

UST-17 Other Information

Exhibit 11

Significant Events and Case Progress August 2017:

The company experienced an operating loss of \$100,937 in August compared with a operating profit of \$60,805 in July. The loss was expected and the company expects to have a profit in September. The trustee anticipates that the Company will be profitable September through the end of the year.

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's cash flow is very tight and the Trustee has obtained approval of a factoring line. The company has the ability to obtain approximately \$500,000 in factoring financing. The Trustee has marketed the company for sale because of tight cash flow.

At the commencement of the case in April of 2016, the company had experienced a significant number of credit card refund requests. Consequently, the credit card company requested a large deposit. The company had little cash and thus agreed to allow the credit card company to withhold approximately \$40,000 from sales as security against potential chargebacks. After 15 months there have been no credit card refund requests. As a result, the credit card company has agreed to reduce the deposit by \$40,000. The full amount of the deposit refund was recognized in the month of August.

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. Mr. Atalla, has implemented a number of new sales and marketing initiatives. The Company is also in discussion with other major distribution networks regarding selling NWTM and Medallic products and inventory. One former sales employee has taken a position with a direct competitor who had executed a nondisclosure and nonsolicitation agreement with the estate in connection with its expression of interest in acquiring the estate's business. The former employee appears to be contacting customers of the estate and attempting to divert business to the competitor. The competitor's violation of its nonsolicitation agreement with the estate may adversely impact operational results and give rise to actionable claims.

The company has a sales program with Amazon. Upon his appointment, the trustee wished to conservatively estimate and reserve for Amazon related sales taxes and thus accrued \$10,000 per month for such taxes since the outset of the case. After additional analysis the trustee has concluded that the sales taxes have been properly accounted for and paid and that no additional accrual is required. Thus, we reversed \$150,000 in accruals in July and an additional \$30,000 in August 2017.

The company needs to clean up its operational premises to incorporate the equipment and personnel moved from Auburn to Dayton. The Trustee obtained approval to sell some surplus equipment in April, 2017 and is actively marketing the sale of additional surplus equipment. The Trustee obtained court approval in June, 2017 for the disposal of smaller scrap equipment at the Dayton facility. We have sold some scrap equipment in August and the sale was recorded below the operating line as a non-recurring item.

The trustee obtained Court approval to conduct a deposition of Diane Erdmann regarding her sales of more than \$700,000 of gold, silver and platinum over the past year after Erdmann had testified under oath in June, 2016 that she had only \$1,000 in cash and six ounces of silver and had made representations to the Bankruptcy Court that she was without significant assets. More than \$500,000 of proceeds of precious metals sold by Erdmann over the past year were paid to attorneys representing Erdmann, Ross Hansen and Medallic Art Company, an entity controlled by Hansen. The Erdmann deposition was conducted on August 3, 2017. At the deposition, Diane Erdman invoked her 5th amendment rights in connection with questioning regarding her liquidation of the precious metals and her prior sworn testimony. The trustee continues to investigate and to develop further evidence that the precious metal sold by Erdmann was property of the estate and whether are bases to recover the transfers of the precious metal and its proceeds.

The Trustee prevailed in the litigation with the Dayton landlord over the cure items that were required in connection with the estate's assumption of the Dayton lease. The Court's ruling sharply limited the cure obligations from the nearly \$500,000 alleged by the landlord. The Company is working to promptly perform the cure list as ordered by the Court.