



BANKSTON & ASSOCIATES
A LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

Larry S. Bankston
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May 23, 2012

Jenna H. Linn
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VIA CERTIFIED MAIL NO. 7011 2970 0000 0264 7608
RETURN RECEIPT REQUESTED

Robert Edwin Burns
Auction Sells Fast, L.L.C.
4155 Essen Lane, Suite 228
Baton Rouge, LA 70809

RE: Louisiana Auctioneers Licensing Board
Public Records Request

Dear Mr. Burns:

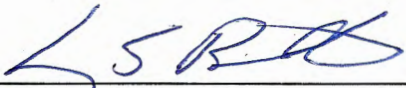
Please find enclosed a notice of failure to comply complaint which has been filed against you.

You are directed to respond in accordance with the provisions contained in the complaint. I have taken the liberty to copy your attorney with the complaint.

Thank you in advance for your attention to this matter.

Sincerely,

BANKSTON & ASSOCIATES, L.L.C.

By: 
Larry S. Bankston

Enclosure: complaint

cc: Loren Kleinpeter, Esq. (w/enclosures)
Sandy Edmonds (w/enclosures)
Stewart F. Peck, Esq. (w/enclosures)



Louisiana
Office of the Governor
Auctioneers Licensing Board

Bobby Jindal
Governor

May 23, 2012

NOTICE OF FAILURE TO COMPLY

TO: ROBERT EDWIN BURNS

New Contact Information:

11736 Newcastle Avenue
Bldg. 2, Suite C
Baton Rouge, LA 70816

Telephone: 225.295.8420
Fax: 225.372.8584

Email: admin@LALB.org
Web Address: www.LALB.org

You have failed to comply with the Louisiana Auctioneers Licensing Statute as follows:

On May 7, 2012, an auctioneer consumer complaint was filed against you. The complaint is attached hereto and alleges that on November 15, 2011, you provided false and defamatory testimony before the Auctioneers Licensing Board regarding New Orleans Auction Galleries, Inc. in violation of La. R.S. 37:3121A(3). Additionally, the complaint provides that you disseminated documents providing false and misleading statements regarding the New Orleans Auction Galleries, Inc.'s finances and the recoveries available to creditors. Unauthorized solicitation of acceptance or rejection of a bankruptcy plan of reorganization is prohibited under the United States Code Title 11, Section 1125. This is also a violation of La. R.S. 37:3121 A(4), La. R.S. 37:3121 A(5), and La. R.S. 37:3121 A(6).

Pursuant to Section 961(C) of Title 49, the Administrative Procedure Act, you have 15 days in which to show that you have complied with the requirements of the Louisiana Auctioneers Licensing Act. Please address any responses which you have to the Louisiana Auctioneers Licensing Board, 11736 Newcastle Avenue, Bldg. 2, Suite C, Baton Rouge, Louisiana, 70816.

FOR THE BOARD,

**SENT VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED
NUMBER**

COMPLAINANT INFORMATION:

NAME: New Orleans Auction Gallery

ADDRESS: 801 Magazine Street, New Orleans, LA 70130

PHONE NUMBERS: HOME _____ WORK _____

DID YOU HAVE A WRITTEN CONTRACT WITH THE AUCTIONEER?

YES _____ NO If yes, attach copy of contract.

ATTEMPTS TO RESOLVE THE PROBLEM:

What attempts, (if any) have been made to resolve this complaint prior to filing with the board?

New Orleans Auction Gallery sent correspondence to Mr. Burns requesting that he cease making false and defamatory statements but received no reply.

Date of demand letter(s) (if any) asking for refund or other demand: April 14, 2012
(Attach copies of any correspondence)

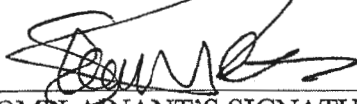
Date of formal complaint (if any) filed in any court: _____
(Attach copies of documents)

Response (if any) by Auctioneer or Business: None
(Attach copies of any correspondence)

Are you willing to appear before the Board at a formal hearing on this matter? YES NO _____

Filling out this form with as much information as is known will expedite the investigation of your complaint.
Please sign this document and mail it along with copies of supporting documents.

The complainant states that he/she is the complainant in the foregoing complaint and that all of the allegations contained therein are true and correct to the best of Complainant's knowledge, information and belief.


COMPLAINANT'S SIGNATURE
STEWART F. Peck
Attorney for New Orleans Auction Gallery

May 7, 2012
DATE

Robert Burns has made false statements before the Auction Board regarding New Orleans Auction Galleries, Inc. For reasons unknown to New Orleans Auction Galleries, Inc., Robert Burns has campaigned against New Orleans Auction Galleries, Inc. He and other persons appearing before the Auction Board have been warned by other members of the Auction Board about giving false testimony and tainting the board with inaccurate information.

The relevant statements by Burns were made on November 15, 2011. Burns stated at that time that potential investor Eric Aschaffenburg had withdrawn his consideration of purchasing the Debtor's business, which was and is not true.

Additionally on November 15, 2011, Burns stated:

There is nothing about an allegation on this, it's just fact. Ms. Krohn sought two other unsecured creditors to go in together and form a creditors' committee. New Orleans Auction Galleries objected to it. Last night they filed and the judge denied that motion. . . . You know where they're going with this and I know where they're going with this. They sought to disband the committee, that request was denied.

At the time Mr. Burns made the statement regarding the Motion to Disband Committee of Unsecured Creditors ("*Motion to Disband*"), the Motion to Disband was pending before the bankruptcy court, and had not been ruled upon by the court. It was unequivocally false to say that the Motion to Disband Creditors' Committee was denied at the time. In the Motion to Disband NOAG pointed out serious problems with the makeup of the Committee. The Motion to Disband had not come up for hearing at the time Burns made the statement. In response to the issues the Debtor raised in the Motion to Disband, United States Trustee's office sought other creditors to serve as members of the committee. On March 23, 2012 and March 27, 2012, the United States Trustee appointed two new members to serve on the Committee, as was suggested by NOAG. Thereafter, the United States Trustee argued to the bankruptcy court that it had satisfied the issues raised by NOAG in the Motion to Disband and the

Attachment to Auctioneer Complaint Form

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bankruptcy court agreed, and denied the Motion to Disband on April 3, 2012.

NOAG does not take a position on whether Burns knowingly made false statements or whether his false statements were simply a result of his inability to understand the documents he was reading and reporting to the Auction Board. However, NOAG believes to the extent that his false statements were a result of his inability to understand documents, his decision to nevertheless testify before the Auction Board was irresponsible and discipline may nevertheless be warranted. NOAG notes that several warnings have been given during the Auction Board proceedings about the potential consequences of false testimony specifically in regard to NOAG's bankruptcy proceedings.

Additionally, Burns has made false and misleading statements regarding the Debtor's finances and the recoveries available to creditors. Aside from his misrepresentations before the Auction Board, Burns has disseminated documents which are clearly intended to thwart the New Orleans Auction Galleries, Inc.'s ability to reorganize its bankruptcy estate. Unauthorized solicitation of acceptance or rejection of a bankruptcy plan of reorganization is prohibited under the United States Code Title 11 Section 1125. Burns published documents which he claimed to have distributed to over 200 auctioneers in which he stated "Pre-petition creditors are faced with three NOAG options for which they must cast a ballot," and Burns provided misleading financial analysis. These representations are not only inaccurate but are also detrimental to NOAG's ability to reorganize and further may constitute an unauthorized solicitation of rejection of the Debtor's plan of reorganization.

NOAG therefore requests the Auction Board take whatever disciplinary action it deems appropriate with respect to the foregoing.