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Hon. Christopher M. Alston
Chapter 11
Hearing Date: May 4, 2018
Hearing Time: 9:30 am
Location: Courtroom 7206
Response Date: April 27, 2018

6
7 **IN THE UNITED STATES BANKRUPTCY COURT**
8 **FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE**

9 IN RE:

10 NORTHWEST TERRITORIAL MINT,
11 LLC

12 Debtor.

Case No. 16-11767-CMA

CONDITIONAL OBJECTION BY
MICHAEL PARISH TO THE PROPOSED
SALE OF DEBTOR'S ASSETS

13
14 I. INTRODUCTION

15 COMES NOW Michael Parish ("Parish") by and through his attorney of record, David C.
16 Smith and conditionally objects to the proposed sale of the Debtor's assets free and clear of all liens,
17 claims, interests and encumbrances of Northwest Territorial Mint, LLC ("NWTM") to Medalcraft
18 Mint, Inc. ("Medalcraft").

19 First, this objection is not intended to disallow or object to the Trustee's right to liquidate
20 assets in this bankruptcy.

21
22 The Trustee entered into an Asset Purchase Agreement dated February 8, 2018 with Industrial
23 Assets to purchase the Assets free and clear of liens for \$1,950,000. The Order granting this sale was
24 entered on March 14, 2018. See Dkt 1531.
25

CONDITIONAL OBJECTION

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1 Subsequently, Michael Parish and Copper Leaf LLC as the lender for Michael Parrish
2 purchased the assets from Industrial Assets (“IA”) per the March 14, 2018 court order (“IA Order”).
3 The amount of the purchase was \$2.5 Million.¹ It is believed the assets are located at NWTM Dayton
4 Nevada and Green Bay Wisconsin warehouses. The assets purchased remain at the warehouses.
5

6 Upon completing the purchase of the NWTM Assets from Industrial assets, Parish immediately
7 wanted an inventory of the items purchased. To accomplish this, Parish dispatched his agent, Steve
8 Firebaugh, a former NWTM employee, to the location to take inventory of the assets purchased. Mr.
9 Firebaugh was chosen to do the inventory because of his status as a former employee, as it was felt by
10 Parish he would be able to quickly and efficiently perform the inventory.
11

12 On April 18, 2018, Mr. Firebaugh, at Mr. Parish’s direction, went to the Dayton Nevada
13 facility warehouse with the IA Order and the documentation of sale to Mr. Parish in hand and he
14 attempted to enter the premises to perform an inventory. Mr. Firebaugh was denied access by the
15 employees onsite. This may have been because the employees onsite were concerned about a
16 former employee entering the facility to do any work there.
17

18 The employees onsite contacted the Trustee as well, and were told that the Trustee would not
19 allow Mr. Firebaugh access on behalf of Mr. Parish.
20

21 It is Mr. Parish’s understanding that the NWTM Medallion Art assets that are being sold in this
22 motion, are located in one or both of the two NWTM warehouses located at Dayton Nevada and Green
23 Bay Wisconsin facilities. These assets, are, in effect, comingled with the NWTM Assets he purchased
24 from IA.
25

¹ Counsel for Mr. Parish has contacted counsel for Copper Leaf, LLC, Kristofer Larson, and has confirmed the purchase by Mr. Parish of the NWTM assets originally purchased by IA and the purchase occurred in late April of 2018.

1 Mr. Parish is filing this objection untimely. He requests leave of the Court to consider his brief
2 The reason for the late response is because he was not aware of the hearing until Tuesday of this week.
3 Because Mr. Parish is was not a creditor or party in interest in this action until about two weeks ago
4 when he purchased the IA Assets.

5
6 He was made aware of this hearing through a third party on Tuesday and engaged counsel to
7 respond as quickly as possible. Finding counsel was difficult because many of the Bankruptcy
8 practitioners are conflicted out because of the size and scope of this Chapter 11.

9 Responding counsel, David Smith, was engaged in the evening of May 2, 2018 and began
10 reviewing the case and the present motion to respond immediately. Also, the Court should be aware
11 that Mr. Parish intends to file a motion to obtain access to the warehouses if the Trustee continues to
12 deny him access to the warehouses where the purchased assets are located. This issue could be
13 resolved by this motion.

14 ARGUMENT

15
16 A. The proposed sale may include equipment and assets that do not belong to the Debtor but
17 belongs to Parish and the assets for this sale are commingled with Parish assets.

18 Michael Parish is an interested party in this case because he purchased assets with Copper
19 Leaf, LLC as the lender and believes that there are numerous pieces of assets, supplies and other
20 personal property that Medalcraft could obtain that are owned by him.

21
22 Mr. Parish acquired the assets from Industrial Assets in late April, 2018. It is undisputed that
23 all assets purchased by Industrial Assets pursuant to the IA Order were sold to Michael Parish. The
24 assets listed presently remain in Dayton Nevada and Green Bay Wisconsin facilities. The new owner
25 of the assets, Parish, has until end of June 2018 to remove the assets. Ho

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2
3 wever, it has been made clear to Parish that he cannot access the warehouses where the assets are
4 located without the consent of the Trustee.

5 It is Mr. Parish's understanding that the Trustee is selling NWTM assets

6 That leads us to the conditional objection to the sale of the NWTM assets to Medalcraft.

7
8 First, the Purchase and Sale agreement between Medalcraft and the Trustee filed with this
9 motion lacks specificity because it does not itemize equipment or specific items the trustee seeks to
10 sell. That is important because Mr. Parish is concerned that there will be confusion regarding who
11 owns what assets at the two warehouses.

12 The motion's lack of specificity relegates the Court to sign off on an Order that describes the
13 Medallic Art assets to be sold with general descriptions such as: "tools associated with the making of
14 Chains of Office and Maces", "associated collars" "woodworking equipment". Because the proposed
15 sale includes a general reference of assets and does not specify in detail what assets are being sold to
16 Medalcraft. As a result, Medalcraft may inadvertantly remove items they believe to be their assets,
17 when they in fact are not.

18
19 Accordingly, Parish is concerned that the Trustee is selling assets to Medalcraft will that have
20 already been purchased by him through IA.

21
22 In addition, with a lack of a post-sale inventory of the assets sold in the IA Order, there is no
23 way to confirm what assets are definitively Mr. Parish's and which are NWTM assets to be sold to
24 Medalcraft.

25 Mr. Parish is requesting that:

