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Honorable Christopher M. Alston
Chapter 11
Ex Parte

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6
7 UNITED STATES BANKRUPTCY COURT
8 WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

9 In re:
10 NORTHWEST TERRITORIAL MINT, LLC,

Case No. 16-11767-CMA

11 EX PARTE MOTION FOR
12 EXAMINATIONS OF ROSS B. HANSEN
AND DIANE ERDMANN PURSUANT
13 TO RULE 2004 AND SUBPOENAS
PURSUANT TO RULE 9016

14
15 Mark Calvert, Trustee for the Northwest Territorial Mint, LLC (“NWTM”), in the above-
16 captioned proceeding, by and through his attorneys, K&L Gates, LLP, moves the Court for entry of
17 an ex parte order for examination of Ross B. Hansen and Diane Erdmann pursuant to Federal Rules
18 of Bankruptcy Procedure 2004(b) and (c) and authority to serve subpoenas pursuant to Federal Rule
19 of Bankruptcy Procedure 9016 to certain third parties.

20 1. On May 12, 2017, the Trustee filed his Ex Parte Motion for Examination of Renton
21 Coin Shop, Inc., Bryan D. Geraghty d/b/a Northgate Rare Coin, the Gold Center, Inc., and Victoria
22 Diamonds, LLC d/b/a Cash 4 Gold Pursuant to Rule 2004 and Subpoenas Pursuant to Rule 9016 (the
23 “Coin Shop 2004 Motion).

24 2. As reflected in the Coin Shop 2004 Motion, and the declarations filed in support,
25 contrary to sworn testimony by Diane Erdmann that she had no assets, Ross Hansen in his capacity
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EX PARTE MOTION FOR SUBPOENA
PURSUANT TO RULES 2004 AND 9016 - 1
500422965 v2

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1 as the Rule 30(b)(6) designee for Medallic Art Company, LLC (“Medallic”), testified that she had
2 paid in excess of \$500,000 in legal fees to Medallic’s lawyers.

3 3. As reflected in the Declaration of Mark Calvert in support of the Coin Shop 2004
4 Motion, the payments made to Medallic’s counsel were made by check or wire originating from the
5 Renton Coin Shop, Inc., Bryan D. Geraghty d/b/a Northgate Rare Coin, and the Gold Center, Inc.
6 (collectively, the “Coin Shops”).

7 4. On May 15, 2017, the Court entered an order approving the Coin Shop 2004 Motion
8 (the “Coin Shop 2004 Order”), and authorized the Trustee to issue subpoenas seeking documents
9 from the Coin Shops regarding purchases of precious metals from Diane Erdmann and Ross Hansen.
10 The Trustee issued subpoenas authorized by the Coin Shop 2004 Order.

11 5. The Coins Shops have provided the Trustee with responsive documents, copies of
12 which are appended to the Declaration of David C. Neu.

13 6. The responsive documents show that in March, 2017, Diane Erdmann (using the
14 surname Erdmann in some transactions and Stark in others) sold approximately \$175,000 worth of
15 platinum, palladium, and gold to the Gold Center Inc. after which the Gold Center, Inc. wired
16 \$75,000 to the law firm representing Medallic, with the remainder wired to Diane Erdmann.

17 7. The responsive documents show that between October, 2016, and February, 2017,
18 Diane Erdmann sold approximately \$265,000 in precious metals to the Renton Coin Shop Inc. and in
19 payment Renton Coin Shop issued checks to a variety of law firms representing Medallic or Ross
20 Hansen.

21 8. The responsive documents show that in January, 2017, Diane Erdmann sold
22 approximately \$77,500 in precious metals to Bryan D. Geraghty d/b/a Northgate Rare Coin and in
23 payment Bryan Geraghty issued checks that were eventually made out to law firms representing
24 Medallic or Ross Hansen.

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9. In sum total, the responsive documents reflect that, at a minimum, Diane Erdmann, who testified under oath in June 2016 that she had essentially no assets, liquidated approximately \$520,000 in precious metals during the period of October, 2016, through March, 2017.

10. The Trustee seeks to examine Diane Erdmann and Ross Hansen and records and documents in their possession, custody or control as described in Exhibit A related to their ownership, acquisition, or sale of precious metals.

11. In order to ensure that he obtains complete records, the Trustee also seeks authority to issue subpoenas pursuant to Rule 9016 to any third party that he identifies which may hold the records and documents described in Exhibit A.

12. In addition, the Trustee seeks an order that Ross Hansen and Diane Erdmann appear for oral examination to give testimony regarding their assets including any precious metals which they have purchased, sold, or possessed, and permit the physical inspection, by the Trustee of any precious metals which they currently possess.

WHEREFORE, the Trustee respectfully requests that the court enter an order in substantially the form filed concurrently herewith.

DATED this 2nd day of June, 2017.

K&L GATES LLP

By /s/ David C. Neu
Michael J. Gearin, WSBA #20982
David C. Neu, WSBA #33143
Brian T. Peterson, WSBA #42088
Attorneys for Mark Calvert, Chapter 11 Trustee

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EXHIBIT A

DOCUMENTS TO BE PRODUCED

1. Monthly account statements for all bank accounts or investment accounts in which Ross B. Hansen or Diane Erdmann held or holds an interest during the period October 1, 2015 to the present.

2. All documents referring-to, related-to, or evidencing any sale by Diane Erdmann or Ross Hansen of precious metals, bullion, or numismatics, including but not limited to sales to the Renton Coin Shop, Inc., Bryan D. Geraghty d/b/a Northgate Rare Coin, the Gold Center, Inc., or Victoria Diamonds, LLC d/b/a Cash 4 Gold.

3. All documents referring-to, related-to, or evidencing any acquisition of precious metals, bullion, or numismatics by Diane Erdmann or Ross Hansen, including, but not limited to photographic records, videographic records, or insurance records.

4. All documents referring-to, related-to, or evidencing the source of precious metals, bullion, or numismatics sold by Diane Erdmann or Ross Hansen from October 1, 2015 through the present, including without limitation those sold to the Renton Coin Shop, Inc., Bryan D. Geraghty d/b/a Northgate Rare Coin, the Gold Center, Inc., or Victoria Diamonds, LLC d/b/a Cash 4 Gold.

5. All documents referring-to, related-to, or evidencing precious metals, bullion, or numismatics currently owned by Diane Erdmann or Ross Hansen.

6. All documents evidencing the payment of and the source of funds for the payment of legal expenses of Ross Hansen, Diane Erdmann and Medallic Art Company, LLC.

1 **CERTIFICATE OF SERVICE**

2 The undersigned declares as follows:

3 That she is a paralegal in the law firm of K&L Gates LLP, and on June 2, 2017, she caused
4 the foregoing document to be filed electronically through the CM/ECF system which caused
5 Registered Participants to be served by electronic means, as fully reflected on the Notice of
6 Electronic Filing.

7 Also on June 2, 2017, she caused to be deposited in the mail of the United States of America,
8 by first class postage prepaid, addressed envelopes containing copies of the foregoing document and
9 mailed to the following addresses:

10 Northwest Territorial Mint LLC c/o Ross Hansen, Member P.O. Box 2148 Auburn, WA 98071-2148	Ross Hansen PO Box 4024 Federal Way, WA 98063
11 Diane Erdmann PO Box 4024 Federal Way, WA 98063	Ross Hansen 35447 34th Ave S Auburn, WA 98001
12	
13 Diane Erdmann 35447 34th Ave S Auburn, WA 98001	

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

16 Executed on the 2nd day of June, 2017 at Seattle, Washington.

17 Denise A. Lentz
18 Denise A. Lentz
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