UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF NEW YORK

Dialectic Distribution LLC v. David Cameo

Dialectic Distribution LLC v. David Cameo · No. Adv. Pro. No. 1-22-01054-jmm · Decided December 29, 2025

SUMMARY

The United States Bankruptcy Court for the Eastern District of New York grants Dialectic Distribution LLC’s motion for summary judgment on its claim under 11 U.S.C. § 727(a)(4)(A) to deny David Cameo a discharge. The court finds that Cameo knowingly made false statements or omissions concerning business interests, the source of a home downpayment, and related bankruptcy disclosures, and that he failed to provide credible explanations demonstrating a lack of fraudulent intent. The court rejects the challenge based on the Schedule J housing-expense entry but concludes that the other false statements warrant denial of discharge.

CASE DETAILS

COURT	United States Bankruptcy Court for the Eastern District of New York
WRITING FOR THE COURT	Jil Mazer-Marino
JURISDICTION	United States Bankruptcy Court for the Eastern District of New York
DECIDED	December 29, 2025
DOCKET	Adv. Pro. No. 1-22-01054-jmm
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for summary judgment on its Bankruptcy Code section 727(a)(4)(A) claim seeking denial of the debtor's discharge. Defendant moved for summary judgment dismissing all claims. The bankruptcy court granted Plaintiff's motion as to the section 727(a)(4)(A) claim and denied Defendant's motion as to that claim.
STANDARD OF REVIEW	Summary judgment is proper when the pleadings, discovery materials, and affidavits show no genuine dispute of material fact and the movant is entitled to judgment as a matter of law. The evidence must be viewed in the light most favorable to the nonmovant, and the court may not resolve disputed facts. On a section 727(a)(4)(A) claim, the plaintiff bears the ultimate burden of proving each element by a preponderance of the evidence.

PRECEDENTIAL VALUE	Unknown; bankruptcy court memorandum decision with no reporter citation.

TOPICS

bankruptcy fraud · discharge · chapter 7 · summary judgment · adversary proceedings

PRACTICE AREAS

bankruptcy · bankruptcy fraud · civil procedure

QUESTIONS PRESENTED

1. Whether the debtor made false statements under oath by omitting Jersey Cameras from Schedule A/B, omitting his former interest in DDAM from the SOFA, and misrepresenting the source of the home down payment.
2. Whether the debtor knowingly made the false statements.
3. Whether the debtor acted with fraudulent intent, including reckless disregard for the truth.
4. Whether the false statements were material for purposes of Bankruptcy Code section 727(a)(4)(A).
5. Whether summary judgment was appropriate on the section 727(a)(4)(A) claim.

HOLDINGS

1. The debtor made false statements under oath by omitting Jersey Cameras from his original Schedule A/B, omitting his former interest in DDAM from the SOFA, and stating at the section 341 meeting that he did not contribute to the home's down payment when $260,000 came from a company he substantially owned.
2. The plaintiff failed to prove that the debtor's Schedule J representation of $9,000 in rental or home ownership expenses was false.
3. The debtor knowingly made the false statements because he did not contend that he was unaware of his ownership of Jersey Cameras, his prior ownership of DDAM, or the source of the $260,000 loan used for the down payment.
4. The debtor's omissions and misstatements were made with fraudulent intent, which could be inferred from his failure to provide credible explanations and from his reckless disregard for the truth.
5. The omissions concerning DDAM and Jersey Cameras and the misstatement concerning the down payment were material because they related to the debtor's business transactions, estate assets, business dealings, or the discovery and disposition of property.

KEY QUOTATIONS

> *"To prevail on a claim under Bankruptcy Code section 727(a)(4)(A), a plaintiff must prove by a preponderance of evidence that "(1) the debtor made a statement under oath; (2) the statement was false; (3)*

> *the statement related materially to the bankruptcy case; (4) the debtor knew the statement was false; and (5) the debtor made the statement with fraudulent intent."”* (Discussion II)

> *“Therefore, the Plaintiff's motion for summary judgment on its Second Claim for Relief to deny the Defendant a discharge under Bankruptcy Code section 727(a)(4)(A) is granted and the Defendant’s motion for summary judgment to dismiss that claim for relief is denied.”* (Conclusion)

FACTUAL BACKGROUND

David Cameo filed a voluntary Chapter 7 petition on July 13, 2021, and signed his schedules and Statement of Financial Affairs under penalty of perjury. He omitted Jersey Cameras from his original Schedule A/B and omitted his prior fifty-percent ownership interest in Digital Direct and More Inc. from his SOFA. He also testified at the section 341 meeting that his wife's savings alone funded the down payment on their home, although $260,000 of the down payment came from a loan by Cameo Distribution Inc., which he owned 85 percent. Cameo later amended Schedule A/B to disclose Jersey Cameras, but did not amend the SOFA to disclose DDAM.

PROCEDURAL HISTORY

Dialectic Distribution LLC commenced the adversary proceeding on July 11, 2022, asserting nondischargeability and discharge-denial claims. After discovery, both parties moved for summary judgment in September 2025. The court heard argument on November 4, 2025, granted Plaintiff's motion on the second claim for relief under section 727(a)(4)(A), denied Defendant's motion as to that claim, and denied the remaining portions of Defendant's motion as moot.

DISPOSITION

other

CASES CITED

- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248-50 (1986)
- Bethpage Fed. Credit Union v. Freidman (In re Kabbalah Taxi Inc.), 2018 WL 3569314, at *2 (Bankr. E.D.N.Y. July 20, 2018)
- Celotex Corp. v. Catrett, 477 U.S. 317, 323-25, 330 (1986)
- Weinstock v. Columbia Univ., 224 F.3d 33, 41 (2d Cir. 2000)
- Delaware & Hudson Railway Company v. Consolidated Rail Corporation, Delaware & Hudson Ry. Co. v. Consol. Rail Corp., 902 F.2d 174, 177 (2d Cir. 1990)
- Rosenman & Colin LLP v. Jarrell (In re Jarrell), 251 B.R. 448, 450-51 (Bankr. S.D.N.Y. 2000)
- Moreo v. Rossi (In re Moreo), 437 B.R. 40, 59, 62 (E.D.N.Y. 2010)
- Cap. One Equip. Fin. Corp. v. Singh (In re Singh), 585 B.R. 330, 335-40 (Bankr. E.D.N.Y. 2018)
- In re Esposito, 44 B.R. 817, 821 (Bankr. S.D.N.Y. 1984)
- Agai v. Antoniou (In re Antoniou), 515 B.R. 9, 22 (Bankr. E.D.N.Y. 2014)
- Adler v. Ng (In re Adler), 395 B.R. 827, 841 (E.D.N.Y. 2008)

- TD Bank, N.A. v. Nazzaro (In re Nazzaro), 2013 WL 145627, at *7 (Bankr. E.D.N.Y. Jan. 14, 2013)
- Ethelberth v. Omogun (In re Omogun), 2022 WL 2517160, at *10 (Bankr. E.D.N.Y. July 6, 2022)
- Mazer-Marino v. Levi (In re Levi), 581 B.R. 733, 754 (Bankr. S.D.N.Y. 2017)
- In re Murray, 249 B.R. 223, 229 (E.D.N.Y. 2000)
- Abraham v. Stuart, 2016 WL 4045432, at *9 (E.D.N.Y. July 28, 2016), aff'd sub nom. In re Abraham, 693 F. App'x 59 (2d Cir. 2017)
- In re Kelly, 135 B.R. 459, 461-62 (Bankr. S.D.N.Y. 1992)
- In re Arcuri, 116 B.R. 873, 882 (Bankr. S.D.N.Y. 1990)
- Pergament v. Smorto (In re Smorto), 2008 WL 699502, at *4 (E.D.N.Y. Mar. 12, 2008)
- Fido’s Fences, Inc. v. Bordonaro (In re Bordonaro), 543 B.R. 692, 702 (Bankr. E.D.N.Y. 2016), aff'd sub nom. Bordonaro v. Fido's Fences, Inc., 565 B.R. 222 (E.D.N.Y. 2017)
- United States v. Manno-DeGraw (In re Manno-DeGraw), 2016 WL 3708062, at *2 (Bankr. E.D.N.Y. July 6, 2016)
- In re Virovlyanskiy, 485 B.R. 268, 272 (Bankr. E.D.N.Y. 2013)