



U.S. Department of Justice

Office of the United States Trustee

District of South Dakota

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## OPERATING GUIDELINES AND REPORTING REQUIREMENTS OF THE UNITED STATES TRUSTEE

### FOR INDIVIDUAL CHAPTER 11 DEBTORS IN POSSESSION

#### I. INTRODUCTION

##### A. United States Trustee's Authority to Supervise Debtor in Possession

Pursuant to 28 U.S.C. § 586 and 11 U.S.C. § 704(8), the United States Trustee has established these **Operating Guidelines and Reporting Requirements** (the "requirements") for chapter 11 debtors in possession (the "debtor" or "debtors"). Under these requirements, debtors must establish and observe certain operating procedures and file certain financial reports with the Bankruptcy Court, the United States Trustee, and any committee appointed in the case by the United States Trustee. In a joint case, the operating guidelines and reporting requirements apply to both debtors. Counsel should carefully review these requirements with debtor(s) upon receipt.

##### B. Compliance, Amendments or Modifications

***Timely compliance with each of the requirements contained herein is mandatory. Failure of the debtor, or both debtors in a joint case, to comply with any requirement may result in the filing of a motion to dismiss or convert the case or a motion to appoint a chapter 11 trustee or examiner.***

***Any request to amend or modify these requirements for a particular chapter 11 case must be made in writing. To be effective, approval by the United States Trustee must be in writing.***

##### C. Duties of Debtor in Possession

With the filing of a chapter 11 petition, a debtor becomes a new entity called a debtor in possession. The debtor in possession has fiduciary and statutory responsibilities to preserve and maintain the estate and to operate its business as efficiently as possible in order to maximize ultimate payments on pre-petition debts while keeping post-petition debt current. (See 11 U.S.C. §§ 1106 and 1107.)

##### D. Individual Debtors

Title 11 includes a number of provisions that apply specifically to Chapter 11 cases in which the debtor is an individual, including the following:

- Property of the bankruptcy estate includes property acquired post-petition. 11 U.S.C. § 1115(a)(1).
- Property of the bankruptcy estate includes post-petition earnings from personal services. 11 U.S.C. § 1115(a)(2).
- The plan must provide for the debtor to pay creditors all or such portion of earnings from personal services or other future income of the debtor as is necessary for the execution of the plan. 11 U.S.C. § 1123(a)(8).
- If a holder of an allowed unsecured claim objects to confirmation of the plan, the plan must either provide for payment of the full value of the claim as of the effective date, or for payment of the projected disposable income of the debtor for five years or for the term of the plan, whichever is longer, with disposable income defined in 11 U.S.C. § 1325(b)(2). 11 U.S.C. § 1129(a)(15).
- At the request of the debtor, the trustee, the United States Trustee, or the holder of an allowed unsecured claim, the plan may be modified at any time after confirmation but before completion of payments to 1) increase or reduce the amount of payments to a particular class; 2) extend or reduce the time period for payments; or 3) change the amount to be paid to a creditor to the extent necessary to take account of any payments made other than under the plan. 11 U.S.C. § 1127(e).
- At the request of the court, the United States Trustee, or any party in interest, the debtor must file with the court a copy of any post-petition federal income tax returns at the same time they are filed with the taxing authorities, and certain pre-petition federal income tax returns that had not been filed with the taxing authorities on the petition date. 11 U.S.C. § 521(f).
- An individual debtor does not receive a discharge until completion of all payments under the plan. The court may grant a discharge to an individual debtor who has not completed all plan payments if the court finds that the value of the property actually distributed to unsecured creditors as of the effective date is not less than the amount that would have been paid in a chapter 7 case if the estate had been liquidated on the effective date, and if the court also finds that modification of the plan under § 1127 is not practicable. 11 U.S.C. § 1141(d)(5).

## II. OPERATING GUIDELINES

### A. Bank Accounts/Money of the Estate

1. The debtor must immediately close pre petition bank accounts and open new "debtor in possession" bank accounts. All receipts must flow through the debtor in possession account(s). All disbursements should be by check.
2. The account name on the bank's records must include the words "Debtor in possession." Checks for the new accounts must be pre-numbered by the printer, and must be **imprinted** with the words "Debtor in Possession" and the bankruptcy case number. Handwritten, typewritten, or hand-stamped versions are not acceptable. (See **Exhibit 1**.)



3. All money of the estate must be deposited or invested in accordance with 11 U.S.C. § 345. Examples of deposits and investments that comply with § 345(b) include, but may not be limited to, the following:

- a. Deposits that are fully insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.
- b. Investments in United States Treasury securities.
- c. Deposits and investments with an entity that has posted a surety bond in favor of the United States, or pledged securities of the kind specified in 31 U.S.C. § 9303, to secure the funds invested or on deposit.

#### **B. Insurance**

The debtor must maintain without interruption all insurance customarily carried in the debtor's line of business or required by law or regulation. In most cases, the debtor will be required to carry liability, workers' compensation, and property insurance, i.e., fire and extended coverage. The property insurance coverage must be for no less than the fair market value or replacement cost of the insured assets. The debtor must immediately notify the United States Trustee of any lapse, cancellation, modification, or renewal of insurance coverage. Failure by the debtor to maintain appropriate insurance that poses a risk to the estate or to the public is cause for conversion or dismissal of the case. 11 U.S.C. § 1112(b)(4)(c).

#### **C. Taxes**

The debtor must remain current on all post petition federal, state, and local taxes and file all tax returns on a timely basis. If the debtor has payroll tax obligations, the debtor may be required to open a special tax account and report payroll tax deposits to the appropriate taxing authority. Failure by the debtor to timely pay post-petition taxes or to file post-petition tax returns is cause for conversion or dismissal of the case. 11 U.S.C. § 1112(b)(4)(l).

#### **D. Quarterly Fees**

Pursuant to 28 U.S.C. § 1930(a)(6), debtors are required to pay certain fees for each calendar quarter (or portion thereof) until the case is dismissed or converted or in a converted case, when the case is closed. (See **Exhibit 2**.) Failure to pay quarterly fees when due is cause for conversion or dismissal of the case. 11 U.S.C. § 1112(b)(4)(k).

#### **E. Legal Documents to Be Transmitted to the United States Trustee**

Pursuant to Federal Rules of Bankruptcy Procedure 2002 and 9034, it is the responsibility of the debtor and the debtor's counsel to keep the United States Trustee apprised of all matters pertaining to the case at all times. This includes ensuring that the United States Trustee is served with copies of all papers (motions, applications, etc.) filed in the case.

#### **F. Initial Debtor Interview**

The United States Trustee will schedule an Initial Debtor Interview ("IDI") with the

debtor and counsel shortly after the case is filed. (See 11 U.S.C. § 1116(2) for specific requirements in small business cases.) The IDI will generally be conducted at the office of the United States Trustee. At the IDI, a bankruptcy analyst from the United States Trustee's office will seek to become familiar with the debtor's case as well as with the debtor's assets, liabilities, accounting methods and if appropriate business plan and operations. Accordingly, the debtor(s) should be prepared to discuss pre-petition and post-petition operations, accounting records, tax returns and financial statements. The analyst will also discuss the role of the United States Trustee, explain the Operating Guidelines and Reporting Requirements. Prior to the IDI, the debtor must ensure that the United States Trustee has a copy of the debtor's Statement of Financial Affairs and Schedules and the debtor's Initial Financial Report. (See Section III, **Reporting Requirements**.) Failure by the debtor to attend meetings reasonably requested by the United States Trustee is cause for conversion or dismissal of the bankruptcy case. 11 U.S.C. § 1112(b)(4)(H).

## **G. Additional Legal Requirements**

The debtor's attention is directed to the following selected provisions of the Bankruptcy Code:

### **1. Meeting of Creditors**

A meeting of creditors will generally be held 21 to 40 days after the petition is filed. The debtor(s) must attend and respond, under oath, to questions from the United States Trustee and creditors regarding the debtor's business and financial affairs, the cause of the bankruptcy, and the status of the debtor's reorganization efforts. (See 11 U.S.C. §§ 341 and 343.) Failure by the debtor to attend the meeting of creditors without good cause shown is cause for conversion or dismissal of the case. 11 U.S.C. § 1112(b)(4)(G).

### **2. Unsecured Creditors' Committee**

- a. As soon as possible after the entry of an order for relief, the United States Trustee will contact the 20 largest unsecured creditors for the purpose of forming an unsecured creditors' committee. (See 11 U.S.C. § 1102.)
- b. If a committee is appointed by the United States Trustee, the debtor must provide the committee with copies of all financial reports required by the United States Trustee.

### **3. Cash Collateral**

The debtor may not use "cash collateral" unless the secured creditor agrees to such use, or such use is authorized by the court after notice and a hearing. (See 11 U.S.C. § 363(c)(2).) Unauthorized use of cash collateral by the debtor that is substantially harmful to a creditor is cause for conversion or dismissal of the case. 11 U.S.C. § 1112(b)(4)(D).

### **4. Obtaining Credit**

The debtor may not obtain credit other than in the ordinary course of business without court authorization after notice and a hearing. (See 11 U.S.C. § 364.)



## **5. Use, Sale or Lease of Property of the Estate**

The debtor may not use, sell, or lease property of the estate when such use, sale, or lease is not in the ordinary course of business, except after notice and a hearing. (See 11 U.S.C. § 363(b)).

## **6. Employment and Compensation of Professionals**

The debtor may not employ or compensate professional persons, including the debtor's attorney, without court approval. (See 11 U.S.C. §§ 326-331, 503 and 1107.)

## **7. Prohibition on Payment of Pre Petition Debts**

The debtor must not pay any pre petition debts without court approval. (See 11 U.S.C. § 549).

## **8. Notices to Domestic Support Obligation Holders and State Child Support Enforcement Agencies**

In cases where a third party has a claim against the debtor for a domestic support obligation (DSO), the debtor is required to provide two statutorily required written notices to the holder of a DSO claim and the appropriate state child support enforcement agency. 11 U.S.C. § 1106(a)(8). While the Bankruptcy Code is silent on the timing of the first required notice, the debtor should send the first notices prior to the meeting of creditors, and no later than three business days after the meeting of creditors is held.

The first written notice must advise the holder of a DSO claim of their rights to payment in bankruptcy cases, their rights to use the collection services of the State child support enforcement agency of the State where they reside, and contact information for such agencies. The debtor must also notify the State child support enforcement agency established under sections 464 and 466 of the Social Security Act for the State in which the claim holder resides and provide the agency with the DSO claim holder's contact information.

The addresses for the appropriate State child support enforcement agencies are available at [www.usdoj.gov/ust/eo/bapcpa/ds](http://www.usdoj.gov/ust/eo/bapcpa/ds). Please note that each State and territory has two addresses: one for inclusion in the notice going to the DSO claimant and another for the notice to the State Agency.

The debtor must send the second required notices to the holder of a DSO claim and the state child support enforcement agency when a discharge is granted. The second notice must include the last known address for the debtor and the debtor's employer, as well as contact information for certain creditors whose claims were either reaffirmed or not discharged.

In order to assist state child support enforcement agencies in identifying debtors with DSOs, the debtor must include the debtor's full Social Security number on those notices going to the State child support enforcement agency, except where prohibited by state law or regulation. The United States Trustee must be notified immediately if the debtor is prohibited from complying with this requirement based upon a state statute or regulation that prohibits the full disclosure of Social Security numbers. The debtor's full Social Security number

is *not* be included on the notices going to the DSO claim holder. The United States Trustee does not require the debtor to file the notices with the court. However, if the debtor chooses to file the notice with the court, the debtor should ensure that the first five digits of the debtor's Social Security number are redacted from the notice.

### III. REPORTING REQUIREMENTS

In addition to the reports described below, the United States Trustee may require the submission of any additional information that may be necessary to properly monitor the administration of the estate. **The Initial Financial Report is to be submitted to the United States Trustee only; it is not to be filed with the Clerk of Court. The Monthly Operating Reports bearing an original signature is to be submitted to the United States Trustee. A copy of the report must be filed with the Clerk of Court. 11 U.S.C. § 704(8)** Copies of all Monthly Operating Reports must also be provided to any committee appointed by the United States Trustee. The debtor's unexcused failure to satisfy timely any filing or reporting requirement is cause for conversion or dismissal of the case. 11 U.S.C. § 1112(b)(4)(F).

#### A. Initial Financial Report

1. The Initial Financial Report is due **fifteen days** after the petition is filed. It is submitted only to the United States Trustee.
2. The Initial Financial Report consists of the following:
  - a. **Cover Sheet (Form 1).**
  - b. **Latest fiscal year financial statements and tax returns.** The debtor must provide a complete set of financial statements for its most recent fiscal year. Individual debtors should submit their last two federal income tax returns. Individual debtors should redact any Social Security Numbers for themselves and their dependents that are included on the tax returns.
  - c. **Balance sheet as of the end of the month immediately prior to filing.**
  - d. **Profit and loss statement (statement of operations) for the month immediately prior to filing and the year to date, through the end of that month.**
  - e. **Proof of insurance coverage.** The debtor must provide a certificate(s) of insurance, signed by an authorized representative of the carrier or agent, with the United States Trustee named as a party to be notified in the event of cancellation. All documents provided as evidence of insurance must clearly indicate the policy expiration date, the types and amounts of coverage, the location(s) covered, the deductible, the named insured, the insurer, and the name, address, and telephone number of the local agent.
  - f. **Projections.** The debtor must submit a projected statement of monthly revenue, expenses, and cash flow that covers the first 180 days of post-petition operations. Significant assumptions used in the projections must be described. The statement must provide



sufficient detail to support a review of reasonableness when compared with other financial statements provided with the report.

- g. **Information concerning debtor in possession account(s).** The debtor must submit a sample voided check for each debtor in possession account. If a sample check is not yet available, the debtor must, in the interim, provide the account number and name and address of financial institution where the account is located. The debtor must also submit a completed, original signature Bank Account Reporting Form (attached) and copies of signature cards for all bank accounts open as of the filing date, and opened since the filing date.

## B. Monthly Operating Reports

1. A Monthly Operating Report must be submitted for each month (or portion thereof) after the petition is filed until a plan is confirmed or the case is dismissed or converted. The Monthly Operating Report submitted for the month in which an order confirming the plan is entered should cover the entire month.

2. The Monthly Operating Report is due **twenty-one (21) days** after the end of the month covered by the report. The Monthly Operating Report bearing an original signature is submitted to the United States Trustee. A copy of the report must be filed with the Clerk of Court. 11 U.S.C. § 704(8) Copies must also be provided to any committee appointed in the case.

3. The Monthly Operating Report consists of the following:

- a. **Cover Sheet (Form 2-A).**
- b. **Cash Receipts and Disbursements Statements (Form 2-B).** The Cash Reconciliation (page 1 of Form 2-B) requires information for the monthly reporting period along with cumulative information from the petition date through the end of the reporting period.
- c. **Balance Sheet (Form 2-C).** Comparative balance sheets as of the last month-end and the petition date must be provided.
- d. **Profit and Loss Statement (Form 2-D).** Information must be provided for the monthly reporting period along with cumulative information from the petition date through the end of the reporting period.
- e. **Supporting Schedules (Form 2-E):**
  - 1) Post Petition Taxes Payable Schedule
  - 2) Insurance Schedule
  - 3) Accounts Receivable and Post Petition Payable Aging Summary (debtor must attach detailed agings)
  - 4) Schedule of Payments to Attorneys and Other Professionals
  - 5) Schedule of Payments to Principals/Executives
- f. **Quarterly Fee Summary (Form 2-F).**
- g. **Narrative (Form 2-G).**

- h. **Complete copies of bank statements for all accounts.**
- i. **Bank statement reconciliations for all accounts.**

4. Individual debtors should discuss appropriate monthly reporting requirements with the bankruptcy analyst assigned to the case. Reports must include detailed reporting of all financial activity of the bankruptcy estate, including transactions generated by post-petition earnings from personal services, operation of a business, and sales of property of the estate. Individuals who derive their income from closely held corporations, partnerships or limited liability companies may be required to provide periodic financial statements for those closely-held entities.

5. Each Monthly Operating Report must be prepared on the attached forms. Computerized versions of these forms are available from the United States Trustee. System-generated reports may be attached as exhibits if prior approval from the United States Trustee has been obtained.

6. The Monthly Operating Report must be legible. If possible, the report should be typed. No entries should be left blank; if an item does not apply, enter "0" or "N/A".

7. Reports prepared on the accrual basis of accounting are **strongly** recommended. The debtor may not switch from accrual to cash basis reports without the prior written approval of the United States Trustee.

8. Regardless of who prepared the Monthly Operating Report, the report must be signed, under penalty of perjury, by the debtor(s).

### **C. Reports Regarding Entities In Which Debtor Holds An Interest**

Pursuant to Fed.R.Bankr.P. 2015.3, the debtor must file periodic financial reports of the value, operations, and profitability of each other entity that debtor holds a substantial or controlling interest (except that the debtor does not need to file reports regarding any entity that is either a publicly traded corporation or is in bankruptcy). It is presumed that the debtor holds a substantial or controlling interest if the debtor controls or owns at least a 20% interest in the entity.

- 1. The periodic financial report must be prepared on the attached form (Official Form 26);
- 2. The first report shall be filed no later than seven (7) days before the first date set for the §341 meeting of creditors. Subsequent reports shall be filed at least every six (6) months thereafter. The obligation to file the periodic reports terminates upon the effective date of the plan, or conversion or dismissal of the case.
- 3. In addition to filing the periodic financial report with the Court, copies of the report shall be served on the United States Trustee, any committee appointed in the case, and any other party in interest that has filed a request therefor.

### **D. Reports on Cases Converted to Chapter 7**



Pursuant to Fed.R.Bankr.P. 1019(5), the debtor must: 1) within fourteen days after entry of an order converting the case to a case under chapter 7, file a schedule of unpaid debts incurred after commencement of the chapter 11 case, such list to include the name and address of each post petition creditor; and 2) within 30 days after entry of the order of conversion, file with the court and transmit to the United States Trustee a final report and account.

#### **E. Post Confirmation Reporting Requirements**

Pursuant to 11 U.S.C. Sec. 1106(a)(7), the debtor must file a Post Confirmation Quarterly Report (**Form 3**) for every post-confirmation calendar quarter, including the quarter in which the plan was confirmed and the quarter in which the debtor files its application for final decree. The first report should be for the entire calendar quarter, not just the post-confirmation period. The final report should include all activity through the date of the application for final decree. The Post Confirmation Quarterly Report is due **twenty-one (21) days** after the end of each quarter, except for the **final** Post-Confirmation Quarterly Report, which should be filed at the same time as the Chapter 11 Final Report and Motion for Final Decree.

**DEBTOR IN POSSESSION ACCOUNTS**

This is an example of a correctly styled check for a debtor in possession bank account. Please use it as a guide in setting up your account and ordering checks.

The words "Debtor in Possession" and the bankruptcy case number must be **imprinted on all** checks issued by a debtor. Handwritten, typewritten and hand-stamped versions are **not** acceptable. The use of the abbreviation "DIP" for "debtor in possession" is **not** acceptable. In addition, the checks must be pre-numbered by the printer.

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\*\*\*\*\*  
John Doe Holding, Inc., dba USA GOODS 1001  
Debtor in Possession  
Case No. 09-40000  
1400 Every Street 11-7/1000  
Anytown, MN 50000  
(612) 111-1111

PAY  
TO THE  
ORDER OF \_\_\_\_\_, \$( )

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DOLLARS  
Solvent National Bank  
1 Finance Street  
Metropolis, MN 50001

FOR \_\_\_\_\_

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|:3 25079486|:57670 008641811 - 0801

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## CHAPTER 11 QUARTERLY FEES

The chapter 11 debtor in possession is responsible for paying this fee. The amount of the fee depends on disbursements made during the calendar quarter.

Fee payments are due no later than the last day of the month following the quarterly reporting period. In order for a plan to be confirmed in the case, the plan must provide that payment of quarterly fees will continue until a final decree is entered and the case is closed.

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### FEE SCHEDULE

<u>TOTAL QUARTERLY DISBURSEMENTS</u>		<u>QUARTERLY FEE</u>
\$ 0 to	\$ 14,999.99	\$ 325
15,000 to	74,999.99	650
75,000 to	149,999.99	975
150,000 to	224,999.99	1,625
225,000 to	299,999.99	1,950
300,000 to	999,999.99	4,875
1,000,000 to	1,999,999.99	6,500
2,000,000 to	2,999,999.99	9,750
3,000,000 to	4,999,999.99	10,400
5,000,000 to	14,999,999.99	13,000
15,000,000 to	29,999,999.99	20,000
30,000,000 or more		30,000

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Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. § 1112(b)(4)(K)].

**Checks are to be made payable to The United States Trustee** and mailed to the address set forth below. Fees are **not** to be mailed or delivered to the local Office of the United States Trustee. If any check is returned "unpaid" for any reason, all subsequent payments must be made by way of cashier's check, certified check, or money order.

To ensure proper credit, it is imperative that the debtor in possession write the case number on each check and remit the payment with the coupon provided with the quarterly billing. A separate check and coupon is required for each quarterly payment even if more than one quarterly fee is paid at the same time.

Send all payments to: **U.S. Trustee Payment Center**  
**Post Office Box 530202**  
**Atlanta, GA 30353-0202**

DEBTOR: \_\_\_\_\_

**INITIAL FINANCIAL REPORT**

CHAPTER 11

CASE NUMBER: \_\_\_\_\_

COVER SHEET

\_\_\_\_\_  
Date of Report

**THIS REPORT IS DUE 15 DAYS AFTER THE PETITION FILING DATE**

Mark One Box for Each  
Required Document:

Debtor must attach each of the following documents or a satisfactory explanation for failure to attach a document. **Submit original report to U.S. Trustee.** Do not file report with Clerk of Court.

Document Attached	Previously Submitted	Explanation Attached	REQUIRED DOCUMENTS
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Latest Fiscal Year Financial Statements or Tax Returns
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet as of Month End Immediately Preceding Filing
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement for Month and Year Immediately Preceding Filing
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4. Proof of Insurance Coverage:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a. General Liability Insurance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. Property (Fire, Theft, etc.) Insurance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c. Workers' Compensation Insurance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	d. Vehicle Insurance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	e. Other:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5. Projected Revenue, Expenses and Cash Flow for First 180 Days of Post Petition Operations
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. Name and Address of Financial Institution, Account Number and Sample Voided Check for Each Debtor in Possession Bank Account
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a. General Account
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c. Tax Account (if required)

***I declare under penalty of perjury that the following Initial Financial Report, and any attachments thereto, are true and correct to the best of my knowledge and belief.***

Executed on: \_\_\_\_\_

Debtor(s): \_\_\_\_\_

By: \_\_\_\_\_

Position: \_\_\_\_\_



DEBTOR: \_\_\_\_\_

MONTHLY OPERATING REPORT  
CHAPTER 11

CASE NUMBER: \_\_\_\_\_

Form 2-A  
COVER SHEET

For Period Ending \_\_\_\_\_

Accounting Method:  Accrual Basis  Cash Basis

**THIS REPORT IS DUE 21 DAYS AFTER THE END OF THE MONTH**

Mark One Box for Each  
Required Document:

Debtor must attach each of the following reports/documents unless the U. S. Trustee has waived the requirement in writing. Submit the original Monthly Operating Report bearing an original signature, to the U. S. Trustee. A copy of the Report must be filed with the Clerk of Court. 11 U.S.C. § 704(8)

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts
<input type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts

***I declare under penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate and correct to the best of my knowledge and belief.***

Executed on: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

DEBTOR: \_\_\_\_\_

CASE NO: \_\_\_\_\_

**Form 2-B  
CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: \_\_\_\_\_ to \_\_\_\_\_

**CASH FLOW SUMMARY**

	<u>Current Month</u>	<u>Accumulated</u>
<b>1. Beginning Cash Balance</b>	\$ _____	_____ (1)
<b>2. Cash Receipts</b>		
Operations	_____	_____
Sale of Assets	_____	_____
Loans/advances	_____	_____
Other	_____	_____
<b>Total Cash Receipts</b>	\$ _____	_____
<b>3. Cash Disbursements</b>		
Operations	_____	_____
Debt Service/Secured loan payment	_____	_____
Professional fees/U.S. Trustee fees	_____	_____
Other	_____	_____
<b>Total Cash Disbursements</b>	\$ _____	_____
<b>4. Net Cash Flow (Total Cash Receipts less     Total Cash Disbursements)</b>	_____	_____
<b>5 Ending Cash Balance (to Form 2-C)</b>	\$ _____	_____ (2)

**CASH BALANCE SUMMARY**

	<u>Financial Institution</u>		<u>Book Balance</u>
Petty Cash	_____	\$	_____
DIP Operating Account	_____		_____
DIP State Tax Account	_____		_____
DIP Payroll Account	_____		_____
Other Operating Account	_____		_____
Other Interest-bearing Account	_____		_____
<b>TOTAL (must agree with Ending Cash Balance above)</b>		\$	_____

**(1) Accumulated beginning cash balance is the cash available at the commencement of the case.  
Current month beginning cash balance should equal the previous month's ending balance.**

**(2) All cash balances should be the same.**







DEBTOR: \_\_\_\_\_

CASE NO: \_\_\_\_\_

Form 2-C  
**COMPARATIVE BALANCE SHEET**  
For Period Ended: \_\_\_\_\_

	Current Month	Petition Date (1)
<b>ASSETS</b>		
Current Assets:		
Cash (from Form 2-B, line 5)	\$ _____	_____
Accounts Receivable (from Form 2-E)	_____	_____
Receivable from Officers, Employees, Affiliates	_____	_____
Inventory	_____	_____
Other Current Assets :(List) _____	_____	_____
	_____	_____
Total Current Assets	\$ _____	_____
Fixed Assets:		
Land	\$ _____	_____
Building	_____	_____
Equipment, Furniture and Fixtures	_____	_____
Total Fixed Assets	_____	_____
Less: Accumulated Depreciation	( _____ )	_____
Net Fixed Assets	\$ _____	_____
Other Assets (List): _____	_____	_____
	_____	_____
<b>TOTAL ASSETS</b>	\$ _____	_____
<b>LIABILITIES</b>		
Post-petition Accounts Payable (from Form 2-E)	\$ _____	_____
Post-petition Accrued Professional Fees (from Form 2-E)	_____	_____
Post-petition Taxes Payable (from Form 2-E)	_____	_____
Post-petition Notes Payable	_____	_____
Other Post-petition Payable(List): _____	_____	_____
	_____	_____
Total Post Petition Liabilities	\$ _____	_____
Pre Petition Liabilities:		
Secured Debt	_____	_____
Priority Debt	_____	_____
Unsecured Debt	_____	_____
Total Pre Petition Liabilities	\$ _____	_____
<b>TOTAL LIABILITIES</b>	\$ _____	_____
<b>OWNERS' EQUITY</b>		
Owner's/Stockholder's Equity	\$ _____	_____
Retained Earnings - Prepetition	_____	_____
Retained Earnings - Post-petition	_____	_____
<b>TOTAL OWNERS' EQUITY</b>	\$ _____	_____
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	\$ _____	_____

(1) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.



DEBTOR: \_\_\_\_\_

CASE NO: \_\_\_\_\_

**Form 2-D**  
**PROFIT AND LOSS STATEMENT**  
For Period \_\_\_\_\_ to \_\_\_\_\_

	Current Month	Accumulated Total (1)
Gross Operating Revenue	\$ _____	_____
Less: Discounts, Returns and Allowances	( _____ )	_____ )
<b>Net Operating Revenue</b>	<b>\$ _____</b>	_____
Cost of Goods Sold	_____	_____
<b>Gross Profit</b>	<b>\$ _____</b>	_____
Operating Expenses		
Officer Compensation	\$ _____	_____
Selling, General and Administrative	_____	_____
Rents and Leases	_____	_____
Depreciation, Depletion and Amortization	_____	_____
Other (list): _____	_____	_____
_____	_____	_____
<b>Total Operating Expenses</b>	<b>\$ _____</b>	_____
<b>Operating Income (Loss)</b>	<b>\$ _____</b>	_____
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ _____	_____
Gains (Losses) on Sale of Assets	_____	_____
Interest Income	_____	_____
Interest Expense	_____	_____
Other Non-Operating Income	_____	_____
<b>Net Non-Operating Income or (Expenses)</b>	<b>\$ _____</b>	_____
Reorganization Expenses		
Legal and Professional Fees	\$ _____	_____
Other Reorganization Expense	_____	_____
<b>Total Reorganization Expenses</b>	<b>\$ _____</b>	_____
<b>Net Income (Loss) Before Income Taxes</b>	<b>\$ _____</b>	_____
Federal and State Income Tax Expense (Benefit)	_____	_____
<b>NET INCOME (LOSS)</b>	<b>\$ _____</b>	_____

(1) Accumulated Totals include all revenue and expenses since the petition date.

DEBTOR: \_\_\_\_\_

CASE NO: \_\_\_\_\_

Form 2-E  
SUPPORTING SCHEDULES  
For Period: \_\_\_\_\_ to \_\_\_\_\_

**POST PETITION TAXES PAYABLE SCHEDULE**

	<u>Beginning Balance (1)</u>	<u>Amount Accrued</u>	<u>Amount Paid</u>	<u>Date Paid</u>	<u>Check Number</u>	<u>Ending Balance</u>
Income Tax Withheld:						
Federal        \$	_____	_____	_____	_____	_____	_____
State	_____	_____	_____	_____	_____	_____
FICA Tax Withheld	_____	_____	_____	_____	_____	_____
Employer's FICA Tax	_____	_____	_____	_____	_____	_____
Unemployment Tax						
Federal	_____	_____	_____	_____	_____	_____
State	_____	_____	_____	_____	_____	_____
Sales, Use & Excise Taxes	_____	_____	_____	_____	_____	_____
Property Taxes	_____	_____	_____	_____	_____	_____
Accrued Income Tax:						
Federal	_____	_____	_____	_____	_____	_____
State	_____	_____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____	_____	_____
TOTALS            \$	=====	=====	=====			=====

(1) For first report, Beginning Balance will be \$0; thereafter, Beginning Balance will be Ending Balance from prior report.

**INSURANCE SCHEDULE**

	<u>Carrier</u>	<u>Amount of Coverage</u>	<u>Expiration Date</u>	<u>Premium Paid Through</u>
Workers' Compensation	_____	\$ _____	_____	\$ _____
General Liability	_____	\$ _____	_____	\$ _____
Property (Fire, Theft)	_____	\$ _____	_____	\$ _____
Vehicle	_____	\$ _____	_____	\$ _____
Other (list):	_____	\$ _____	_____	\$ _____
	_____	\$ _____	_____	\$ _____

DEBTOR: \_\_\_\_\_

CASE NO: \_\_\_\_\_

Form 2-E  
SUPPORTING SCHEDULES

For Period: \_\_\_\_\_ to \_\_\_\_\_

**ACCOUNTS RECEIVABLE AND POST PETITION PAYABLE AGING**

<u>Due</u>	<u>Accounts Receivable</u>	<u>Post Petition Accounts Payable</u>
Under 30 days	\$ _____	_____
30 to 60 days	_____	_____
61 to 90 days	_____	_____
91 to 120 days	_____	_____
Over 120 days	_____	_____
<b>Total Post Petition</b>	_____	
<b>Pre Petition Amounts</b>	_____	
Total Accounts Receivable	\$ _____	
Less: Bad Debt Reserve	_____	
<b>Net Accounts Receivable (to Form 2-C)</b>	<b>\$ _____</b>	
	<b>Total Post Petition Accounts Payable</b>	<b>\$ _____</b>

\* Attach a detail listing of accounts receivable and post-petition accounts payable

**SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS**

	<u>Month-end Retainer Balance</u>	<u>Current Month's Accrual</u>	<u>Paid in Current Month</u>	<u>Date of Court Approval</u>	<u>Month-end Balance Due *</u>
Debtor's Counsel	\$ _____	_____	_____	_____	_____
Counsel for Unsecured Creditors' Committee	_____	_____	_____	_____	_____
Trustee's Counsel	_____	_____	_____	_____	_____
Accountant	_____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____	_____
<b>Total</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>		<b>\$ _____</b>

\*Balance due to include fees and expenses incurred but not yet paid.

**SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES\*\***

<u>Payee Name</u>	<u>Position</u>	<u>Nature of Payment</u>	<u>Amount</u>
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____

\*\*List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer or director.



DEBTOR: \_\_\_\_\_

CASE NO: \_\_\_\_\_

**Form 2-F  
QUARTERLY FEE SUMMARY \***  
For the Month Ended: \_\_\_\_\_

<u>Month</u>	<u>Year</u>	<u>Cash Disbursements **</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date Paid</u>
January	_____ \$	_____			
February	_____	_____			
March	_____	_____			
TOTAL 1st Quarter	\$ _____	_____ \$	_____	_____	_____
April	_____ \$	_____			
May	_____	_____			
June	_____	_____			
TOTAL 2nd Quarter	\$ _____	_____ \$	_____	_____	_____
July	_____ \$	_____			
August	_____	_____			
September	_____	_____			
TOTAL 3rd Quarter	\$ _____	_____ \$	_____	_____	_____
October	_____ \$	_____			
November	_____	_____			
December	_____	_____			
TOTAL 4th Quarter	\$ _____	_____ \$	_____	_____	_____

**FEE SCHEDULE**

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 to \$1,999,999.....	\$6,500
\$15,000 to \$74,999.....	\$650	\$2,000,000 to \$2,999,999.....	\$9,750
\$75,000 to \$149,999.....	\$975	\$3,000,000 to \$4,999,999.....	\$10,400
\$150,000 to \$224,999.....	\$1,625	\$5,000,000 to \$14,999,999.....	\$13,000
\$225,000 to \$299,999.....	\$1,950	\$15,000,000 to \$29,999,999.....	\$20,000
\$300,000 to \$999,999.....	\$4,875	\$30,000,000 or more.....	\$30,000

\* This summary is to reflect the current calendar year's information cumulative to the end of the reporting period

\*\* Should agree with line 3, Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts

*Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]*



United States Bankruptcy Court

District of \_\_\_\_\_

In re \_\_\_\_\_,

Case No. \_\_\_\_\_

Debtor

Chapter 11

**PERIODIC REPORT REGARDING VALUE, OPERATIONS AND PROFITABILITY OF ENTITIES IN WHICH THE ESTATE OF [NAME OF DEBTOR] HOLDS A SUBSTANTIAL OR CONTROLLING INTEREST**

This is the report as of \_\_\_\_\_ on the value, operations and profitability of those entities in which the estate holds a substantial or controlling interest, as required by Bankruptcy Rule 2015.3. The estate of [Name of Debtor] holds a substantial or controlling interest in the following entities:

Name of Entity	Interest of the Estate	Tab #

This periodic report (the "Periodic Report") contains separate reports ("Entity Reports") on the value, operations, and profitability of each entity listed above.

Each Entity Report shall consist of three exhibits. Exhibit A contains a valuation estimate for the entity as of a date not more than two years prior to the date of this report. It also contains a description of the valuation method used. Exhibit B contains a balance sheet, a statement of income (loss), a statement of cash flows, and a statement of changes in shareholders' or partners' equity (deficit) for the period covered by the Entity Report, along with summarized footnotes. Exhibit C contains a description of the entity's business operations.

**THIS REPORT MUST BE SIGNED BY A REPRESENTATIVE OF THE TRUSTEE OR DEBTOR IN POSSESSION.**

The undersigned, having reviewed the above listing of entities in which the estate of [Debtor] holds a substantial or controlling interest, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that the listing is complete, accurate and truthful to the best of his/her knowledge.



Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Authorized Individual

\_\_\_\_\_  
Name of Authorized Individual

\_\_\_\_\_  
Title of Authorized Individual

[If the Debtor is an individual or in a joint case]

Signature(s) of Debtor(s) (Individual/Joint)

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Signature of Joint Debtor

**Exhibit A**  
**Valuation Estimate for [Name of Entity]**

[Provide a statement of the entity's value and the value of the estate's interest in the entity, including a description of the basis for the valuation, the date of the valuation and the valuation method used. This valuation must be no more than two years old. Indicate the source of this information.]

**Exhibit B**  
**Financial Statements for [Insert Name of Entity]**



**Exhibit B-1**  
**Balance Sheet for [Name of Entity]**  
As of [date]

[Provide a balance sheet dated as of the end of the most recent six-month period of the current fiscal year and as of the end of the preceding fiscal year. Indicate the source of this information.]

**Exhibit B-2**  
**Statement of Income (Loss) for [Name of Entity]**  
Period ending [date]

[Provide a statement of income (loss) for the following periods:

- (i) For the initial report:
  - a. the period between the end of the preceding fiscal year and the end of the most recent six-month period of the current fiscal year; and
  - b. the prior fiscal year.
- (ii) For subsequent reports, since the closing date of the last report.

Indicate the source of this information.]

**Exhibit B-3**  
**Statement of Cash Flows for [Name of Entity]**  
For the period ending [date]

[Provide a statement of changes in cash flows for the following periods:

- (i) For the initial report:
  - a. the period between the end of the preceding fiscal year and the end of the most recent six-month period of the current fiscal year; and
  - b. the prior fiscal year.
- (ii) For subsequent reports, since the closing date of the last report.

Indicate the source of this information.]



**Exhibit B-4**

**Statement of Changes in Shareholders'/Partners' Equity (Deficit) for [Name of Entity]  
period ending [date]**

[Provide a statement of changes in shareholders'/partners equity (deficit) for the following periods:

- (i) For the initial report:
  - a. the period between the end of the preceding fiscal year and the end of the most recent six-month period of the current fiscal year; and
  - b. the prior fiscal year.
- (ii) For subsequent reports, since the closing date of the last report.

Indicate the source of this information.]

**Exhibit C**  
**Description of Operations for [name of entity]**

[Describe the nature and extent of the estate's interest in the entity.

Describe the business conducted and intended to be conducted by the entity, focusing on the entity's dominant business segment(s). Indicate the source of this information.]

**BANK ACCOUNT REPORTING FORM**

Case Name \_\_\_\_\_ Case No. \_\_\_\_\_

**(This is a master form. Signed copies of this form should be used for providing information if the debtor has more than four accounts. Copies should also be used for reporting on accounts which the debtor opens or closes after the submission of the initial form.)**

<u>DEPOSITORY INSTITUTION</u>	<u>ACCOUNT DESCRIPTION</u> <small>(ie. Payroll or tax acct. etc.)</small>	<u>ACCOUNT NO.</u>	<u>DATE</u> <u>ACCOUNT</u> <u>OPENED</u>
Name: _____ Address: _____ Phone: _____ Contact Person: _____	_____	_____	_____
Name: _____ Address: _____ Phone: _____ Contact Person: _____	_____	_____	_____
Name: _____ Address: _____ Phone: _____ Contact Person: _____	_____	_____	_____
Name: _____ Address: _____ Phone: _____ Contact Person: _____	_____	_____	_____

**I/we certify that the above is a complete report of all bank accounts/investments owned by the debtor as of the date of the filing of debtor's petition or, where applicable, opened or closed by debtor after the submission of the initial form.**

**I/we certify that all above-listed depository institutions have been notified of the date and place of the filing of this chapter 11 petition.**

**In addition, I/we hereby authorize any accredited representative of the United States Trustees Office to obtain any information from the above listed financial institutions. This information may include, but is not limited to, bank statements, signature cards, canceled checks, correspondence and other documentation for all accounts listed hereon.**

**THE UNDERSIGNED DECLARES UNDER PENALTY OF PERJURY THAT THE ABOVE INFORMATION IS TRUE, COMPLETE AND ACCURATE.**

**DATE:** \_\_\_\_\_

**SIGNATURE(S):** \_\_\_\_\_

**(A copy of this form must be signed by all persons who are authorized signatories on the accounts listed above.)**



**DEBTOR: \_\_\_\_\_ POST CONFIRMATION QUARTERLY REPORT**

**CH. 11 CASE NO: \_\_\_\_\_ FOR QUARTER ENDED: \_\_\_\_\_**

**SUMMARY OF DISBURSEMENTS MADE DURING QUARTER:**

- 1. CASH BALANCE, BEGINNING OF QUARTER \$ \_\_\_\_\_
- 2. CASH RECEIPTS DURING QUARTER FROM ALL SOURCES \_\_\_\_\_
- 3. CASH DISBURSEMENTS DURING QUARTER, INCLUDING PLAN PAYMENTS ( \_\_\_\_\_ )
- 4. CASH BALANCE, END OF QUARTER (OR AS OF REPORT DATE FOR FINAL REPORT) \$ \_\_\_\_\_

**SUMMARY OF AMOUNTS DISBURSED UNDER PLAN:**

		Paid During Quarter	Total Paid to Date	Total Pyts. Projected Under Plan
1. <b>ADMINISTRATIVE EXPENSES</b>				
Plan Trustee Compensation	\$	_____	\$ _____	_____
Plan Trustee Expense		_____	_____	_____
Attorney Fees - Trustee		_____	_____	_____
Attorney Fees - Debtor		_____	_____	_____
Other Professionals		_____	_____	_____
Other Administrative Expenses		_____	_____	_____
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	\$	_____	\$ _____	_____
2. SECURED CREDITORS	\$	_____	_____	_____
3. PRIORITY CREDITORS	\$	_____	_____	_____
4. UNSECURED CREDITORS	\$	_____	_____	_____
5. EQUITY SECURITY HOLDERS	\$	_____	_____	_____
6. Attach additional sheets as necessary	\$	_____	_____	_____
<b>TOTAL PLAN PAYMENTS</b>	\$	_____	\$ _____	_____
		<u>Amount</u>	<u>Date</u>	<u>Check No.</u>

**QUARTERLY FEE PAID:** \$ \_\_\_\_\_

**PLAN STATUS:**

Yes No

- 1. Have all payments been made as set forth in the confirmed plan? (If no, attach explanation.)
- 2. Are all post-confirmation obligations current? (If no, attach explanation.)
- 3. Projected date of application for final decree: \_\_\_\_\_

**I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING POST CONFIRMATION QUARTERLY REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.**

Attach additional sheets as necessary

\_\_\_\_\_  
Reorganized Debtor  
By: \_\_\_\_\_  
\_\_\_\_\_  
Title