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| 8<br>9 | UNITED STATES BANKRUPTCY COURT<br>WESTERN DISTRICT OF WASHINGTON<br>AT SEATTLE   |
| 10     | In re: Case No. 16-11767-CMA   |
| 11     | NORTHWEST TERRITORIAL MINT, LLC, DECLARATION OF ROBIN WM.  |
| 12     | Debtor. VUGTEVEEN IN SUPPORT OF<br>MOTION FOR ORDER HOLDING  |
| 13     | ROSS HANSEN IN CONTEMPT FOR<br>VIOLATION OF AUTOMATIC STAY   |
| 14     | VIOLATION OF NOTOMATIC STAT  |
| 15     | I, Robin Wm. Vugteveen, hereby declare as follows:   |
| 16     | 1. I am presently employed as Operations Manager for Northwest Territorial Mint,   |
| 17     | LLC ("Debtor" or "NWTM") at its Dayton, Nevada facility. I submit this Declaration in support of   |
| 18     | the Chapter 11 Trustee's Motion for Order Holding Ross Hansen in Contempt for Violation of the   |
| 19     | Automatic Stay (the "Motion"). I am over eighteen (18) years of age and I am competent in all  |
| 20     | ways to testify.   |
| 21     | 2. I have worked for NWTM from July 2007 to March 2012 as Special Projects   |
| 22     | Manager, from June 2013 to March 2016 as Special Assistant to the CEO, and from mid-May 2016   |
| 23     | to the present as Operations Manager. I was the first NWTM employee to be relocated to Dayton,   |
| 24     | Nevada after the acquisition of Medallic Art Company in July 2009 by Ross Hansen.  |
| 25     | 3. Since July of 2009, my duties have included management of the specimen archive  |
|        | DECLARATION OF ROB VUGTEVEEN IN<br>SUPPORT OF MOTION FOR ORDER HOLDING<br>ROSS HANSEN IN CONTEMPT FOR VIOLATION<br>OF AUTOMATIC STAY - 1<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_BTP122732P31X0<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732_F7122<br>K-120705611/70030122732<br>K-120705611/70030122732<br>K-1207057777777777777777777777777777777777 |

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Case 16-11767-CMA Doc 463 Filed 06/28/16 Ent. 06/28/16 18:34:17 Pg. 1 of 5

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6.

Ross Hansen would frequently search online to purchase items of historical and

DECLARATION OF ROB VUGTEVEEN IN SUPPORT OF MOTION FOR ORDER HOLDING ROSS HANSEN IN CONTEMPT'FOR VIOLATION OF AUTOMATIC STAY - 2 K(20705611/0030/22732\_BTP/22732P31X0

K&L GATES LLP 925 FOURTH AVENUE SUITE 2900 SEATTLE, WASHINGTON 98104-1158 TELEPHONE: (206) 623-7580 FACSIMILE: (206) 623-7022 Case 16-11767-CMA Doc 463 Filed 06/28/16 Ent. 06/28/16 18:34:17 Pg. 2 of 5

(the "Archive") originally established and maintained by Medallic Art Company Ltd. Prior to 2009, the only products recorded in the Archive were those produced by Medallic Art Company Ltd. itself. Prior to 2009, Medallic Art Company Ltd. and NWTM had each maintained an archive of specimens as a record of their individual sales and production history. After the acquisition of Medallic Art Company Ltd. in July of 2009, Ross Hansen directed me to combine the two separate archives into one electronic database. Over time, the scope of the Archive was expanded to also include items which were made by other manufacturers. Ross Hansen used the merged and expanded Archive as a resource for the sales and art departments of NWTM in developing new products for our customers and in promoting our products outside the company. The expansion of the Archive also made it possible for NWTM to record non-minted items such as photographs, drawings, specialized tools, and embroidered cloth patches.

4. The items in the Archive were originally stored in specialized cabinets in a locked room in the Dayton facility. These cabinets were eventually no longer adequate to house the expanding collection, so Mr. Hansen purchased cabinets that were capable of holding the entire Archive, and these have been located in a different room in the Dayton facility. The exception, however, was that Mr. Hansen required that any precious-metal items for the Archive be secured in the Diebold vault in Dayton after they were photographed and documented in the Archive database.

5. Mr. Hansen established a policy that no original specimens were ever to leave the Archive. The Archive has its own photography equipment capable of recording images of all but the largest specimens, and the Dayton facility also has a photo studio which can be used to record larger items. No items from the Archive would ever be sent out of the building for photography or for any other reason. I do not recall ever sending any items in the Archive to Federal Way or any other location. Any specimens sent to another location would have come from overstock supplies but never from the Archive itself.

manufacturing relevance to the Archive. Typically, Mr. Hansen would send a few boxes of items per year to the Dayton facility with the purpose of having them photographed, documented in the electronic database, and packaged for storage in the Archive. The vast majority of the specimens in each box that he sent to be added to the Archive would be non-precious metal items. At most, only a fraction of any single box shipped by Mr. Hansen intended for inclusion in the Archive would contain precious metals. In addition, given the nature and purpose of the Archive, typically there were only one to two duplicates in a box shipped to Dayton for inclusion in the Archive.

7. In the presence of trustee Mark Calvert, I have examined the six boxes that I was told arrived, on or about April 12, 2016, at NWTM's Dayton facility from NWTM's Federal Way facility. The shipment of six boxes was much larger than a typical shipment intended for inclusion in the Archive. While it was typical for Mr. Hansen to ship 1-5 boxes over the course of an entire year, I never recall Mr. Hansen shipping as many as six boxes all at once. In addition, the vast majority of the items in the six boxes were minted in silver. This too was unusual, since typically only a small fraction of items in any one shipment contained precious metals. The quantity of silver in these six boxes was far greater than the quantity of silver contained in any previous shipment. In addition, unlike prior shipments, these six boxes contained dozens of identical items.

8. Mr. Calvert informed me that Ross Hansen has claimed that the items shipped in the six boxes were a part of the Archive and were being returned to Dayton after having been sent to Federal Way so that the Debtor could photograph the items. I believe Mr. Hansen's statements to be false. In addition to the fact that the quantity and content of the items shipped in these six boxes were not consistent with previous shipments for inclusion in the Archive, there would never have been a shipment of items from the Archive in this or any quantity sent to Federal Way or anywhere else for photography or for any other purpose. I never recall shipping any Archive specimens in any amount to Federal Way, and all photographs of Archive items were taken at the Debtor's Dayton facility. Furthermore, I am generally aware of the items that existed in the Archive prior to 2009.

DECLARATION OF ROB VUGTEVEEN IN SUPPORT OF MOTION FOR ORDER HOLDING ROSS HANSEN IN CONTEMPT FOR VIOLATION OF AUTOMATIC STAY - 3 K\2070561\70030\22732 BTP\22732P31X0

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When the Archive was acquired in 2009, it is my estimation that the quantity of silver items that existed in the Archive was not as great as the quantity of silver contained in the six boxes shipped in April of 2016, nor would the Archive prior to 2009 have contained the significant quantity of products made by companies other than Medallic Art Company as appears in these six boxes.

I declare under penalty of perjury that the foregoing is true and correct. EXECUTED this 23<sup>rd</sup> day of June, 2016, at Dayton, Nevada.

Wm. Vugte Robin

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DECLARATION OF ROB VUGTEVEEN IN SUPPORT OF MOTION FOR ORDER HOLDING ROSS HANSEN IN CONTEMPT FOR VIOLATION OF AUTOMATIC STAY - 4

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K&L GATES LLP 925 FOURTH AVENUE SUITE 2000 SEATTLE, WASHINGTON 98104-1158 TELEPHONE: (200) 623-7380 FACSIMILE: (200) 623-7322

|        | CERTIFICATE OF SERVICE   |
|--------|--|
| 1      | The undersigned declares as follows:   |
| 2      | That she is a practice assistant in the law firm of K&L Gates LLP, and on June 28, 2016, she   |
| 3<br>4 | 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.           |
| 5      | 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.   |
| 6      | Executed on the 28th day of June, 2016 at Seattle, Washington.   |
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|        | K&L GATES LLP<br>925 FOURTH AVENUE<br>SUITE 2900<br>SEATTLE, WASHINGTON 98104-1158<br>TELEPHONE: (206) 623-7580<br>FACSIMILE: (206) 623-7022<br>Case 16-11767-CMA Doc 463 Filed 06/28/16 Ent. 06/28/16 18:34:17 Pg. 5 of 5 |