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The Honorable Christopher M. Alston
Chapter 11
Ex Parte

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re
NORTHWEST TERRITORIAL MINT,
LLC,
Debtor.

Case No. 16-11767-CMA
APPLICATION FOR EX PARTE ORDER
AUTHORIZING INTERIM EMPLOYMENT
OF MILLER NASH GRAHAM & DUNN
LLP AS COUNSEL FOR THE OFFICIAL
UNSECURED CREDITORS'
COMMITTEE, EFFECTIVE AS OF APRIL
22, 2016

I. INTRODUCTION

The Official Unsecured Creditors' Committee (the "Committee") applies for approval of the employment of Miller Nash Graham & Dunn LLP ("MNGD") as attorneys for the Committee in case number 16-11767-CMA filed by Northwest Territorial Mint, LLC, the debtor herein (the "Debtor"). The Committee bases this application on 11 U.S.C. §1103(a), Federal Rule of Bankruptcy Procedure 2014, LBR 2014-1, and the subjoined declaration of Mark D. Northrup. In accordance with LBR 2014-1(b), the United States Trustee's Office has endorsed this application in writing or at least seven days have passed since this application was served upon and received by the United States Trustee's Office and no objection has been made by the United States Trustee's Office.

1 II. FACTS

2 A. Venue; core status

3 Venue is proper in this district pursuant to 28 U.S.C. §§1408 and 1409. This application
4 is a core proceeding under 28 U.S.C. §157(b)(2). The Court has jurisdiction over this application
5 under 28 U.S.C. §§157 and 1334.

6 B. Procedural background

7 On April 1, 2016 (the “Petition Date”), the Debtor commenced his case by filing a
8 voluntary chapter 11 petition. The Committee was not appointed until April 15, 2016.

9 C. Necessity for Committee’s employment of attorneys

10 In this chapter 11 case, the Committee requires the assistance of experienced bankruptcy
11 attorneys to:

- 12 • Generally provide legal services as needed, including without limitation
13 representation as to multiple matters which were filed before the Committee
14 was appointed and are currently set for hearing on May 6, 2016; and.
- 15 • Otherwise provide services as may be required to best protect the interests of
16 unsecured creditors in the case, including without limitation to carry out the
17 rights and powers specified in Section 1103(c) of the Bankruptcy Code.

18 D. MNGD’s qualifications; Reasons for Committee’s selection of MNGD

19 Several MNGD attorneys focus their practices primarily or exclusively on insolvency
20 cases and have extensive experience in chapter 11 and other bankruptcy cases in this Court. The
21 Committee selected MNGD as its bankruptcy counsel and general counsel for this case because
22 of MNGD’s general and bankruptcy qualifications.

23 E. Professional services to be rendered

24 The Committee wishes to engage MNGD as its general counsel in this case.
25
26

1 F. MNGD's compensation

2 MNGD has no special arrangement for compensation and expects the estate to
3 compensate the firm. Mark D. Northrup's currently hourly rate is \$475; Geoffrey Groshong's
4 current hourly rate is \$500, and John Knapp's is \$440. The rates of other MNGD attorneys
5 range from \$240 to \$695 and those of non-attorney paralegals range from \$115 to \$275. The
6 firm's rates change from time to time.

7 G. MNGD's connections to this case

8 MNGD is not a creditor in this case. There are approximately 3,400 identified creditors
9 in this bankruptcy case. Based on an initial review of the mailing matrix and list of 20 largest
10 unsecured creditors conducted by Mark D. Northrup, no conflicts of interest exist between
11 MNGD and its current clients (the "Current Clients") and any other party in interest to the
12 bankruptcy. Should such a conflict emerge or be discovered in the future, unless the Current
13 Clients and the Committee consent in writing and the Court approves such consent, MNGD's
14 representation of the Committee expressly will not include actions directly adverse to the Current
15 Clients. In the event of direct adversity, the Committee will employ special conflicts counsel.

16 Accordingly, to the best of MNGD's knowledge based on the foregoing search and
17 comparison, and to the best of the Committee's knowledge, MNGD does not represent any other
18 entity having an adverse interest in connection with this case or have any connection with the
19 Debtor, or this case, the Committee, creditors, any other party in interest, their respective
20 attorneys and accountants, the United States Trustee, or any person employed in the Office of the
21 United States Trustee. MNGD has not represented, does not represent, and will not represent
22 any client other than the Committee with respect to the Debtor's case.

23 H. Effective date of employment

24 On or about April 22, 2016, the co-chair for the Committee contacted Mr. Northrup at
25 MNGD about potential employment as counsel for the Committee. Later on the same date, the
26 Committee confirmed that it had selected MNGD to act as its counsel. MNGD immediately

1 began assembling the information necessary to prepare this application. MNGD prepared and
2 tendered this application to the U.S. Trustee on April 26, 2016, as promptly as possible under the
3 circumstances. The Court should approve the application retroactive to the date the Committee
4 made its selection, April 22, 2016.

5 G. Contact information

6 MNGD's contact information for this case will be as follows:

7 Mark D. Northrup
8 WSB No. 16947
9 Miller Nash Graham & Dunn LLP
10 2801 Alaskan Way, Suite 300
11 Seattle, Washington 98121-1128
12 Telephone: (206) 624-8300
13 Fax: (206) 340-9599
14 E-mail: mark.northrup@millernash.com

15 Geoffrey Groshong
16 WSB No. 6124
17 Miller Nash Graham & Dunn LLP
18 2801 Alaskan Way, Suite 300
19 Seattle, Washington 98121-1128
20 Telephone: (206) 624-8300
21 Fax: (206) 340-9599
22 E-mail: geoff.groshong@millernash.com

23 John R. Knapp
24 WSB No. 29343
25 Miller Nash Graham & Dunn LLP
26 2801 Alaskan Way, Suite 300
Seattle, Washington 98121-1128
Telephone: (206) 624-8300
Fax: (206) 340-9599
E-mail: john.knapp@millernash.com

27 H. U.S. Trustee Review

28 As provided by LBR 2014-1(b), MNGD has submitted this application to the United
29 States Trustee's Office for review and the United States Trustee's Office has responded that it
30 has no objection to the application.

1 III. DISCUSSION

2 A. 11 U.S.C. §1103(a)

3 A Committee may, with the court's approval, employ attorneys that do not hold or
4 represent an interest adverse to the estate and that are disinterested persons to represent or assist
5 the Committee in carrying out the Committee's duties and responsibilities. 11 U.S.C. §1103(a).
6 Among other things, to be disinterested an attorney must not be a creditor of the debtor or have
7 an interest materially adverse to the interest of the estate or of any class of creditors or equity
8 security holders by reason of any direct or indirect relationship to, connection with, or interest in
9 the debtor or for any other reason. 11 U.S.C. §101(14)(A), (C).

10 Except as set forth above, MNGD is not a creditor of the Debtor, does not hold or
11 represent any interest adverse to the estate, and is a disinterested person eligible for employment
12 by the Committee.

13 B. Rule 2014(a)

14 A court may approve employment of an attorney for the Creditors' Committee on
15 application of the Committee. The application must state the specific facts showing the necessity
16 for the employment, the name of the person to be employed, the reasons for the selection, the
17 professional services to be rendered, any proposed arrangement for compensation, and, to the
18 best of the applicant's knowledge, all of the person's connections with the debtor, creditors, any
19 other party in interest, their respective attorneys and accountants, the United States Trustee, or
20 any person employed in the office of the United States Trustee. The application must be
21 accompanied by a verified statement of the person to be employed, setting forth the person's
22 connections with the debtor, creditors, any other party in interest, their respective attorneys and
23 accountants, the United States trustee, or any person employed in the office of the United States
24 trustee. Fed. R. Bankr. P. 2014(a).

25 This application states the specific facts showing the necessity for the Committee's
26 employment of MNGD in part II.C above, the reasons for the selection in part II.D above, the

1 professional services to be rendered in part II.E above, the proposed compensation arrangement
2 in part II.F above, and MNGD's connections to this case in part II.G above. The attached
3 declaration under penalty of perjury by Mr. Northrup constitutes the verification of MNGD's
4 connections disclosure required by Rule 2014(a).

5 IV. CONCLUSION

6 The court should approve the Committee's employment of MNGD on the terms set forth
7 above in the bankruptcy case of the Debtor, effective nunc pro tunc to April 22, 2016.

8 DATED this 26th day of April, 2016.

9 OFFICIAL UNSECURED CREDITORS'
10 COMMITTEE

11
12 _____
13 William L. Hanson, Co-Chairperson

14
15 OFFICIAL UNSECURED CREDITORS'
16 COMMITTEE

17 _____
18 David L. James, Co-Chairperson
19
20
21

22 DECLARATION AND CERTIFICATION

23 I, Mark D. Northrup, declare and certify as follows:

- 24 1. I have read LBR 2016-1.
25 2. I am a partner of MNGD. I have personal knowledge of the facts set forth above,
26 which are true and correct to the best of my knowledge.

APPLICATION FOR EX PARTE ORDER AUTHORIZING INTERIM
EMPLOYMENT OF MILLER NASH GRAHAM & DUNN LLP ... - 6

SEADOCs:443949.1

MILLER NASH GRAHAM & DUNN LLP
ATTORNEYS AT LAW
T. (206) 624-8300 F. (206) 340-9599
2801 ALASKAN WAY SUITE 300
SEATTLE, WASHINGTON 98121-1128

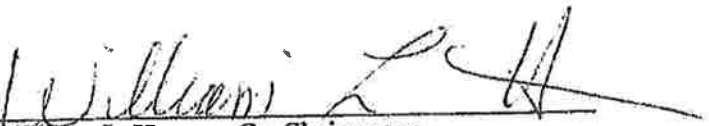
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12 William L. Hanson, Co-Chairperson

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APPLICATION FOR EX PARTE ORDER AUTHORIZING INTERIM
EMPLOYMENT OF MILLER NASH GRAHAM & DUNN LLP ... - 6

SEANOC5-443949 1

MILLER NASH GRAHAM & DUNN LLP
ATTORNEYS AT LAW
T: (206) 424-9300 | F: (206) 340-9399
2801 ALASKAN WAY SUITE 300
SEATTLE, WASHINGTON 98121-1128

1 3. A true and correct copy of the engagement letter dated April 26, 2016, is attached
2 hereto as Exhibit A.

3 Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of the
4 United States of America that the foregoing is true and correct.

5
6 /s/ Mark D. Northrup
 Mark D. Northrup

7
8
9
10 *[The rest of this page intentionally left blank.]*

EXHIBIT A

Mark D. Northrup
mark.northrup@millernash.com
206.777.7536 direct line

April 26, 2016

Via Email Only

Official Unsecured Creditors Committee
Attn: William L. Hanson, Co-Chairperson
David L. James, Co-Chairperson

Re: Agreement for Legal Services

Dear Messrs. Hanson and James:

Miller Nash Graham & Dunn LLP (“MNGD”) is pleased to have the opportunity to be of service to the Official Unsecured Creditors’ Committee (the “Committee”) as general counsel for the Committee with respect to the bankruptcy estate of the Northwest Territorial Mint (the “Mint”). This letter will confirm our discussion with you regarding the engagement of this firm and will describe the basis on which our firm will provide legal services to the Committee.

i. SCOPE OF SERVICES

Our client in this matter will be the Committee for the Mint bankruptcy case, not any individual member of the Committee. We have been engaged to advise the Committee solely in connection with the Mint bankruptcy.

Our representation of the Committee does not entail an obligation to advise Committee members as to their rights as individual creditors or as representatives of individual creditors, but does include providing advice to Committee members concerning their rights and responsibilities as Committee members.

Our engagement does not include providing the Committee any advice or other legal services relating to federal or state securities laws, including appearing or practicing before the U.S. Securities and Exchange Commission (the “SEC”) or the Committee’s disclosure obligations under securities laws, and we understand that the Committee will not, without our prior written consent, include documents or

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April 26, 2016
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information we provide to you in any filings with federal or state securities regulators, including the SEC.

2. CONFLICT-OF-INTEREST ISSUES

As we have discussed, the Committee is aware that MNGD represents many other companies and individuals. It is possible that while we are representing the Committee, some of our present or future clients will have disputes or transactions with members of the Committee or the creditors they represent. We reserve the right to represent or to undertake to represent in the future existing or new clients in any matter that is not substantially related to our work for the Committee, even if the interests of the clients in those other matters are directly adverse to the interests of the members of the Committee or a creditor represented by a Committee member. The foregoing does not apply if, as a result of our representation of the Committee, we have obtained proprietary or other confidential information of a nonpublic nature that if known to the other client could be used in the other matter by that client to the Committee's or its members' material disadvantage.

There are approximately 3,400 creditors in the Mint bankruptcy. Based on our initial review of the mailing matrix and list of 20 largest unsecured creditors, no conflicts of interest exist between MNGD and its current clients (the "Current Clients") and any other party to the Mint bankruptcy. Should such a conflict emerge or be discovered in the future, unless the Current Clients and the Committee consent in writing and the Court approves such consent, MNGD's representation of the Committee expressly will not include actions directly adverse to the Current Clients. In the event of direct adversity, the Committee will employ special conflicts counsel.

3. STAFFING, FEES, AND CHARGES

I will have primary responsibility for the Committee's representation and will use other lawyers and paralegals in the firm as I believe appropriate in the circumstances.

Our fees will be based on the billing rate for each attorney and paralegal devoting time to this matter. Our billing rates for attorneys currently range from \$240 per hour for new associates to \$695 per hour for senior lawyers. Time devoted by paralegals is charged at billing rates ranging from \$115 to \$275 per hour. My current hourly rate is \$475. Geoff Groshong's rate is \$500; and John Knapp's rate is \$450. These billing rates are subject to change from time to time, and the adjusted rates will apply to all services performed thereafter.

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Page 3

Each month, for informational purposes, we will issue you a statement describing the work performed and expenses recorded on our books during the previous month. However, payment of all invoices is subject to bankruptcy court approval on notice to creditors and the opportunity for a hearing. The source of MNGD's fee payment(s) will be the assets of the Mint bankruptcy estate, not individual Committee members. We will include on our statements separate charges for performing services such as photocopying, messenger and delivery service, computerized research, travel, long-distance telephone calls and faxing, word processing, and search and filing fees. Fees and expenses of others (such as consultants and appraisers) generally may be paid by us directly and reimbursed by the Mint bankruptcy estate.

4. RESPONSIBILITIES

To enable us to represent the Committee effectively, you and the other members of the Committee agree to cooperate fully with us in all matters relating to our representation and to fully and accurately disclose to us all facts and documents that may be relevant to the matter or that we may otherwise request. You and the other members of the Committee also will make yourself and others reasonably available to us as may be necessary from time to time.

Either at the commencement or during the course of our representation, we may express opinions or beliefs concerning the litigation or various courses of action and the results that might be anticipated. Any such statement made by any lawyer or MNGD employee is intended to be an expression of opinion only, based on information available to us at the time, and should not be construed by the Committee as a promise or guarantee.

5. CONCLUSION OF REPRESENTATION – RETENTION AND DISPOSITION OF DOCUMENTS

Unless previously terminated, our representation will terminate upon our withdrawal from the case, the closing of the case, the effective date of a confirmed plan of reorganization, or the conversion of the case to another chapter. Following termination, any otherwise nonpublic information that the Committee or its members have supplied to us that we retain will be kept confidential in accordance with applicable rules of professional conduct. At the Committee's request, original documents or tangible property that it has provided to us will be returned to the member who originally provided the information. Our own files pertaining to the matter will be retained by the firm. These firm files may include, for example, correspondence, pleadings, firm administrative records, time and expense reports, personnel and staffing

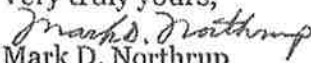
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materials, and credit and accounting records, as well as any internal lawyers' work product, such as drafts, notes, internal memorandums, and legal and factual research, including investigative reports, prepared by or for the internal use of lawyers. All such documents, whether in paper or electronic form, retained by the firm will be transferred to the person responsible for administering our records-retention program. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of the engagement without further notice to the Committee or any of its individual members. We also reserve the right to destroy or otherwise dispose of (after termination of the engagement and within a reasonable time after its termination and without further notice to the Committee or any of its individual members) any original documents or tangible property that has been provided to us but that no one has requested be returned. To the extent that the Committee or any of its members would like copies of those portions of our file that are correspondence, pleadings, or related documents previously furnished, we will be pleased to provide them at our cost of retrieval and duplication, so long as we still retain them.

Please let me know if you or any other member of the Committee have any questions or comments on the matters set forth in this letter. We are pleased to have this opportunity to be of service to the Committee and to work with the Committee in the Mint case.

Very truly yours,

Mark D. Northrup

ACKNOWLEDGED AND AGREED:

OFFICIAL UNSECURED CREDITORS' COMMITTEE

By: _____
William L. Hanson, Co-Chairperson

By: 
David L. James, Co-Chairperson

Date: 4-26-2016

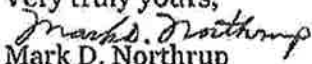
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By: 
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