

Robert Burns

Subject: FW: Email from Robert Burns regarding election
Attachments: no auction consignor order.pdf

From: Anna Dow [<mailto:anna.dow@gmail.com>]

Sent: Thursday, July 07, 2011 3:14 PM

To: olcotts@gov.state.la.us

Cc: Robert Burns; Freddie Phillips; Tessa Steinkamp; Gregory Bordelon; greg.lindsey@la.gov; Stewart Peck; sandy

Subject: Email from Robert Burns regarding election

Dear Ms. Olcott:

I am the attorney for the Louisiana Auctioneers Licensing Board. In response to Mr. Burns' email yesterday regarding his allegations against Ms. Steinkamp, I reviewed the document he provided, again reviewed the entire court record and spoke with the attorney for New Orleans Auction Galleries.

The request for a new election for Vice-Chairman is based upon Mr. Burns' allegations regarding New Orleans Auction Galleries and Ms. Steinkamp's involvement with that auction. I do want to take issue with some of his statements. First, Ms. Steinkamp was employed by New Orleans Auction - St. Charles Auction, Inc., which was a business closed this year because of the New Orleans Auction Galleries bankruptcy. It was a separate legal entity.

The objection filed by Latter & Blum (and another party) to the disbursement of proceeds from consigned items had to do with a dispute between David Delaunay, the consignor, Latter and Blum and one other party. The dispute centered upon how much each one of the parties would get from the proceeds. Latter and Blum had an assignment, and the other party, the Cossimo's, had a garnishment order. Because this is a disputed payment, the auctioneer cannot release the funds from the escrow account to the parties without resolving the dispute. Specifically, New Orleans Auction Galleries could not release the funds to David Delaunay, Latter and Blum or to the Cossimo's without a court order or an agreement of the parties. I have checked with Mr. Stewart Peck, the bankruptcy attorney for New Orleans Auction Galleries, who advised that he did not feel comfortable releasing any funds from the escrow account without a proper court order. An order has been obtained to pay Latter & Blum, and the question of the other party is pending before the bankruptcy court.

Section 3125 of the Auctioneers Licensing Law states that "every auctioneer shall pay the **consignor** within thirty days from the receipt of funds, or within sixty days from the date of sale at auction, whichever is lesser . . ." or return the property. Latter & Blum was not the consignor. That fact plus the dispute between the consignor and his creditors would mean that those dates would not necessarily apply, until such time as the dispute was resolved.

Ms. Steinkamp had resigned from New Orleans Auction - St. Charles Auction prior to the bankruptcy filing. It is my understanding that she did not control the escrow account at New Orleans Auction Galleries. Jean Vidos is the licensed auctioneer who owns 100 percent of the stock of New Orleans Auction Galleries, and Jean was responsible for the account until the bankruptcy was filed on April 1, 2011.

With regard to the questions of complaints, I have attached the order from the Bankruptcy Court granting permission for New Orleans Auction Galleries to pay all consignors. All of the consignors who have filed complaints with the board have been paid the funds due them. In addition, any consignors who contacted the board, even if they did not file complaints, were added to the list of consignors and paid. I am not aware of any

consignors who have not been paid as of this date. There are complaints filed by individuals who contend that the items sold them were not as described, and those matters will be resolved at a later date.

It is up to the Board if it wishes to have another election; however, I hope that this clears up the allegations made by Mr. Burns and, by representation, Mr. Phillips. If you have any further questions, please do not hesitate to contact me.

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