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JUDGE: Christopher M. Alston
DATE: Ex Parte
TIME: Ex Parte
CHAPTER: 11
LOCATION: Seattle
RESPONSE DATE: n/a

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

8 In re:) No. 16-11767-CMA
9 NORTHWEST TERRITORIAL MINT, LLC,) **EX PARTE MOTION FOR ORDER**
10 Debtor.) **COMPELLING PRODUCTION**
11 _____) **OF DOCUMENTS**

12 COMES NOW, Medallic Art Company, LLC, a party-in-interest in this Chapter 11
13 proceeding, and moves the court pursuant to Bankruptcy Rule 2004 for an order compelling Mark
14 Calvert, the Trustee, to make available for inspection and copying all business records and corres-
15 pondence: (a) relating or pertaining to, or owned by Medallic Art Company, LLC and, (b)
16 evidencing product sales under the Medallic Art brand or name, and authorizing the depositions of
17 two of the debtor's employees, Annette Trunkett and Maura Richardson. The basis for this motion is
18 set forth below and verified by the accompanying declaration of Ross B. Hansen.

20 1. Medallic Art Company, LLC is a Nevada limited liability corporation. It is owned
21 50% by Ross Hansen and 50% by Richard Bressler. Medallic Art Company, LLC was formed in
22 2009 for the purpose of acquiring the assets of Medallic Art Company, Inc. (a different entity owned
23 by Robert and Diane Hoff). Although the documentation pertaining to the purchase and sale of
24 Medallic Art Company, Inc. assets is incomplete, both Mr. Hansen and Mr. Bressler are of the same
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1 mind that Medallic Art Company, LLC purchased and is the rightful owner of the assets purchased
2 from Medallic Art Company, Inc.

3 2. Mr. Ross Hansen is the manager of Medallic Art Company, LLC. Mr. Hansen is also
4 the former CEO of Northwest Territorial Mint, LLC. Mr. Hansen maintained his primary business
5 office at the Northwest Territorial Mint offices in Federal Way, Washington. Most of Medallic Art
6 Company, LLC's business records are in Mr. Hansen's office in the Northwest Territorial Mint
7 offices. Medallic Art Company, LLC records are also maintained by two employees of the debtor:
8 Annette Trunkett, Chief Accountant, and Maura Richardson, Legal Assistant.
9

10 3. A substantial amount of the equipment located in the Dayton, Nevada facility that is
11 being used by the debtor in its manufacturing operation belongs to Medallic Art Company, LLC.
12 This equipment is identified in Mr. Hansen's declaration. Northwest Territorial Mint has for several
13 years paid \$25,000 a month to Medallic Art Company, LLC for the use of that equipment.
14 Northwest Territorial Mint also assumed the responsibility of maintaining that equipment, among
15 other obligations described by Mr. Hansen in his declaration. The equipment owned by Medallic
16 Art Company, LLC being used by Northwest Territorial Mint is of significant value. Its purchase
17 price was approximately \$5 million.
18
19

20 4. Medallic Art Company, LLC has made written demand upon Mr. Calvert to resume
21 the \$25,000 payments for the use of the equipment. Mr. Calvert has not responded in any fashion to
22 this demand, other than to suggest through counsel that Northwest Territorial Mint owns all of the
23 equipment in question. The basis for this claim was not stated.
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1 5. Medallic Art Company, LLC pledged the equipment to secure the underlying lease
2 obligation to Diane and Robert Hoff for the Dayton, Nevada manufacturing facility. Mr. Calvert
3 refused to pay the full rent for the month of May and in fact only paid one-half the rent, requiring
4 Mr. Hansen to pay the other half of the rent to avoid the landlord declaring a default and enforcing
5 its security interest in Medallic Art Company, LLC's equipment. Medallic Art Company, LLC
6 needs access to its records as soon as possible in order to protect its rights in the equipment and if
7 appropriate, seek the appropriate protection and relief from this Court.
8

9 6. Northwest Territorial Mint is obligated to pay a 10% royalty to Medallic Art
10 Company, LLC for all sales made under the Medallic Art Company, LLC brand. The amount of
11 royalties owed to Medallic Art Company, LLC can be determined only by sales records of
12 Northwest Territorial Mint. Despite demand, Mr. Calvert has refused to provide any records of sales
13 of Medallic Art Company, LLC branded products.
14

15 7. Medallic Art Company, LLC made a respectful, written demand upon Mr. Calvert for
16 access to these records. Mr. Calvert did not even provide the courtesy of a response. After initially
17 being told he could have access to Medallic Art Company, LLC, records, Mr. Hansen was recently
18 told by an employee of Northwest Territorial Mint that the Trustee instructed all employees not to
19 speak to Mr. Hansen or provide any records to him and if anyone did so they would be fired.
20 Because Medallic Art Company, LLC records are in the possession and control of the Trustee and
21 the Trustee has refused to allow access to these records, this motion was necessary.
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23 8. For the foregoing reasons, Medallic Art Company, LLC asks that the Court enter the
24 proposed order.
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DATED this 23rd day of May, 2016.

BUCKNELL STEHLIK SATO & STUBNER, LLP

/s/ Jerry N. Stehlik
Jerry N. Stehlik, WSBA #13050
of Attorneys for Medallic Art Company, LLC

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