

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
WESTERN DIVISION**

In re:
GREENFIELD SILVER, INC.
f/k/a Lunt Silversmiths, Inc.

Debtor

Chapter 11
Case No. 09-32228-HJB

APPLICATION TO EMPLOY AUCTIONEER

Now comes the debtor-in-possession, Greenfield Silver, Inc. f/k/a Lunt Silversmiths, Inc. (the "Debtor"), by and through counsel, and hereby respectfully prays that it be granted authority to employ the firm of Aaron Posnik & Co., Inc. ("Posnik") as auctioneer. In support thereof, the Debtor respectfully states as follows:

1. On December 18, 2009 the Debtor filed a petition for relief under Chapter 11 of the Bankruptcy Code with this Court.

2. The matters set forth herein constitute core proceedings, pursuant to 28 U.S.C. § 157(b)(2)(A).

3. Prior to the filing of the petition the Debtor operated a silver flatware and giftware manufacturing and retail business located at 298 Federal Street, Greenfield, Massachusetts (the Premises"). The Debtor intends to liquidate its assets through this Chapter 11.

4. The Debtor possesses personal property that it wishes to sell, including machinery, equipment, office furnishings, and production materials (the "Manufacturing Assets") and miscellaneous silver flatware and giftware inventory (the "Silver") which it intends to sell by public auction, which will be broadcast live via the internet.

5. The Debtor has also filed contemporaneously herewith a Motion for Order Approving Auction Sale of Property of the Estate Free and Clear of Liens and Encumbrances Pursuant to 11 U.S.C. §363(B) and (F) and Carve Out which requests this Court's authority to sell the Manufacturing Assets and Silver (the "Sale Motion") by public auction broadcast via the internet.

6. As stated in the Sale Motion, the Debtor wishes to employ Posnik as auctioneer to conduct the public and internet auction, as Posnik is a reputable and experienced auctioneer in this community. The auction will be conducted on the Premises.

7. The Debtor's Manufacturing Assets and Silver will not be auctioned together with any non-bankruptcy estate items.

8. On information and belief, Posnik is disinterested, and does not hold or represent any interest adverse to the estate.

9. The Debtor seeks to compensate the auctioneer in accordance with the provisions of Massachusetts Local Bankruptcy Rule 6004-1(b), as follows: ten (10%) percent of the first \$10,000 received or part thereof; seven (7%) percent on the next \$10,000; six (6%) percent on the next \$35,000.00; and five (5%) percent of the balance.

10. With respect to expenses, Posnik has provided the following estimate of expenses necessary to conduct the auction of the Manufacturing Assets and Silver by public auction broadcast live via internet:

- (a) The expense for mass market advertising through the New York Times, Boston Globe, Hartford Courant, Springfield Republican, and Greenfield Recorder and direct mailing of brochures to a narrowly defined group of potential buyers in the silver industry is estimated at \$8,500;

- (b) The expense for auction preparation to clean, lot, tag, photograph, catalog and prepare for the auction is estimated at \$7,500:
- (c) The expense associated with the live internet broadcast to an unlimited number of potential bidders worldwide is as follows: The broadcast will be supported by “Bidspotter” an internationally recognized service provider which will allow for “real time” bidder/auction site interaction, with online bidders having the opportunity to bid against others situated at the auction location. Bidspotter’s fees are as follows: \$350 base fee per day, plus \$50.00 per for administration costs and three (3%) percent of the aggregate hammer price paid by online bidders placing the winning bid. In order to provide this service, Posnik must provide Bidspotter with a complete, detailed catalog including pictures of each lot. Posnik’s charge to provide this service is \$2,000 which includes miscellaneous expenses; and
- (d) The expenses for Posnik’s services include a one day inspection by personnel and the performance of auction services on the days of the auction, as well as supervision of the removal of asset for six (6) days after the auction. Posnik estimates that these costs will be approximately \$7,500, including all labor, travel and miscellaneous expenses. If the Debtor wishes for Posnik to continue to supervise the liquidation, the associated costs would be \$150 per day, per person. The liquidation may take an additional 10 to 14 days.

11. Greenfield Commercial Credit is the only creditor of the Debtor, which has a security interest in all of the Debtor's assets, excluding real estate owned by the Debtor. The Debtor states that the costs of liquidating, including the auctioneer's fees and expenses will benefit Greenfield Commercial Credit and may be paid from the proceeds of the auction sale pursuant to 11 U.S.C. §506(c).

12. To the best of the Debtor's knowledge, Posnik has no connections with the Debtor, its creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the Office of the United States Trustee.

WHEREFORE, the Debtor respectfully prays:

1. That this Court authorize the Debtor to employ Aaron Posnik & Co., Inc. as auctioneer, according to the terms herein with allowance of fees and expenses to be subject to further application with this Court; and
2. For such further relief as this Court deems just and proper.

Respectfully submitted this 26th day of March, 2010.

Respectfully submitted,

SHATZ, SCHWARTZ AND FENTIN, P.C.

By: /s/ Edward V. Sabella
Edward V. Sabella, Esquire
esabella@ssfpc.com
BBO #436820
L. Alexandra Hogan, Esquire
lahogan@ssfpc.com
BBO #672561
1441 Main Street – Suite 1100
Springfield, MA 01103
Telephone - (413) 737-1131
Facsimile - (413) 736-0375

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
WESTERN DIVISION**

In re:
GREENFIELD SILVER, INC.
f/k/a Lunt Silversmiths, Inc.

Debtor

Chapter 11
Case No. 09-32228-HJB

AFFIDAVIT OF AUCTIONEER

Now comes Paul W. Scheer and respectfully states the following under oath:

1. I am the President of Aaron Posnik & Co., Inc. ("Posnik").
2. Posnik is duly authorized and licensed to conduct auction sales in the Commonwealth of Massachusetts.
3. Posnik is qualified to conduct a public auction for the debtor-in-possession Greenfield Silver, Inc. f/k/a Lunt Silversmiths, Inc. (the "Debtor"), as Posnik is a reputable company which has auctioned a wide range of assets including, machinery, equipment, silver, and etc. through various methods including public and internet auctions.
4. Neither I nor any member of my firm holds or represents any interest adverse to the Debtor.
5. Neither I, nor my firm, have any connections with the Debtor, its creditors, or other party in interest, or their respective attorneys and accountants, the United States Trustee, or any person employed in the Office of the United States Trustee.
6. I and each member of my firm is a "disinterested person" as that term is defined in 11 U.S.C. §101(14).

7. I have not agreed to share with any person, except members of my firm, the compensation to be paid for services rendered in this case.

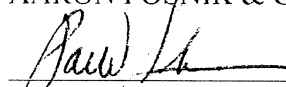
8. I have not received a retainer in this case.

9. I shall amend this statement immediately upon my learning that (A) any of the within representations are incorrect or (B) there is any change of circumstances relating thereto.

10. I have reviewed the provisions of M.L.B.R. 2016-1.

11. I declare under the penalty of perjury that the foregoing is true and correct.

AARON POSNIK & CO., INC.



Paul W. Scheer
President

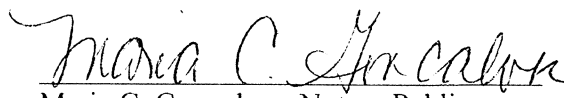
Dated: March 3, 2010

COMMONWEALTH OF MASSACHUSETTS

Hampden, ss.

March 3, 2010

On this March 3, 2010 before me, the undersigned notary public, personally appeared, Paul W. Scheer proved to me through satisfactory evidence of identification, namely personally known to me, to be the person whose name is signed on the preceding or attached document and acknowledged to me that such person is the duly authorized President of Aaron Posnik & Co., Inc. and that such person signed such document voluntarily as such person's free act and deed for its stated purpose on behalf of such Aaron Posnik & Co., Inc.



Maria C. Goncalves, Notary Public
My Commission Expires:

April 7, 2011

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
WESTERN DIVISION**

In re:
GREENFIELD SILVER, INC.
f/k/a Lunt Silversmiths, Inc.

Debtor

Chapter 11
Case No. 09-32228-HJB

**AUCTIONEER'S STATEMENT OF FULL BONDING
COVERAGE OF GOODS IN AUCTIONEER'S CUSTODY**

I, the undersigned, hereby represent:

1. That this firm has filed with this Court a blanket bond in the amount of \$200,000.00, conditioned upon the faithful performance of the firm's duties as auctioneer of goods owned by the estate of Greenfield Silver, Inc. f/k/a Lunt Silversmiths, Inc. (the "Debtor") whose bankruptcy case is pending in this district, which bond is dated March 26, 2010 and is terminable upon thirty (30) days' written notice by the surety.

2. I have filed a copy of that bond with the United States Trustee.

3. I am licensed as an auctioneer by the Commonwealth of Massachusetts (License No. 202), and in the states of FL, GA, IL, LA, ME, MS, NH, NC, OH, PA, RI, TX, VT, and VA. I am in good standing in all jurisdictions in which I am licensed; I am not subject to any disciplinary proceedings, nor have I been subject to any disciplinary proceedings in the last 5 years.

4. The assets of the estate which will come in my custody do not exceed in value the penalty amount of the aforesaid bond in any separately obtained surety bond filed with this Court and the United States Trustee relating to the estate goods in particular cases.

5. In addition, I hereby promise:

- (a) That if before the completion of the auction sale in this case, by the turnover of proceeds to the Debtor, I shall be authorized by this Court to serve in such additional cases as might result in the total value of bankruptcy goods in my custody exceeding the penalty amount of all my applicable bond coverage, I will obtain either: an increase in the penalty amount of my blanket bond; or a separate surety bond so that all bankruptcy goods in my custody are at all times fully-covered by surety bonds.

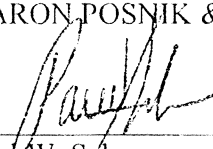
6. Upon completion of the auction sale of the Debtor's assets in this case, I will turn over to the Debtor:

- (a) an accounting for all goods I receive;
- (b) the gross proceeds therefrom; and
- (c) my itemized bill and proof of expenses incurred in connection with the sale.

7. In accordance with 28 U.S.C. §1746, I hereby declare under penalty of perjury that the foregoing is true and correct.

Dated: March 25, 2010

AARON POSNIK & CO., INC.



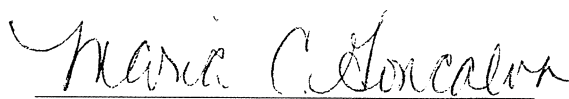
Paul W. Scherer
President

COMMONWEALTH OF MASSACHUSETTS

Hampden, ss.

March 25, 2010

On this March 25, 2010 before me, the undersigned notary public, personally appeared, Paul W. Scheer proved to me through satisfactory evidence of identification, namely the person was personally known to me, to be the person whose name is signed on the preceding or attached document and acknowledged to me that such person is the duly authorized President of Aaron Posnik & Co., Inc. and that such person signed such document voluntarily as such person's free act and deed for its stated purpose on behalf of such Aaron Posnik & Co., Inc.



Maria C. Goncalves, Notary Public

My Commission Expires:

April 7, 2011

09\0185\Auctioneer\Posnik\Posnik auctioneer.bonding.4801

OFFICIAL FORM 7

United States Bankruptcy Court
District of Massachusetts

In re Greenfield Silver, Inc. f/k/a Lunt Silversmiths, Inc.
Debtor(s)

Case No. 09-32228 HJB
Chapter 11

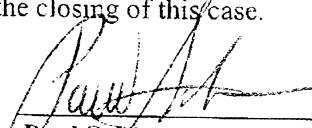
DECLARATION RE: ELECTRONIC FILING

PART I- DECLARATION OF PETITIONER

I [We] Paul Scheer, hereby declare(s) under penalty of perjury that all of the information contained in my Statement of Bonding and Affidavit (singly or jointly the "Document"), filed electronically, is true and correct. I understand that this *DECLARATION* is to be filed with the Clerk of Court electronically concurrently with the electronic filing of the Document. I understand that failure to file this *DECLARATION* may cause the Document to be struck and any request contained or relying thereon to be denied, without further notice.

I further understand that pursuant to the Massachusetts Electronic Filing Local Rule (MEFLR)-7(a) all paper documents containing original signatures executed under the penalties of perjury and filed electronically with the Court are the property of the bankruptcy estate and shall be maintained by the authorized CM/ECF Registered User for a period of five (5) years after the closing of this case.

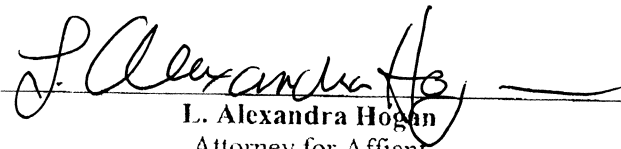
Dated: March 25th, 2010

Signed: 
Paul Scheer
(Affiant)

PART II - DECLARATION OF ATTORNEY (IF AFFIANT IS REPRESENTED BY COUNSEL)

I certify that the affiant(s) signed this form before I submitted the Document, I gave the affiant(s) a copy of the Document and this *DECLARATION*, and I have followed all other electronic filing requirements currently established by local rule and standing order. This *DECLARATION* is based on all information of which I have knowledge and my signature below constitutes my certification of the foregoing under Fed. R. Bankr. P. 9011. I have reviewed and will comply with the provisions of MEFR 7.

Dated: March 26, 2010

Signed: 
L. Alexandra Hogan
Attorney for Affiant