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UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In re:  
  
NORTHWEST TERRITORIAL MINT, LLC,  
  
Debtor.

Case No. 16-11767-CMA

DECLARATION OF MARK CALVERT  
IN SUPPORT OF MOTION FOR  
ORDER HOLDING ROSS HANSEN IN  
CONTEMPT FOR VIOLATION OF  
AUTOMATIC STAY

I, Mark Calvert, hereby declare as follows:

1. I am the Chapter 11 Trustee ("Trustee") of the Debtor, Northwest Territorial Mint, LLC ("Debtor" or "NWTM"). I submit this Declaration in support of my Motion for Order Holding Ross Hansen in Contempt for Violation of the Automatic Stay (the "Motion").

2. On April 11, 2016, the Court entered an order appointing me as chapter 11 trustee in this case. Immediately upon my appointment I took control over the business operations of the Debtor and initiated an investigation of the financial affairs of the bankruptcy estate. At the time of my appointment, the Debtor's business was in precarious condition due in large part to fact that the cash resources of the business had been dissipated prior to my appointment. I have been engaged in efforts to stabilize the business in order to preserve an ability to restructure the financial affairs of the estate and bring a return to creditors. My efforts to stabilize the business of the Debtor have

DECLARATION OF MARK CALVERT IN  
SUPPORT OF MOTION FOR ORDER HOLDING  
ROSS HANSEN IN CONTEMPT FOR VIOLATION  
OF AUTOMATIC STAY - 1

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SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
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FACSIMILE: (206) 623-7022

1 been hampered by the ongoing interference of the former CEO of the business, Mr. Ross Hansen.

2 3. Notwithstanding my appointment as trustee, the Debtor's principal, Mr. Ross  
3 Hansen, objected to my exercise of control over the operations of the Debtor and in particular the  
4 storage vaults in the Debtor's Federal Way, Washington and Dayton, Nevada facility. On or about  
5 April 12, 2016, after I insisted on operational control over the business, including by changing the  
6 locks on storage areas for precious metals and limiting Mr. Hansen's access to certain areas, Ross  
7 Hansen resigned from NWTM. Diane Erdmann, Mr. Hansen's long time live-in girlfriend who  
8 worked at NWTM in the vault, voluntarily left the company on the same day.

9 4. One of my very first undertakings as Trustee was to inventory and exercise control  
10 of all cash, precious metals and collectible coins held by the Debtor. I directed members of Cascade  
11 Capital staff to visit all of the Debtor's facilities holding such assets, including the plant in Dayton,  
12 Nevada and to inventory the assets. On April 12, 2016, around 2 p.m. while one of the Cascade  
13 staff was conducting the inventory in Dayton, six boxes arrived at the facility. I instructed the  
14 Cascade staff to open the boxes. The boxes contained valuable silver and other collectibles that  
15 were shipped from the Debtor's Federal Way facility on or about April 8, 2016, after the petition  
16 date. A copy of the inventory of the six boxes is attached hereto as Exhibit A. Based on the  
17 inventory that my staff conducted, the melt-down value, i.e., weight-based value, of the contents of  
18 the boxes is approximately \$30,000. However, I estimate that the actual value of the contents of the  
19 boxes is in excess of \$75,000. I learned that these boxes had been shipped by Ms. Erdmann. In  
20 investigating the circumstances surrounding this shipment I learned that Ms. Erdmann instructed  
21 employees at the Dayton facility not to open the boxes but to put the boxes in the "Archive." These  
22 instructions were contrary to normal practice, which would have been to store precious metals in a  
23 secure vault in Nevada.

24 5. Our inspection of the boxes revealed that the boxes contained property that was  
25 definitively purchased by the Debtor. Specifically, one of the boxes included a purchase order

DECLARATION OF MARK CALVERT IN  
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OF AUTOMATIC STAY - 2

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1 evidencing that the Debtor purchased a number of items. A copy of the purchase order that was  
2 contained in the box is attached hereto as Exhibit B. I have reason to believe that much, if not all, of  
3 the remaining items in the boxes were purchased by the Debtor. Given the circumstances  
4 surrounding the arrival of the six boxes in Dayton, I believe that this shipment was an attempt by  
5 Mr. Hansen and Ms. Erdmann to take control of assets of the estate on the eve of my appointment  
6 as trustee and to secrete them from me. When I questioned Mr. Hansen about the six boxes, he told  
7 me that the boxes were Medallic assets that had been shipped from Dayton to Federal Way in order  
8 to photograph them for a sale brochure. That statement is false based upon a review of the nature  
9 and type of inventory contained in the six boxes. I have provided information regarding this  
10 shipment and other actions of Mr. Hansen to the Office of the United States Trustee.

11           6.       I recently brought a motion for approval of the sale of assets of the Debtor located on  
12 Tomball, Texas which was approved the court per order entered on June 2, 2016 (Dkt. No. 374).  
13 Mr. Hansen, through an entity he controls, Medallic Art Company, LLC (“Medallic”), sought to  
14 disrupt that sale by assertion of specious claims to ownership of some of the assets that were the  
15 subject of the sale. After the hearings on the Tomball sale, I learned from staff of the company that  
16 testimony provided by Mr. Hansen regarding the ownership of certain of those assets is  
17 demonstrably false in that many of the assets he claimed had been shipped to Texas from Nevada  
18 were never so shipped.

19           7.       After Mr. Hansen resigned his employment on the second day of my appointment  
20 and after he had no authority over business affairs of the Debtor, he began to contact employees,  
21 seeking to persuade them to leave the company. He told me directly that he intended to acquire the  
22 assets of the Debtor and to resume operations through an entity he controls, Medallic Art Company,  
23 LLC (“Medallic”). He told me and other employees of the Debtor that many employees of the  
24 Debtor were going leave the Debtor to work at Medallic. I asked my counsel to communicate with  
25 Mr. Hansen’s counsel regarding my concerns that Mr. Hansen was interfering with the business

DECLARATION OF MARK CALVERT IN  
SUPPORT OF MOTION FOR ORDER HOLDING  
ROSS HANSEN IN CONTEMPT FOR VIOLATION  
OF AUTOMATIC STAY - 3

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1 affairs of the Debtor. On April 14, 2016, my counsel sent an email to then counsel for Mr. Hansen,  
2 Mr. Wenokur. A true and correct copy of the email to Mr. Wenokur is attached hereto as Exhibit C.  
3 The April 14 email requested Mr. Hansen's cooperation, and asked for Mr. Hansen's commitment  
4 that he would "not interfere with the company's relationships with the company's employees,  
5 customers, vendors or business associates" and asked Mr. Hansen to "refrain from contacting  
6 employees, customers, vendors and business associates for the purpose of soliciting them to another  
7 business." Mr. Hansen has not cooperated with me in stabilizing the business affairs of the Debtor  
8 and has not refrained from contacting employees.

9 8. Mr. Hansen has continued to contact employees of the Debtor after my counsel's  
10 email of April 14 instructing him not to do so. For example, on May 13, 2016, Ms. Erdmann  
11 contacted Destiny Krum, an engraver at NWTM in Auburn. As explained in her declaration, Ms.  
12 Erdmann handed the cell phone to Mr. Hansen who then solicited her for employment at Medallic,  
13 asked her to abruptly walk away from the Debtor, and asked her if she could disable the primary  
14 engraving machine in Auburn and destroy computer files that are needed to run the engraving  
15 machine.

16 9. I learned that on May 18, 2016, while I was out of the country, Mr. Hansen appeared  
17 at the Debtor's headquarters in Federal Way and falsely represented that he had authorization to  
18 obtain records and property from the premises. During Mr. Hansen's May 18, 2016 to the premises  
19 he again stated his intention to "take back" the company. Mr. Hansen is certainly aware that he does  
20 not have permission to visit the business premises of the Debtor and that he did not have any  
21 authority to take control of records stored at the premises.

22 10. Notwithstanding my repeated instructions to the contrary, Mr. Hansen has contacted  
23 employees of the Debtor as recently as June 7, 2016. I believe that Mr. Hansen is deliberately  
24 attempting to sabotage my efforts to run NWTM for the benefit of creditors, and wishes to cause the  
25 reorganization of the company to fail so that he can resume operations through Medallic.

DECLARATION OF MARK CALVERT IN  
SUPPORT OF MOTION FOR ORDER HOLDING  
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OF AUTOMATIC STAY - 4

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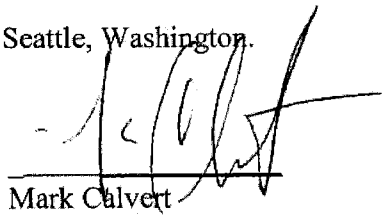
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11. One of the matters I have had to devote resources on has been pending litigation brought by the Federal Equal Employment Opportunity Commission against the Debtor and Mr. Hansen. Attached hereto as Exhibit D is a copy of the Equal Employment Opportunity Commission complaint, which alleges that Mr. Hansen created a hostile work environment by among other things, touching employees inappropriately, bullying and screaming at employees.

12. Mr. Hansen is an intimidating presence for employees of the business, and I believe his actions after my appointment have harmed employee morale, and impeded my operation of the business, and frustrated my ability to carry out my statutory duties. Mr. Hansen cannot be allowed on the business premises of the Debtor and he cannot be allowed to continue to harass and deceive employees of the Debtor. I respectfully request that the Court enter an order holding Mr. Hansen in contempt for his repeated willful attempts to interfere in the business affairs of the estate, precluding him from entering into the business premises of the Debtor and prohibiting Mr. Hansen from any contact with employees of the Debtor.

I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED this 28th day of June, 2016, at Seattle, Washington.



Mark Calvert

DECLARATION OF MARK CALVERT IN  
SUPPORT OF MOTION FOR ORDER HOLDING  
ROSS HANSEN IN CONTEMPT FOR VIOLATION  
OF AUTOMATIC STAY - 5

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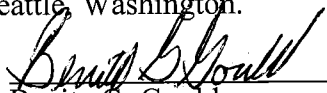
**CERTIFICATE OF SERVICE**

The undersigned declares as follows:

That she is a practice assistant in the law firm of K&L Gates LLP, and on June 28, 2016, she caused the foregoing document to be filed electronically through the CM/ECF system which caused Registered Participants to be served by electronic means, as fully reflected on the Notice of Electronic Filing.

I declare under penalty of perjury under the laws of the State of Washington and the United States that the foregoing is true and correct.

Executed on the 28th day of June, 2016 at Seattle, Washington.

  
\_\_\_\_\_  
Benita G. Gould

DECLARATION OF MARK CALVERT IN  
SUPPORT OF MOTION FOR ORDER HOLDING  
ROSS HANSEN IN CONTEMPT FOR VIOLATION  
OF AUTOMATIC STAY - 6

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Safe / Vault  
Section  
Shelf  
Vault  
Locate  
# 1 - 55

Ownership Description

Container

Contents

Metal

Weight / OZ

Safe / Vault	Section	Shelf	Ownership Description	Container	Contents	Metal	Weight / OZ
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Sterling Bird collection. 2oz. Qty 25	Sterling	50.00
Main Vault	Back Wall	1	UPS 4.12.16 shipment "Archive Stuff"	Box 1 of 6	Sterling Bird collection. 1oz. Qty 16	Sterling	16.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Sports Figures Coins. 2oz. Qty 11	999	22.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Sterling Bicentennial. 1oz. Qty 9	Sterling	1.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Currier & Ives Plates. 3oz. Qty 1	999	3.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Rockwell Plate. 3oz. Qty 1	999	3.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Sports Card Plates. 1oz. Qty 99	999	99.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Various Silver Coins	999	9.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Sports Figures Coins. 1oz. Qty 60	999	60.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 1 of 6	Sports Figures Coin. .50oz. Qty 1	999	0.50
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Sports Figures Coin. 2oz. Qty 1	999	2.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	4 pc Gold Plated Figurines. 1oz. Qty 4	Gold (14k. confirmed?)	4.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Various Coins. 1oz. Qty 178	999	178.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Victory and Honor Medalion. 16oz. Qty 1	999	16.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Pearl Harbor AZ Memorial Coin. 16oz. Qty 1	999	16.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	NWTM Santa. 5oz. Qty 3	999	15.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Metal Art Co collection. 5oz. Qty 7	999	35.00
Main	FLL	1	DIANE ERDMAN - Storage DISPUTED	Box 2 of 6	Money Plate. 1oz. Qty 16	999	16.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Ben Franklin Plate. 1oz. Qty 4	999	4.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Sterling Bird collection. 1oz. Qty 19	Sterling	19.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Various Silver Rounds. 1oz. Qty 178	999	178.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Various Bars. 1oz. Qty 83	999	83.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Sterling Bars. 2oz. Qty 24	Sterling	48.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Sterling Bars. 1oz. Qty 2	Sterling	2.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Set of 4" collar dies - QE II	Dies	4.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 3 of 6	Rosario Mint bars. 1oz. Qty 10	999	10.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 4 of 6	Various Bars. 1oz. Qty 160	999	160.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 4 of 6	Various Rounds. 1oz. Qty 122	999	122.00
Main Vault	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Archive	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	George Washington Coin	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	National Parks Coin Set 1 of 2.	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	QTY 18. 1 oz each	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Years: by Park (photos)	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	National Parks Coin Set 2 of 2.	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	QTY 18. 1 oz each	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Years: by Park (photos)	999 Silver	18.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	W.H.Seward Coin. Qty 1	999 Silver	1.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	1967 W.H. Seward Coin. Qty 1	999 Silver	5.30
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Daniel Boone 1966 Coin. Medallie Art (large)	Bronze	4.70
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	W.C. Gorgas. 1969. Qty 1 (large)	999 Silver	1.81
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Reamining Coins. Varying Names. Weights	999 Silver	1.99
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Used Average Weight of 1oz (small)	999 Silver	22.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Reamining Coins. Varying Names. Weights: Qty 22	999 Silver	22.00
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Used Average Weight of 1.85 (medium)	999 Silver	40.70
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Used Average Weight of 1.85 (medium)	999 Silver	40.70
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Reamining Coins. Varying Names. Weights. Qty 43	999 Silver	40.70
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	Used Average Weight of 4.75 (large)	999 Silver	204.25
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 5 of 6	T. Roosevelt Coin. 1958. Bronze. .9 Troy. Qty 43	Bronze	38.70
Main	Back Wall	1	DIANE ERDMAN - Storage DISPUTED	Box 6 of 6	Archive. Bronze .90oz coins. Qty 43	Sterling	135.00
Main	FLL	4	DIANE ERDMAN - Storage DISPUTED	Box 6 of 6	Archive. 135oz. Qty 1	999	150.00

TOTAL

1857.65  
ounces

**EXHIBIT B**



42101 VARIOUS SUBJECT MATTER UNDER 11B  
 Federal Mail, New York District  
 Postage and Fees: \$10.00  
 Fax: 845-778-5778

**Purchase Order**

JOHN J. MCCORMACK INTERNATIONAL, 1000 110  
 1000 ... (illegible)

1000 ... (illegible)

Order Number: 00921  
 Order Date: 04/14/11  
 Vendor Name: MCELROBIDEAU PT  
 Vendor Phone: 071371-0425-2329  
 Vendor FAX: 071371-0425-2329  
 PO#: Missouri Valley, IA

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Buyer Name: [illegible]  
 Items: Payroll On Message  
 Comments: [illegible]  
 Forwarding Agent: Jmi Program

Quantity	Part Number	Description	Unit	Price	Amount
1	0004030	SILVER 999 - MISCELLANEOUS - SPORTS	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00
1	0004030	JOHN HUBBARD'S STOCK	EA	\$18.00	\$18.00

MORE LEGIBLE COPIES TO BE PROVIDED TO THE COURT



P.O. Number: 00711 (continued from page 1)

Date: 04/14/11  
Quantity: 1  
Description: 1986 - SILVER 1 OZ. AMERICAN EAGLES  
JOB NUMBER(S): STOCK (1)

Unit: EA  
Cost: \$11.35  
Net: \$11.35  
Order Total: \$11.35

Quantity: 1  
Description: 1986 - SILVER 1 OZ. AMERICAN EAGLES  
JOB NUMBER(S): STOCK (1)

Part Number: B10090  
Description: 1986 - SILVER 1 OZ. AMERICAN EAGLES  
JOB NUMBER(S): STOCK (1)

Quantity: 3  
Description: 35% Silver nickels  
JOB NUMBER(S): STOCK (3)

Part Number: B00655  
Description: 35% Silver nickels  
JOB NUMBER(S): STOCK (3)

Order Total: \$11.35

## EXHIBIT C

**From:** Gearin, Mike  
**Sent:** Thursday, April 14, 2016 10:00 AM  
**To:** [ajw@seanet.com](mailto:ajw@seanet.com)  
**Cc:** Mark Calvert ([mark@cascadecapitalgroup.com](mailto:mark@cascadecapitalgroup.com))  
**Subject:** Northwest Territorial Mint/Mr. Ross Hansen

Alan:

Thanks for taking the time yesterday morning to discuss matters regarding the transition of control of the Northwest Territorial Mint to the court appointed trustee Mr. Calvert. As we discussed, I understand that some friction has developed between the Trustee and Mr. Hansen over the course of the week as the Trustee has undertaken to gain control over the business assets, communicate with employees and investigate the complex financial circumstances of the business. In particular, Mr. Hansen has objected to the Trustee's exercise of control over the operating assets and storage vaults in the Dayton, Nevada facility and there has been uncertainty as to Mr. Hansen's status as an employee and his expected role going forward.

The Trustee has been informed that Mr. Hansen has contacted employees seeking to have them terminate their employment with the company to join a competing business to be conducted by Mr. Hansen. The Trustee has also received expressions of concern from employees who feel threatened by Mr. Hansen. We are aware of the pending lawsuit brought by the EEOC alleging that Mr. Hansen has created a hostile work environment for employees. Hundreds of alarmed customer creditors have contacted the company the Trustee and his counsel expressing concern that assets of the company will not be adequately safeguarded. The Trustee has focused his efforts this week on safeguarding and preserving the precious metal and other assets of the business and conducting an inventory of those assets. Security for those assets is of obvious benefit to everyone. The Trustee is also focused on gaining an understanding of the business affairs of the company with the goal of preserving the going concern status of the business. As you know, the Trustee has a statutory obligation to investigate the conduct and financial condition of the debtor and the debtor's business and to determine the desirability of the continuance of the business. The Trustee will need Mr. Hansen's cooperation in conducting that investigation and in safeguarding and preserving the assets of the estate.

We would like to clarify the Trustee's expectations as to Mr. Hansen's role for at least the next thirty days and to lay the groundwork for what we hope to be a cooperative effort to preserve the value in the estate. As we understand it, Mr. Hansen resigned his employment with the company last night. We would appreciate confirmation of Mr. Hansen's resignation. The Trustee continues to believe that it would be most efficient if Mr. Hansen would be available to answer questions that the Trustee might have, to assemble records that will support the Trustee's investigation, to participate in meetings with employees, customers, business associates and parties in interest regarding the operations of the business and to otherwise cooperate in the Trustee's investigation and efforts to preserve the value of the business. The Trustee is willing to compensate Mr. Hansen for services he renders to the estate.

Given concerns expressed by creditors and the need to provide the Trustee with the ability to confirm his control over the assets of the company, the Trustee will need to limit Mr. Hansen's access to the business premises. Mr. Hansen will not have access to vaults containing

inventory and will not have keys or alarm codes. Mr. Hansen will not be asked to maintain office hours at the premises. He will have access to the business premises at times and at the direction of the Trustee.

We understand that Mr. Hansen believes that he personally owns assets that are in one or more of the company's business premises. We also understand that Mr. Hansen's significant other, Ms. Diane Erdmann also expresses ownership in assets on the business premises. In our call, we discussed the relationship between the Debtor and Medallic Art Company, a nondebtor entity controlled by Mr. Hansen. We understand that Mr. Hansen asserts that Medallic has personal property in the Dayton facility and that either he or Medallic or both are the holders of lease rights in the Dayton facility. I requested that you provide us with documents relevant to the leases and any agreements between Medallic and the Debtor. We would also like to see any agreements between Mr. Hansen and Ms. Erdmann and the Debtor. We believe that it would be helpful to have Mr. Hansen prepare a list of all assets that he believes are on the debtor's premises that are property that belong to Medallic, Mr. Hansen personally or Ms. Erdmann and a list of any property held by Medallic, Mr. Hansen or Ms. Erdmann that is the property of the Debtor. We hope to work with you to resolve the respective rights of the parties with respect to this property.

As I am sure you know, there is considerable anxiety surrounding the company at this stage of the bankruptcy case. It is highly important that the Trustee be afforded an opportunity to stabilize matters so that the operating business can be preserved. We will need a commitment from Mr. Hansen that he will not interfere with the company's relationships with the company's employees, customers, vendors or business associates. In particular, please confirm that Mr. Hansen will refrain from contacting employees, customers, vendors and business associates for the purpose of soliciting them to another business.

We fully intend to maintain a professional and candid discourse with Mr. Hansen regarding the affairs of the bankruptcy estate. With his cooperation, we believe we can make a difficult situation better for all the participants in the case. Please let me know when we can expect the information we have requested and let me know if you would like to discuss further.

**Michael J. Gearin**

**K&L Gates LLP**

925 Fourth Avenue, Suite 2900

Seattle, WA 98104

(206) 370-6666 Direct

(206) 940-2500 Mobile

Fax (206) 370-6067 Direct

[michael.gearin@klgates.com](mailto:michael.gearin@klgates.com)

<http://www.klgates.com>

EXHIBIT D

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WASHINGTON

EQUAL EMPLOYMENT OPPORTUNITY  
COMMISSION

CIVIL ACTION NO.

v.

COMPLAINT

NORTHWEST TERRITORIAL MINT,  
LLC,

JURY TRIAL DEMAND

Defendant.

NATURE OF THE ACTION

This is an action under Title VII of the Civil Rights Act of 1964 and Title I of the Civil Rights Act of 1991 to correct unlawful employment practices on the basis of sex, female, and to provide appropriate relief to Charging Party Patricia Hoffman and other aggrieved female employees, including Jennifer Gue and Lauren Bailie, who were adversely affected by such practices. Plaintiff United States Equal Employment Opportunity Commission ("Plaintiff," "the Commission," or "the EEOC") alleges that Defendant Northwest Territorial Mint, LLC ("Defendant") subjected Hoffman, Gue, Bailie, and other aggrieved female employees to sexual harassment, including a hostile work environment based on their sex, female, and subjected Hoffman to constructive discharge. Plaintiff seeks monetary and injunctive relief for Hoffman, Gue, Bailie, and any other aggrieved female employees who may be identified during litigation, including pecuniary damages, nonpecuniary compensatory damages, punitive damages, back pay, prejudgment interest, and front pay for Hoffman in lieu of reinstatement.

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EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION  
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JURISDICTION AND VENUE

1. Jurisdiction of this Court is invoked pursuant to 28 U.S.C. §§ 451, 1331, 1337, 1343 and 1345. This action is authorized and instituted pursuant to Sections 706(f)(1) and (3) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000e-5(f)(1) and (3) (“Title VII”), and Section 102 of the Civil Rights Act of 1991, 42 U.S.C. § 1981a.

2. The employment practices alleged to be unlawful were committed within the jurisdiction of the United States District Court for the Western District of Washington.

PARTIES

3. Plaintiff is the agency of the United States of America charged with the administration, interpretation and enforcement of Title VII, and is expressly authorized to bring this action by Sections 706(f)(1) and (3) of Title VII, 42 U.S.C. §§ 2000e-5(f)(1) and 3, and Section 102 of the Civil Rights Act of 1991, 42 U.S.C. § 1981a.

4. At all relevant times, Defendant has been a corporation continuously doing business in the State of Washington and employing at least fifteen (15) employees.

5. At all relevant times, Defendant has continuously been an employer engaged in an industry affecting commerce within the meaning of Sections 701(b), (g) and (h) of Title VII, 42 U.S.C. §§ 2000e-(b), (g) and (h).

ADMINISTRATIVE PROCEDURES

6. More than thirty (30) days prior to the institution of this lawsuit, Hoffman filed Charge No. 551-2014-01329 with the EEOC alleging violations of Title VII by Defendant. On July 3, 2015, the Commission issued to Defendant a Letter of Determination as to the above

1 charge finding reasonable cause to believe that Title VII was violated with regard to Hoffman,  
2 Gue, Bailie, and "similarly situated" aggrieved female employees, and inviting Defendant to  
3 join with the Commission in informal methods of conciliation to endeavor to eliminate the  
4 unlawful employment practices and to provide appropriate relief. The Commission engaged in  
5 communications with Defendant to provide Defendant the opportunity to remedy the  
6 discriminatory practices described in the Letter of Determination. The Commission was unable  
7 to secure from Defendant a conciliation agreement acceptable to the Commission. On August  
8 31, 2015, the Commission issued to Defendant a Notice of Failure of Conciliation, and mailed  
9 and emailed such Notice to Defendant on September 10, 2015. All conditions precedent to the  
10 initiation of this lawsuit have been fulfilled.

11  
12 STATEMENT OF CLAIMS

13 7. Defendant employed Hoffman, a white female, as a Receptionist from  
14 approximately August 2013 to June 2014, Gue, a white female, as a Warehouse Manager from  
15 approximately January 2008 to September 2014, and Bailie, a white female, as a Lead  
16 Generation Specialist from approximately March to October 2014.

17  
18 8. Since at least September 2013, Defendant has engaged in unlawful employment  
19 practices because of sex at or near its facility in or near Federal Way, Washington, in violation of  
20 Section 703(a) of Title VII, 42 U.S.C. § 2000e-2(a), by subjecting Hoffman, Gue, Bailie, and  
21 other aggrieved female employees to a hostile work environment based on their sex, female, and  
22 by subjecting Hoffman to constructive discharge.

Claims for Relief on behalf of Hoffman, Gue, Bailie, and other aggrieved female employees for Sexual Harassment in Violation of Section 703(a) of Title VII, 42 U.S.C. § 2000e-2(a)

9. Beginning in or prior to September 2013, Ross Hansen, a white male and the owner, President, and CEO of Defendant, subjected Hoffman, Gue, Bailie, and other aggrieved female employees to offensive and unwelcome conduct including:

a. Making lewd sexual comments, telling obscene jokes, using derogatory terms such as “bitch” and “cunt,” remarking on breast sizes and body shapes, asking questions about intimate matters, poking their bodies, touching their breasts, referring to them as “pussies,” “fucking morons,” “fucking idiots,” bullying them, and/or screaming at them;

b. Holding up one of his pet male dogs so that Hoffman could see the dog’s protruding penis, placing the dog on her desk, pulling the dog along her desk’s top, and causing the dog to leave a trail of discharge on desk’s top;

c. Referring to Gue as a “cunt,” “fucking bitch” and “fat cow”;

d. Asking Bailie if she were planning to get pregnant and if she would sleep with men of other races.

10. Defendant’s sexual harassment policy, which is included in a handbook given to new employees, provided that if the employee is being harassed by his or her supervisor, or is dissatisfied with the supervisor’s response to the employee’s complaint of sexual harassment, then the employee should contact the Controller or the President. Hansen is the President and there has not been anyone in the Controller position for at least two years. The policy does not state how to report or address harassment committed by the President. Defendant also provided little or no training on the policy.

1 11. Hoffman reported Hansen's offensive and unwelcome sexual conduct on more  
2 than one occasion to her supervisor, who told Hoffman that there was nothing she could do.  
3 Defendant failed to take prompt or appropriate corrective action to prevent or remedy the hostile  
4 work environment caused by Hansen's offensive and unwelcome sexual conduct toward  
5 Hoffman, Gue, Bailie, and other aggrieved female employees.

6 **Claim for Relief on behalf of Hoffman for Constructive Discharge**  
7 **in Violation of Section 703(a) of Title VII, 42 U.S.C. § 2000e-2(a)**

8  
9 12. During Hoffman's employment she was routinely subjected to ongoing sexual  
10 harassment, screaming and bullying without respite, and without any corrective action taken to  
11 cease the unlawful conduct. On or about June 11, 2014, following yet another screaming incident  
12 against her by Hansen, Hoffman became extremely anxious and distraught, and was facing  
13 conditions so intolerable that she was forced to resign.

14 13. The effect of Defendant's practices complained of in paragraphs 7-12 above has  
15 been to deprive Hoffman, Gue, Bailie, and other aggrieved female employees of equal  
16 employment opportunities because of their sex, female.

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18 14. The unlawful employment practices complained of in paragraphs 7-12 above were  
19 intentional.

20 15. The unlawful employment practices complained of in paragraphs 7-12 above were  
21 done with malice or with reckless indifference to the federally protected rights of Hoffman, Gue,  
22 Bailie, and other aggrieved female employees.  
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PRAYER FOR RELIEF

Wherefore, the EEOC respectfully requests that this Court:

A. Grant a permanent injunction enjoining Defendant and/or its officers, successors, agents, assigns, and all persons in active concert or participation with it, from engaging in any employment practices which discriminate on the basis of sex and/or are in retaliation for the protected activities of applicants, employees, or those closely associated with such applicants or employees.

B. Order Defendant to institute and carry out policies, practices, and programs which provide equal employment opportunities for all employees, and which eradicate the effects of its past and present unlawful employment practices.

C. Order Defendant to make Hoffman whole by providing appropriate back pay with prejudgment interest, in amounts to be determined at trial, and/or other affirmative relief necessary to eradicate the effects of Defendant's unlawful employment practices described in paragraphs 7-12 above including, but not limited to, front pay compensation for Hoffman in lieu of reinstatement in an amount to be determined at trial.

D. Order Defendant to make each individual whole, including any aggrieved female employees identified during litigation, by providing compensation for past and future pecuniary losses resulting from the unlawful employment practices described in paragraphs 7-12 above, as appropriate, including past and future out-of-pocket expenses, in amounts to be determined at trial.

E. Order Defendant to make each individual whole including any aggrieved female employees identified during litigation, by providing compensation for past and future

1 nonpecuniary losses resulting from the unlawful practices complained of in paragraphs 7-12  
2 above, including without limitation compensation for emotional pain, suffering, and loss of  
3 enjoyment of life, in amounts to be determined at trial.

4 F. Order Defendant to pay each individual, including any aggrieved female  
5 employees identified during litigation, punitive damages for its malicious and reckless conduct  
6 described in paragraphs 7-12 above, in amounts to be determined at trial.

7 G. Grant such further relief as the Court deems necessary and proper in the public  
8 interest.

9 H. Award the EEOC its costs of this action.

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JURY TRIAL DEMAND

The EEOC requests a jury trial on all questions of fact raised by its Complaint.

DATED this 30th day of September, 2015.

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