



United States Department of Justice

Office of the United States Trustee

District of Oregon

620 SW Main St., Suite 213 PH (503) 326-4004
Portland, OR 97205 FAX (503) 326-7658

Re:

Dear :

Thank you for agreeing to be the trustee in the above-captioned chapter 11 bankruptcy case. Enclosed are some of the documents that the United States Trustee has obtained in connection with this case. These documents include the transcript of the meeting of creditors, insurance information, tax returns, bank account information, and information regarding the monthly distributions from family businesses that the debtor receives.

This letter discusses some of the requirements associated with your appointment as a chapter 11 trustee. Please pay particular attention to the bond monitoring requirement and the requirement that you file a report regarding whether or not the case should remain in chapter 11.

You are required to comply with section 1106 (copy enclosed) and other applicable sections of the Bankruptcy Code ("Code"), the Federal Rules of Bankruptcy Procedure ("Rules"), local rules and court orders. The United States Trustee Program has promulgated a *Handbook for Chapter 11 Trustees*. Please review and follow the

procedures specified in the Handbook. The Handbook is available electronically at www.justice.gov/ust/eo/private_trustee/library/chapter11/index.htm.

The following requirements must be observed in this case. Failure to comply with any requirement may result in the United States Trustee or another party moving to convert or dismiss the case, seek your removal as trustee, or request other relief.

1. QUALIFICATION

Rule 2008 requires you to notify the court and the United States Trustee in writing of your acceptance of the office within seven days after receipt of notice of the appointment or you will be deemed to have rejected the office.

The United States Trustee set the amount of your bond when you were appointed. The United States Trustee is responsible for determining the amount of the bond and whether the surety has sufficient capital to ensure performance under the bond. You should consult with this office to discuss bonding requirements. Your bond is set at no less than 125% of the maximum amount of liquid assets under your control at any one time. You are responsible for immediately obtaining a rider to increase the bond if the amount of liquid assets, including cash, over which you have control at any one time exceeds **80%** of the face amount of the bond. Section 322(a) of the Code requires you to file the bond with the court before seven days after your selection, and before beginning official duties. You are not qualified to act as trustee until the bond is filed with the court. You may pay the bond premium from estate funds.

All persons appointed to serve as trustee must undergo a security clearance and provide information necessary to conduct a name, fingerprint, tax and credit check. If you are not a current chapter 7 panel trustee or if you have not undergone a recent United States Trustee background information check, you must promptly return the necessary background check documents which will be separately provided to you.

2. BOOKS AND RECORDS - BANK ACCOUNTS

You should consult with this office to determine what actions should be taken concerning the debtor's books and records and any debtor-in-possession bank accounts. You should maintain new books and records to reflect all transactions and activity since your appointment. Bank accounts should be titled as "Estate of (Debtor's Name), Debtor, (Your Name), Trustee, Case Number (Case Number)". You must obtain pre-numbered checks and bank statements must be cut off on the last day of each month so that account activity is reported on a calendar month basis. The accounts can only be maintained in depositories that agree to post a bond or pledge securities for all deposits exceeding FDIC insurance limits. Enclosed is a list of United States Trustee approved depositories. If

you wish to use a depository that is not on the approved list, please call this office for assistance.

You should maintain a separate general account for the purpose of paying bills incurred during the administration of the case. You should also maintain a separate tax trust account so that you can escrow the necessary funds for the payment of post-petition taxes (including, for example, payroll and sales or excise taxes) when such liabilities are incurred. You may also be required to maintain separate accounts for such items as payroll and payments to a secured creditor. You may maintain savings accounts as well as certificates of deposit pursuant to the statutory obligation to obtain a safe yet reasonable return on estate funds.

3. MAINTENANCE AND PROOF OF INSURANCE

To preserve the bankruptcy estate and protect the interests of creditors, you are required to maintain adequate insurance coverage on estate assets. Within ten (10) days of your appointment, you must provide this office with proof of insurance. Such proof shall consist of certificates of insurance or other documents showing that each policy is in full force and effect, and disclosing the type and extent of coverage, effective dates, name of insurance carrier, and the name, address and telephone number of the agent. You are responsible for including the United States Trustee as an addressee on all insurance policy notices. If you retain existing policies, you should direct the insurance company to change the name of the loss payee to "Estate of (Debtor's Name), Debtor, (Your Name), Trustee, Case Number (Case Number)". Upon expiration or other termination of any coverage, you must immediately provide this office with proof of replacement insurance.

The dollar amount of the insurance coverage must be sufficient to cover the fair market value of the estate's property. Depending upon the circumstances of the case, you may be required to maintain all or a combination of fire and extended liability insurance, general liability insurance, workers' compensation and unemployment insurance, employee health insurance, malpractice insurance, product liability and liquor or dramshop insurance. You must provide this office with notice regarding any change in insurance coverage.

You should take other reasonable steps to inventory and protect estate property against theft or other loss.

4. PRE-PETITION AND POST-PETITION DEBT

You should not pay pre-petition obligations of the estate, unless authorized by the Code or by court order. You should normally pay post-petition obligations (debts arising on or after the date of the filing of the bankruptcy) in full when due except for those

obligations, such as professional fees, that require Court approval before payment.

5. MONTHLY FINANCIAL REPORTS

Sections 1106(a)(1) and 704(a)(8) of the Code require you to file periodic reports and summaries of the operation of the business as the court or United States Trustee requires. You are required to file a monthly financial report which includes a monthly cash receipts and disbursements statement, a profit and loss statement, balance sheet, schedule of post-petition liabilities, post-petition taxes payable (tax reconciliation) statement and cash flow statement. The monthly financial reports must include a copy of the estate's monthly bank statements. The United States Trustee reserves the right to request additional financial information at any time as circumstances of the case may warrant.

You must sign the monthly reports. The monthly reports are prepared on a calendar month basis and are due on the 21st day of the subsequent month. Your first report should cover the period from the date of your appointment to the end of that month. You should also file any reports which the debtor failed to file for previous months to the best of your ability in light of the condition of the debtor's books and records and the availability of such information. The monthly reports must be filed with the court. Copies must be served on this office, on any governmental unit charged with responsibility for collection or determination of any tax arising out of the operation of the estate's business and on any committees appointed by the United States Trustee. A master copy of the monthly financial report is enclosed. You should make copies of the master for your submission of the monthly reports. We will also provide you with an electronic version of the monthly report upon request.

Bankruptcy Rule 2015.3 also requires that you file periodic financial reports of the value, operations, and profitability of each entity that is not a publicly traded corporation or a debtor in a case under Title 11, and in which the estate holds a substantial or controlling interest. The first report must be filed no later than seven days before the first date set for the meeting of creditors. Subsequent reports must be filed no less frequently than every six months thereafter until the effective date of a plan or the case is dismissed or converted.

6. TAXES

You must file timely reports and/or returns for post-petition tax obligations and must pay the full amount of any post-petition tax liability. Such taxes include federal and state payroll withholding taxes, FICA taxes, federal and state unemployment insurance, real property taxes, personal property taxes and sales and use taxes. You must timely deposit sufficient funds in the tax account to pay any liability associated with the payroll.

7. USE, SALE, OR LEASE OF ESTATE PROPERTY

You must obtain prior approval of the court to use, sell, or lease property of the estate, except in the ordinary course of business. You may not use cash collateral, as defined by section 363(a) of the Code, without the consent of the secured creditor or approval by the court.

8. OBTAINING CREDIT

You must obtain court approval before obtaining secured credit or incurring secured debt, or obtaining unsecured credit, other than in the ordinary course of business.

9. EMPLOYMENT AND COMPENSATION OF PROFESSIONALS

You may wish to hire an attorney, accountant or other professional to assist you in performing your duties. The employment of professionals, including but not limited to, attorneys, accountants, realtors, appraisers, or auctioneers, must be approved by the court before rendering services. No payments may be made to such professionals without court authorization, after notice to creditors. The United States Trustee reviews applications for compensation and reimbursement of expenses under section 330 of the Code in accordance with the Guidelines for Reviewing Applications for Professional compensation available at http://www.justice.gov/ust/eo/rules_regulations/guidelines/docs/feeguide.htm.

10. TRUSTEE COMPENSATION

Compensation for your services and reimbursement of your expenses are controlled by sections 330 and 326 of the Code. You may seek interim payment of compensation and reimbursement of expenses as allowed by section 331 of the Code. If you submit an application for interim or final compensation for services or reimbursement of expenses, Rule 2016(a) requires the application to set forth a detailed statement of the services rendered, time expended and expenses incurred. You must maintain contemporaneous time records.

11. STATEMENT OF INVESTIGATION

Sections 1106(a)(3) and 1106(a)(4) of the Code require you to investigate the debtor and debtor's business, except to the extent the court orders otherwise. As a fiduciary to all creditors, your investigation should include an examination of the extent and validity of all liens. You should file a statement of the investigation with the court as soon as practicable. Copies of the statement should be served upon this office and upon

any committees appointed by the United States Trustee.

12. UNITED STATES TRUSTEE QUARTERLY FEES

The bankruptcy estate is required by 28 U.S.C. Section 1930(a)(6) to pay quarterly fees to the United States Trustee. The fee must be paid for each quarter or partial quarter until the case is converted or dismissed. The amount of fees due each quarter is based on total funds disbursed by the estate during the calendar quarter or fraction thereof. A minimum quarterly fee of \$325 is due even if no disbursements are made during the quarter.

QUARTERLY FEE SCHEDULE

Rule 2015(a)(5) requires you to file with the United States Trustee, on or before the last day of the month after each calendar quarter until the case is closed, converted or dismissed, a statement of disbursements made during such calendar quarter and a statement of the fee required pursuant to 28 U.S.C. Section 1930(a)(6) that has been paid for such calendar quarter. Section 1129(a)(12) of the Code provides that for a plan to be confirmed, all quarterly fees must be paid timely or the plan must provide for payment of all fees on the effective date of the plan. Quarterly fee payments must be paid no later than thirty (30) days after the end of the calendar quarter. Under Section 1112(b)(4)(K) of the Code, a failure to pay quarterly fees is cause for conversion or dismissal of the case. Quarterly fee payments should be mailed with a remittance form which will be provided by the United States Trustee at the end of each quarter to:

If a remittance form is not received when payment is due, you should contact this office immediately.

13. FINAL REPORT AND FINAL ACCOUNT

Sections 1106(a)(1) and 704(a)(9) of the Code require you to make a final report and file a final account of the administration of the estate with the court.

For your convenience, a list of some of the general administrative requirements with due dates is attached. The list, however, should not be construed to be a comprehensive accounting of all of your obligations in the case. At the bottom of the list is a second list which identifies the attachments to this letter.

If you or your staff have any questions or concerns or would like to meet to discuss the circumstances of the case or the applicable statutory and administrative requirements, please contact this office.

Very truly yours,

Assistant United States Trustee

GENERAL ADMINISTRATIVE REQUIREMENTS

<u>Duty</u>	<u>Deadline</u>
Notify Court and U.S. Trustee of acceptance of office in writing	Within 7 days of receipt of this notice
File a bond with the Court and a copy with the U.S. Trustee	Before 7 days after your selection
Submit security clearance forms, if applicable, to U.S. Trustee	As specified in the letter transmitting the forms
Consult with U.S. Trustee re debtor's books and records, if necessary	As of the day of your appointment
Consult with U.S. Trustee re debtor's bank accounts, if necessary	As of the day of your appointment
Submit proof of insurance of estate assets to U.S. Trustee	Within 10 days of your appointment
File monthly financial reports with Court and with U.S. Trustee	Within 21 days of the end of the previous month
File a statement of investigation with Court and with U.S. Trustee	As soon as practicable after your appointment
Pay U.S. Trustee Quarterly Fees to Atlanta, Georgia	As required by billing statement
File final report and account with Court and with U.S. Trustee	Promptly after your appointment ends

LIST OF ATTACHMENTS

Section 1106 of the Bankruptcy Code
List of Authorized Bank Depositories
Monthly Financial Report Form
CD (contains 341 transcript and documents received from debtor)



U.S. Department of Justice

Office of the United States Trustee

District of Oregon

*620 SW Main Street, Rm 213
Portland, Oregon 97205*

*PHONE (503) 326-4000
FAX (503) 326-7658*

DISTRICT OF OREGON

AUTHORIZED DEPOSITORIES

Bank of America*
Bank of the Cascades
Bank of the West
Bank of Texas
Capital Pacific Bank
Citibank, N.A.
East West Bank
First Tennessee Bank, N.A.
Home Federal Bank
JP Morgan Chase Bank
Key Bank
New York Community Bank – New York
Pioneer Trust Bank
Summit Bank
SunTrust Bank
The Bank of New York Mellon
Union Bank of California
US Bank National Association
Wachovia Bank, N.A.
Wells Fargo Bank
Zions First National Bank

* To open a DIP account at Bank of America, call 1-800-342-7722.

Please note that most local branches have limited experience with opening debtor-in-possession accounts. We suggest that you contact the bank's main branch to open the account. If you experience any difficulties in opening the debtor-in-possession account, please contact the Office of the United States Trustee at (503) 326-4000.

DISTRICT OF OREGON

AUTHORIZED DEPOSITORIES

* To open a DIP account at Bank of America, call 1-800-342-7722.

Please note that most local branches have limited experience with opening debtor-in-possession accounts. We suggest that you contact the bank's main branch to open the account. If you experience any difficulties in opening the debtor-in-possession account, please contact the Office of the United States Trustee at (503) 326-4000.

UNITED STATES CODE SERVICE
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*** Current through PL 112-106, approved 4/5/12 ***

TITLE 11. BANKRUPTCY
CHAPTER 11. REORGANIZATION
SUBCHAPTER I. OFFICERS AND ADMINISTRATION

Go to the United States Code Service Archive Directory

11 USCS § 1106

§ 1106. Duties of trustee and examiner

(a) A trustee shall--

(1) perform the duties of the trustee, as specified in paragraphs (2), (5), (7), (8), (9), (10), (11), and (12) of section 704(a) [11 USCS § 704(a)];

(2) if the debtor has not done so, file the list, schedule, and statement required under section 521(a)(1) of this title [11 USCS § 521(a)(1)];

(3) except to the extent that the court orders otherwise, investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of the debtor's business and the desirability of the continuance of such business, and any other matter relevant to the case or to the formulation of a plan;

(4) as soon as practicable--

(A) file a statement of any investigation conducted under paragraph (3) of this subsection, including any fact ascertained pertaining to fraud, dishonesty, incompetence, misconduct, mismanagement, or irregularity in the management of the affairs of the debtor, or to a cause of action available to the estate; and

(B) transmit a copy or a summary of any such statement to any creditors' committee or equity security holders' committee, to any indenture trustee, and to such other entity as the court designates;

(5) as soon as practicable, file a plan under section 1121 of this title [11 USCS § 1121], file a report of why the trustee will not file a plan, or recommend conversion of the case to a case under chapter 7, 12, or 13 of this title [11 USCS §§ 701 et seq., 1201 et seq., or 1301 et seq.] or dismissal of the case;

(6) for any year for which the debtor has not filed a tax return required by law, furnish, without personal liability, such information as may be required by the governmental unit with which such tax return was to be filed, in light of the condition of the debtor's books and records and the availability of such information;

(7) after confirmation of a plan, file such reports as are necessary or as the court orders; and

(8) if with respect to the debtor there is a claim for a domestic support obligation, provide the applicable notice specified in subsection (c).

(b) An examiner appointed under section 1104(d) of this title [11 USCS § 1104(d)] shall perform the duties specified in paragraphs (3) and (4) of subsection (a) of this section, and, except to the extent that the court orders otherwise, any other duties of the trustee that the court orders the debtor in possession not to perform.

(c) (1) In a case described in subsection (a)(8) to which subsection (a)(8) applies, the trustee shall--

(A) (i) provide written notice to the holder of the claim described in subsection (a)(8) of such claim and of the right of such holder to use the services of the State child support enforcement agency established under sections 464 and 466

11 USCS § 1106

of the Social Security Act [42 USCS §§ 664 and 666] for the State in which such holder resides, for assistance in collecting child support during and after the case under this title; and

(ii) include in the notice required by clause (i) the address and telephone number of such State child support enforcement agency;

(B) (i) provide written notice to such State child support enforcement agency of such claim; and

(ii) include in the notice required by clause (i) the name, address, and telephone number of such holder; and

(C) at such time as the debtor is granted a discharge under section 1141 [11 USCS § 1141], provide written notice to such holder and to such State child support enforcement agency of--

(i) the granting of the discharge;

(ii) the last recent known address of the debtor;

(iii) the last recent known name and address of the debtor's employer; and

(iv) the name of each creditor that holds a claim that--

(I) is not discharged under paragraph (2), (4), or (14A) of section 523(a) [11 USCS § 523(a)]; or

(II) was reaffirmed by the debtor under section 524(c) [11 USCS § 524(c)].

(2) (A) The holder of a claim described in subsection (a)(8) or the State child enforcement support agency of the State in which such holder resides may request from a creditor described in paragraph (1)(C)(iv) the last known address of the debtor.

(B) Notwithstanding any other provision of law, a creditor that makes a disclosure of a last known address of a debtor in connection with a request made under subparagraph (A) shall not be liable by reason of making such disclosure.

**MONTHLY OPERATING REPORT FOR
INDIVIDUAL DEBTOR(S) ENGAGED IN BUSINESS**

Case No. _____

Debtor _____

Report Month/Year _____

Instructions: The debtor's monthly financial report shall include this cover sheet signed by the debtor and all UST forms and supporting documents. Exceptions, if allowed, are noted in the checklist below. Failure to comply with the reporting requirements of Local Bankruptcy Rule 2015-1(b) and 2015-2, or the U.S. Trustee's reporting requirements, may be cause for conversion or dismissal of the case.

The debtor submits the following with this monthly financial report:		Completed	Not Applicable
UST-31	Business Comparative Income Statement or debtor's income statement (must include all line items specified on UST-31).	<input type="checkbox"/>	<input type="checkbox"/>
UST-32	Business Comparative Balance Sheet or debtor's balance sheet (must include all line items specified on UST-32). The debtor's balance sheet, if used, shall include a breakdown of pre-and post-petition liabilities. The breakdown may be provided as a separate attachment to the debtor's balance sheet.	<input type="checkbox"/>	<input type="checkbox"/>
UST-33	Business Comparative Cash Flow Statement or debtor's cash flow statement (must include all line items specified on UST-33). Complete this statement if the debtor is reporting based on the accrual basis of accounting . This is the required method, unless other arrangements have been made with the U.S. Trustee.	<input type="checkbox"/>	<input type="checkbox"/>
UST-34	Business Summary of Disbursements	<input type="checkbox"/>	<input type="checkbox"/>
UST-34A	Business Statement(s) of Cash Receipts and Disbursements Complete one or more to include all bank accounts or other sources of debtor funds. Include copies of monthly bank statements and all supporting documents described in the instructions.	<input type="checkbox"/>	<input type="checkbox"/>
UST-35	Business Statement of Aged Receivables Provide a detailed accounting of aged receivables on, or as an attachment to, UST-35.	<input type="checkbox"/>	<input type="checkbox"/>
UST-36	Business Statement of Aged Post-Petition Payables Provide a detailed accounting of aged post-petition payables on, or as an attachment to, UST-36.	<input type="checkbox"/>	<input type="checkbox"/>
UST-37	Business/Personal Statement of Operations When applicable, UST-37 shall include copies of supporting documents such as an escrow statement for the sale of real property, an auctioneer's report for property sold at auction, or a certificate of insurance or copy of debtor's bond for any change in insurance or bond coverage.	<input type="checkbox"/>	<input type="checkbox"/>
UST-38	Personal Comparative Balance Sheet Debtor should report using fair market values for assets and liabilities.	<input type="checkbox"/>	<input type="checkbox"/>
UST-39	Personal Summary of Cash Receipts	<input type="checkbox"/>	<input type="checkbox"/>
UST-40	Personal Summary of Disbursements	<input type="checkbox"/>	<input type="checkbox"/>
UST-40A	Personal Financial Account Detail Complete one or more to include all bank accounts or other sources of debtor funds. Include copies of monthly bank statements and all supporting documents described in the instructions.	<input type="checkbox"/>	<input type="checkbox"/>
UST-41	Filing and Certifications	<input type="checkbox"/>	<input type="checkbox"/>

Debtor's Certification on Next Page must be signed

**MONTHLY OPERATING REPORT FOR
INDIVIDUAL(S) ENGAGED IN BUSINESS**

Case No. _____

Debtor _____

Report Month/Year _____

DEBTOR'S CERTIFICATION

I certify under penalty of perjury that (1) I have personally prepared this financial report or directly supervised its preparation, and (2) the information contained in this monthly financial report is complete, true, and accurate to the best of my knowledge, information, and belief.

BY: _____

DATE: _____

The debtor(s), or trustee, if appointed, must sign the monthly financial report. Debtor's counsel may not sign a financial report for the debtor.

Case Number: _____

Report Mo/Yr: _____

Debtor: _____

UST-31, BUSINESS COMPARATIVE INCOME STATEMENT**INSTRUCTIONS:** The initial report should include only business activity commencing from the petition date through the end of the month.

For the Month of:	MO/YR	MO/YR	MO/YR	Cumulative To Date
Revenue				-
Less: Returns and Allowances				-
NET REVENUE	-	-	-	-
Cost of Goods sold:				
Beginning Inventory				-
Add: Purchases				-
Less: Ending Inventory				-
Cost of Goods Sold	-	-	-	-
Additional Costs of Good Sold:				
Direct Labor				-
Freight In				-
TOTAL COST OF GOOD SOLD	-	-	-	-
Other Operating Expenses:				
Officers' Salaries (Gross)				-
Other Salaries (Gross)				-
Depreciation and Amortization				-
Employee Benefits				-
Payroll Taxes (Employer's portion)				-
Insurance				-
Rent				-
General and Administrative				-
TOTAL OPERATING EXPENSES	-	-	-	-
NET OPERATING INCOME (LOSS)	-	-	-	-
Add: Other Income				-
Less: Interest Expense				-
Less: Non-Recurring Items				
Professional Fees				-
UST Fees				-
Other (Specify)				-
TOTAL REORGANIZATION EXPENSES	-	-	-	-
GAIN (LOSS) ON DISPOSAL OF ASSETS				-
NET INCOME (LOSS) BEFORE INCOME TAX	-	-	-	-
Income Taxes				-
NET INCOME (LOSS)	-	-	-	-

Case Number: _____

Report Mo/Yr: _____

Debtor: _____

UST-32, BUSINESS COMPARATIVE BALANCE SHEET

EQUITY	As of month ending:	MO/YR	MO/YR	MO/YR	PER SCHEDULES (i.e. Petition Date)
Owners' Equity (or Deficit)					
Prepetition Owners' Equity					
Post-petition Cumulative Profit or (Loss)					
Direct Charges to Equity (Explain)					
TOTAL OWNERS' EQUITY (DEFICIT)		-	-	-	-
TOTAL LIABILITIES AND OWNERS' EQUITY(DEFICIT)		-	-	-	-

FOOTNOTES TO BALANCE SHEET:

Debtor: _____

UST-33, BUSINESS COMPARATIVE CASH FLOW STATEMENT				
As of month ending:	MO/YR	MO/YR	MO/YR	Cumulative Filing to Date
NET INCOME (LOSS)	-			
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH:				
Depreciation and Amortization				
(Gain) Loss on Sale of Assets				
(Increase) Decrease in Prepaids				
(Increase) Decrease in Receivables				
(Increase) Decrease in Inventory				
Increase (Decrease) in Payables				
Increase (Decrease) in Taxes Payable				
Increase (Decrease) in Professional Fees				
Increase (Decrease) in Rents/Leases Pay				
Increase (Decrease) in Accrued Interest				
NET CASH PROVIDED BY OPERATIONS	-			
CASH FLOWS FROM INVESTING/FINANCING:				
Purchase of Fixed Assets				
Proceeds from Sale of Fixed Assets				
Capital Contributions				
Loan Proceeds				
Loan Principal and Capital Lease Payments				
NET INCREASE (DECREASE) IN CASH	-			
BEGINNING CASH	-			
ENDING CASH				

Case Number: _____

Report Mo/Yr: _____

Debtor: _____

UST-34, BUSINESS SUMMARY OF DISBURSEMENTS

INSTRUCTIONS: BEFORE COMPLETING THIS PAGE, prepare UST-34A (see next page) to include all bank accounts or other sources of the debtor's funds. The disbursement total will be used to complete this SUMMARY OF DISBURSEMENTS.

The debtor is responsible for providing accurate monthly disbursement totals for purposes of calculating the debtor's obligation pursuant to 28 U.S.C. § 1930(a)(6) to pay statutory fees to the U.S. Trustee. The disbursement total encompasses all payments made by the debtor during the reporting month, whether made directly by the debtor or by another party for the debtor. It includes checks written and cash payments for inventory and equipment purchases, payroll and related taxes and expenses, other operating costs, and debt reduction. It also includes payments made pursuant to joint check arrangements and those resulting from a sale or liquidation of the debtor's assets. The only transactions normally excluded from the disbursement total are transfers within the same reporting month between multiple debtor accounts.

The U.S. Trustee payment is due on the last day of the month following the end of each calendar quarter, or on **April 30, July 31, October 31, and January 31**, respectively. Because the amount billed is an estimate, the debtor is responsible for paying the correct statutory fee based on actual disbursements for the calendar quarter, or portion thereof while the debtor is in Chapter 11 (i.e. until the case is converted, dismissed, or closed by final decree). Failure to pay statutory fees to the U.S. Trustee is cause for conversion or dismissal of the case. A copy of the statutory fee schedule may be found in the Chapter 11 Guidelines on the U.S. Trustee's website located at:

<http://www.justice.gov/ust/r18/portland/chapter11.htm>
<http://www.justice.gov/ust/r18/eugene/chapter11.htm>

If you have any questions about how to compute the disbursement total, please call the U.S. Trustee's office:

Portland, OR (503) 326-4000
Eugene, OR (541) 465-6330

(UST-34A, with attachments, should follow this page.)

COMPUTATION OF MONTHLY DISBURSEMENT TOTAL

Total disbursements from UST-34A	
Cash payments not included in total above (if any)	
Disbursements made by third parties for the debtor (if any, explain)	

TOTAL DISBURSEMENTS THIS MONTH FROM ALL SOURCES \$ -

At the end of this reporting month, did the debtor have any delinquent statutory fees owing to the U.S. Trustee?

Yes **No**

(If yes, list each quarter that is delinquent and the amount due along with an explanation)

<u>Quarter</u>	<u>Explanation</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Debtor: _____

Case Number: _____
 Report Mo/Yr: _____

UST-34A - STATEMENT OF BUSINESS CASH RECEIPTS AND DISBURSEMENTS

INSTRUCTIONS: Include all bank accounts or other source of the debtor's funds and attach supporting documents as indicated on the checklist below. Use additional sheets as necessary.

Depository (Bank) Name Account Number Type of Account					TOTALS
Beginning Cash Balance					-
Add:					
Transfers in					-
Receipts deposited					-
Other (identify source)					-
Total Cash Receipts	-	-	-	-	-
Subtract:					
Transfers out					-
Disbursements by check or debit					-
Cash withdrawn					-
Other (identify source)					-
Total Cash Disbursements	-	-	-	-	-
Ending Cash Balance	-	-	-	-	-

Does each account identified above include the following supporting documents, as required? (Indicate **YES, NO** or **NOT APPLICABLE** in the boxes below).

Monthly bank statement copy
 (do not include bank statement copies with the report filed with the Bankruptcy Court)

--	--	--	--

Bank reconciliation (including outstanding checks and deposits in transit)

--	--	--	--

A detailed list of receipts for the account (deposit log or receipts journal)

--	--	--	--

A detailed list of disbursements for the account (check register or disbursement journal)

--	--	--	--

Funds received and/or disbursed by another party

--	--	--	--

Debtor: _____

UST-35, BUSINESS STATEMENT OF AGED RECEIVABLES

INSTRUCTIONS: Complete all portions of UST-35, STATEMENT OF AGED RECEIVABLES, unless the debtor asserts the following two statements are true for this reporting month:

- ° At the beginning of the reporting month, the debtor did not have any uncollected pre-petition or post-petition accounts receivable; and,
- ° During the reporting month, the debtor did not have any receivables activity, including the accrual of new accounts receivable, or the collection or write-off of accounts receivable from prior months.

Initial here _____ if the debtor asserts that both statements above are correct and then skip to UST-36, Statement of Post-Petition Payables.

Accounts Receivable Aging

	Balance at Month End	Current Portion	Past Due 31-60 days	Past Due 61-90 days	Past Due over 90 days	Uncollectible Receivables
Pre-petition						
Post-petition						
TOTALS	-	-	-	-	-	-

Explain what efforts the debtor has made during the reporting period to collect receivables over 60 days past due.

Accounts Receivable Reconciliation

	Post Petition	Pre-Petition	Totals
Opening Balance			-
Add: Sales on account			-
Less: Payments on account			-
Less: Write-offs or other adjustments			-
Closing Balance	-	-	-

Insider Receivable Reconciliation

Insider Name (e.g. officer, director, partner, member, shareholder)			
Relationship to Debtor			
Opening Balance (if first report, use the balance on date of filing)			
Add: Current month advances			
Less: Current month payments			
Closing Balance	-	-	-

Debtor: _____

**UST-36, BUSINESS STATEMENT OF AGED POST-PETITION PAYABLES
 PART A - TRADE ACCOUNTS PAYABLE**

INSTRUCTIONS: Complete PART A - TRADE ACCOUNTS PAYABLE unless the debtor asserts that this statement is true for this reporting month:

° Except for taxes disclosed in PART B of this report, the debtor has no other unpaid post-petition payables from the current reporting month or from any prior post-petition months.

Initial here _____ if the debtor asserts that the statement above is correct and then skip to UST-36, Part B, Taxes.

Accounts Payable Aging

	Balance at Month End	Current Portion	Past Due 31-60 days	Past Due 61-90 days	Past Due over 90 days
Post-petition					

1. For Accounts Payable **more than 30 days past due**, explain why payment has not been made.
2. Attach the debtor's accounts payable aging report.

Post-Petition Trade Accounts Payable Reconciliation

Opening Balance	
Add: New payables this reporting period	
Less: Payments made	
Closing Balance	-

Case Number: _____

Report Mo/Yr: _____

Debtor: _____

**UST-36, BUSINESS STATEMENT OF AGED POST-PETITION PAYABLES
PART B - TAXES**

CERTIFICATION: The undersigned certifies under penalty of perjury that all post-petition taxes required to be withheld or collected have been paid to the appropriate taxing authority or that a deposit for such amounts has been made into a separate bank tax account as more fully described below.

BY: _____

DATE: _____

Reconciliation of Unpaid Post-Petition Taxes

	1	2	3	4
Type of Tax	Unpaid Post-petition Taxes from Prior Reporting Month	Post-petition Taxes Accrued this Month (New Obligations)	Post-petition Tax Payments Made this Reporting Month	Unpaid Post-petition Taxes at End of Reporting Month (Column 1+2-3=4)
FEDERAL EMPLOYMENT TAXES				
Employee Income Tax Withheld				-
FICA/Medicare-Employee				-
FICA/Medicare-Employer				-
Unemployment (FUTA)				-
STATE EMPLOYMENT TAXES				
Employee Income Tax Withheld				-
Unemployment (SUTA)				-
Worker's Compensation				-
OTHER TAXES				
Corporate Income Tax				-
Local City/County Tax				-
Sales Tax				-
Personal Property Tax				-
Real Property Tax				-
Other				-
			Total Unpaid Post-Petition Taxes	\$ -

Is the debtor delinquent in any tax reporting? **If yes**, provide the name of the taxing authority, a description of the report that is past due, the original report due date, any payment due, and the reason for the delinquency.

Debtor: _____

UST-37 BUSINESS/PERSONAL STATEMENT OF OPERATIONS

INSTRUCTIONS: Answer each question fully and attach additional sheets as necessary to provide a complete response

Question 1 - Sale of the Debtor's Assets

Did the debtor, or another party on behalf of the the debtor, sell, transfer, or otherwise dispose of any of the debtor's business or personal assets during the reporting month that are out of the ordinary course of the debtor's business? **If yes, identify each asset, date of sale notice, method of disposition, and gross and net sale proceeds received. If real property was sold, attach a copy of the closing statement.**

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

Question 2 - Financing

During the reporting month, did the debtor receive any business or personal financing, or loans from an outside funding source? **If yes, indicate the source of the funds, date paid to the debtor, dollar amount and date of court approval.**

Source of Funds	Date Paid	Amount	Date of Court Approval	Yes	No
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Question 3 - Insurance and Bond Coverage

Did the debtor renew or replace any insurance policies during this reporting month? **If yes, attach a certificate of insurance for each renewal or change in coverage.**

Were any of the debtor's insurance policies canceled or otherwise terminated for any reason during the reporting month? **If yes, explain.**

Were any claims made during this reporting month against the debtor's bond? (Answer "No" if the debtor is not required to have a bond). **If yes, explain.**

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Question 4 - Significant Events

Provide a narrative report of any significant events that may have an effect on the financial condition of the debtor or any events out of the ordinary course of business that are not described elsewhere in this report. Attach separate sheets as necessary.

Question 5 - Case Progress

Explain what progress the debtor has made during the reporting month toward confirmation of a plan of reorganization.

Case Number: _____

Report Mo/Yr: _____

Debtor: _____

UST-37, BUSINESS/PERSONAL STATEMENT OF OPERATIONS (Continued)

Question 5 - Continued

	Filed?	Estimated Date To be Filed If not Filed
Disclosure Statement:		
Plan of Reorganization:		

Payments on Pre-Petition Unsecured Debt (requires court approval)

Did the debtor, or another party on behalf of the debtor, make any payments during this reporting month on pre-petition unsecured debt? **If "yes", complete table for each payment.**

Payee's Name	Nature of Payment	Payment Date	Amount	Date of Court Approval	Yes No	
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

Payments to Attorneys and Other Professionals (requires court approval)

Did the debtor, or another party on behalf of the debtor, make any payments during this reporting month to a professional such as an attorney, accountant, realtor, appraiser, auctioneer, business consultant, or other professional person? **If "yes", complete table for each payment.**

Professional's Name	Type of Work Performed	Payment Date	Amount	Date of Court Approval	Yes No	
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

Payments to or from Debtor's Friends, and Relatives

Did another party make any payments during this reporting month to, or for the benefit of, the debtor **OR** did the debtor make any payments to, or for the benefit of, the debtor's friends, relatives, or other insiders? **If "yes", complete table for each payment**

Payee's Name	Relationship to Debtor	Payment Date	Amount	Purpose of Payment	Yes No	
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

Debtor: _____

UST-38, PERSONAL COMPARATIVE BALANCE SHEET

INSTRUCTIONS: This balance sheet has been designed for ease of use for debtor's personal assets and liabilities. Accordingly, it is not intended to follow standard accounting principles. Include in this balance sheet only personal assets and liabilities not otherwise reported on UST-32, Business Comparative Balance Sheet. For funds held in banks or brokerages, the debtor must report the month-end market value. For each remaining asset, the debtor should use the most current market values. Footnotes or explanations, if any, may be attached to this page.

ASSETS	As of month ending:	MO/YR	MO/YR	MO/YR	PER SCHEDULES (i.e. Petition Date)
Cash					
Checking Account(s)					
Savings Account(s)					
Investment/Brokerage Account(s)					
IRA/Retirement Account(s)					
Remaining Personal Property					
Real Property					
1.					
2.					
3.					
(attach additional sheets if needed)					
Other Assets (list all assets not included above even those acquired post-petition)					
TOTAL ASSETS		-	-	-	-
LIABILITIES					
Pre-Petition Liabilities					
Secured Debt					
Priority Unsecured Debt					
Unsecured Debt					
TOTAL PRE-PETITION LIABILITIES		-	-	-	-
Post-Petition Liabilities					
Mortgage/Rent Payments Due					
Other Secured Debt					
Unpaid Real Property Taxes					
Other Unpaid Taxes (specify)					
Other Unpaid Debts (specify)					
TOTAL POST-PETITION LIABILITIES		-	-	-	-
TOTAL LIABILITIES		-	-	-	-
NET WORTH (TOTAL ASSETS MINUS TOTAL TOTAL LIABILITIES)		-	-	-	-

Case Number: _____
 Report Mo/Yr: _____

Debtor: _____

UST-39, PERSONAL SUMMARY OF RECEIPTS

INSTRUCTIONS: Complete each category and provide the net receipts total for the month. Use the Notes section to explain or itemize receipts when appropriate.

Type of Receipt	Gross Amount	Net Amount
Wages or salary		
Social security, pension, or 401k distributions		
Collection of accounts receivable or note payable (specify source)		
Loan or other financing proceeds (specify source)		
Proceeds from sale of real property (requires court order)		
Proceeds from sale of personal property (requires court order)		
Other (explain)		
TOTAL RECEIPTS FOR THIS MONTH	-	-

Notes:

Case Number: _____
 Report Mo/Yr: _____

Debtor: _____

UST-40, PERSONAL SUMMARY OF DISBURSEMENTS

INSTRUCTIONS: BEFORE COMPLETING THIS PAGE, prepare UST-40A (see next page) to include all bank accounts or other sources of the debtor's funds. The disbursement total will be used to complete this SUMMARY OF DISBURSEMENTS.

(UST-40A, with attachments, should follow this page.)

COMPUTATION OF MONTHLY DISBURSEMENT TOTAL	
Total disbursements from UST-40A	
Cash payments not included in total above (if any)	
Disbursements made by third parties for the debtor (if any, explain)	
Disbursements made pursuant to a sale of the debtor's assets (if any)	
TOTAL DISBURSEMENTS THIS MONTH FROM ALL SOURCES	\$ -

Debtor: _____

Case Number: _____
 Report Mo/Yr: _____

UST-40A - PERSONAL FINANCIAL ACCOUNT DETAIL

INSTRUCTIONS: Include all bank accounts or other source of the debtor's funds and attach supporting documents as indicated on the checklist below. Use additional sheets as necessary.

Depository (Bank) Name Account Number Type of Account					TOTALS
Beginning Cash Balance					-
Add:					
Transfers in					-
Receipts deposited					-
Other (identify source)					-
Total Cash Receipts	-	-	-	-	-
Subtract:					
Transfers out					-
Disbursements by check or debit					-
Cash withdrawn					-
Other (identify source)					-
Total Cash Disbursements	-	-	-	-	-
Ending Cash Balance	-	-	-	-	-

Does each account identified above include the following supporting documents, as required? (Indicate **YES, NO or NOT APPLICABLE** in the boxes below).

Monthly bank statement copy
 (do not include bank statement copies with the report filed with the Bankruptcy Court)

--	--	--	--

Bank reconciliation (including outstanding checks and deposits in transit)

--	--	--	--

A detailed list of receipts for the account (deposit log or receipts journal)

--	--	--	--

A detailed list of disbursements for the account (check register or disbursement journal)

--	--	--	--

Funds received and/or disbursed by another party

--	--	--	--

Debtor: _____

UST-41, FILING AND CERTIFICATIONS

CERTIFICATION OF BANK ACCOUNTS:

The undersigned certifies under penalty of perjury that every financial account used by the debtor is reflected in UST-34A and UST-40A of this report and is held in a depository included on the U.S. Trustee's list of authorized depositories. The undersigned further certifies that each such depository has been notified that the account holder is a debtor in a Chapter 11 case under the jurisdiction of the Bankruptcy Court.

BY: _____ DATE: _____

WHERE TO FILE A MONTHLY OPERATING REPORT: Local Bankruptcy Rule 2015-2 requires the debtor to file its monthly financial report with the U.S. Bankruptcy Court.

File the original...(select only one)

For a Chapter 11 case filed in Portland, OR:

United States Bankruptcy Court
1001 SW 5th Avenue, 7th floor
Portland, OR 97204

For a Chapter 11 case filed in Eugene, OR:

United States Bankruptcy Court
405 East 8th Avenue, Suite 2600
Eugene, OR 97401

CERTIFICATION SERVICE: The undersigned certifies that copies of this report and supporting documents have been served upon each of the following persons in this case: U.S. Trustee; the chairperson of each official committee of creditors or equity security holders and the attorney(s) for each such committee; the debtor and the debtor's attorney; and the trustee and the trustee's attorney, if applicable.

BY: _____ DATE: _____

PHONE NUMBER: _____

Send U.S. Trustee's copy to: (select only one)

For a Chapter 11 case filed in Portland, OR:

Office of the United States Trustee
620 SW Main Street, Suite 213
Portland, OR 97205

For a Chapter 11 case filed in Eugene, OR:

Office of the United States Trustee
405 East 8th Avenue, Suite 1100
Eugene, OR 97401