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Honorable Christopher M. Alston  
Chapter 11  
Hearing Location: Telephonic  
Hearing Date: Friday, June 18, 2021  
Hearing Time: 9:30 a.m.  
Response Date: June 11, 2021

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

9 In re:  
10 NORTHWEST TERRITORIAL MINT, LLC,  
11 Debtor.

Case No. 16-11767-CMA  
FINAL APPLICATION FOR  
COMPENSATION OF CASCADE  
CAPITAL GROUP LLC, AS  
ACCOUNTANTS FOR THE CHAPTER 11  
TRUSTEE

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14 **INTRODUCTION**

15 Cascade Capital Group, LLC (“Cascade”) Accountants for Mark Calvert, the duly appointed  
16 Chapter 11 Trustee for Northwest Territorial Mint, LLC (the “Trustee”), hereby submits this Final  
17 Application for Compensation of Cascade Capital Group LLC (the “Final Cascade Application”) for  
18 the period October 1, 2018 through April 30, 2021 (the “Final Application Period”). Cascade hereby  
19 requests, pursuant to 11 U.S.C. § 330 and Local R. Bankr. 2016-1, an award of \$21,658.50 in fees  
20 during the Final Application Period. Cascade further requests the approval of fees and costs in an  
21 additional amount of \$750.00 for estimated fees and costs necessary to conclude the case. This Final  
22 Cascade Application is supported by the Declaration of Mark Calvert, filed contemporaneously  
23 herewith.

24 Cascade has provided professional financial services support to the Trustee’s activities and  
25 efforts in this case. A summary of the Trustee’s activities and efforts on behalf of creditors is  
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FINAL APPLICATION FOR COMPENSATION OF  
CASCADE CAPITAL GROUP LLC - 1

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1 contained in the Trustee's Final Application for Compensation for the period October 1, 2018,  
2 through April 30, 2021, which summary is incorporated herein by reference. In the Final Application  
3 Period, Cascade provided financial and accounting related services that supported the Trustee in his  
4 efforts to resolve the WARN Act class action suit against the estate; prepared monthly operating  
5 reports; and updated and maintained financial reports for the estate. In addition, Cascade incurred  
6 time responding to a subpoena issued by Ross Hansen, a principal of NWTM who is a defendant in  
7 ongoing criminal proceedings. Cascade also incurred time related to its prior fee application and  
8 addressing requests from the Bankruptcy Court in connection therewith. Cascade's services, for  
9 which it seeks allowance in this Final Cascade Fee Application, are more particularly described in  
10 various categories below.

#### 11 **TERMS OF CASCADE APPOINTMENT AND PAYMENT HISTORY**

##### 12 **A. Date of Approval of Cascade's Employment and Administrative Duties**

13 The Trustee was appointed as Chapter 11 Trustee on April 11, 2017. On June 7, 2016, the  
14 Court entered the Final Order Authorizing Employment of Cascade Capital Group, LLC as  
15 Accountants for Trustee (the "Employment Order"). The order is effective *nunc pro tunc* as of  
16 April 11, 2016. Cascade's financial services over the course of this bankruptcy case have supported  
17 the Trustee through an initial preservation, inventory and documentation of the inventory in the  
18 possession of the estate and later an extensive effort aimed at identifying precious metal in the  
19 possession of the estate that belonged to customers. Cascade provided significant support to the  
20 limited financial staff of the estate's business in the form of services that would normally have been  
21 provided by an in house controller or chief financial officer.

##### 22 **B. Source of Payment and Amount of Unencumbered Funds**

23 The Debtor's monthly operating reports contain information regarding the amount of cash on  
24 hand or on deposit in the Debtor's estate, and the Debtor's operating profits or losses, and the  
25 amount of unencumbered funds in the Debtor's estate. Per the April, 2021 monthly operating report,  
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1 the estate held as of April 30, 2021, cash of \$354,605. The Trustee anticipates receipt of additional  
2 funds from the proceeds from claims under a settlement with the Erdmann Trustee and from certain  
3 cost recoveries for production of records under subpoena. Cascade requests payment of its approved  
4 compensation from unencumbered funds presently held in the estate and those additional funds  
5 received from cost recoveries and Erdmann estate settlement proceeds.

6 **C. Other Employed Professionals**

7 Miller Nash Graham & Dunn has been employed as counsel for the Official Unsecured  
8 Creditors' Committee (the "Committee"). The Miller Nash firm filed its final application for  
9 compensation in November 2019 and has been paid in full on the amounts awarded by the Court.  
10 Loraine Barrick and Lorraine Barrick LLC were employed by the Committee as a financial advisor,  
11 but did not provide services to the estate. James G. Murphy was employed by the Trustee as  
12 Auctioneer, has been paid in full for fees as provided in his employment order. K&L Gates LLP has  
13 been employed as counsel for the Trustee and is filing a final fee application concurrently herewith.

14 **D. Statements of Prior Compensation and Itemized Time Records**

15 Cascade received an interim payment of \$110,338.70 in fees in December 2016, pursuant to  
16 authority in the Order Establishing Procedures for Interim Payment of Fees and Costs of  
17 Professionals [Dkt. No. 394]. However, in 2017, Cascade refunded \$100,000 of the interim advance  
18 to assist in addressing cash flow pressures for the estate's business and to help protect the potential  
19 enterprise value of the Debtor's business.

20 On November 16, 2018, Cascade submitted its First Application for Compensation of  
21 Cascade Capital Group LLC as Accountants for the Chapter 11 Trustee (Dkt. No. 1924) (the "First  
22 Cascade Fee Application"). The First Cascade Fee Application sought an award of fees and  
23 expenses incurred during the time period of April 2016 through September 2018. On October 11,  
24 2019, the Court issued its Order on Fee Applications of Trustee, Cascade Capital Group, LLC, K&L  
25 Gates, and Miller Nash Graham & Dunn (Dkt. No. 2118) (the "Fee Order"). According to the Fee  
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FINAL APPLICATION FOR COMPENSATION OF  
CASCADE CAPITAL GROUP LLC - 3

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1 Order, the Court approved the First Cascade Fee Application in part, and awarded Cascade fees of  
2 \$539,867.70 as interim compensation and reimbursement of expenses of \$14,123.05. The Trustee  
3 disbursed the total award of \$543,652.05 to Cascade after entry of the Fee Order.

4 True and correct copies of Cascade's billing statements are attached as **Exhibit A** and  
5 **Exhibit B** to the Declaration of Mark Calvert in Support of this Final Cascade Application, filed  
6 contemporaneously herewith. The billing statements contain itemized time records that include the  
7 dates the services were rendered, the identities of the persons providing the services, detailed  
8 descriptions of the services performed, and the total hours and amount of compensation requested by  
9 Cascade.

10 Cascade's individual timekeepers who incurred time reflected in Cascade's billing  
11 statements, along with their titles and hourly rates are as follows: Christine Unwin, Senior Staff (and  
12 licensed private investigator) (\$180/hour); Jody Quick, a 15 year Accountant with Cascade  
13 (\$120/hour); and Jessica Gilmore, Staff (\$150/hour).

14 **SUMMARY OF PROFESSIONAL SERVICES BY PROJECT CATEGORY**

15 In support of this Final Cascade Application, Cascade submits the following supporting  
16 documentation, which is attached to the Declaration of Mark Calvert filed in support, and all of  
17 which is incorporated herein by reference:

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
18 Exhibit A	19 Fee Summary by Category and Itemized Billing 20 Grouped by Billing Category
21 Exhibit B	22 Itemized Billing Statements
23 Exhibit C	24 Summary Sheet of Monthly Fees by Project Category
25 Exhibit D	26 Summary Sheet of Monthly Hours by Project Category

The exhibits submitted in connection with this Final Cascade Application demonstrate the amount of fees Cascade incurred as accountant for the Trustee during the Final Application Period.

1 The exhibits break down, by project category, the amount of hours worked by Cascade and the  
2 amount of fees Cascade incurred. The exhibits further describe the number of fees and hours worked  
3 by Cascade within particular project categories.

4 As the exhibits demonstrate, Cascade incurred a total of \$21,658.50 in fees during the Final  
5 Application Period. Cascade's fees were for the following categories of tasks, each of which are  
6 described in more detail below: Accounting, Bankruptcy Admin, Cash Flow Management, Claims,  
7 Investigation, and Monthly Operating Reports. Cascade is not seeking recovery of expenses in  
8 connection with this Final Cascade Application.

9 **NARRATIVE SUMMARY OF SERVICES**  
10 **RENDERED ON A PROJECT SUMMARY BASIS**

11 All of the professional services rendered by Cascade during the Final Application Period are  
12 set forth in detail on Exhibit A and Exhibit B to the Trustee's Declaration. Brief descriptions of  
13 certain services deserving specific mention are highlighted below, by project category:

14 Accounting (Total Hours: 42.07). This category consists of duties typically performed by a  
15 controller for a business, such reviewing of financial reports, account reconciliations, and closing of  
16 monthly financial statements of the estate's business. Cascade incurred a total of \$5,048.40 in fees in  
17 this category during the Final Application Period.

18 Bankruptcy Admin (Total Hours: 44.36). This category represents time Cascade incurred in  
19 connection with preparation of fee application materials and responding to requests of the Court  
20 related to the same. A total of \$5,361.90 in fees in this category during the Final Application Period.

21 Cash Flow Management (Total Hours: 5.71). Cascade assisted the Trustee with his creation  
22 of a rolling daily cash flow with daily cleared incoming and outgoing cash transactions. The  
23 Trustee's daily cash flow schedule helped the Trustee manage cash flow shortfalls. During the Final  
24 Application Period, Cascade updated this system periodically. Cascade incurred a total of \$685.20 in  
25 fees in this category during the Final Application Period.



1 Trustee authority to disburse funds that he presently holds and that he subsequently receives in  
2 partial satisfaction of the allowed fees and costs.

3 DATED this 28th day of May, 2021.

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CASCADE CAPITAL GROUP

By /s/ Mark Calvert  
Mark Calvert

1 **CERTIFICATE OF SERVICE**

2 The undersigned declares as follows:

3 That she is a paralegal in the law firm of K&L Gates LLP, and on May 28, 2021, she caused  
4 the foregoing document to be filed electronically through the CM/ECF system which caused  
5 Registered Participants to be served by electronic means, as fully reflected on the Notice of  
6 Electronic Filing.

7 Also on May 28, 2021, she caused the foregoing document to be mailed to the Parties at the  
8 addresses listed below:

9 Northwest Territorial Mint LLC  
10 PO Box 2148  
11 Auburn, WA 98071

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

14 Executed on the 28<sup>th</sup> day of May, 2021 at Seattle, Washington.

15 /s/ Denise A. Lentz  
16 Denise A. Lentz