

The filings she sought protection under Chapter seven and by doing so rest that the chance that the Chapter seven trustee will attempt to sell her home the trustee will be allowed an opportunity to try and the veteran will not interfere with that effort emotionally granted the proposed form of order submitted with the motion is acceptable and the court will sign it Mr Orszag if you would like to use a minute as a receipt and sign order I will sign it thank your I.Q. Mr Bush and thank you Mr KRAUSE hope you feel better I was like Are you like anybody. Cretin return now all right. Well let's let's turn to the matters in the Northwest Territory don't mince case. It's. All right so we have many people. Who have stepped up to counsel table when I believe we have at least one person on the phone for this matter so let's go around the horn. Will start with Mr German side of the table and see who is here who wants to appear in it there's anyone sitting in back that wants to appear as is well I won't call them up. Is to do I want you to get that you're in the morning at Michael Durant you know it with a chuckle of interest you Marc Harrold we're going out with you this morning good morning morning your honor Mark Northrup no one extreme and counsel against secured creditors committee Good morning Mr Smith will come to your start I'm mourning your honor and I'll smash for the landlords Robert and Conny. Morning Your Honor retired representing an American it's over Morning morning Your Honor captains representing America All right good morning we're here every American right good morning. And one more. Easy crew to say yes I mean that's not exactly All right thank you and make sure that you pull a microphone or if you when you speak so obviously yes. And serve well would you like to would you like to speak this morning oh yes I suppose so my name is Joe. Yes you are all right good morning Mr Elka All right is there anyone else in the courtroom that wants to be heard. Morning Yes ma'am please come on up and. If you just like when you need to come up to a microphone and identify yourself you can you can then sit back down but we do need everyone. To state their name for the record and all of this is being recorded for that reason and then I'll turn to whoever is on the phone. My name is Carrie and represent me all right good morning Mr Isay right Carrie is that correct yes I think it is probably forty eight right all right thank you miscarry all right and do we have anyone on the telephone. Yet oh I don't remember. All of your creditors All right Good morning Ms Pelt was there anyone else on the phone not expecting anyone else all right. So Miss Helen we just say we're going to be hearing from a lot of folks for the. For the foreseeable future. I don't want to forget you I'm going to make a stink you know can you not but I have a in it's been it happened to that I get near the end and I forgotten that someone's on the phone so if you think I forgot you don't be shy about speaking up all right thank you all right. There are a number of matters. The court had on this before today here is my list of things and I we have the reform. We have the motion should reject the Kent lease we have the notice of presentation of the order on the hops motion for relief from stay. We have the trustees motion for order authorizing an auction and sale which I understand may be continued and then the fourth. It was filed ex parte but will discuss it this morning that's the trustees motion to shorten time for hearing on a borrowing motion a motion to approved. Procedures in a break up. So let's take them in that order what's first start with a motion to reject the can't we and I don't believe anyone here is something happened the landlord Eastern on your approach and then that was the only emotion that you filed and were no objections but I had some questions I wonder what is the trustee of us is going to want competition with this motion I think a couple things wrong will leave the prosecution upon a performance going forward on a number of if this is an oath Additionally so we understand there's a misprint claim that will run from this sort of trust in fans that really means or really have a stake in the affirmative obligation of former was sent to allow the landlord to go forward I'm going to get their damages I'm going let the space I do proceed when I look like they were and I saw you raising issues I didn't receive a corking about how to deal with the claims issues and I don't so I think we should talk about I think the trustees intention here when we will be filing a motion about a case and so. I'm so I'll suggest that we put that on the calendar for the march in our encounter and will note that out going for the March ninth calendar and then whatever claims that when we were piling into after we could use the bar to get the second I'm going to jump or something after conversion or some other that you might want to settle but I think the court obsessional over something has to be adjusted in the

form of the or I'm going to have other questions but well I wasn't quite sure because I mean as you said the supposed protection we use and well your emotions that are similar to rethink and you're thinking are exact that you can't it's not subject to three three six if I wasn't on expired lease of that or the post potentially sent into by the trustees I didn't understand this notion of rejection back to the date that you filed. Motion I don't that the because it's administrative expense claim. The fact you're in Iraq doesn't matter as you said the landlord does have a duty to mitigate but other than that being in Iraq or the day that it's affected I'm not sure I understand why that matters on and if you're asking for permission to breach means that what you're asking for because if you are just a lease there's no there's no margin or rejection because this is not a lease that's governed by three sixty five but a have a look at this for a while but a think we work better when we consider our work to do what constitutionally says and I do believe there's already or that horse petition we say or the tsunami's can be rejected. But I'm a phantom Russell in five three half second seven hundred ninth Circuit one thousand nine hundred eighty eight Section three sixty five and the code governing executor a contract expired leases and in a couple to lease is executed post detention. And nights are going to Corrine Brown point so I think that's why I didn't understand this motion I tried I know it's not something I was aware of it all just recorded when I didn't read what the SAME a indications and call you the posters here being with you acted and preparation were research it was so. Well I get a bit angry and it's not a post but it's not an annex by release of the debtor I mean the debtor didn't enter into it it's so in any event that's why I didn't understand why you were seeking rejection and seeking to impose a deadline for filing proof of a claim for the proof of claims also for pre-partition claims you're not arguing that there are OK because the proof of claim is for protection quite stunned right enough so did if you look in the cited deadline for them to file an administrative expense quite not really inclined to do that either on there are a lot of interest rate economists and they're not putting deadlines. And anybody else so I recognizes this is relatively small amount in the scheme of things five grand a month right was I right but right now you know so and it expires at the end of June I think so you know so it's it I mean it's real money to a lot of folks but in the scheme of things it's a relatively small amount but I just I know I'm not going to grant the motion because I don't think that it really speaks to any relief that I can grant other than perhaps imposing a deadline to finally over quest for administrative expenses claim which I'm not going to do on so important and through an order denying motion. So that takes care of the first one arm. Then the next issue of. The really from state motion order and I saw that you vote you know and Mr Smith had filed on statements. And it looks like you can get in the form of order which is good and I got from her looks acceptable to the court so the only issue then is a budget and I knew this might be a little bit of a challenge but it's one of the needs to be done if the Hofstra getting only you know on all assets so I know that based upon the filings yesterday that there may be some change in how the trustees are approaching the budget so let me hear from you Mr Gore and then hear from you Mr Smith on where we are on that right or I think if this has been. Things are fluid in terms of how these assets are going to be disposed and I think you're seeing you filed yesterday an occasional reaction which are very yesterday on the sale of the majority of the equipment so that's a very recent development and I suppose there's been a lot of product by. Wrong forward we have been communicating with Mr Smith or in the course it was a couple weeks reproduced the budget don't initially budget for one on January third we wanted to get the corners to do we got a couple generations without going back and with a conversation with them about the issues that the Hossa may have with respect to the budget. We filed last night I've not had a chance to discuss them until it musters that's a while to wait in the afternoon to talk and yesterday before we had our own of the Rogers budget but my understanding is that what the Haas issues of the heart of the worries are really three fold and they are number one we haven't yet got Mr Wagner and whether the state should retain Mr Wagner and continue to pay him a salary whether there should be some ongoing operations where that the trustee continues through or the little product going forward and I lastly there's sort of this trucks and what's going on with the budget really is supposed to be which I think we have now resolved OK So I think this was Mr Wagner I think Mr Wagner is somebody who was in the sensible one when he

was there Mr Wagner has all of the institutional knowledge that the trust and when it needs to rely on moving forward he has knowledge of the asset base he has knowledge of all the guys his knowledge of the mothers he's working with prospective purchasers you know out on in depth I think that can really you know if you communicate with them about the value of the assets and where the assets of located and what could be sold and what could be sold was going to things you've also done in the computer systems knowledge of the CIA or the company is an essential part of the new look what is it runs that was an ongoing operation ever so it just it doesn't feel like you can do without Mr Wagoner or Mr Wagoner is resides up here in Washington but he has problems with written recently that they didn't that's necessary or in whatever business books so I think that Mr Wagner that those issues from which all. You know he will he can't do without going for now he well it is a short term on. The ration for Mr Wagner service and was when we get the assets looking at it I don't think most were going to stay on the payroll that is the level are going forward. Now I mean you see about continuing operations right with the trustees done since he closed the buy out and he's retained a stellar skeleton staff I don't think we've just pushed out some so on one full throttle were some work in progress and that is the benefit of the back estate if you look at the cash a lot of what you will see about a hundred seventy five thousand dollars in council similar that we are coming due within a month of March those are on account of the orders that the trustee pushed out and about them generally was receivables that are rolling and this is their profit and so they've been fearfully analyzed was just is not was dealing with an effort to produce a product in the living room unless you know that there's going to be profit in doing so. Continuing those very streamlined very limited operations make sense as a benefit to the back of your state and the trust in ways that you should be allowed to know that for a very limited and a thought and I think you're not only completing works work in progress not taking on new orders or correct that is correct there's one exception rather with a several rush order for some silver bullet we can push out very quickly and have a very strong margin on it and I do think that our garages are also orders coming from China and then orders from China came time to get here their customer orders and you can be packaged and shipped so there's a great margin in those two all right so you're intentionally desires to continue to take a few orders here and there only if they are I don't need any new orders and some work in progress so not complete the stuff that's been done OK or other than the silver bullet everything else is already already in process all right. OK thank you and the third item was then yes we're in flux with what is yours and we aren't walk through there's no doubt that a lot of all the are the trustees trying to juggle I reckon aren't. I don't make sense of talk about that now or in connection with the same emotion but I don't think there's any more said about it in relation to the book or OK So I think there's a lot of talk about international sailing writing and wishing to go for the budget I don't think there's any more say about that all right thank you Mr Heron always from Mr Smith really on the issue of Mr Mr Wagner and I don't think we'll Anything else you'd like to have to think those are really the two issues Well Your Honor I think that's correct but I don't think they can be addressed outside the context of the third issue which is this flux issue we did receive and I absolutely agree with Mr gerunds characterization he's been very good about keeping me posted telephonically and sent the budget over the last iteration over to me before he filed it with the court I mean you know a few minutes before but before and he was he is keeping us up to date but this has been a very very difficult period in terms of trying to keep track of what's gone on projects and Mr Dering will get to this I'm sure but you know a sale was honestly I was offered auction was on auction was off and we've now got a budget that frankly came out yesterday afternoon and my clients are in the air as we speak I haven't had a chance to talk to them about it and while I think I get the fact that Mr Dering and Mr Calvert has to operate here the next couple weeks until we have these ongoing. Whatever happens auction sale whatever I do think what really makes sense or on or INS to approve of by. Hit for a couple of weeks subject to revisiting when my clients have a chance to actually look at it in light of what's actually going on in the case and not in light of what was anticipated three weeks ago or so when the budget was first well a week and half ago when the vibe I get was first prepared and so while the form of order that we submitted Mr Garin and I agreed to it

has the line and approved by the Haas which was. Somewhat optimistic. At the time of preparation of the order and I would actually suggest that we strike that language and then put in a closet says until February and such and such the trustee is authorized to use cash in cordons with the budget that was approved that was submitted yesterday hopefully during that period. Mr Calvert and the hospice can speak directly or through Mr Gear and I in terms of figuring out what exactly Mr Wagner does the last time I have had a chance to communicate with my clients their understanding was that he was really high priced for a company that is in like with anything and isn't supposed to be operating we've gotten a little more detail in terms of what's going on here this morning Mr Garin has explained much of that to me before too but we really do think that. Maybe in a couple weeks operations will be over and we'll have clarity as to who all really is there doing what which is the point of the budget aren't you Mr Smith. Was there what do you think of the notion of that the change to the order that Mr Smith suggested that you go ahead with this budget for two mics we're going to we're going to see your brother My guess is in a couple of weeks I'm hoping that's true yes. I think that's the case I would say that makes sense or well I mean I have a hard time with you know two weeks three weeks of that time and I because that that's costly I know and we're in a revising additional budgets and you know sort of I do think it's becomes difficult we're taking as of one bite at a time. You know what I was going to let me say this but I understand your client's concern but I'm not I'm not inclined to micromanage the budget Mr Wagner has been with the company for years the trustees states he needs Mr Wagner. I don't want to be penny wise and pound foolish so I'm going to I'm not going to overrule the trustees judgment on a key person. So I'm going to I'm going to overrule any objection on that basis. I think it does make sense to make this temporary not only because there are things moving the place but what let's let's make it for thirty days and so the hearts are going to approve it we're going to change paragraph five of the order to say catcher she was exhibit A is a budget prepared by the trustee the budget. And then Mr Smith Mr Smith you had suggested that the trust is authorized to use the cash in a state while blah blah blah support in the budget and then at the end we put. On until further hearing and we can decide this for another hearing that would be with or for the ninth of March all right and maybe in the interim you've reached agreement I'm hopeful that we will know what this case is that. More substantially by then but that's going to be the ruling of the court so that you have you can work on the language but we're going to it's going to be good for a month and then we'll revisit it if you two are going agree or items that once you turn and Mr I think that's fine Your Honor I just like her to. It makes clear we're there are a lot of players here that even though the order sentence only through March nine if in fact we are able to reach agreement on an ongoing budget after that we can simply submit it and not have to go through another hearing and submission to all the other players here and you know all that is just between I agree I agree so if the two of you are reach agreement you can to submit it as an agreed order I'm going to look I'm going to look for this order from I guess you missed the I'm going on this. I mean it's not going to sound like a dip financing but if you know call us when you send it up and we can get our eyes on it and get it signed OK So that will take care of the relief from staying in motion. Here's what I'd like to do though I want to take marketing the recess I want to take the Davis matter because I don't want to keep Mr signs and Mr Cregan here for another hour or one can sit where they are it's going to ask Mr Song as the Mr Cregan to come forward on the Davis matter and if one of you can both stand at the podium you guys just there's one hit each other right now. All right this is this is on an on the Davis matter and this is the truck you use motion to approve the sale. And when we last heard Mr Simes I asked you if you would have objections to the sale motion and. I heard no no but so tell me what you know what your position is well the position it is getting out of the debt or still poses emotion all right however you know she wants to retain the home basically live there for twenty years older than acing high school he feels that he can raise the funds if necessary and just about like the opportunity to do so i even before you know the step closer to the present day heavily with the twenty eighth so if you are inclined to grant the motion he would like a chance to contribute to this state in order to retain its home well. I understand your client's desire to stand the home and that's been clear throughout. But today's the day for me to approve the

sale if you want to make a deal with the trustee approaching Mr Cregan before the day and off running more I mean there's no reason for him to do the same the only thing we're going to do something better. I'm. So. You know Mr President I I don't know what your position is I mean if you have been negotiations on with with Mr Sonner the response in this regard or opposed to what we're hearing you come come up to the microphone as I told Mr side of the for the hearing first of all. We have an obligation to the buyer at this point and we don't want to ring they go and breach the agreement I think that would expose the trustee to some essential claim and then also as the court noted we need war. And it's kind of like. Saying you know well it's too late or too little too late I was going to say and that is not only were I agree I'm sorry Mr Johns I know that your clients have really wanted to maintain this house they have they they have worked very hard you have worked very hard to be out your clients work very admirably and be happier clients but I am going to grant the motion this has been going on for a long time and the court finds that there are grounds to approve the sale of section three sixty three have to allow the trustee to sell property of the instinct for any liens if the end of the consents here Shell Point the first mortgage holder has consented to the sale and to receive the well the full amount of the secured claim is going to go into the john analysis with regard to the junior we holders but the trustees negotiated resolutions with them so there are no longer secure claimants and we no longer need to address the Junior League holders then that takes us to whether or not T.V. uncork requirements have been met which is a showing that the Trust us fulfilled his or her basic duties that the agreement benefits the state will provide a meaningful distribution of creditors at the terms of the agreement are fully disclosed here the duty has met is promptly administering this asset and this this is not a situation. The trustee has sat on his hands quite the opposite there's been a lot going on lot of it prompted by the conduct of the debtors allegations of interference which I never ruled on but clearly there are ones. Conduct by the debtor including going to the bank of last minutes or trying to negotiate any one which has caused if there's any delay it's really been due to the conduct of the directors for the trustee has called the terms of the agreement that it was contention which can only be described as desperate that all the material terms of the purchase and sale agreement regarding compensation to the sellers and brokers agents hadn't allegedly been revealed are inconsistent is not accurate but it is meaningless given that the court approved the compensation that he paid one of the carve out of approximately sixty thousand dollars to pay approximately one hundred sixty six thousand dollars in unsecured claims when you have any meaningful distribution understood unsecured creditors therefore all the objections are overruled and the motion will be run and said Mr Green if you like to submit your order or. Probably are going to ask Well the fourteen day stay waived Yes. Usually don't do it when I got a corrections. All on your closing date is February twenty eighth. And we are out the night well. I mean you can get everything ready as you can and I'm not going away of the state I'm going to give the Davis' a chance to appeal. And. And so I won't waive the stack All right so if you can submit your order to take that provision out or already there are thank you Mr Chairman thank you Mr Sachs. All right appreciate everyone's indulgence as I know this this matter is going to go on for a while so let's let's go back to the northwest territorial meant matter. That takes us to the third item on my list which I think is the one that's going to take the bulk of our time and that is the trustees motion or approval of the sale now I mean I did note through and Mr Durant you noted in your presentation this morning you now have to sale. To the asset purchase agreement for the majority of the assets in this case I guess one question will be what's not subject to those two A.P.A. It's the second issue or the what do you want to do with the motion today and the third issue is how do we resolve a lot of the issues that have been raised for today continuing this motion doesn't address them and I don't want to just kick the can down the road so my plan is if you could address all those and you're trying not to interrupt anybody I'm going to let everybody talk know what you talked about Murphy like to speak and I'll go on around the corner. And then I'll come to you Miss hell and and Mr it will cure your included you'll hear from all of you on this motion. And then I will ask my questions so Mr Garrett on the floor is yours specular so. Yes because of the chairs I think we do want to continue this motion I think that what we have in mind is American failure at the margin and the purpose of

that would be we do have as you say in limits to push the sale agreements that are out there for a significant component of the assets of this state not all of them but a significant portion of their assets and so we like to move forward that sale process and we envision the procedures. That's why we filed our motion whatever that was ages and in motion for a short time probably get those teed up then we would like to have the sale motion heard on that March ninth calendar so you know do you want me to put that those sales were approved it would not be going on with the auction or sales aren't really approved I think we still need to reserve the ability to conduct the auction because we still are under pressure to get those assets liquidated and we got of the office and wanted we want you know thirty so that's what I think we want to do with the auction I agree with the court on the issue about teaming up the substantive issues whatever supply reasons there may be I think nationally only one body of substantive issues that we need to address but a I wouldn't want to sing the deal about that. What's what's in and what's out. We've got to purchase the sale agreements that you know not filed with the court and I think they are pretty clear in terms of what is being sold on in those three percent sailings. But the larger one on the dollar amount and I'm going volume as the industrial assets Maynard's deal or not you know really as I would be it's the majority that we've got of machinery and equipment some models in trucks all related to wing attachments parts accessories and manuals and the office furniture with look at it in the Green Bay That's that's what's included in that and up pictures of the equipment that are attached to the purchase an agreement we took. It definitely has a fair amount of time going through and through specifically identify everything that was there and could be clearer with the buyer as to what they were buying so I think there's a there's a significant detail people argue with figure out exactly what things all of I'm looking at the you know yes an accident and the attachment through that the second so that you know more than one point nine five million dollar. I don't know I'm just priced right as a VIP feature that really filed a motion to agree with it on it. The VIP and hence the beginning of a deposit one hundred ninety five thousand dollars odds are that I expect received today and promised me today by them or the purchaser that we will be able to use that as a unit on a veteran's lesson financier and you incurring credit and we can use that the ongoing expense of the work that isn't including frankly a lot of the majority of that is going to last right majority that is right so I think about one hundred forty thousand of the one hundred five years we're going to pay the current occupancy cost and we've discussed in our hearings and you know that's one of the principle benefit about dipping in the early part of the bill was the one on one but there are other types of it that the trustee was doing service with them and so we wouldn't come inform them a motion to approve a different position probably means. That. That's a personal trainer also contemplates that the buyer will have an opportunity in a post approval or a ninety day period through what it those assets and you are conducting auction on its own so she was or sell in arts degree as partners and you know there was an opportunity and remove those assets over that over the money to period so we still have pressure in terms of the timing of having that then approved because we still have the ninety day lag post approval and we need to retain occupancy in that they can premises I took to get them on that was what assets moved out of their own work and sold by the buyer. The second straight out there was a number grab sale in the middle class sale it was then you got like are going on the web site owner and worst modality customer West the Bellecourt archives the delicate company going guidance on certain tools and woodworking equipment and then three specific items that were own machinery that are the one described by a serial number and are selling them. For the price there is seven hundred thousand dollars I am holding in my trusty. Now one hundred thousand dollars are going for not all of that potential purchaser. And we want to tell me we move forward not and I'm going to suggest in March and I'm going to that's so what that what those are about those are the metallic guys now that were kind of breaking the dyes into two components what had traditionally been used by them with Alex side of the business and the rest of the work was there for the mint dyes were not proposing at this point the selling author was there for a minute and that's important because many of the objections that have been filed. You know during a long and most diets are really probably going to start on the customers and they are not yet proposing to sell those that are not in the

present sale but really working to trust us they're working hard on trying to look at it goes as a as well and we would be intending to conform with additional proposals to sell those as a supporting character and that side of NASA EDGE it's the first H.P. is not including the minutes not Mr Coleman correct OK Our report. Now that there are parties rejected I think about one point is that I'm aware of that have objected and we have been creating a lot of everybody that we know that is polling written to us or file going to Jackson with a court that has expressed an ownership interest because dies and I don't think I have a current version with me that I have a version of it but we're doing our very best to soon have a lot almost no requests and complaints from people about the ownership good guys and our attention would be to go back and to address that was why don't you have a proposal for the Koran how we would go forward and rest and we. Didn't want to dismiss that idea about ownership of it but I believe there are more parties that I'm aware of those are you know that have values that are part of the modality actives that would be sold through Medicare and I can tell you who is or. It's perfect JONES Some of these but only one of many things going Jackson if Jonas Welcome back I'm foundation this B.B.C. interview him good green darkness which I think is not just kept one's point and university city we've only got the green gardens parties no one is vibrant joshing the smart one with the call it going where these other assertions of ownership interest on these other three parties. Too much metallic dies. So the trust is continuing to negotiate other sales. There are various other packages of assets that people are expressing interest in and he's got a couple of outstanding purchased offers I saw along yesterday that was circulated for about two hundred thousand dollars for a package of assets he was grossing one hundred already about a package of wrestlers in the same rooms I think what's left really there is that in the store they're going to probably. Sound a little more cost direct on that side of the guy equation them what was done to him in assets and the range of value there is somewhere between one hundred thousand dollars and nine at night or thousand to a million dollars let's call it one hundred thousand going to hours and residual value and that the trust you're still working on liquidity. Across the also means that the spoiling of a lot of records and facility I want to mention that you're going to remove probably a motion for permission to go in his own words of. Words borrowing on record as being a just or cloning a story out and the trustee only has a limited. Period during which he got the waiver that's necessary to go dispose of these records and so we'll find a motion for a warrant to shed some of those old records. So I think the term she was stuck in the midst of that I think in the range that would need to be resolved before we can move forward to say on the issues and I think those really all wrapped around looking. Want to ship of the diamonds and a second last month membership. I'm not going to bother Malcolm's ownership interest in this and. I really I guess I would say Your honor I do not think there really was a legitimate issue about Nobbs want to ship. Any of his assets and I think we presented no evidence which is very clear that those assets were transferred from out to back L.L.C. in sometime in two thousand and nine and I can canvass through all of that but I think the thrust and they don't understand something right now because there's no party has come forward with any They're going to the contrary rather than a couple parties with it just that they have doubts or that they think they may use as many doctrines and that's Mr Hanson across but neither of them has submitted any evidence to support those conventions and I don't think really such others are going to start really is going to want to leave any sense out of this in the future so I think the court would dispose of that issue not I think it was wanted on the evidence that. The Hanson investor declarations were all stated that miraculously inherited it succeeded or obtaining all wiped out in the interest of the purchase of assets. We should give it back and we'll see it on a lawsuit in which it's needed that it was just an interesting model and now I want all of the assets we went for just from the balance our Company Limited. And we we presented the. Information to show that we're not going to see was charging equipment rental charges and other leasing charges come back we'll see if the demand on account of those assets. We also presented and we are most recent submissions the tax preparers documents and that's where the tax returns which will confirm that amount of that no. Yes that's why the final cracks were coming in two thousand and nine which it indicated had no assets running at the end of two thousand and nine and the macula lost in tax

returns which were like that the the assets that were acquired from the hops around the macula seeing books and regression schedules that are there that match up with a personal sale agreement there is no question that from two thousand and four we're not going to see a policy that returns and indicated that all of those assets there's no evidence to the contrary and Malik has not stepped forward to file any objection to raise its ownership interest and that's because it can't it cannot provide any evidence to support its ownership over the last S.. These suggestions that we should have. Evidence or hearings that we should have whether guilt lately resolve that issue of respect with your Honor I think that it was at least a part on. It would only be gone through the lady and structure of the trustees are going to go forward look with atheists so I think we should move past that issue and I would request that the court actually rule on that recent developments on the other things with you I will go back and circle back to you Mr Hanson been in the courtroom here is you today he was your few weeks ago when the user issues were being addressed and spiled it was odds on personally without any supporting declaration. He's aware and as a representative not usually aware of the position has clearly been presented to the court that the trustee take the position he's asked that's all one with the back of the state about them now that he has that Mel has not appeared and. You know presented any argument in Congress I think that's an extremely important for those reasons I think he said nor my question for that to the DA issue which I think is more complicated and I think we we do need a process and we need to sort out and give people an opportunity for me an example are not just in why they should why do they think they only. Gods. The trustee believes that guides all along for the company and he's done a significant amount of work and investigating he's consulted with a number of employees for more than when he's action stuff Mr Smith and I asked him to give me. Some feedback from his heart who are going to one of them develops a line of the guys from the outside and Mr Smith is an only male or that Miss Ocky has and supported him as he was substantially in it with the policy of going to delegate she only company was the guys on the only thing that Valerie one of the company so you can get a declaration from this hot person she's traveling I would submit that on later they've got to have a number of other employees I've submitted to the decoration of Mr Wagner and I think ways out of new policy vision company website which isn't clear especially in which states to be in when you know the guys are on their own or owned by them and when by the company not by them but they're having retaining their own by the minute. So I do think we need a process for how do you want that briefing schedule a date by which you can make a determination was in the ocean but I don't think it has been done. Before we conducted the auction. Or a good move forward with the say don't process as on the middle class side of things. It's not relevant to me and just real assets so real from my perspective I don't die as an industrial asset sale but it is relevant for them not aggressive so I think we'd be prepared to move forward and we're going to write and if you want or if you want to on the regular calendar I think you you know next calendar I think you have is the twenty third and we could try to arrange a pretty special I think that the what we would do is give notice to everyone we know that has expressed an ownership in the guys and we tell them that you know there's a deadline by which you must submit your package of evidence that supports your argument that you have an ownership interest. Was that I was going to just even respond to that and then we could have a hearing on sort of the court could rule on. I'm going to get it was I mean I just. I be prepared to move if you want to do it on the twenty third or on I think you got the. Perhaps or a or have them want to submit their submission by next Friday and then we could hear about a lot of responses we want probably Wednesday I'd be pretty that if you want to person present back a little bit right to give us a special starting date and I don't mean that I don't want to last a schedule for them submissions how many as I was going to reach just really how many people are we talking about and do you have a way to contact all of them I have I have a way and I think there's no question right now I have a way to contact everyone who was reached out to us and raised the issue I think we have a lot of the letters e-mails those kind of things and what about those that haven't you know those are the ones I'm concerned about because I guess then can you identify all the folks who may have sort of an ownership interest or not you can't rather I mean I think it's it is impossible there are thousands of guys who are in the better of



the one thousand fine because I don't look as though I want to go on I want to once like to associate with for thousands of a lot of dollars but so and there's the Go back one hundred years that go back years and years and years and so somebody just me knowing him existence and we're guys and trying to. Sort of there's really no way to go on like a complete you know a list of everybody that has a good dogs and a guy who's been viewed by the middle of the course of one hundred years so for me I think it has to be near the end of those people who are stuck up and really going to have the but and but. If you didn't tell them. That you're going to sell they're not how and how can they step up I mean it's a good process well I follow that you're going to get started I don't I'm not I'm Because you know miscalculated got. Several clients and I don't know how our clients found out Mr illness here he found out but you didn't you didn't give notice to all potential customers so I don't they can't step up how do we deal with that and you know that there may not be a good answer in the second perfect situation I realize but I don't think we can just say we're going to limit it to only people that have found out about promotion and raise an objection I think I don't think that's fair. Well I will I will say or I think point out that we were careful and we were expressing things in the middle crowd pushing sailing and what we're all clear are selling is becoming a raft. So I think and I think we should get a determination in accord with that the company policy that they're going to use these guys are on it by. The company or whether it's done or you can come later and challenge that also say almost a point on the sale based on like a noise I think that would be a risk a buyer would think. But but again I think that we still should get an order so that when the court made any germination of based on the polls we're going to run along with the company and one of those parties that didn't help notice I think they would have their due process arguments or maybe want to go back and see records and go back to the bar and raise their hand and say wait a second we still think is libel law goes notwithstanding with that with the court's ruling once the writing was in the general body of guys so OK And then he wanted one way to work around it OK and I'm just I'm open to suggestions I mean you I'm not telling you something that you haven't thought of I mean this clearly is a challenge and yeah some of these guys are hundred years old the owner is gone so I don't read the article matter and pongs to me whether we glibly or not you have that in there no one is going to challenge it but I'm going there's going. The universe of people that don't know about the motion that are around that might be a certain interest and that's how we need to figure out how to deal with those folks I don't know I think it's a bit of a corner on America's you know other aspect of incentives but any of these that turned up are some you guys that don't want to go through the you know X. Your state. Is going to spring on us and we're turning on the people and it's a very very young and I think the question then what what what you're feeling is all right I mean I don't want and you know there's been a point where one. Benefit one significant benefit of transferring is the last robot. Is that that buyer of them is and we want to. Retain their maintain order in a location where people can see them and yet even access to them if they do have legitimate claims or shipped and you can still reach out to the buyer that buyer and I think this is one of Mr Goldman's issues that he has raised the buyer that we are seeking to sell won't Metallica's if you're not Mr Real Mr Olson you don't want to start or mention Geisel right there about that when I sell his book I think when you find a buyer for the bond it's nice that buyer and it can actually produce the product that Mr Jones owed is working to produce so there is a bit of humor and yes somebody can go to that actually substitute them for what were the start on methods and going forward so there are real benefits to these customers from concluding was that if we don't transfer these guys to somebody who's going on for him the consequence of that he can be addressed in that unhappy destroyed they're going to go to the winner or they will not be any way for them to gain access so I think there's not benefit there appearing folks that have not received notice about the disposition of these guys I think they would want them to be in the past in a song is going to take care of them moving forward. So I don't the last thing I think all three runners all talk about you know one of. This probably didn't you know I think the lesson is you know when you're on the schedule which of them most of short time I think you would want to talk about moving forward the schedule or approval of the. Whole good procedures for these other sales. And auction scheduling. And approval of a breakup and so. I would

like to do that on the point that we're going to court's going twenty third that's when you file a motion to shorten time yesterday. Or would you want to you want the hearing on the been perceived as a seller on the twenty third or that I would ask the court to schedule that for the twenty third so that we can conduct an auction and before the hearing on the nothing which we put the sale hearings on the ninth of March that would be the intention so all right so that you know to prove that you A.P.A. is on and I'm ready All right why don't I don't have any I will prove that we can we can do that right now why don't we why don't we take your order. And if you have that this is an emotional short time what I can do looking right when actually it's time to date so you're looking for here in the big procedural motion for many more in twenty three at nine thirty at nine thirty am That's correct All right so we'll do that that's nine thirty am. On any response there was OK and the nine I'm going to give folks a little bit more part of my comments on things and I think it's a holiday right. Yet soul on getting folks can respond by the twentieth. And your replies will be due by the twenty second. And we'll say five pm on all everything so any responses to the procedural motion will be due on Feb twentieth by five pm and then he replies file by the trustee and support shall be due by Feb twenty two abide by PM on paragraph four it is one shall you provide notice of things the nine right so you really mean it get it out the twelfth. To twelve that can be a problem I don't think for the better terms of notice. You don't need to and this motion I don't you don't need to notice the entire matrix just thank you OK I think that's actually what we propose in this paragraph and I want it I want it I want it but all we are good there is paragraphs X. Yes you ask for that all right and I think that's acceptable because a paragraph corner. Talking about OK Spencer That's well it's also foreign and sex so yes or no sex. And then paragraph five in terms of the date for the hearing don't prove the A.P.A. Yes March ninth at nine thirty and acceptable. For the OK so I will work for that that order again hold me when you send it out. On I will be I will be around today to sign it. On Probably the sooner the better so you can get someone that you call the changes and get them up to me for signature so you get out your will do all right when it was a little controversy over the course so I think I am going to I do have a lot of questions but one thing I want you to address that I I don't know if you did and that's. This is complicated you know much more properly. Aspect of it or in some of the acts how did you know when it was not and I know that's the concern of a number of folks or scouts because rights climate certainly most prominent spines sometimes Kaplan's crimes so. Yes So can you address that I think I can you're right I meant unethical for that but I don't think we are trying to bring international law and I think that's that's what this is one of the issues I think we're at with a lot of meetings here but not been communicating to Mr Hyatt and I think Mr Kaplan as well I think we are not transferring any license we are not answering any which will probably be better than would comment out if yea it was not a sin to sign any intellectual property is only the physical size that we are selling and I do think those are distinct I think you know that some of the just a listing of people trying to blend in and take the position that the diet song has English with property imbedded in through it is. Impossible to separate from and from with the physical aspect of it I don't think that's true and I think we're selling it for something there's a hold on it which may have copyright it may have it may have. Materials on it that if they want to use a barter that could violate someone's And little crockery rights copyright for example I think the buyer knows that buyers you know aware of that is going to have to go get a license from someone to go when things not but the purpose of from the virus but what in the purpose of thinking about a consumer can have a conversation with me or my customers and so they can talk about whether they can use the dime we're going to ride service through the through the customer it's an aspect of goodwill frankly ones and it has been significant aspect of the goodwill of the company these guys are something that are new to promote the business. Of the company have been used revenue that way for many years and will be used by prospective purchase and that's why they have that so we're not. We're not recording the presidential properly I think we're going to hear in our filings I think I'm going to hear my conversation with counsel more than you are the only other not living with both of you objected and I think they are distinct from me but that's why I think you are trying so all right thank you Mr Berent I will have a number of questions but I want to hear from everybody and then I'll come back

to you. Mr Northrup is there anything that you'd like. You're on Mark Northrup of the committee I can be very very brief as you can imagine I received in addition to the unifications with committee members I received multiple calls from many many and secured creditors across the. Northern Hemisphere basically and as you can imagine they are all extremely disappointed and the certain irony of the way this case is turning out. At the beginning I think we all recognize that the only way that would ever be meaningful recovery from secured creditors would be if the operating business managed to survive in some reorganized form and was able to generate. Some kind of value and dividends into the future of that hasn't worked out there is no reorganization there now we're obviously facing a liquidation I think the further reality of the motions for you now is that there is no evidence whatsoever that the value of the state assets that exist. Is sufficient to generate any kind of dividend to General unsecured creditors and largely for that reason the committee did not file a formal response to first the auction motion and now these multiple Section three sixty three follow on motions because really the. Committee doesn't have an economic dog and this fight. One person I know in a bit of gallows humor described this is you know participating participating in the what would be a state of sort of white like participating in the drafting of your own death warrant. The trustee has to share a duty to maximize value for the benefit of the estate and we certainly expect that he will work on of that obligation All right thank you Mr Northrup. I'll turn to you next Mr Smith. Thank. Thank your honor. I've I want to focus first just on another the big picture from our perspective which is with real we want this space back we want these things to happen whatever they are going to be able we want them to happen quickly we understand as Mr North you're no Northrop noted the trustees got a duty to do all those things and you know we understand that we also are where they are I therefore do not want to object in any way to the program the process of going forward on the schedule we want that to happen. I do want to just note for the record so there's no surprise I personally have a couple things coming up and you will be getting letters about telephonic appearances at some of these upcoming things that dates are as ordered and that's that's just the way it is. I do want to know one thing because my clients names were somewhat taken in pain in terms of the dice it is in fact our clients position and then your standing when they were running the company that the bodies were owned. By the company but that that did not mean that they had the right to go in and use the dice and print things in you know market things and everything to the extent that other people's intellectual property was involved in the dice and I hope that some of the object in pardons take some comfort from back then that I don't think it's ever been the position of the mint under any or mint or the Gallic under any of these ownerships that it is a marketing tool of the customers either to come back to you and pay you for new stuff or they've got to pay somebody else to make a new die and that's the marketing issue and it's just that's the way the business works. I do want to address briefly Your Honor Mr Gear and comments about mout we do. You know it it's his burden to show it's property of the estate. Wednesday afternoon and we've got the data down with Mr Noyce Mr News Corp And you know I understand there's a lot of evidence in there I do not have contrary evidence I do think the statute go frogs is. In something that does come into play when you have a transfer of assets. In violation of a third party's rights it is not too much to ask just saying show us some evidence that that actually happened at that time and somebody told us about it at that time if you're going to have it. Effective against us at that time which is what the trustees requested as. Having said that my client is not going to be able to come up with any evidence other than what you already have which is the lack of. Any indication whatsoever that there was actually a transfer as opposed to the what these guys may have been doing internally as between themselves and again that was the data dump from and from Wednesday other than that Your Honor other than the now issue I do think Your Honor we do what. We do want to see the trustee go forward with whatever he's going to do in whatever interation of this process turns out to be happening so that they can in fact finish it off and get out of the space in the hospital I can act on it they can present it well you didn't say this I know your client is asserting a thing to the extent the modality assets are part of the estate and are SOL your clients asserting a security interest. But yet yet yet look but I think we everyone seems to agree that the assets can't be sold

because it's disputed there's no doubt it's disputed and it can be sold as long as my user reserves to pay your clients potential secure claim the sale can go forward to the extent it is a lien in the on my clients. Of my client right yes those are disputed and those can be sold. Free and clear notwithstanding the dispute and I and we did supply some Yeah I think that to the extent it's an ownership dispute you can't do that I stand the difference Yes All right thank you. We're just going to want to Mr Hyatt in the next. Minute still running around it is still morning got a little while so authorize can. I said excuse me two issues first on the deals with. The attachment of the proceeds a sale to the secured claims it's my understanding that the. It's the same issue we do you just have apps out if that's included in the order then that part of my objection is result OK and that's the same issue with this person that's quite so absolutely I guess I will want to ask both of you what do you think the number is that museum reserves because that might be in dispute and we don't I don't want need to resolve it today but when you don't resolve it at some point you're your client's claim I think is a little more straightforward and that I can easily amount it's straightforward from your point of view that we have a list that we claim is like church it's a little bit complicated because. We're not sure what's there what isn't there and right yeah it's here and I've been talking about it in the piece indicated to me what they've identified that would be included on that list and I accept that well so that there's the collateral issue of whether your claim is a cure but in terms of the amount to be reserved that's that's going to be the issue and my understanding is that the that the amount of the claim is not in dispute is that right even the Vatican don't know the collateral the amount that your clients ote this that just in terms of the dollar amount whether or not to secure an unsecured I don't think that's disputed I don't think we've focused on the dollar number up languidly and it's over a million dollars and the collateral is worse massively less than that OK but I'm just saying that what. We're going to need to figure out what needs to be reserved and what you know you don't like I could you're going to the system we have it is going to go through hard and I go about identifying the collateral of him up there and that's going to drive this is the value of the collateral I'm not sure of the claim all right because it was a quite a lucky thing not a quite OK with the right kind of story I can tell you and it's in the range from our perspectives on the range of sixty to eighty thousand dollars or more saying we have one OK. We've not been able to lay him down yet we have there's like seven items of equipment that overlaps from the time that the security interest was really going through all right many many years ago and we're going to put six of those we have values research them we know how they're going for the stuff so I don't think I'm not going to try to work a deal with Mr Hyatt on that I'm allowed secured claim that would be an order for or or the amount that you would set aside from the sale question that I know you're just using the existence of the validity of the money and maybe maybe not we are all going all right something about we was kind of the settlement is what we're talking about OK of those concerns with a lot of your claims so that there's been a conversation and I think they had some you know certainly under one hundred thousand all right and one point I think I saw the number seven hundred thousand may have been the value of the equipment but that might have been a long time ago I think that was the agreement that they were asked to maintain the right equipment and the amount of seven hundred thousand dollars but that obviously that they didn't have that's a long time ago all right OK I didn't mean to get sidetracked on that but that's also going to the an issue for Mr Smith's clients as well so let's look sorry Mr Hyde Let's come back to your client the shock to the next issue deals with what we've been calling the dice and rather than saying molds and stamps to a point you know every I'll just refer to what is guy. The first. Well I'm going to hear from look everyone and then I'll come to you and then I'll look at it but it's related to what he's Yes and. Mr I would like to take a look at what Mr Erlich has some sort of started in Iraq you know. This doesn't feel right right position. All right so let's drill down what used let me speak OK All right thank you some Mr Hite you're get are I'm not I'm not sure where we are now but I understand Mr Gear and that my client's guys are considered Northwest territorial meant nice and are not are the modality guys and I also understand based on his statement that the dyes are not included with the property that is going to be sold on Northwest Territory on it so I'm not sure he thinks if there's something is there still a pending mode Well you

know that fellow Marine clearance for one option Well I think as of today there is no motion because we're continuing the motion but I just want to get ahead of these issues because and some point the Northwest Territory will not guys are going to be sold and everybody's here today so I got yeah yeah I appreciate that Your Honor you know my my clients lost over a million dollars of consigned bullion. And. This is an administrative only installment case except for its security claim it's not going to give anything back so why the trying to do now is without spending too much money protect itself with that secure claim obviously but also protect itself on the dies that it has the proposal of the trustee whether it is in the future or otherwise is to sell the diaries Brinkley or Williams' interests and incumbrances Well the guy's invitee. My client's intellectual property and I submitted a supplemental declaration with pictures and I hope the court had an opportunity to look at those. Sure because what the bars and the coins are our pan am an American with my client's logo. And that's all over and then you know in small print you know in the corner at the bottom it says Northwest territorial Mitt that's it that's the combings that these guys are producing so. I don't think there's any dispute by the trustee that my client owns the trademark hockey rights. To the logos everything that embodied. On those diaries the produce the coal mines. We talk about who owns the dock Well my client own without I think without this you know the trademarks copyrights all the intellectual property that is here that is incorporated under these guys so. If that's the penny. When you sell this diary to somebody else what are they going to do with it oh you're going to print corny otherwise it's only good for a paper weight or a door stop it's a hunk of metal. And to say that it's owned by them and they can sell it in clear of my clients' interests my clients' interests are the intellectual property rights that are embodied in that I think is wrong I don't think the code of wow is it. And so I think they're wrong that they can just sell it outright we are getting my clients different than a lot of these other people that don't have agreements we have an agreement there was a license that was required. Ared to use our intellectual property that license was terminated the way it art clients and you know the parties agreed at the end of that period to protect my client's intellectual property was we were to get those diaries back. That didn't happen so the only way that I can see that the trustee can sell these assets free and clear is to delete my client's intellectual property rights that are embodied in the stamps or the dies and yet this is not uncommon when when trustees have auction sales of say a computer you know computers have information on them there might be a copy of X.L. there might be a copy of Microsoft Word and those are all license protected documents that you can't just sell pretty unclear and you know the Murphy company wipes those clean before itself at an auction that's exactly the situation we've got here to say that you can sell it free and clear our interest but everybody knows that they can't really use it without a license from us I just you know if you buy that option it's yours and you can use it and there's no way that we can prevent we say a lot of this and if this is used on the open market it can be transferred. People could use it to produce inferior I E them and it has our logo and stuff we're the ones that are going to be harmed by improper use of the intellectual property so I don't think that the trust the has the. The right to sell it frankly or of our interest because we own any intellectual property. And if it was to be sold at the very least we be entitled to adequate protection and the only adequate protection I can think of is deleting the information from the coins or that the guys themselves that would produce. But I thought possible was it. Again what I think you'd have to buy when you go up into it well yeah I think it's not it's impossible it's like a paper with ridiculous right but that's the only way that I think I can be protected or give us the nice back OK I got it thank you Mr hard if you've got it. You're your own or does it make sense to address the amount now. I'm happy the way short short if you. Get and that's not going to I don't need the results of it but I want to get everything out so everyone knows what we're talking about so come next year and so what you want your composition on the amount that would need to be read when we have no idea OK we don't know what our collateral is worth but we don't think that the trustee should be spending any money other than watching the budget. Including the receipts from any of the intel the very end when he will have everything we will at least know the results of the sales and Your Honor we still have this super priority can really support our secured link landlord type claim and so I just don't think we're going

to have to address that Al you until at the end of the day when we need a whole lot more I don't think we have to reserve anything in light of your other protections that the courts grants even one week from state I said that wrong yes OK we should reserve everything right you're not all out at once as opposed to trying to put a number on it now or even later OK So in other words although all the proceeds from the sale of any assets I call them the Gallic assets but more specifically their assets that were sold by your clients in two thousand and nine those can that's the universe of assets that could be subject to your client's security interest now I'm not talking about the lean on that you're getting the rooms Think of your security interest that's a that's a different understood OK OK All right thank you Mr Smith All right now I think right now you're hearing the outcome of the Boy Scouts of America. All right good morning. Right here on our air and I don't have a lot to add but Mr I already had. Yes they likewise is not part of. The program for the with the Vikings. Anyway things have changed I'm starting to see right if you like or see that I was saying that yes you're right I'm not prepared to at this point with the company on the S.C. diet and that being said we are open to discussions with the trustee about watching with in our case. Northwest and their territorial me and my friends agreement with us they have expired so there is nothing to assign at this point and the dice are ultimately sold here what about higher yes is primary concern is that the buyer is required to enter into a new licensing agreement with the S.A.A.. Protect yesterday's congressionally created are all right thank you let me ask you a question though. One of the other objections that you raised was that you were relieved that there may be within the inventory. That had the Boy Scouts logo on it is that just is that just a suspicion or do you think that that's the case and I'll ask Mr Gurney Mr Calvert if they know the answer to that but. I don't actually know your questions that Your Honor. We do you know given OK what's the answer I could. Remember that has been with goats will go on and o'clock two of them sea birds probably Mr should consider this OK we're going to give him a list and we will produce that and then we actually discuss the liquidation of the materials from what's going to mine it's not so OK All right so everyone's there there are some items but people have been on the radar screen to get that resolved OK and it's in those goods that it was not the subject of either the few pending provisions that all right OK thank you I thought I have thanks Missy right now all right Mr Powers you're up. Morning on a regular occurrence on behalf of Mr Hanson with morning I want to address a couple of the issue in research and I'll hit the mouth issue head on it first. And to step back a bit because when this came up and I came to Leicester in the Razor the couple hearings ago you raised the issue and I went back and looked at the pleadings and the adversary and our objection. Mr Durant says we don't so many evidence but we were for the court to the dispute that took place in the fall of two thousand and sixteen over whether the assets of these assets that are now issue were property Northwest territorial mint or whether the assets. L.L.C. should be consolidated with the assets of Northwest her core met and when you read through those three things it is clear that the trustees position was that Mack never obtain title of those assets and they pointed repeatedly to the fact that there was no evidence in the record of the transfer to match. And the union referred to Mr Anson's declaration the last time we are here and I read it and I read what it says and I think I agree with your characterization that corporations don't inherit assets now it is certainly true and I and I didn't go through the massive meetings that the trustees counsel included in their little ply the other night it is certainly true that Mr Hanssen testified that it was his intent that the assets would be held by Mack but there is no evidence of an actual transfer. And so you have this issue of do the assets still belong to him out technically and the way that plays out is that if they do. Then the Hamas security interest attaches to those assets and the Haas have a security interest and. Any proceeds of any sale of those assets to pay the full amount of their breach of lease claim not just the super priority claim that you have granted last week. So it is a significant issue and it is also true that while the court can sell assets where the lien in the assets is disputed. You do have to determine ownership before. The estate and sell assets because of course the estate can't sell assets to what should those not have a title and you know we have the trustee until. You know this issue came up taking the position and the adversary proceeding that back didn't have title to the assets so you know today it's convenient for them to take that position but it isn't clearly an

inconsistent position so let me say that I don't know. And you were involved in the I'm sorry but I'm I don't think that's an accurate characterization of the trustees position was it went from mount some act to minutes. I don't I thought their nodding their heads and that's that's I was there so. Yeah and so that was their position I don't think they were saying it went from Mr Hanson to the Met I don't think that was never the position and I'm They were saying that it didn't belong to Max because it belonged to the mint not because. Malcolm didn't transfer to Matt I don't think they were objecting to that well. The pleading say what they say but I think there I think their position was that there was and what you were really talking about with the lease Yeah but there was no number answer of the lease from out the mat they moved for something the consolidation. With Mack right now only makes sense that Mack must own the stuff that's the positions that either Mack owned it or the mint owned it but they were never saying that not only didn't that's not that's that was the purpose of something the consolidation I agree yeah I agree Your Honor but the point is the argument that was that it went from Mr Hanson someone out there was no evidence of a transfer and really what they were mostly organ about was nice there was no evidence of a transfer from out that Mack and their preliminary their main position was that it really belongs to them it mother position was it was either Mack or the mint and if it was Max then there should be something that consolidation that was going to position it wasn't that they were never arguing that it was mouse or commits. It's I'm sure I'm fairly confident that that is what was litigated in the in the case the problem is no one need to mount the lawsuit that's the problem out was a party to the lawsuit. And that's what that's what left a gap in the chain of title and that's what I've been talking about that the something the consolidation didn't address the chain of title problem but so what since I've interrupted you I'm going to continue what RIGHT WHERE IS mouth where is Mt why are they here so I'm out of this administration believed was all OK which means Mr Hanson speaks or mild Right right so Mr Hanson is here and Malcolm is in the process of being reinstated I believe it's being reinstated today but I can't say that and so to be clear I have not said that I would say anything on behalf of our own right until it's reinstated because that would be inappropriate so now will it's either exist now or will exist as a valid Nevada entity. Today or tomorrow or next week and then over again. First go through a while you don't represent now so we're going through if you can but to your to your knowledge if you can say is Malcolm tending to a certain ownership interest these items I'm soo not the whole don't know he's on death row for getting reinstated I think of the point a couple points from for Mr Hanson when I'm on his behalf I'm happy about you know that the litigation and some substantive consolidation of litigation went on for a long time and Max finally threw in the towel in part because of what we now know which was the business was headed down last by last spring. But Mr Hanson has oh come to this second if you know moment Mr Hanson had an interest unlike what is happening here with this liquidation Mr Hanson has an interest in saving the business and I creating the business or some portion of it and. Mr Hanson also has the issue with the hops and the lease and so what Mr Hanson proposed several weeks ago to the trustee was that he would with the systems from Gentleman me and Mr person an entity that wants to Mr Parrish they would propose to pay a million dollars cash for the assets of the estate and assume the lease and that assumption of the lease I think results in a saving in a savings in administrative expenses. Probably over a million dollars to the state and so that when you put Mr Hanson grafter together with and compare it to what the trustee is now talking about and when you start taking off all that he ducks for the trustees expenses the super party claim for the highest administrative expenses claim that the hostler going to have it's really pretty close and that the trustee has not even been willing to. Entertain a discussion with Mr Hanson the trusty one and let Mr Hanson inspect the premises to see what equipment is there I mean I trust you want to talk to us and so. Part of this is. That. If you're going to sell assets and I think you're going to hear some more about this. From. Other people involved in these crimes or the guys if you're going to sell assets you have to know what you're selling and until yesterday. Until yesterday the trust none of the trustees papers provided any information to anybody other than who were there were negotiating with about the assets that they had to sell. And so here we are. You know they were trying to rush through the auction without any list of assets and now we have a

couple of asset purchase agreements with some information about the assets but I think you do have to resolve one way or the other. Mouth issue or the trustee has to you with that and I think in terms of wrapping up this estate quickly and getting it done. The offer that Mr Hanson proposes a lot more straightforward and it would have been all this I mean we would be done by now and instead we're looking at several more months of this state remaining open and running up a lot of fees and so part of what the second thing I'd like to talk about is if the trustee is going to go forward with if the court's going to allow the trustee to go forward with the sale process and you already set a hearing date on the procedure is I'd like the court to indicate to the trustee that everybody who wants to participate in this auction including Mr Hanson should be entitled to inspect the assets and get the information that is being provided to all bidders. And you think for. The only thing I would add Your Honor is that I do think there you know is that the court has raised the issue of. Ownership of the mouth assets and would not allow the trustee to grant the security interest of the Haas that the trustee had agreed to. Grant to the Hasse last spring and if what the trustee is now saying as well really the assets did belong come back then I think. The HOF should have gotten a security interest and if you're going to if you're going to say that. Mack owned the assets after all even though there was no decision about that then I think you have to go back and revisit the security interest issue because that was the agreement that the trustee you may want your client interested in that because well my client's on the hook for one thing although my client doesn't have assets he is on the hook on that lease still and he still gets notices of default when the trustee to focus on the lease so if the trustee is not going to perform the lease that he insisted on assuming then the HOF should have the benefit of what they negotiated for it as protection of Mr Hanson Right what I think we reserved out and that was the whole discussion I had with Mr Smith is that we're going to. Recognize if the assets of the estate he lost it's quite certain you lean on it and that's going to be reserved for when your day well that but to be clear the issue there you know this there are a couple security interests important if the assets were assets of mout right then his there you see filing carries through if they were the assets of Mack and U.C.C. financing statement was brought current and whispering up twenty sixteen right now I'm going to cite that that you don't have time that's that's that you should be so. And after the sale when everyone lean. The hops have a roll attached to those proceedings it's disputed that the lien is valid due to my lapse and it's argued lapsing on U.C.C. found on the like you did not answer my question where it is now going to a certain ownership interest in the middle I believe one country so now how do you propose that that be resolved Well I think the rule is that you have to have an ever to serve proceeding which I don't particularly want to use I think what you could do is set a hearing on it between now on March ninth make mr here and file all those papers. At one time so that we don't get the Thursday Wednesday night reply with three hundred pages of new exhibits and we'll file our papers Mr Smith and his papers and you can decide. So what papers do you have that I haven't seen because there are a lot of stuff we haven't presented once what's what what isn't I mean I don't know that I have a lot that you haven't seen but I think there is some merit to teeing up the issue in a way that was not. In the adversarial proceeding because you really as you pointed out earlier they were really sore again about different things I think that's right and that's that is then you know I wrote that in the decision that he should last last fall that there was that challenge I know Mr Garman's going to remind you and you've already touched on it your your client was adamantly insisting that Gallic on all these assets filed a proof of claim while the lawsuit I don't exactly Russians and you denied summary judgment I didn't you didn't rule but write your you might your client said all of that under oath Mr Buck now filed the proof claim under penalty of perjury right that metallic is entitled to receive payments because it owned all of those assets you're not quite so I got I got that I've got evidence that the state owns those assets and I think but what you have you know is it if because that was the belief but if in fact the delicate art didn't on the assets because of some technical issue then it didn't own the assets and that's so there's no there's no career or anything like that and all that it was very clear. And pleadings that there was no limit France ring title to the assets that are orchid northwestern quadrant All right thank you thank you Robert if you answer my questions. Let's see



you has Kaplan your next and I'll come to you Mr elegant then to you Ms Peller you still well. Yes I'm hanging on all right. Good morning Ana All right good morning Scott and next if I may appear in court on his behalf yes I mean nothing that the truckie filed in McFly changed my any of my clients have mentioned that they still own the physical side of the trustee presented that separation of Mr Wagner now to Mr Paul Wagner and it seems that they're trying to help him as an industry expert about what the standard of an industry you have Mr Wagner and profile has him as a turnaround specialist. Edwards is not and expert in the metallic R. R. Them and in the industry. He worked for the government I worked for and in college I think he worked for that Northwest Territory government for five years. So it's currently in him some experience with that company. But you have the trust and the action is clearly inconsistent with their marketing material that they have been sending out post petition we are holding your guys when I read it and that and that is completely inconsistent with their position now saying that we own the guys. And they're also the expert opinions that we provided and I'm the declaration of Mr Martin as groom accurately Marks I mean last week. And Scott Miller who has set forth all of their credentials and they truly are experts in the industry and they all believe that they own the actual price. The trustee. Saying that in two thousand and nine we purchased five men or something to the purchase agreement well that you might have purchased whatever the seller happened I believe the feller in Mr Smith's client but if they didn't actually own that I didn't I don't believe that notice was given all of the potential customers that like hey your bicycle and Nicole stepped forward given the opportunity to make ownership items and so permits burn here and suggestion much just kick the can further down the road you know now where eight nine years later and the trustee is trying to salvage that have yet again and now clients are a customer are coming forward saying hey wait a second those eyes are mine and I'm not I do not understand or know specifically how my clients found out about this motion. And you understand that green garden we fire all the latest action and they didn't contact me help us and morning after my aunt went filing Monday evening of our objection. And going on here and I apologize that we are very late to the party so trying to I don't write I'm having a very hard time keeping track of who's on first not miss out like. And I understand that a crap that is opposed by her but it's very confusing there we have those of us who have been with the case for a couple of years now are used to all this shorthand that isn't rock there for those that are into the party but there are going to number of related and then. Go so in any event so in that respect if I'm watching I'll go with it I'm on the planks for you thank you so you came to my attention today that that metal crack A.P.A. is really only trying to sell and believe my only my interest there is work green gardens. But I know I am that I can't. By any of that my question is what about the other three and if you think that you listed and I can get their names when they have provided notice of the field that they know that their. Size zero percent their alleged ties are being sold or that their IP and interests are in jeopardy and again I mean. I guess by the fault of those three are with that being sold to the metal crap what about the rest of the drive and I think I'm assuming and that I may be wrong that the rest of my clients buyers are with that or Northwest Territory only then. And the way and I just skimmed the filing after going about the sale and the one of the liquidation company that got what it there are all of the guys going to be transferred because they were talking about guys not in the last twenty years well as we've all at knowledge of those companies over one hundred years old and they have started making dives in one thousand of when and what about the rest of those guys are those part of the guys that are Northwest territorial mince pies or are they going to be sold to go with what Asian company and then they are going to have ninety days to look wouldn't you got that which then that hides Reagan's Mr Hyatt. And that Mr Powers I P. Argument that you have absolutely no control you have buyers who may or may not in here you know the intellectual property owners and rights and they have a zero quality control over if his images are being used and I'm. And I think that in this case the AM you know intellectual property is they're saying it's separate from the actual physical buy but I think they're in the book and extra currently combined that the client provided the artwork for these guys they provided in some cases the plasters to be made and. They paid and her evidence supported to attach to Mr Mark reparation seven hundred dollars a five for these guys. And at that point how can

you use these guys if it's the work I think that's a work for hire if the work is provided she doesn't then and the men spend makes that I don't and still think really. Creator of the guy a sculptor they have the intellectual property rights and they own the artwork that is just me and meant it for the guy so I think this is going to actually who actually own an innocent Mr L. What if Mr L. He handed me an Emmy and you know in that looks like it was from yesterday from a marketing Pole well and my understanding of that he was in a salesperson for. Northwest Territory I meant or in one of the other companies he's from midnight there isn't you know in the record for most of the whole the whole Well not the yesterday but the we simply. This one is thinking that if and then I read that into the bargain you know what I mean short not more than I get what's the date on the e-mail it's February I twenty five pm I don't know what time zone for most of my seventeen years at Northwest territorial and then policy was that the customers pay for the Quentin dies X.X. they own them that changed the proximately three years ago when Northwest Territory on the policy changed to match and the direct art policy which was a coin guys would not be returned to customers for any reason standard and many years you had Thank you having me where you guys produced I'm sure you have I would have told you that the guys were are your property so that sales person for that that are and. I mean to say that that's not technically in the record that what is in the record is there was an e-mail from his recall well to Mr Knowles stating I can confirm that you paid for your call you guys if it were up to me they would be returned to you promptly by court is considering me yeah OK I thought that I mean and this was Mr L. Just a longer version of what got me in the record the same thing and I do want to kind of talk to arms in the thing that the Boy Scouts concern there are my clients have heard rumors that in each of the boxes of seconds when the custom of men and women are guys you know the men that the Marines catch a coin on each production run and those rumors are true and I think that's an easy thing for Rizal I think the point those points can't be sort of those are the customers paid for the coin and I also believe that there are guys in the faster. Than men and those were provided by the customers. So we get to the issue I've noticed. And I don't know how the court can address and I would if I think if you're trying to have a hearing on the twenty third you still have if you have three hundred and five thousand die and. I just don't know why your metaphor one thousand but who's counting I didn't care if you know maybe that is still down to seventy five thousand customer and we have the four that have come to me one of them and I was a little Iles mission and then we have several individuals in the courtroom are on the phone he'll are I believe us for going ownership rights and. I can get any form any discussion. And I'm sorry about that's all right. Well I mean. He got very red in that one rendering replacing all of our clothes and we were all walked out of the court and I was about eight thirty this morning when I left and he's got that next. Oh I don't want I'm sorry that's happened I don't you know I don't know how we address it but having a hearing on certain time on February twenty third there is no way to get noticed to this huge and I thankfully a very large. Population of customers who may or may not want to assert their own their rights furnish their Crighton in private and having because when the puck you figure out oh the guys we're now told by an arbitrary call and then who was in your honor and then I need to go contact the newco or buyer to find one find my guys I want to have them replace that argument and I want my guy back and then they're going to have a fight with the virus in this and well now I have a court order that says I purchased the sprinkler of Ali and I think that really if you hear that you progress all of these customers that. I did and troubled by the court if the court were to enter an order without. Their own process being heard and given the right to notice and hearing to have their interests heard and I guess if you have any questions for me about my clients the positions are you know you laid them out very clearly and I think you have talked on some of the other issues are you where you the due process concern as well I know you know the trustee and helpful is aware of that and some of the Figure out how to deal with it. All right thank you I can this happen what we're going to do is I'm going to hear from you Mr Elden then I'm going to hear from you Ms Pell then we're going to take a short recess time that's Or so I'm going to come back I have questions for Mr Jenner and I'm. To give him a chance to respond to what he's heard and then the court is going to issue. Some ruling and guidance going forward all right Mr Dale good morning still good morning

please you know you're very welcome this is my very first appearance in court since I was a juvenile delinquent. Well welcome your legal better however that went to. Let's see the brief you have my byline packet as you have what you filed and I have reviewed it thank you. They basically there are two I think the two aspects very well covered by going to see it right and Mr better than I can articulate them they relate to what you are pretty well there is a different take on this however and pardon me for you know speaking in the first person but I worked fifteen years invested ten thousand dollars and templates. And. It all evolved down to the summer two thousand and seventeen. Where we submitted it to Holland America Costco's Nordstrom's the Smithsonian Institute Sequoia much on one and a long list so a little business was on that and the cusp on the threshold. When the. Tsunami struck. Personally professionally we're broke and our last opportunity cost and lost income and having to abort. These overtures and and and packagers and pitches that we have made me that's really. Pretty stablished outfit. This was to be. Kind of the crown jewel of fifteen years of work. Until November and our November December so we've had to interrupt everything on all our business activities to address. The concerns about ownership of it and equally important on. How shall we explain to them. I guess you can call them subsidiary just like. Arista Corning watches. Are on who incorporate. Our medallions into the wood products watches. And so forth and so on so we've had noticed balding relationships with with with with partners who use as any component pieces the Northwest Territory on that produced material and all of this is very bewildering frankly are our businesses. It's more than disrupting things it's just drive. I don't sorry sir I'm not quite sure where to go with this whether we have any. Whether we can get any company compensation for the disruption are probably just an income or a loss but I'm just I'm or anything of that nature. Well sir I can't give you legal advice on what to do in terms of pursuing any claims you may have. I understand that Danny you your position is that at the very least you want the guy back where you want the guys that were created. For your four which is a perfect repeat of premium but as you as you as you can see it also you know work with character and it was one. Of for years and years and then the Daleks policy with respect to with us right when I sort of it and I just took one I thought you know that from Mr Martin Colwell who you were dealing with for a number of years right and learning it was the entire landscape the whole ecosystem of it. All right OK from the perspective of the National Sales All right it's really I'm sorry for how things have gone today the issue before me is how do we address the ownership of issue I'm going to try to figure out what you do with that not sure how I'm still going to hear from some more folks this morning to me this afternoon but I say well given one contingency or scenario where metal craft takes possession of them there's still look there's still the question of intellectual property and I don't. I don't buy it and I know and that's a very valid concern that you've raised on the scene right now is that when Mr Hyde of all raise and I'm going to I'm going to definitely have to address not home ownership or at least that any timeline for getting a final decision on on that issue it's a it's a very valid point so I'm going to hear it again back from the Americans and then we'll go from our well we certainly don't like to have a person of those dollars are going on and ever at our shop understood OK And then we can either go see that you're not with me. We can negotiate and discuss matters with metal but or we want to physical possession of those things all right I understand thank you thank you very much appreciate your coming in and presenting your position. On actually Africa. Miscarry you're still here I am sorry I didn't don't then you ignore you would you like to be heard would you like to say something when once you come up on this call then I won't I won't turn to you at the end all right. Thank you all right Miss Cary if you'd like to come forward to the podium please. Good morning good morning. I don't. Know. I've had some conversations with Mr Calvert. And. You know what's happened is that I haven't been able to. View the inventory when that bankruptcy first started so my medals that I had stored. I believe Mr Calvert. Very likely sold them. Because I can't I can't. See the inventory or he hasn't shown we haven't already I don't see something that I might have the inventory or has the end and how many but I'd like to see it. With him or I would like for him to give it to me so I know exactly what inventory that he's looking at and he would have known already sold or are he just that I don't know I don't know what the fate of my metals has been. And of and. I just

had a very hard kind on the on with Mr Calvert. Well I understand your concerns there are you know we are of Unfortunately over three thousand people that have claims that and many of them are asserting that their mettle is there and there's a lot of metal that's missing. And so I'm going to ask Mr Garrett and Mr Calvert to respond directly to what you've stated this morning I think I can speak to you in particular but I do know the trustee has spent significant time trying to identify the metals and the items that were being stored and return those to those people but there are lots and lots of people who was not also were not identifiable or just not there and and he can't have all three thousand people. Cannot have all three thousand creditors coming into the facilities looking for their items because there's that they're just the records were not very good but the problem know that right and it's right. Well I don't but everybody is very identifiable OK well I'm going to let Mr Calvert Mr Baron respond to what you've said directly on what a lot of people believe their items were there and they were not about team will inventory right but there were no inventory records as part of the problem when records were very poorly at the company and so I think and I can't speak to yours in particular I do know the trust you mean it's a lot of effort to try to identify who's mentally belong to whom and I don't I can't answer your question today whether your mental. Sold or not I certainly believe the trustee did not intend to sell your medals the photographs that. They were there would have been inventory photographs or pony and. Gold all right and so over you know. That kind of thing right and I and I'm terribly sorry I don't have an answer to your question today are going to let Mr Garrett was trustees counsel addressed your issue specifically when I when I called back on him but then unfortunately you are in the same position as hundreds if not thousands of people are in right now. And that's just unfortunate situation that we're And today and I'm frustrated by it as much as you are well OK well Mr Calvert has told me several different things that the conflict. That I had that I stare and he said well he's lying. If I can prove the guys were mine that I could get them back OK so I thought we were only talking about gold or silver you're actually talking about the guys that you have most of your time spent as well that's an issue that I'm going to address if you have dogs there and then we that's something that's a different. Matter and those have not been sold yet. I guess my further issue is with Mr Calvert himself OK And and he kept telling me different things. At first he said if I think that I can just I can't find my guys and show him some paperwork that I think get my guys. And then he said I did not or time he said even if I have the paperwork it's not going to get him back. And he said he's just going to melt he's going to sell them for scrap and not all of them. All right. All right well thank you Ms Cary I will I will let Mr Calvert and his lawyer respond. To what you've said I don't have any knowledge of that so I'll hear what you have to say OK OK All right thank you you're coming in and when the court now. All right. Are you still there. Yes I am they are for you yes please do. My request of the court is really rather different from what has been discussed this morning and I am basically asking permission to make a treason cation to the court on behalf of the unsecured creditors of Northwest Territories and named it that way the problem that I say is that in order to make these requests and sound intelligent I have to pending fifth that the their accounting in the twenty material many of which are part of the public record because of filings with the court that some of them I possess and function of my role on the unsecured creditors committee. Now I have made a search of the docket and did not find that all of these documents are in the public sphere therefore I am asking the court to waive the confidentiality agreement in part or in whole tour allow me to put these issues before the court and my basis for their requests in the delusionary duty or back to you P.C. to the creditor class. This court imposed it on U.C.C. members an obligation as well as the right the obligation is to represent the interests of the creditors their right to the neighbor came back to and or investigate the financial condition of the debtor. Well. Very little do you think issues many of them have piecemeal come out and I don't. Know maybe. That we have not received sort of tackling answers so I'm turning to the court to thank Chile force and explanation to the creditors. And I think there is a stunning really that might be afforded to the creditors at this last stage where in fact everything in unwinding in training to start. Now Will inserting through the material a gale of gold should the power of the lake already I thought I think many materials of a similar nature that constructed number four siding in seven are now on

these documents let the detail of the precious metal access turn to return to storage customers and their names if such documents are probably like that there is no reason to withhold similar either God commands the other type of document that I used in my argument in support of the request or inventory numbers given by the crime scene. And then make the tale with Mr Kerry receiving request in some wiring. There are other public records the similar material the slickly I can't get an example the liquidation analysis of August thirty first two thousand and sixteen that was posted to their creditors website on October third and I think the big three and attached to the status report. Now the document I wish to use are needed I think they're there to explain and justify their requests. Therefore they're critical. Additionally it is clear that Northwest Kerrick Almendras no longer going concern therefore the question becomes who and what is the confidentiality agreement protecting certainly not a business plan or a negotiation for sale it seems to me that the creditors have a right of access and I am therefore asking the court to leave to use the accounting an inventory materials to make my request. Of the court because I think there has been some deficiency. Where in the service district counting services rendered in two thousand and three and these are the things that I would like your ground I think her taking the plunge I wanted to not get in trouble and make sure I had the commission of the court. All right is there anything further misspellings. You know are got it all and I get permission to a catch the document that I would make my Christian tradition and my requests. I think the court has a choice of several ways to proceed so all I would like some instruction. So let me ask you is Powell is the reason that you want to present these documents to the court not to respond to the sale motion or to just generally address how this case was administered. Well. And the fair I'm our share and I feel that there may be precious metal inventory out there that. Are not accounted for or seem to sort of. Not be properly accounted for. In your accounting records and I discussed at length. That it's part of this liquidation process and I think I dread to think that issue before. The. Liquidation product to get into full swing is important the other requested just a general aid to creditors which you have and I have the money that has been sent spent on Accounting Service. Where you really do not have any material on. Which would aid us in filing our character and I think the court must be well aware of that a lot of the statements by contrast he and some of the accounting. Materials. That I'm going to put out there are conflicting and contradictory so basically I'm asking for this matter to be tied to. Carol that we care and. Try to at least take our losses in the manner that we are I have been. Consistent with the I.R.C. code. And this requires some kind of accounting review in a single document and I think the request and we have. Here and all of the interaction and fork over so many complex trail it it's hard to know when to insert the side you know so I power supplies if I'm not. In the right place at the right time no need to apologize business panel I understand and actually aptly put it when when you raise this and now is seen as good a time as any I understand. Now that the assets that are about to be liquidated putting forth your issues. And the court has read your papers as well as not of Mr HANSON I didn't take those statements by you and Mr Hanson more going toward the general issues that you have with how this case had been administered as opposed to an actual. Reason for not approving the sale that's how I can turn printed what you were asking for. But you seems like you're saying you believe this information would be relevant. To ask why do I think there aren't that I don't want Mr Northrup stated that really there isn't much that the committee can do because obviously there's going to be no we cover a. That is correct and we recognize that and your perception of defection with the administration of the state. The correct we feel that and quite frankly their request that I would like to submit to the record to the court are how actually looking forward rather than looking back and namely could the creditors help them release in the accounting department so that they can properly out their tax returns there is the tax law change and so the twenty seven hundred tax here is the last year where we may put this there and there have been a lot of conflicting statements as you are well aware you are and that I point out in my documentation because my taxes already written I am just waiting for your approval to submit it because as I said I do not wish to be in violation of the in bankruptcy court rule. So we do I pleading for relief on behalf of the creditors on that one item the second item pertains strictly to the storage customers and the accounting of the metal total and Mr

Kerry just brought half the issue up in the jury she and lo and behold some of the things that I append to my discussion are indeed in the Tory scene and I do think that the creditors have a right to see you get material and know what and of course the trust he can respond to or if there are any questions or misinterpretation. OK this pal thank you very much I do appreciate it your comments I am I'm going to take a short recess so twelve o five I'm going to come back I'm going to turn back to me Mr Gear and I'm also going to want to hear from Mr Northrop. To respond to what Mr Heller said as well as to what all the other parties have said I do still have a number of questions I want to raise and then I do want to supply making some preliminary rulings and guidance going forward so I misspell your I hope you can hang on for a little bit longer. Than that I question about the future should I hang up and I've actually I don't know I just know I don't know why just just leave your phone on OK put your. Right we're going to put you on mute so you won't hear us but we're going to take you short ten minute break and be back in trouble five rolled out recently I don't forget which means that they are OK We want to write thank you Ms Pell will be in recess they'll talk at. All right we want to see that. All right I think we heard everyone wanted to be heard anyone in the program that wanted to be heard that one that has been spoken All right I'm going to turn this back over to Mr Director. You may respond to anything that you've heard. And I have a number of questions I mean I can ask my questions or you can respond to how I want to get up early with every like your honor if you want to ask my question because that I'm going to leave it up there is something that I think I try to mean really my questions relate to what was what was raised so let me let me hold those up. Well let me let me start with. So. Well let's start with what the last two people who spoke and also I'm sure you've seen what Mr William HANSEN That's because he was a Frost Nixon filed what's. What don't what do you. Call you're still there right yes all right what do you have to say you know how do you want to respond. And what should I do if anything today about that. You're not a I don't think these things are at all relevant to what's before the court presently. One thing I can find is there is no precious metal that is being sold and you know the sales are bringing forward you know precious metal left and when I understand at the moment there's a little bit of a silver bullet and there are a sample silver bullets and I mean offices like Generally there is no story here in Korea or snow so we're not talking about disposing of anything or really or if there are issues about you know past accounting for precious metal I understand that there are many storage unit or customers or come forward and they have. Asked about one of my metal go and why isn't it there they still think it is there or they still want to sort and I know what's got to be there those kinds of things so I I'm I'm sensitive to them. Going in there on the comments of Miss Cary right where she's really concerned about what's happened to her Madam but as you indicated earlier the trustee did it just really thorough job we took painstaking efforts to do it complete canvas with pictures and photographs under the security camera observation and many times with the. You know oversight of the F.B.I. who Mr Calhoun invited him to that participate in the process of inventorying what metal was there at the time he took possession of the custody assets and then we provided once you detailed reports when you come back and when you took efforts to give back whatever we could identify that belonged to a customer we gave it back to including to misspelt by the way we received some of the money so I don't think that there is any you know that there is not any level there that we've identified to another customer I don't think they're going to can do about that right now. I mean issues of whether there should be just on the. Review works on all reports I mean complaints about the performance of the trust you know the other parties in the case I think those can be addressed in the application process for example but I don't think they're relevant at all to often issues that are before the court presently and I think that Miss Bell wants to wants to file a motion to address issues about the lease from the companies you know agreement and short privilege agreement that we have with the Committing I think we could you could address that on a motion because I want to duck that is your do you think I don't think we should be waiving the privilege that once that is in existence between the committee and the trustee and there are a privilege material there that should not be subject to release I want to see that waiver I do think that Mr wants to submit something she conceivably could. Disclose that to Mr Northrup and he could advise you as a

member of the committee as to whether or not there are privileged communications in those materials or they're not. So I mean I think those issues are not all right now and what we're dealing with right now I think again that you could delegate of them or another another time all right I understand let me I'm going to focus my question I think a large one on the doctors. Because that you have to say I don't the president has a similar concerns. But I want to talk and or ask some questions about that so you said there is this written policy concerning ownership of the dogs and is that the policy that's on the website is that the policy referring to well that is wrong which one there's no writing on it I seen the score right here maybe order. You know adoptions of that elsewhere I don't know and I think I actually I don't know I do not have not personally seen any are going to work on the source so I would you know the website or this policy was presented to customers when they were going to the. Guys I don't I mean yeah I was somewhat rhetorical I didn't think you would and I don't have a trustee to trustee what I mean this is. You know Mr Mr Colwell said as you know so Mr Elder that you know what up to him it would be returned that I would be returned to Mr Elder and Mr Caldwell is the person who was a salesperson seems like he might have better knowledge than Mr Wagoner who was the C.E.O. as to what the practice was I mean you can't assume I'm going to hear you if you're trying to say the deal was based upon your practice or website I don't know if I can resolve that today owner or when I don't have a certain percentage I'm not sure how I resolve that issue I guess I'm still open to suggestions on what you want to do to get that resolved and I'm not inclined to force people to file a brief in five days. And I'm not sure how you get it resolved before the twenty third I'm not sure. Which it strikes me that if you want to assert that you have the right to sell. The burns going me on you to prove that you are your client how do we how do we get there I have both the notice issues that Ms Kathleen raised. You know I guess maybe there are a couple of pockets where you've got you've got some stock that you can't maybe figure out I mean you could if you look on a coin and it says. The Jones foundation you might be able to contact the Jones foundation. And some other stuff you may know. Some stuff really old some stuff not I mean we've got a list and then a voice here from Seoul to get at Mr Gary marks what does it really cost you twenty guys seven hundred dollars so I assume you've got other invoices like that right what you can review those invoices and contact those people that saw you guys and we just asked them we're giving them notice. I said earlier on I don't think there's any practical way for us to go back through all of the customer records and notify every customer. For tooling and dying and I don't think that the fact that they paid for the tools and guns going away is dispositive in any way of whether they own and I think it is or so that's something that we can present for evidence on that but I think it's it is the industry custom with the customer pays for the tool in the ring but that doesn't mean. That have been but are going to treat the guys about the wrong for them to the minute right for them to do the manufacturing so I think there's not a practical way for us to go you know what is there and sold right right proposal is that we get notice to the people that we know about and we will deal with those issues and if you don't get me down on the twenty third then we need to find the most the earliest possible demand is the sale by which we would you know have your rules have people submit their their group and I think that there may be exceptions but I think we're still going to Queens there may be some excess on this want to give them some but so many guys back who provided of course that they have specific documentation with what I pay for this. In Orangeburg last May The cost so you've seen some of those how many I think we have I don't know and I'm right recollection that they're going to always want to get back when we filed a motion on getting back to customers well I remember that right so that that one particular when the civically identified tonight we got authority from them but you didn't back down generically that I could confirm were wrong wrong on the customer and I also are not recollection of having them back and working with I don't have the cab we thought they should when we know they first came into the case and I think we're having with them if you're going to and there may be others and Mr Cole was just the morning again on what I'm saying that maybe e-mails it is not well known at this point I mean we're all going to try to get a handle on what the situation is I'm not going to make any ruling I'm not going to you understand I do understand and I can but I'm telling you there are many other

witnesses or you witnesses the take the contrary position Mr Coleman and I you know we're going to shoot but we're going to go was already. There I you know I am we are sensitive Mr Goldberg for example are we going to I'd like to find a way to work a solution for Mr Rove and I think the trustee of that. If we can turn him over to another manufacturing or allow advise to be using his permission to facilitate his business I think we'd be willing to work with him on that so we could take another question like metal crafter or somebody else is acceptable to him and he wants to work you like something like that out we would work it out not conceding engines but the or second guy we're going to transfer but to accommodate his his need to resign his business concerns or so I acknowledge it is a Congress and it was the most definitely difficult issue but I think the wrong here in terms of you know whether we can sell these assets and remark opposing was on set something on the hearing floor probably before the auction and I'm thinking the option is going to be well. March March sixth. Or with a hearing on the night. And I thought I would have been the alternative because that we've been there longer I've been preaching to me proponents that we're going to consider than a couple of weeks and I think we have the goods going on that would be helpful to have or you need it you need the auction not going north you auction but the auction and if there's going to be an issue in our sales right I'm going to get anything and and that's only one of them do you want here is this we want someone out in the involving sale or dot dot dot but. I don't know what we're going to shoot straight on or there is some urgency in getting that sale completed through that's not because the buyer there is buying goodwill buying customer relationships and those relationships many of them are schools and universities and there is a strain of carrying around a product that they are expecting on its own so that's what I love is expressed in the moving up process for the closing on that and that's because of the cancer and if you'll be some concerns that may happen back there doctors are all you know this used I can't I'm going to say don't know. If there are other reasons to get this done just the sooner the trustee can work rate and struck down the cost of that so I don't know the reason to get this done it quickly got a gallon start with due process I don't think so. So the ownership so there's really two issues there one whether the guy is an asset of the state and can be sold. Normally decided by a surface and even then second even if you die yes you've got the question is can you sell that we can clear of the interest and in the end I think you know big knowledge that interests. Are in trends that there isn't a want you will crack money that you're you're not selling it can't sell. And in this is maybe to be. Sudden other day but this is the question I have if you're telling me is that the mint or the valley owns these doctors can't use them without pasta Mark mission is that really ownership and maybe it's a NASA to be a staple What can you sell if you can't use it without permission but I think I think we talked about a little bit earlier now I think it's the physical side of things there's a question there and I don't think I don't think. That the customer has an interest in the guy just because it's. Images or some Him adjustments that is imprinted on the guy the customer has an interest in the intellectual property the right to use right but it does not have an intrinsic right to the guy itself and I think those things are two separate two separate property. But they are and they aren't I mean if you sell that's an auction if that's Murphy your metal croc. Not with a metal craft they're not to the UK Yeah no that was the other one it was the other government and that's like well let's say it's done by auction and someone buys it Doc How are you going to know it that buyer is going to agree to honor the intellectual property rights of the customer well this is not to be sold at auction I don't think we're going there I think that right now Mr Keller those were selling all of the dollar guys to memorize all of the existing proposal and Mr Calvert is negotiating now with other organs and we think the other guys that's here but. You know my brother go through the tournament guys and they older than twenty or OK OK So we're going to know we're going over the party this is going to write so I'll let you know who it is and you're going to say you can't report the U.P.A. you can't use the guys without. Going to agreement with the customers and you know if you say that how do you want one of the trustees enforce that and what I don't want to have is Mr bill going to sue somebody stop the use of his dogs if it weren't use of it. Actual property not to associate with Doc let's assume I agree with you that they're not the mean it's always that I think I'm it because there's something you can solve a she



whether it's an account guy or a neat goggles that all just probably need not so I mean it's got Mr Hill it was in the works will probably be on it and the buyer sounds like I'm going to use it. What's done is Mr L. Now I'm going to hire a lawyer. You're not you know you don't need to have an answer and some what looks horrible but that's the concern I have here OK I don't know how to deal with that and you don't really know the easy answer to danger not the easy answer I want but that's what I'm right well you got to and that's I don't want to be cavalier about what I do and don't I don't think that is the concern of the bank which is that I'm a minimalist mistress in this case I think that. If the trustee were violating the copyrights and this artist and others would have recourse to I'm going to deal with him on really improperly Was there a little problem but if you transpose a package of assets and then they buy them for copyright then the issues are between the customers and that party who is violating the copyright and I think that is not the case I heard Mr Hyatt say that it is that. It is certain that a little acquires new guys are going to be using but the truth I mean I think you know it's never crossed a sophisticated and I meant a producer of materials and knows how to deal with customers and knows it needs licenses and I think you can put it was really good language in a will if you like to make to make it clear that they want your property rights are not transferred and there is no right to use the the dies or use any of the emotional or the particulars of rock and resin customers that are winds from the transfer of them dying is what was meant in the sale but that's not in the person selling gram and the language you talk about is not in the kind of person severing my birth abortion which is a person selling. And it's two things one we're selling them the company owned by are selling that's what the specific language in this was an agreement and our warranty doesn't warrant part so you know from our perspective and we can talk to the bars about this measure it's pretty with an army but if there is any kind of judgment customer comes back with it and brings it all through forward and says I paid for the stock I don't agree with a dollar right right right nothing wrong with either and they presented evidence to the buyer that whatever going on is all that is required. I'm not going to tell them not your phone or computer you're right thank you. Tom. All right it is are these are difficult issues to say the least. When we are right. On the wall this isn't before us today the Murphy auction motion. How does it have a deadline to pull items from the auction to avoid paying fees to soon you revise that deadline now what the time I think they're going to talk to Mr Murphy about that OK Do we know since we know that we're continuing that and I'm writing to go over to court you know we can tell you that you know I'm not I'm not denying it we're going to continue what the purpose today is we're going to get some sort of timeline for our or we're going to always try to get some sort of how I get from resolving some of these outstanding issues all on. My last question and you know. This is more about the money and. Not I asked last time what about the money that was seized by the factor I basically got to borrow emotion coming up next week and I want two weeks and the rest I'm still on my mind. Until you have that money you have to get that well so that the status isn't Mr covers then constant contact with the with the fact or the last numbers I start up with is we're going to word that fact or lines up and down to under one hundred thousand dollars sold there's a residual equity in the act of receiving more than we thought he was in a range of one hundred thousand dollars I think that is still the case and I think if you look at the cash bail a little budget you'll see a factor has agreed to release if you have that much money right and then the other fifty percent of the rest of the factory line is paid off which is I think what we're talking about points a little bit too much later. There also aren't back that receivables and those are in a cash flow budget we expect to collect those as well OK. All right thank you. Mr Jenner and I when I look you up as you know you don't have an address I'm just going to see if I got some other questions and then and then I will let you. Make your further comments. Made. Oh Mr So and then. Referred to or we talked with Mr Smith about what he thought needed to be set aside for from the sale proceeds for his client's secure claim the disputed secure quite well you have a view on that exact time you guys will be able to work out I think we're going to run a calculation going to estimate of that and I don't think you would but I certainly have no problem working Mr Snow I'm going to be very well the other of us resolution is I don't think it is Mr Smith's character as you were reserving or. We have confirmed that the horse out of our where there's not a lot a lot of medical

errors and given her order of two weeks ago they should be doing that now right they should be taking steps as you give them permission to come in and stock market the property and so forth so you know I heard a characterization of these research you know rejection claims are going to be more than a million dollars I don't think that's true I think it's going to significantly less than that and I think that is the suggestion is that there's a lot made before this is a highly marketable space there should be a new president there and we should go cut off some some of I think you know he's always kind of on the on the outside and that's the number on these and to just kind of it if they are unable to find a new tenant that's kind of on the high side hopefully they do and by all indications that's their plan to get I think right out of paying tenant and not going to misread expense claim but but it could be in that range. That but the really not hopefully not but that's on the outside. Anyway I got so that's one of the question I had so I'll turn it back over you OK Thank you Roger so I'll go back and walk through. I think I wonder at what was presented this morning and starting with the hot summer I think that the Melkus team and I think you can see I have some prescription on it because I've used it I do believe that it's YOU that is not. Does not merit any through their reasoning or energy or cost or expense to the state or the other organs and I will study flat out in order if you if your Mr Hanson forces that to a conclusion right now of course before without reading then I think you should consider a Rule eleven at the time you make those rulings I think you should because I am telling you that I do not when there is any evidence they're going to going over this going to change that circumstance he's not somebody to think yet he's fully aware of what the facts are he's fully aware that he's taken a position in the past with those actions were transported from the well to knock I want to see and so I think that Mr. Smith wants to characterize it as a data dump that we gave you on Wednesday night and that was the deadline for providing those responses provided a significant evidence prior to Wednesday when we added on Wednesday was the tax returns that would give you a signal and told him we would present moment when we had a hearing a couple weeks ago. Mr. Smith also talked about the statute of frauds and he thinks that's an impediment here and that's some reason why there have to be a document or go a sale or some kind of written record of the evidence is not transferred or given where to be active under Nevada law and I would rest on an arboretum if you want it was told he was going to have standing to raise that issue and that's an issue between the parties Malkin to me that if you could raise it with a hostile have you standing to yourself. And Mr Snook admitted in the comments that he made to you that he does not have any contrary evidence with respect to the not. If I WOULD YOU that flat out so that the hospice back there I don't see any any way they're ever going to go anything is going to change that you know these are going that well any evidence that that is going to address that issue or should any sort of light on so I want to move past that and I think the court should. You know it I mean I think you should want to present based on the existing record I think there's been an adequate opportunity from now to show up and idea that route is going to go back and we instant reinstate that and I think we're going to drag out for out who knows how long and trying to resolve this you know not practical not reasonable amounts at a full opportunity to go on a pure and present the evidence whatever evidence they might have but the items were not transferred turning through the Pan-American questions I think. This kind of goes to the issue about the dogs and who owns the dynasty and. The consignment agreement I requoted this language that can sign an agreement with an American point on American immigrant rights and I'm going to start your own mint with the language of the consignment agreement sort of this. All right Todd One interesting going through the design construct on both sides of the corners the designs of the quarters of the Zionist and all the guys went through and used to make the coins and bars and all copyrights remarks and other intellectual property rights in body or incorporated in the designs and the products want to linger didn't drive them through and mused to make the coins and bars should be one exclusively by the consignee in signing the company of what was director on them so it's abundantly clear in that concern are going to have American and I mean I don't want to start or I'm not who own the dot is it written with me like a god of mine Mr Hart want to point the language about what happened at the end of term a nation and it was applause and we're going to stand on from a nation report return of

his body back to the consignor. There's no dispute that it was thirty minutes breached that agreement in a number of ways and I suppose there may be a point where nonperformance on what happened on transmission of the agreement there is and I think the claims going to certain it was a dud was not addressed because about who was on the diet which I think is clearly characterized in his language the record in our briefing with respect to the ownership would I want to consign him. I don't think there's any record on. The sea Bright's comments I think we actually are in accord with. Some of the positions they've been taken by the Boy Scouts I think now I mean the first I've heard them come in and say they actually think they own the guys but the conversations I've had before them all been circus around you know actual propaganda licenses and I think we are in agreement with the Boy Scouts on it with respect to the licenses I mean you know intellectual property rights we're not intending to use them when I didn't and it was selling denigrating they were said on a number of times and so I don't think that's an issue this is about the dollars I think we still have we still will be at issue with voice go out with respect to the the dying want to ship program as well. Turning to Mr Howard's comments. I'm a little confused as to who Mr Powers represents right now I don't know whether in represents Mr Hanson or remembers him from that the balcony. Does represent Mr Parish president and somebody made an offer to buy that's not just when you look at the hostel he seems through our make arguments on their behalf as well so it's a lot infusing community who he's here for. I do think there is. There is a frustrating point of this that Mr Hanson coming on here and making arguments about how this is that should be administered rather his rights and those kinds of things history has not occurred in this case then understanding of this case he's not an offer he's not offering to purchase assets you know he's already justified in or on depositions doesn't have any resources so. He really has no standing to make any comments in this case at all. And I do think he's going to be allowed to come back and him obstruct our ability to commit what it is asked and it's a damned if he has done in prior proceeding before this court I don't think that's a good countess. Oh oh. Mr Howard's comments a balcony prior litigation I think your your. Response not exactly what I would want to focus on is the only issue we're talking about in the summary judgment proceedings that he has adopted was the least we were talking about the other S.S. and your ruling was directly about the lease and we were telling you that there was a difference ripples right we thought the least was different than other assets and we knew we had the subs and consolidated all of the other assets but we told you I thought there had been an assignment of the release from jail and seeing you know what was going to win them and we had evidence that we presented a form of. Deposition testimony at trial testimony from Mr Hanson right he said that was true so you and I summary judgment I mean you know we're going to have to want to get this issue to trial but it has nothing to do with these issues about whether Malcolm might have still have an interest in these assets or whether they all belong to macula city and the reason that nap was not named as a party and I watched it and never never became one of contention through that. The sort of consolidation litigation was that it was uncontroverted and all the testimony was provided in the complaint that was filed by America will see all the records that were missing when. It was clear that the assets did belong and were on the books of macula seeing. And there was no any welcome help and it left any one to home and so I think that thing whatever we've done in the past is not at all inconsistent with the position we're taking today which is going to last as long through substance on it and I can almost see. The suggestion of Mr Hanson is here to save the business. And not only I'm going to talk about that. Mr Parrish whether And Mr. There's some thought that there are that Mr Alexander's and secure on behalf of Mr Parrish was tendered a million dollar offer. And he said that may be a better offer than what's on the table today you know I don't think it's even close to what was offered between Mr Parrish and the other offers that we've been able to put together Mr persons are the ones that require all the assets of the company everything for a million dollars which included in a closet action approach you had against Mr Hanson reserving for example the same cause of action but you heard testimony on a couple weeks ago so you know he wanted to acquire he really was trying to head off I think. You know a movie form with a trial and work there was a bundle of assets in the trust you did not intend to sell and a value that was provided I told Mr Howard was

the day after I got there or the value wasn't even close to being in the range of what the trustee would consider selling. We've already seen the movie Mr Parrish before. Mr Parrish was supposed to be the funding source for the million dollar offer or that Mr Hanson they had to buy the town hall Texas and that turned out to be the question turns out that Mr Parrish didn't have the resources to go forward and you know with your support and million dollar offer and a possible circumstance we took Mr Harrison's got the deposition after the I think in the course of the dispute about you know I traced the return of money on Mr Parrish told us his net worth was somewhere in the range of entire net worth was in the range of a man and a half to two million dollars And I you know his wife would kill him with actively and care for his and his wife Joan if he you know. I wouldn't want to million dollars to give a million dollars to Mr Hanson the supports and kind of a say. So it's a fiction then wishing wasting time with it and I don't have any problem with Mr Parrish or any other veteran trustee has invited a number of pardons and I want to bid on these assets and I want to provide financial wherewithal to just like anybody else I'm going to do to qualify as an alternative better we'll have an opportunity to review the assets I think the assets are clearly defined right now in the person so we're going to there in front of you. The idea Mr Mr person or Mr and ourselves Well there's some confusion about what he's assets are the trustee was selling if anybody knows. What these assets are and what's being sold as Mr Hanson So there's no confusion about what it is we're trying to sell and certainly Isn't it more right now that we have run wild across the sailings. I'll turn to. A turn to Mr Kaplan's. Questions and and issues. I think Mr Kaplan talks about. It's really specific around the ownership of the dice and I think we're going to remember we beat that I was in my thinking you have to come across this to deal with it I will say that. The declaration we put in for Mr Wagner is not expert testimony Mr Wagner because they are looking for an employee of the men who knows about what the you know policies and practices were and knows a fair amount about them bullishness and customers and the company so it's not right in his expert testimony but it would provide other other testimony I think the issue about Mr Colwell is testimony that's you know there may be are going to be not the way that evidence for weight in terms of what Mr Cole says and it's just possible as I've said that. When we discussed with Mr Cole way out in order to. Employees of a mentor we would discover that there are exceptions and we should come here and say we should give you some of these guys back to you. I think if we're going to address Mr oldest issues runner I think there are going to stay at used round up and well you know this disposition which is just sort of guys are Northwest Territory and guys are not part of Medicare a sale we can find when it was all going to be sort of possible but I would also like to point out a solution for Mr Logan is business questions and they're going to invite him to have a conversation with a question about that after the conclusion of the hearing Mr It was still here so you heard all that Mr Alcott. Yes All right all right. I think the truth is I think a boring early talk about the miscarries issues and his health issues so what's your printer question Joyner. I guess and I. I think we're all kind of beating this but it's important because it's a big part of it the trolls and dies. What do you ask this question anyone knows what all of these diets work if you saw a little fun of four thousand dogs. Just generally what is there a value I want to know what were the dollar amount we're talking about here because I know Mr Marks I'm picking on you because I have the sales order acknowledgement seven hundred dollars so that's you know that's what you paid and yet you will hold such an hourly are you guys are more than just that some of the knowledge probably I don't know I guess I'm asking you if you have an idea Mr Calvert or Mr Barron or anybody else I'll take one stab at it or Mr Calvert and when I hear from Mr Elkins Kerry can they raise their hands out what I think as you know we know that in the bellcrank agreement and other seven hundred thousand dollars for packaging materials which include those dyes right and so you know they're not worth the cost right and I don't know that they're worth carcass in the first. Thousands of them I'm seven dollars in revenue and I think more seven hundred but but I'd still you know yeah but but I think because I think the value of them really has an inherent entire gamut of good will I thought I think was really what you guys represented represent an aspect of goodwill Right OK so I don't think and break it out that's all right then but I think that you know I don't think disposing of those guys right if. You know if there wasn't any good

welfare like there was something want to combine for that purpose there's racks and racks and racks you know I mean there are. You know thirty four thousand I mean I kind of math really had their small I think that's a lot so the cost of the cost of disposition of them right you know could have seen whatever were going to die I think a value congenital customer as I know because we're all right right right because Mr Elder you were going to say you can you can just can you just come up I'm going to throw in his carry if you want to speak you can come up as well just just very briefly what what are the ones worth. Briefly And you know what you know. If so I mean it's difficult to say we've developed a client base hundreds you know several thousand clients many of them institutional. Some of them employ. Our. Product material and a quarter inch and a half. We've approached. Through the do Amish longhouse administration we've approached. The mayor's office and we've approached a number of other corporations including Siemens corporations inch and three quarters three ounces of silver in a in a lovely a leatherette box corporate gift. I don't know. I have no idea. What the what the what what the constellation of businesses. Are given a year from now two year from now two years from now given various supply of inventory and stock it's difficult for me so I don't know what is the used to be able to use them on and make money from on the guy in your case be able to make money from using the right OK And you can inspire is in various products along with word combined with leather combined with glass we've approached glass manufacturers and I think the physics of class and the physics of copper are very similar. And twenty five hundred to use they do expand and contract we've had all these discussions with all of. The fellow manufacturers for our coal evolved our coal designed products I don't reason I think that's something that down all right thank you got that's helpful it was Caribbean reading that you like to add briefly. OK please please come forward. And I and you have to speak you know Mike that's the only reason why I'm asking to come forward I'm sorry. I don't know like down to you I'd like to answer your question about what the dice are worth but I don't know but I also would like to know assert that they're not being honest that well I'd like to see. Well that's one of the guys when I just recently said about what. He. Dies going back to somebody you know he either Mr Calvert was lying to me or he's not being honest with the court right now because Mr Calvert told me that and then he gave me permission to record his calls except. You can want me to record the last ones but he said to me that nobody's getting their guys back that. Ten have tried and not one of them have and nobody has ever gotten their guys back and he made it sound like it's impossible to get your guy OK well I'll ask Mr Calvert about that moment when they said in a month just as I think some people have gotten their guys that so I'd like to know who well I think there were one or two who you know was done by well was it was it was done by you got a motion the trustee requested permission from the court to return and he's gone I think you want to Warner to folks that go back and work. The the papers that were filed in this case but a couple people Google it well I don't understand you're saying that you were told it seems like they can't stonewall or understand. What it was Mr Calvin or the second about that it's only about the value. In the value in particular might I you know there's two. Minor but for clarity when somebody does a nice favor or call them a favor call and somebody has a nice favor in the you know I don't expect anything in return if you give them a coin and then some kind that coins value can go up by what you pay back what you buy it for. A coin if they know they're there. Never intended to get that or anything just think yeah and then to make the value of that gift go up by buying it back. At some later point if they want it or if they want to keep it so. If my diaries were sold and then I'm the type already given time to the. Not multiple sclerosis but the. Well neurological disease. Not as agents of the organization right right so that makes those the value of those go down if there are other ones my renumbered. It's hard I think it is like it's hard to sort of value I want but I also worried for them and I was told that they were at work or any you know work product of my own and that the copyright is in my name. Or that they belong to the customer the reason that you keep them actually at the places so that you can use them in so that they don't get damaged I mean they have a much better facility that in say me now I'm the bring them in theory here are right and point right now they're easily damaged like understand already they thank you miscarry. All right thank you and Miss Kaplan you raised your hand you can see that

there is a problem I told you I think you know what the respect to the trust you talking about sale and wanting to go for a new lifestyle in the good well I guess my question is where's the goodwill derived from these guys and that the actual Not all of the time I don't think so or is it the images that are on that which images are fairly common with copyright or is that really perspective our license and business relationship with these customers that they're going to come back and you repeat business so you're selling that well that well I mean I think that's going to have about you that's one of the concerns I have was back when you separate the intellectual property which is copyrights trademark and. Well from the die can you sell is it a fish are you selling fourteen clear about interest. I don't know the answer and I can't I'm not going to get the answer to my case so that's that to me is a critical issue that needs to be resolved on what is what if customers and holder with respect to the guy ownership I know what's on I saw this new man I'll. Stand by Debbie Davis on Monday January twenty two that's as in essence it's not the means policy or that it's not a minute policy to give away our dogs so I understand that's been what was said to at least to Mr Ury. Very marks but what are the customers been told Mr Calvert Mr Durant was that what they've been told. I'm still researching this myself but what I understand is at this point has been Dow I can't very clear policy Alec would not return any of guys and that was part of the. Mystique of metallic and it is as outlined earlier the customer knew the basis of the you guys and Mike stated that you stated that that the value is the customer come back and produce more dice and that's why. The craft is only interested in the last twenty years of dice because they want the customer base sure that and that makes sense that's a symbiotic relationship that is there could well go both ways from Sac I mean take me into going in that way too so they're looking for that customer base that's what they're looking for they didn't want to die for crack so as for we know what the cost of production is we know what we sell them for and we know that there's a scrap value and in the case of Northwest Territory meant it may end up in scrap. That you because the target right now is only made our guys a few buyers that I had at the table. The first thing in interest in the last twenty years metal craft there is another buyer that is interested in the ones I want in twenty years. And from that perspective they've given me an offer and I have received the cash deposit on it but I have not accepted that offer yet so I don't have a complete answer for your on a run on in the Northwest Territory meant dies but I'm pretty comfortable with what the rules were more than about that book one question of what has been communicated to folks because that's that's the concern that Ms Karen raises that she she is thinking that she was told one thing not me not necessarily what the reality Yes I don't and I'm not going to turn into that but I'm going to what are people being told Oh and they would not need to say anything anybody here in like a sell out like. In the case of Madame like it was clear it was clear on the website it was clear in the communications it was clear in the purchase orders and alike. In the case of Northwest Territory met I think there's inconsistency All right let me thrilled I'm I don't think I need her anymore. Oh you did you come up to the microphone I'm sorry and it's got to think it's got to be quick service. For her. But this image right here. We were coerced we were what we were told there's a corning there's a corning image not much relief not much detail between three and four hundred dollars that would be this kind of relief right here. Four of a splash cast wonderful unique novelty artistry and fantastic detail a couple of thousand dollars. If you wish to own with there's any premium that's what we were told and that's from the men's side yes OK all right in the least that's what you were told that's what I was told a verbal agreement oh six or seven KNOW IT OK Thank you Mr Ellison All right that strikes me Mr Jenner and that we're going to need don't we need at least an evidentiary hearing because I'm going to have testimony from what people were told what the industry standard was Seems like I'm not sure I can do this on papers. Because they're going to seem to be intuition one who always has it well known to die. Too if the mint owns the dye. Can it be sold given the intellectual property and goodwill associated with it and those that's more about equal question I think the latter part of it is but certainly the former Maybe fact intensive and I'm. With least that's what I have in my head so what me. Well actually before I get to my ruling Mr Northcote did you want to say anything in response to what you know and said Today Your Honor we're respect can you pull the mike toward you were resigned like. Mr

Smith's client to move the sale process moving forward and however and administrative way it ends up going forward if you have any questions about any of the documents that were submitted by too many members I would be happy to address those although frankly I I feel personally uncomfortable characterizing some of the materials that were submitted to the court for I think Mr Northrop. All right Your Honor Mr Powers one minute to respond to look up. All of the things that Mr cure and so what well OK muesli the moving party gets the last word I think what you have one minute Yes All right. Start again. I represent Mr HANSON I know that art and I submitted an offer and Mr Geragos that I submitted an offer on behalf of Mr Hanson that he arranged with Mr Parrish through company that he will and the trustee and it's clear the trustee doesn't want to you is this what Mr Hanson but Mr Parrish was money I'm just holding but he also has at this point in the case the only thing that money is going to go to pay for it is administrative expenses trust me as you can hear whether the assets go to a metal crowd or to a company set up by Mr Parrish and Mr Parrish ought to be able and Mr Hanson ought to be able participate in that auction one last point on Mr Parrish as part of all that I was in the background and one of those transactions it was a transaction where the trustee would not let Mr Parrish bid because Mr Parrish can produce. A check for two hundred thousand dollars in a few hours that's the same sale that the trustee accrued or the trust you went forward with somebody and I think reform although I'm just saying this and I don't want to get inside litigation about it because that's right Mr Muir is going to want to respond and I don't want to and I'm just saying if Mr Parrish wants it and he's got a company you should get the same treatment as anybody else regardless of Mr you know we're going to have we're going to you're going to be procedure so that's that's you know I'm not going to rule today that anything with regards to who gets to participate in the inventing process and I thank you and I think I should give money twenty so no no no no no no I think I took your comments about who Mr Powers represents an instrument Torah. Call. Arguments and smiled for a reason comes we know who Mr Powers represents but I do understand what Mr Jenner and what you're saying let me turn to. Here's what the court's going to do today. While I think everybody knows general unease that we have three sixty three B. The law of the trustee to sell property of the state. Other than in the ordinary course of business after notice and hearing and section three sixty three after a while the trustee to sell property under subsection B. Or C. Green clear of any interest in such property if the trustee meets one of five one of them or of the five conditions seventy three sixty three. I think the the issues here is what three sixty three asked for whether such interest is in a bonafide dispute. And then maybe through three at one whether a political or not a bankruptcy law permits sales of property free and clear of such interest. We also have to consent there's another basis for doing that we have a number of folks that are objecting that. It's three sixty three at However as the whole parties have noted. The trial the trustee may sell property that is subject to a dispute of interest the trustee cannot sell property unless this property of the estate if there is a question as to whether proper use an asset of the a state court must reach that question first before it gets to section three sixty three I. Won the case making that point as in really Clarke to sixty six V R one sixty three one seventy two when stricken about two thousand and one. For all bankruptcy proceedings seven thousand and one plans to provide that a proceeding to determine the validity primarily or extent of a we no longer interest and properly. Is an adversary proceeding. All right so let's first turn to the source of trustees request to sell me down like assets and let me preface all this by saying there are technically no motion that I'm ruling on today Amistad pushing some parameters to get us to be. To get us to a point where we can make a decision on the motions and it's going to be heard on March ninth. So with respect to the metallic assets and again that definition refers to the assets that were acquired from Rojas or the Hawks company back in two thousand and nine. The trustee has made a promise they should case that modality assets are part of this estate. And that kind of fish are cases based largely on statements and conduct of Mr Hanson. Proof of claim number two ninety eight one filed by but the elec or Company L.L.C. care of Ross Hanson signed by Tom Bucknell as attorney from of the ALEC States and the Dallek under penalty of perjury is asserting a claim for among other things monies and world is due from the meant when I say that meant on referring to Northwest Territory meant that

only the debtor. For leasing and using the assets acquired from the Hoffs the proof of claim attached to a copy of the complaint that modality filed against the trustee again that proof of claim was submitted under penalty of perjury and the adversary proceeding commenced by metallic represented by that complaint the dad like under the control and direction of Mr Hanson asserted and alleged repeatedly that it owned all of the assets acquired from the hawse and that litigation Mr Hanson signed the declaration under penalty of perjury in opposition to the trustees motion for summary judgment ending that he had assigned his interest in the assets to the. Baloch assets limited partnership were you were referring to us now and then he and Mr Russell or form metallic L.L.C. to acquire the assets specifically he stated quote It was my intention and understanding that metallic L.L.C. inherited succeeded to or chain All right title and interest in the purchase assets as well as the leasehold from them out that's in the adversary proceeding number sixteen dash one one thousand six docket number twenty four at Page hand. All of this constitutes some evidence that Magellan also he acquired title to the metallic assets and because this court substantively consolidated the delicate and all seeing with the mint those assets are that would be part of the estate now with its will or this required leave the trustee and the hopper and tax returns and financial statements that reportedly shoulder had no assets at the end of two thousand and nine and that metallic L.L.C. claimed ownership of those items however those documents should have been someone with the motion and the objecting parties have had no opportunity to response or would be unfair for the court to use them in connection with this motion or at least to use them today while the trustee has clearly been a prime I think your case the metallic. Assets are part of the estate and there is also no dispute the court has made note of this multiple times that there isn't even a gap in the written chain of title. We have documentation showing the Hoffs sold to Hanson and Hanson assigned to route all of that in writing we do not have any written transfer or assignment documents from out to metallic L.L.C. or to the mint Mr Hansen's Declaration states that he had an intention and an understanding which does not equate to a statement of fact Hansen's and the Hosty note how it wants to assert that there is a dispute as to whether the metallic assets are part of the estate. Given the trust is evidence that I just cited including Mr Hansen's own statement in conduct and the tax returns that the trustee will certainly certainly rely upon and any contested matter the court will put the onus on Mr Hanson and I'm the Hawks to pursue a determination that the assets are not part of the estate so if the Hawks Mr Hanson or Matt. Want to argue the assets are not part of your state. That part of you shall file it verified the complaint and commence an adversarial proceeding including the payment of the filing fee by no later than if you were twenty two twenty eighteen at five pm Any party that does not commit an adversary proceeding by that date the court will deem that party to of wavelets objection to the sale on the basis that the estate was not on the ballot access. And I'm requiring that the parties file grown complaints in other words that the Haas want to file a complaint and Mr Hanson Once upon a complaint each need to file separate complaint and then the court will consolidate the adversary's I'm requiring parties to individually file complaints for two reasons first I need the hots if they're going to pursue it and I need Mr Hanson if you are going to pursue what you clearly state there are allegations and claims and I say P. So the court can make a determination expeditiously there's only one complaint and the other move to intervene in the matter is going to be does not relate well resolve that issue and then if intervention is granted they'll be more pleadings I'm not going to have that second. If I Only one party files a complaint and the trustee prevails I'm not going to have the other party say it's not bound by the ruling and still want to argue that the assets are not part of the estate so put up or shut up that's the court's ruling on the Daleks' assets. That's trying to the security interest I don't think this is a dispute according Griese that there is a bonafide dispute as to the a sort of the wheels of the hawks and of Pan American and the trustee may sell the assets of the estate free and clear of the liens pursuing Section three sixty three of floor but shall And as we said retain sale proceeds sufficient to paint them as potential secure claims we've already discussed that I don't think that's an issue. The third issue is the intellectual property associated with the items and there was an objection to the sale of that and I think it's been clarified that the trustee is not seeking the will sell not seeking authority to sell



trademarks property rights or other intellectual property. That the proposed order seems to be a little bit broader than the relief requested so to be clear the trustee is not sitting in the cell that and will not use sold. In connection with the auction sale. To the extent we get to the auction sale. The tooling and the dies and this this remains. An issue. I think we discussed this at length and I want to say that nauseum because it's important there are a lot of issues there may be other ones we haven't even identified yet but clearly there are at least two primary issues and one does the mint on the tooling and dies or the part of the statement and second if they are can they be sold with the. With the intellectual property centrally attached to it without without a license going along with that I mean I think of the example if someone buys Mr illness or dies the buyer is going to go to Nordstrom and all those other clients that he talked about and they're going to make the money and that's not fair. Why is that not right Mr Calvert right what the buyer is really buying is the right produced by the customer really looking for him to come home but what's what's to stop him what's to stop the fire from saying I don't care about Mr Oh I'm just going to your business model of all business model is just to retain the customer base in the end because that way but the problem is I don't have any I don't have any way of enforcing that and that maybe the customer model but I don't have any way of enforcing that and I don't think it's fair. To put it on now not withstanding your argument Mr there and maybe it's not the court's concern but it is. We've already got thousands of on happy people not going to create any more. Now this drug I'm ruling out so that so you know I understand what you're saying Mr Mr Calvert and I and I get that. You make money by having the customer come in and order warnings or or or product that has the art or the actual partly attached to it but who's to stop metal crap from the and then sell it to somebody else and so I want somebody else I don't know and I don't I'm not making a ruling because the trustee may be able to do it but I don't know I think that there is a significant legal issue we've got a number of people who are here and so we can deal with those folks now we can we can identify a timeline for addressing their concerns. And because I think I think it's fair to say that the original motion didn't really go in there where. It was only in the oppositions that some of these missions were arranged so it's it's it's not going full. You were used I think it's been partially probably but the question is is briefing going to be enough and I will get to know that comment before I started my ruling. I still think I need to have that I'm sure he hearing on the ownership issue that we stuff not an adversary proceeding I guess let me hear from you Mr Garrett I'll go around the home to the folks that also are here on the op of intellectual property owners die owners you know we need an evidentiary hearing and then I think that the thinking about it is you're talking about Iran and I think I'm kind of bringing it down to it seems to me there are some legal issues if you like and why really can be resolved with everything right those I think are. Rid of the electoral property is intrinsic to the guy right there with built into the dry right let's do can be separated from the eyes so right that's a legal was written right and that point it doesn't matter if the company owns it or not you can't sell your music I think I think you resolving things or if you or the other I think it was on the second I do you should but you know we can be sold frankly as an interest right more right than it was emotional carping interesting to me so frankly without those two legal issues I think you can resolve those I'm grieving and you want all of those pretty quickly OK Secondly I think we can privately at the Melkus humors his name the mackerel seen as he was running off with dirt on investors because I think they are very different Mr Taylor pointed out earlier do you think that what you're going to hear out of I mean do you still you know lecturing to decide the macula see actions maybe still that the policies are consistent or I think the weight of the testimony going to get from you know from the witness side at least the people that you know about is going to be consistent. And they want to structure ministries or are all more complicated than that and we don't have a sale and present me with was that in the work was there to multiple The mentality one of the more urgency right so that we could find a way to you know you know schedule would ever never ever venture. I mean when you need a Mack yellow scene in advance of that sale hearing and just deal with those discrete issues which I'm telling her there are only. Four Corners that I'm aware of it that we know about that have raised that issue whether that's in the Dallas docs with respect to the delicate let me down look I'll see you guys and. You said three that

you know of forty four that you know OK And. So what I think what what I'm thinking errors and I guess I'll come to focus on this I want to thank him and as. I say. If we do have an answer and he doesn't make sense to consolidate it rather than have. Four separate. Four separate Aventura hearings for an order one per customer. I want to I want to be a fish and welcome the court's time but with the time of trust in this council on these issues of think about that I would like anyone like to be heard on this is happening and I think you know that and I'm sure I'm hearing as a perfect thing at the end going to be a lot of act and testimony and you know get on the ice you know at what our customers told I'm and what documents were provided to them in terms that this is what our policies are when they first started and I said OK and then if I want to change that's not a long time I support then I can ask them Are All right thank you. And again you said there you there are four zero Mr Garratt there that you really want to learn or we're going to we're continuing to keep a list but you know right they got told you're going to Mitchell conference in the final and I must run I think that's what your goals were. And you've been in contact with them we have to rely on them our office or through some of them contacted Mr Wagner somehow gave accustom stock or sold one of them a winner in the Arnold unable Beckerman foundation that oh yeah you said these back in foundation and you give it up to me I think I did OK but whatever they are I you know you will if you can get back in touch with them I think one of them is gardening or green rock green garden OK. You know I'm looking at my calendar here. So we risk. So that surely legal issues we can do those for when we can do those for you then ensure hearing all of them on the ballot dyes what you think and I mean I think those are applicable I think it's actually over everybody across the board I could have anybody briefed on the legalization it's all right but I think in which I mean if we do that with a couple weeks there would be helpful because there was a real spend time getting ready for never that's when there would be a waste. Because he was right you know I agree. But he's a competent there's a car I don't want to I don't want to. Rush this dramatically. Wrong. Because these are these are significant issues and they're not easy I want to give folks a little bit of time and I know time is of the essence and yet I'm not going to deny folks the opportunity to fully respond so. I think it's technically your goal and not I think when George burden Mr Jenner and so on you would should do that kind of the opening remarks. And I'm thinking that you want results were more sex I'm not sure that's possible. With On the intellectual. Property and show. And and certainly if you want to do that an action here in the capital to resolve the IP issue and you're not going to have it done before the NAACP. Unless unless you think let me ask you this How long do you want to take and put. Together your brief on these people. Who want to we want to weeks I think you want to weeks it's kind of to you know. You know I mean I didn't. I thought you got the pressure we have isn't whether we can hold the network crap you'll get or. If we have to get the money RUSSELL That's right and you want to make sure that we can move it up in record. On the right you know could we get ten days can we get on Monday going to file our briefing or opening the briefing on those two issues and figure out back it up from there and so on Monday the nineteenth you go the more in the can you talk about something that is not not next Monday though and that's right I'm talking ten to this all right well so I thought I understand you right all that would be that well yes I mean. Your planet and do your auction if they really are that you are competing there is I'm not a crowd on on March sixth and that the current plan is that that was my thinking rather could you and what harm would one do that start the morning I don't have a in any fix to this point I mean normally we do we do it in the morning I mean we want to have an opportunity to. Provide a briefing to the court for the hearing on the night after the sale if there is going to be an auction so. What I'm open to doing the auction later in the day are you thinking you have a hearing on the six there's no direct you know morning we're open like starting at nine so if we can get that result. All right you're right I think that would be. Fine and I think what we can do is we can move the auction to the seller Yeah we could do it at ten. I mean I mean I want or ten thirty or something that's I was I was thinking that in the morning you can start your auction later that morning I hope I can roll I will endeavor to give you a ruling on the bench or I see you're talking about just coming in for argument on this is next right and then the ruling from the bench. I mean I don't know what I mean I know it's possible that I will adversely to

you and then everyone is there an option that doesn't happen or. Or not or not maybe folks don't want to go forward I know I've read their deal is clearly you know you're selling what you've got nothing more and as long as the buyers comparable but I think I have some the buyer doesn't want the goodwill that you discuss what let me turn to the other folks who might. OWN THE involved and that's what I'm thinking as the trustee will file. On his opening brief was you all right on March twenty. The response. Would be do. You get me on one or more one. And against Yes Mr I'm going to give you my March twenty eighth is that your we want to talk about our economy thank you because you are getting money that I'm mixing much of. That your twenty response from the opposition will be due in March one in reply to buying new on March five with a hearing on March sixth at nine AM who are on the right my right side of the room and I really want to have any concerns with that proposal this is just on the legal issue of whether the trustee. Can sell the diocese. Assuming the trustee owns that this is it can the trustee sell it with the intellectual property that's attached to it that's that's the limited legal issue is this just for the delicate art sale you know for everything wasn't good at all let's let's get it all what's bigger and again March sixth at nine am. So you would have any concerns with that going to date that that finding. You're going on all right so you're. There So to recap on the issue of whether the trustee can sell the good guys. Under three sixty three. Well will be heard on March sixth at nineteen I don't trust you opening writing can we. Make a twenty four pages. That's due on at Nori twenty by five pm out of. Any responses need to be filed by March one at five pm and then again anyone can file a twenty four page motion this I think this is just part of I gather and Mr Gear and I don't know how many responses you're going to get so long I'm not going to limit you on the Reply Brief I'm hoping that maybe the defendants can work together on and cut down on the briefing that would certainly make it easier for everybody but not required so these are just legal issues these are just purely the legal issues or you're not looking for declarations. I'm not going to preclude down the they're hopeful for me understand it if. I don't I don't think I'm going to need them but I'm not going to say no but the issue is this is assuming that the the a state owns the dies which I've not yet reached I think that's a fair a factual issue but if the state owns and there's there's no dispute that there's intellectual property on the dies that doesn't belong to the estate trustee concedes that he and the trustee selling. It whether it's a whether it's free and clear or there are some other issue whether it's a whether it's a catapult issue and Boy Scouts I think raise that may you may as well Mr Hyde you know whether there are other intellectual I've heard of work for hire and I think. You know there are all sorts of Ivy issues that may be implicated by what the trustee seeking to do is no one is really fully briefed the same kind of come up and apply if we need to get. Well vetting ongoing legal issues I'm going to my past to rule from the bench on March sixth at nine o'clock and so what are you limiting it to the second are the issues and her other whether they can sell whether the trustee can sell even sell intellectual property so that's a no no not that the trustee just is not selling a watch a partner can a trustee sell the die that has you know much more property on it because this is not a sale Priem clear that it's a hypothetical that well that's what it would because what the trustee is proposing to do is to sell it sell it for being clear of our intellectual property interests. And celebrating Clarence Yes that's my understanding up with a trustee is trying to do this now can the best interest to our intellectual property interests that. There's you know your need to say up there is still yours then they're not selling it free and clear those are the things. If they don't know the premier player then the buyer can go out and do business with Iraq body there's no I don't like a book on what I think should happen and that's the issue I raised or that's a good hold I'm struck that's the issue I raised was right and that concerns me I've got this concerns me well OK And so you're going to tell me why we legally I can't do that Mr Garrett says that's not not the court's concern because the court is supposed to protect. The creditors of this estate and should be concerned that someone may use your client and want to accomplish I don't think I agree with that but that's the argument that's been made and I'm going to hear I'm going to do what the parties fully briefed that but you you've identified the concern that I thought I thought I've said in a couple of times I've heard that the question is whether it's still pretty unclear or subject to. The rights that we have. It was not something a piece of real estate you can sell it freed after the secure or not or

lock install it that's right it's all right so the bar is not hypothetical since this isn't even before the court heard or Northwest Territory all that well that's going to be thought out and I want to get things going are just in the fact that the hypothetical that we're really thinking is a stale green clear are let me just be clear the truck is going to file a motion or file opening Greta it's going to say what you can sell this property whether it's free and clear or subject to going to let the trustee make the argument one or both or something else is going to tell me and tell you why he thinks he can sell these if he if he owns the we're going to we're going to do the second part first if you would on them why you can sell the metal craft or anybody else and he's going to address those concerns that you raise because I've raised them whether it's subject to or free and clear up that's going to be his argument and they. All right you're going to have to respond and then I'm going to rule on it and if I rule in the trustees favor and then we're going to do part one second which is OK does the trustee in fact own it and that's probably an avalanche or if you're right and you trust to work something out with folks in the interim we'll see that right on the real questions are you going to Mr you're going to include in this carrying all this as well because she has a sort of she has zero are yours are your are your dies from the Daleks' side of them then so I didn't carry. All right the record Senator Kerry said to me OK. You need to come up with this character. I'm sorry but we like I said we need you know you can grab a chair and set one of the chairs if you want to not to keep walking back and forth but what's what your concern there was an assertion that some of the guys have already been given that might that be a precedent. It might be but that's where that's where the issue of the other day that's for the next time around when I decide what the ownership is that yes that would be but not program regards to this current issue that's going to be preempted heard on March second that's a different issue and that might be when reason why I'd like to know about that I thought were that were getting back especially when I was told that none of them were because I understand that's a that's an issue for another day. And OK And I think I didn't get a clear answer in it maybe I didn't understand it like being able to see the inventory to see if mine that was there is not that I'm not ruling on that today you want to talk to Mr Calvert but I'm not ruling that I'm not going to I'm not going to say that anyone can go look at the inventory not that's not a request that's before me in that one I'm likely to grant you're going to need to work with Mr Calvert OK OK I think thank you we can talk about it after the hearing because you're coming up but you know we're going forward there really isn't any record of Oh. OK but let's let you can you can take that conversation offline Mr Garrett Ms Kerry Your Honor may have. Yes Mr it is just one hour because. This is a really regular issue although there's a lot of litigation that I think the less litigation the better but my client I'm sorry my client believes that there is a list in the computer in the company's computers of all guys sold in the last ten years with the customer information attached so I haven't noticed question that it was a thing that's not and the trust you will look for that and report. On that. Yes that takes us to the other issue. We dealt with the people are in the room what do we do with the people that aren't in the room or don't know about this and my thought is Mr Garin knows that you need you and Mr Talbert need to do your best to try to look for this West. That supposedly is on a computer and do whatever you can. To notify folks. That who may claim an ownership of actual or calling him die and send a notice. To know his customers and then give the customer twenty one days to object in the name of the mailing of the notice and then anyone who wants just really need to deal with it now I suppose I suppose that if I don't rule it first in the trustee on March sixth maybe this is all academic right and you know me and. I think I think if you tell us we took the you know what the property is intrinsic and we can still free and clear a little whatever intellectual property rights these customers have or gardens or whether we own the dogs and think that this opens up I think it does all right I'm going to tell you I think this is a this is a very difficult chore I don't want to identify any potentially thousands of customers and someone mailing out each one of them right and I think I mean practically I don't know why we're going to do that we have a very limited staff in our right cut back and I'm staying on what's there. This could take us out how many days right weeks of work to do this right I think and you come back you know I mean I think that addressing the issue with people who are your own raised objections and then I think we should just talk to the buyer about this as you run

your term and whether I think they do understand they're not getting a warranty and they're only getting what the company offers and I think you can clear things up with a ruling in this case but the people who have expressed an interest right but those other corners that haven't appeared and we haven't. Specifically down and I think is still over due process arguments and they can reason with the bar. And the right but I'm. And I appreciate the cost in the challenge that that doesn't mean that the company still owns the DOT that's that's the problem the everything you've said may be true but that doesn't mean as a matter of wanting somebody raised in a business cap on the fact that metallic sold on a sort of the hawks prior company sold them a dollar arts. To Mr Hauck doesn't mean metallic going in either he's got sold whatever it whatever it's all I mean and they have said. The delicate limited back then that it only done that that doesn't that that's not dispositive either I don't think so when you know we can do it one of two ways and in the interest of time you can send the notice out now I suppose we can wait and see what happens on March sixth and if I rule in your favor if we figure out some work around then we can address the due process issue at that time but I think today I guess I'm not going to make a final decision but at least what I'm thinking it has if we're going to go forward we need to figure out some way of trying to notify as many people as we can go work for that was that Mr Hanson says on the computer. And what you know if you find it on. Its own that can only go up to you but I think when people are going to three weeks notice. To or to object or make a claim and I don't know how you do it you know if you're publish I'm loath to require the state start publishing the New York Times The Wall Street Journal. So you would do it in a big case but you know it's not and we're not going to and I think do that here but I understand the court's concern about him what maybe we can come back I think we're going to be back in for another twenty thirty yes chemical twenty third think about all of us getting a proposal are we what's what let's do it that way but for now at least one will start moving toward a resolution on the legal issue of whether the trustee can even sell. These tools and dies in the IP on the garbos of whether or not the owner know the owner of the IP. GARNER What I'm expecting the negative process I think in one way to reach more crap and that might we'll have a trustee put up on now by the site I know that that if you think that you are in that that. Then you have to submit your contact information to the track and that's it that's a good idea that would be one way to. Get Noticed out to only some folks and missed out into the community right folks who might be involved in this industry I won't require that but that's that's one on one approach I'll just wait to hear on the twenty third on the twenty third we're going to be picking up he. The environment ocean and the procedures break up. Are. Two more two more things that I want to dress this. But that's what the court Well there were a number of objections responses filed by unsecured creditors. And I want to put their names in the record. And I was tracing a route seventy eight Alex McCord in town sort on Ari Gulf and Junior George Cooper lane Marnie and Katherine far on Gray's take up Mark Weiss on and read a pal. All of them filed responses and essentially their responses they are frustrated and unhappy that the assets are being sold and Maclean's are being paid. A lot of folks in this room sure that frustration. And while. The frustrations are valid. That's not a basis to oppose the sale at this point on Detroit's he has a duty to work with a real estate assets and distribute the proceeds in accordance with the cold. It looks like in this case that the only. Situation will result in payments to administrative costs. Forty seven. No we did that but we will fusing her and our substantial I will remind folks that those views I'm only been incurred and have not yet been approved or paying. At this point in addition to the professional fees who voluntarily took on the gauge now and then the amount you paid now there may be other persons who provided the benefit to the debtor during the case which include landlords and the former employees who least one is on embarking on a worn at. Claim. Many of the ministry and expense claims of the trustee does have a duty to try to sell the assets for the highest and best price so at least the administrative expense claims in full or at least as much as possible finally to the issues raised by this is hell. Mr Morgan Hanson. I got all of their concerns. And they are serious allegations and I want you Mrs misspell and Mr Hanson William Hanson and others to recognise that I don't see them as a basis for opposing the sale. Either the auction sale or any other sale that has to be heard in the near future. Mrs Pell to the extent you're

asking the court to void your your joint the fence agreement on your confidentiality agreement forget the exact name of it but you have to ask me to avoid it or to grant you relief from that. That's an agreement between parties and courts can't generally just void agreements without there being at the very least emotion if not some sort of a lawsuit alleging reach or alleging innocence or being relieved from your duties and so I can grant you when we. To be based upon you're on a quest or even upon your letter in the hopes and some some sort of notion at the very least if not a lawsuit. For you no breach of the agreement by someone or your belief that you shouldn't leap from following through when you talk to Mr Northrup I mean we encourage you with something that needs you want to be disclosed talk to Mr North. I don't see anyone here from the U.S. Trustees Office and was in the house now and clearly there are aware of what's been said since and wonders are on the docket. And the U.S. Trustees Office may take a look into it. Your honor may I say a few words. I only issue. The document that I think I understand your position completely First let me say that and I really wasn't expecting that you would for the confidentiality agreement. I do bring to the attention though that it is very difficult for. I think your creditor committee members. To actually put their all of their role of representing the creditors of in fact in their market very very contradictory that having said that I would like to say that. I wanted permission to present the material essentially to the court for evaluation and determination that the second one the second request which required to be tracking of the the mentor and she really doesn't pertain to me it's not something that I have a break in I felt that part of my obligation. And as a member of the committee and I can easily let go of that out although I take my charge and responsibility. Very intense I've been a very hardworking member of the meeting. I think I can thankfully that I but the committee tried that it has been blocked you know operating through the normal. What are both getting the procedures. All right thank you out. There For You I think this was for me to try I thought that through. The Their right you are proud of. The on the first I have which they. Misspell I'm sorry I'm I'm certain to cut you off but. I think I've heard arguments from everybody I've made my ruling now I'm I'm learning to say once again the allegations you've made both in writing and today I take very seriously I don't think today though is the day to address them I think someone stated and I think I agree that it's probably more appropriate to raise these at the time that there are applications filed my professionals for compensation. Or if or in the connection with some other action. That directly relates to the administration. Or questions of the administration of this case but today. We've we've talked about a lot but it's really related to whether or not the trustee should be allowed to move forward to sell certain assets and. Again while your allegations are serious and will be taken seriously I don't see them going to an argument against selling the assets now maybe you've got some information that relates to the value if you think that the the trustee has is not getting the right value. You you should. Tell the court that. At the appropriate time but today I'm today is not that day for me at the time when I'm seeking to actually approve the sale and sale price if you think that that that the there's something wrong with the sale or the sale price you should definitely raise that all right. Very well thank thank you I you know I appreciate your time appreciate everyone time this morning who have been here I don't think I have anything further. On. We will but what we'll do is we'll will do an order that. Says that includes the deadline for filing the complaint to assert. That the state is not only the metallic assets. That owner won't also include. The briefing schedule on the whether the trustee needs sell the assets. I don't think I need anything else. In that order at the moment is anyone on the wives. Are you going to continue the auction with you or anybody yet this is going to be in order on the sale on the auction motion and first item in the order will be its continued through twenty three I put in them and put in the requirement to file any complaint like two twenty two. With respect. Of the the metallic assets and to be clear I would only decide what's in or what's out if I decide that it's out I'm not going to sign who owns it whether it's Mr Hanson or Mr Russell or are now out on what I would only decide that it's not on the estate. But in the end the third item in that order would be the briefing schedule think that's all I need but so everyone knows everyone got the dates on their on the counters running would you consider looking at evidence or hearing that on the ownership issues just like we're going to back a little C.S.S. but us in March Brooke we're going

sure. Sort of you know that if we prevail on this that's been we're still moving forward reject those factual issues on the table as well. What. I would say something. I guess also on things that and that's order you're going to on the twenty third president are planned for. Getting notice. To potential cost I'd like to put that in the order but I'm going to be looking for that all right and we'll be looking for that on the cards again whether that is your hearing only when there's got to the four people we know but there may be others that's that's kind of the problem and I don't know how to wrestle with that today and the fact that it's costly to try to give them notice does that mean they're not entitled to it. It's like you know future tort victims you don't know who they are but you can't just discharge their claims you've got to make some effort to notify them. They are sort of someplace. But yes we can adhere to your question I can get a date with the date set on my calendar that's probably a good idea because we don't think we're late March or maybe I'm just really ignorant or that I'm just a second date and have set up there but I'm going to come back on the twenty third don't know if you're talking about twenty one days notice to people. Who are expressing an interest. To give them some opportunity to them on Jack because I'm assuming you're going to mail it out and people are going to get the mail it's going to take three days but I want at this one go what is this they're going to want to talk to someone when I want to give them something that's right back in seven days I may be able to talk out of one hundred one but it's usually some multiple of seven so fourteen is the only other one but I. You know on. The air or maybe your virus in terror and maybe your virus. Thinks No You know I'm OK with it and then this happened one time but I mean I went back to the order. I preserve Mr Hanson right to claim that he own the assets and do anything more that is why I'm not going to let him put a cloud over this sale so I'm forced in the final loss of a star but there was a cloud over that sale but the buyer want to have anyway I just don't want to clown but at least with respect to the modality assets but with respect to the guys that just me not the way around that I mean it's maybe something they're going to love what I will have a conversation with the buyer and all kind of sort of that were OK but if we want to just have a placeholder that we can. You think in the end of March but so. I don't really. Oh boy don't we have the following week. I just I'm just sort of need to be like it's in between in between two calendars for the week where you can the following week. So I don't. Know if I know OK so. This one again and for the moment just give them a gallop and the only one here representing someone with a metallic guys human is cap one correct right are you here in the twenty second or the thirtieth of March. The long four hours you want to be before that the twenty second on the thirtieth Mr you know which one which one would you like. To fourteen maybe too early. I think for twenty so I can remember all right twenty second I think I'm going to go take the period and only because I think. Your determination on the sixth makes the difference in one or the other before we start with a pretrial I think we're looking as well on a salary that I mean I don't have this problem you're going to need I mean I want to move this quickly. Yet there's a lot more certainly going to be some discovery I mean it seems pretty neat witnesses have the. And when enough people. Run I guess I'm just talking about it I think I'm going to maybe we should set that discussion around setting the trial date until May twenty third is what I did maybe not the area itself when I brought it up I thought No that's OK we don't we everyone knows that I said trial that way out in the future growth always keeps on the gates we always have dates open and orderly because people settle so we do have some dates open in March probably don't you pro is probably pretty tight because I'm gone part of a song so in Prague once once we get out of March we're looking at an old lady probably maybe not very limiting isn't able to very one of the days and then you're probably. So don't let alone but I think it's probably best just don't to revisit this. On the twenty third of these issues and I know you guys will want some damage you can talk and it's army maybe there's some interim solution I just vision which he said about April I think it would be because we can reserve the. Right of that to go away in a hand let's let's say and start over now what are the different ways if you want and you want to pick a date and I don't know something I'm saying that since you're going to be much in April I don't want to kick over him and they answer I'd rather take the thirty let's let's let's reserve the let's hold the for it we will hold March thirty all day when evidence you're hearing whether this issue or anything else won't just hold that. That's that's not

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always the final motions but the real people as we can have with the book the book we're going to hold that but if we or I never that you're hearing OK. Anything further from anyone. All right thank you all very much against your own cabinet and we're going to a lunch and have a nice weekend OK response. On.