

# UST-17 Other Information

## Exhibit 11

### Significant Events and Case Progress June 2017:

The company experienced an operating loss of \$136,031 in June compared with a profit of \$26,892 in May. The loss in June was expected and the company expects to have a loss in July and August, but the losses are anticipated to be less than \$100,000 per month. The company's cash flow is very tight and the Trustee has obtained approval of a factoring line to remain a going concern. The company has the ability to obtain approximately \$500,000 in factoring financing. In an effort to manage the company's cash flow the recently retained CEO will forego the moving bonus of \$50,000 previously paid per his employment contract. The company booked the adjustment in June as a receivable and will receive the money in July. In addition the Trustee has started to market the company for sale because of the tight cash flow. The company continues to have slow sales due to bankruptcy "headwinds" and seasonality. While new marketing and sales programs have been implemented and are promising, the ability to remain a going concern will depend on the effectiveness of sales growth in the coming months.

The company was in possession of a Remington at the time of bankruptcy and has recently obtained the second Remington that was given as a gift by Ross Hansen to R. Books. Mr. Brooks agreed to return the Remington and the company is now in possession of both. These were not previously recorded on the financial statements, the company made the inventory adjustment of \$20,000 for each Remington in June, which is the scrap metal value of the pieces. The company is actively pursuing buyer's for these pieces.

The Court approved retention of a CEO for the company in early February. Mr. Atalla, the CEO, is managing the day to day operations in Dayton and working closely with the Trustee on operational changes. Mr. Atalla is focused on rebuilding the sales organization and driving growth in sales for the company. The company's desire is to retain proven sales professionals with experience in the industry. Mr. Atalla, has implemented a number of new sales and marketing initiatives. These programs will need to become more effective for the Company to remain a going concern. In addition the Trustee has been forced to make additional reductions in work force. In addition the Trustee is looking at a pay cut for all employees to help manage the down turn in sales.

The company's cash position remains an issue. The Trustee has obtained DIP financing as a possible way to provide working capital to allow time for new sales programs to kick in. The Trustee sees cash being tight until the company can grow sales to improve the overall cash position of the company. If sales growth does not materialize, then the company will need to be liquidated.

The Trustee has consolidated the majority of the operations of the company since his appointment and is focused on consolidating all of the company into the Dayton facility. The Trustee's objective is to have the company fully operating from the Dayton location by the beginning of 2018.

The company needs to clean up its operational premises to incorporate the equipment and personnel moved from Auburn to Dayton. The Trustee is actively marketing the sale of surplus equipment. In addition the Trustee obtained court approval for the disposal of smaller scrap equipment at the Dayton facility. The Trustee intends to market the surplus equipment for sale

The estate was successful in the pending litigation matter with Medallic Art Company LLC, an entity controlled by the former CEO of the Debtor, Ross Hansen. The trial was cancelled when Medallic Art Company capitulated and dismissed its claims. The Court has entered a judgment substantively consolidating The Medallic Art Company assets and liabilities with the NWTM bankruptcy estate effective April 1, 2016. With the consolidation of the operations, the Trustee is now in a position to market the Company as a going concern to potential buyers. Given the current cash position, the company is moving forward entertaining possible offers to buy the Company.

As part of the Medallic litigation above, the Trustee obtained the payment records to the Medallic Art Attorneys. The payment records show that the Medallic Art Attorneys were paid from the liquidation of gold and silver. We filed a 2004 motion (discovery motion) with the court to obtain records from the companies that purchased the gold and silver. The records produced from coin and precious metal dealers disclosed that as of this point in time over \$700,000 of gold and silver has been liquidated to pay attorneys for Medallic Art Company and attorneys who represent the personal interests of Ross Hansen and Diane Erdman. The Trustee has filed motions with the Bankruptcy court to do additional depositions of Ross Hansen and Diane Erdman to determine the source of the gold and silver that was liquidated. This is of grave concern to the Trustee. Not just because of the funds used to pay the Medallic Art attorneys, but the amount of professional fees incurred by the estate to pay for the litigation against Medallic Art, likely in excess of \$750,000. Trustee is trying to move as quickly as possible to determine if additional gold and silver may be held by Ross Hansen and Diane Erdman which is property of the bankruptcy estate and the source of the gold and silver sold by Hansen and Erdman.

The Trustee is in litigation with the Dayton landlord on what "cure" costs are for the Dayton Lease. The landlord has provided a list of repairs that total over \$500,000. As of this point the Trustee believes that there are no unpaid cure costs and that the company has over paid per the lease agreement for repairs that were not NWTM responsibility. The continued trial on the lease cure issues is scheduled for July 25 and July 26. If the estate is not successful in limiting the cure costs, the Company may need to be closed and liquidated.