francisco, as the current title is in Tenants in Common) as title needs  
13                  to be reformed into a Condominium-type development, which was stalled due to  
14                  Covid.

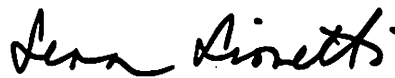
15           7   The past year has put a substantial strain on our finances. We have been barely able  
16                   to meet our financial obligations even with the reduction in expenses attributed to our  
17                   closing Los Angeles and San Francisco operations. We simply do not have any  
18                   unencumbered liquid assets sufficient to resume the payment schedule previously set  
19                   out in the original Settlement Agreement without the agreed reduction in payments  
20                   necessitated by the impact on the economy from the Covid -19 pandemic, and the  
21                   other issues impacting operations in the San Francisco, New York, and downtown  
22                   Los Angeles areas where we are located.

23           8   Attached to this Declaration as Exhibit "A" are the financial results from our business  
24                   operations for the last 3 months of this year, as to each entity ("Current Financial  
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1 Results"). Also attached to this Declaration as Exhibit "B" are the financial Results  
2 from our business operations for tax years 2015, 2016, 2017 and 2018 representing  
3 the "Baseline Gross Revenues" on which the average monthly revenues are to be  
4 computed.

5  
6 9 Using the 1-month average of the Baseline Gross Revenues as the denominator, and  
7 one month of the Current Financial Results as the numerator, the result is a 77%  
8 reduction in monthly revenue from operation of the Lionetti business entities. Using  
9 the initial \$40,000 monthly payment (which was suspended due to the Covid 19  
10 Shelter in Place Ordinances in San Francisco, Los Angeles, and New York,) the  
11 monies now due on the reduced agreed monthly payment plan from Defendants  
12 would be the sum of \$9200 per month.  
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15 I declare under penalty of perjury under the laws of the State of California that the above  
16 is true and correct. Executed on September 7, 2021, in Tiburon, California.

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20 Lena Lionetti  
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# EXHIBIT "A"

**Fn Larry Lionetti owns 49% of Barbizon School of Manhattan - the difference in the gross income earned and what is reported in this schedule reflects this fact**

Entity	May July 2021 Sales	Monthly Avg 3 mos
Barbizon Agency	\$3,362.39	\$1,111
Barbizon Manhattan	\$317,512.00	\$105,837
Barbizon SF	\$448.36	149.45
Barbizon Plaza	\$70,261	23420.33
Lion Marine	\$7,037.84	\$2,345.95
Hollywood Paws	\$8,800	2933.33
Totals	\$407,421.59	\$135,797

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# EXHIBIT “B”

**Fn Larry Lionetti owns 49% of Barbizon School of Manhattan - the difference in the tax forms and what is reported in this schedule reflects this fact**

Company	2015	Reference	2016	Reference	2017	Reference	2018	Reference	TOTALS	2015-18 Baseline
Barbizon San Francisco	\$5,989,355	IRS 1120S	\$5,607,265	IRS 1120S	\$4,815,085	IRS 1120S	\$3,245,883	IRS Form 1120S		
Hollywood Paws, LLC	\$24,215	IRS 1065	\$36,826	IRS 1065	\$47,127	IRS 1065	\$18,106	IRS Form 1065		
Estate of Rose Lionetti	\$65,706	IRS 1041					\$28,884	IRS Form 8960		
Barbizon Modeling Agency	\$296,088	Sch C	\$305,365	IRS Sch "C"	\$243,402	2017 Sch C	\$270,965	IRS Sch C		
Lion Marine	\$1	Sch C	\$1,200	IRS Sched C	\$7,500	IRS Sch C	\$23,880	IRS Sch C		
Barbizon Plaza LLC	\$261,475	IRS 1065	\$131.85	IRS F101065	\$144,987	IRS 1065	\$332,487	IRS Form 1065		
Barbizon Modeling Manhattan	\$1,187,807	IRS 1120S	\$1,501,888	IRS 1120S	\$1,687,431	IRS 1120S	\$1,819,469	IRS Form 1120S		
1777 Ala Moana	\$34,459	IRS Sch E	\$29,593	IRS Sch E	\$34,459	IRS Sch E	\$34,353	IRS Sch E		
434 Francisco, SF, CA	\$48,000	IRS Sch E	\$27,253	IRS Sch E	\$43,146	IRS Sch E	\$41,339	IRS Sch E		
320 Via Casitas #109	\$12,000	IRS Sch E								
320 Via Casitas #302	\$18,500	IRS Sch E	\$9,600	IRS Sch E	\$12,000	IRS Sch E				
Totals	\$7,937,606		\$7,519,122		\$7,035,137		\$5,815,366		\$28,307,231	\$589,734.00



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PROOF OF SERVICE

I am over the age of eighteen and not a party to this action; I am employed by THE LAW OFFICES OF PETER CLINCO. My business address is 1901 Avenue of the Stars, Suite 1100, Los Angeles, CA 90067-6002

On September 7, 2021, I served the foregoing document(s) described as:

**Declaration of Lena Lionetti**

on the interested party(ies) below, using the following means:

ELECTRONIC TRANSMISSION based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the documents to be sent to the persons at the e-mail addresses on the attached service list on the dates and at the times stated thereon. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. The electronic notification address of the person making the service is peter@clinco.net

UNITED STATES MAIL by placing a true copy of the document(s) listed above for collection and mailing following the firm's ordinary business practice in a sealed envelope with postage thereon fully prepaid for deposit in the United States mail at Los Angeles, California addressed as set forth below.

OVERNIGHT DELIVERY by depositing a true copy of the same enclosed in a sealed envelope, with delivery fees provided for, in an overnight delivery service pick up box or office designated for overnight delivery, and addressed as set forth below.

MESSENGER SERVICE by causing to be personally delivered a copy of the document(s) listed above to the person(s) at the address(es) set forth below.

Randall B. Aiman-Smith  
Reed W.L. Marcy  
Hallie Von Rock  
Carey A. James  
Brent A. Robinson  
AIMAN-SMITH & MARCY  
7677 Oakport Street, Suite 1150  
Oakland, CA 94621  
E-mail: [ras@asmlawyers.com](mailto:ras@asmlawyers.com)  
[rwlm@asmlawyers.com](mailto:rwlm@asmlawyers.com)  
[hvr@asmlawyers.com](mailto:hvr@asmlawyers.com)  
[caj@asmlawyers.com](mailto:caj@asmlawyers.com)  
[bar@asmlawyers.com](mailto:bar@asmlawyers.com)

*Attorneys for Plaintiff*  
ANGELICA COSIO

1 Zack Broslavsky  
Jonathan A. Weinman, Esq.  
2 Broslavsky & Weinman, LLP  
1500 Rosecrans Ave., Suite 500  
3 Manhattan Beach, CA 90266  
E-mail: [zbroslavsky@bwcounsel.com](mailto:zbroslavsky@bwcounsel.com)  
4 [jweinman@bwcounsel.com](mailto:jweinman@bwcounsel.com)

**ATTORNEYS FOR PLAINTIFF**  
**ANGELICA COSIO**

5 David C. Parisi  
Suzanne Havens Beckman  
6 PARISI & HAVENS LLP  
212 Marine Street, Suite 100  
7 Santa Monica, California 90405  
E-Mail: [dparisi@parisihavens.com](mailto:dparisi@parisihavens.com)  
8 [shavens@parisihavens.com](mailto:shavens@parisihavens.com)

*Attorneys for Plaintiff*  
**ANGELICA COSIO**

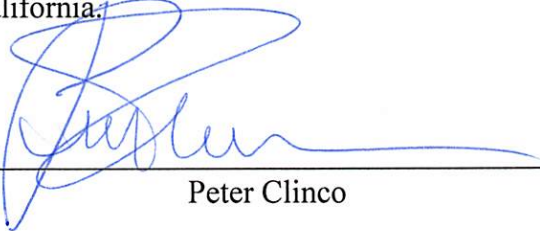
9 David C. Parisi  
Suzanne Havens Beckman  
10 PARISI & HAVENS LLP  
212 Marine Street, Suite 100  
11 Santa Monica, California 90405  
E-Mail: [dparisi@parisihavens.com](mailto:dparisi@parisihavens.com)  
12 [shavens@parisihavens.com](mailto:shavens@parisihavens.com)

*Attorneys for Plaintiff*  
**ANGELICA COSIO**

13 Ethan Preston  
PRESTON LAW OFFICES  
14 4054 McKinney Avenue, Suite 310  
Dallas, TX 75204  
15 E-mail: [ep@eplaw.com](mailto:ep@eplaw.com)

*Attorneys for Plaintiff*  
**ANGELICA COSIO**

16  
17 I declare that I am a member of the bar of this court at whose direction the service was made.  
18 Executed on September 7, 2021 at Los Angeles, California.

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Peter Clinco