

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN**

IN RE:

Case No.:G 99-99999
Chapter 13

Hon.
Filed: 8/22/05

Debtors.
_____ /

**ORDER REGARDING CONTINUATION OF
BUSINESS OPERATION IN CHAPTER 13**

The above-captioned Debtor - _____, having filed a Chapter 13 plan, and having been identified as a Debtor engaged in the business of _____, and it appearing that the Debtor intends to continue such business as a means of funding the Chapter 13 Plan, and it further appearing that such business operation should be closely monitored by the Chapter 13 Trustee and the Court being otherwise duly advised in the premises,

IT IS THEREFORE ORDERED AND ADJUDGED:

1. That the Debtors shall maintain a full, complete and accurate set of books and accounts with respect to receipts, disbursements, purchases, accounts receivable, accounts payable, payroll and other necessary business data, retroactive to the month of filing the Petition.
2. That the Debtors shall maintain a separate bank account at a bank or savings institution of the Debtors' choice, and shall send a reconciled copy of the monthly bank statement and check register to: Brett N. Rodgers, Trustee, 50 Louis St, NW, Ste 700, Grand Rapids, MI 49503.
3. That the Debtors shall file with the Trustee a monthly financial statement prepared on an accrual basis, setting forth assets, liabilities, income and expense; and/or such other information as the trustee may request. This information shall be provided to the Trustee by the twentieth (20th) date of each month for the previous month. (See Item #12 for specific list of reports).
4. That all debts incurred by the Debtors after the Petition Date shall be paid within thirty (30) days and the Debtors shall not extend credit to customers in the ordinary course of business beyond thirty (30) days.
5. That the Debtors shall not incur any indebtedness unless funds are or will be available within thirty (30) days for the payment of such debt. In the event the Debtors intend to incur any indebtedness that will remain unpaid beyond thirty (30) days the Debtors must comply with 11 U.S.C. § 364.

6. That all debts incurred by the Debtors in the ordinary course of business shall be an expense of administration and shall receive priority for payment in accordance with 11 U.S.C. § 507.
7. That if the Debtors have any employees the Trustee shall be provided with a list of the employees including, but not limited to, name of employee, pay rate, average hours worked per week, and frequency of payment. This information shall be provided within fifteen (15) days of the date first set for the § 341 Meeting and shall on the anniversary of the Petition Date, submit a current list of employees and compensation to the Trustee. (See Item #12)
8. That the Debtors shall timely file all payroll and employment tax returns and shall pay such liabilities when due, including required periodic deposits. The Debtors shall provide copies of tax returns and proof of payment to the Trustee. (See Item #12).
9. That the Debtors shall timely file and pay any other taxes required to be collected and turned over to any taxing authority, including but not limited to applicable sales tax.
10. The Debtors shall provide copies of all tax returns and proof of payment to the Trustee. (See Item #12).
11. That the Debtors shall maintain all required insurance coverage for that particular business, including but not limited to general liability, personal property, premises, worker compensation, automobile, malpractice, dram shop, etc. All premiums must be paid when due in the ordinary course of business. The Debtors shall provide the Trustee with proof of insurance, including any change in policies and renewals. (See Item #12).
12. **The Debtors shall submit all applicable forms/reports or copies of them to the trustee on the specified schedule beginning with the first full month that the plan is filed with the court. The trustee reserves the right to amend or add to this list at anytime while the plan is in effect.**

Monthly

- A. *Accrual Basis Income Statement (Profit/Loss Statement) [or Cash Basis Profit & Loss statement for certain smaller business.]*
- B. *Accrual Basis Financial Statement (Balance Sheet)*
- C. *Copies of Separate Business Bank Account Statements*
- D. *Copies of Check Register for Each Bank Account*
- E. *Copies of Reconciliation for Each Bank Account*
- F. *Accounts Payable Aging Statement*
- G. *Accounts Receivable Aging Statement*
- H. *Post-Petition Tax Aging Statement*
- I. *Proof of Payment of Federal Employer Taxes and Employee Withholdings*
- J. *Form 160 Combined Return for Michigan Sales and Employee Withholding Taxes and Proof of Payment*
- K. *Wholesale Inventory List and Total Value*

Quarterly

- L. *Form 941 Employer's Quarterly Federal Tax Return*
- M. *Form UA 1020 State of Michigan Employer's Quarterly Tax Report*
- N. *Form MESA 1017 Wage Detail Report Michigan Employment Security Agency*
- O. *Proof of Payment of State Unemployment Taxes*
- P. *Proof of Payment of Federal Unemployment Taxes and Proof of Deposit*

Annually

- Q. Business Insurance Forms and Proof of Payment*
- R. Form 940 Employer's Annual Federal Unemployment (FUTA) Tax Returns*
- S. Form 1120 Corporate Return or Form 1120S Sup-Chapter S Corporate Return or Form 1065 Business Partnership Return*
- T. Form 1040 US Individual Income Tax Return*
- U. Form MI-1040 Michigan Individual Income Tax Return*
- V. Form W/2 and/or Form 1099 Wage & Tax Statements*
- W. Proof of Payment of Individual and Business Federal and State Tax Returns*
- X. Copies of Business Licenses and Proof of Payment*

- 13. That in the event the Debtors cease the business operations during the Chapter 13 the Debtors shall immediately notify the Court and the Trustee.
- 14. That in the event the Debtors default with respect to the provisions of this Order the Trustee may file a Motion to Dismiss the Chapter 13.

HONORABLE
BANKRUPTCY JUDGE

Approved By:

/s/ Brett N. Rodgers
Brett N. Rodgers, Trustee

RETURN FOR SERVICE:

Brett N. Rodgers
Chapter 13 Trustee
50 Louis St NW, Suite 700
Grand Rapids, MI 49503