

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

Debtor: Alsip Acquisition, LLC, APCA, LLC

Case No. Case No: 14-12596 Alsip Acquisition, LLC  
Case No: 14-12597 APCA, LLC

**INITIAL MONTHLY OPERATING REPORT**

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation. Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession." Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
<b>12-Month Cash Flow Projection (Form IR-1)</b>	yes	no
<b>Certificates of insurance:</b>		
Workers Compensation	yes	no
Property	yes	no
General Liability	yes	no
Vehicle	yes	no
Other:	yes	no
Identify areas of self-insurance w/liability caps	yes	no
<b>Evidence of Debtor in Possession Bank Accounts</b>		
Tax Escrow Account	n/a	n/a
General Operating Account	yes	n/a
Money Market Account pursuant to Local Rule 4001-3. Refer to <a href="http://www.deb.uscourts.gov/">http://www.deb.uscourts.gov/</a>	n/a	n/a
Other:		
<b>Retainers Paid (Form IR-2)</b>	yes	no

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

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

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Date

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

12-5-2014  
Date

A Joseph Ostmann  
Printed Name of Authorized Individual

VP of Finance  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**Debtor:** Alsip Acquisition, LLC, APCA, LLC

**Case No.** Case No: 14-12596 Alsip Acquisition, LLC  
Case No: 14-12597 APCA, LLC

**SCHEDULE OF RETAINERS PAID TO PROFESSIONALS**

(This schedule is to include each Professional paid a retainer)

Payee	Check		Name of Payor	Amount
	Date	Number		
Development Specialists	11/20/2014	WIRE	Alsip Acquisition, LLC	50,000 (a)
Mintz Levin	11/20/2014	WIRE	Alsip Acquisition, LLC	59,084 (a)
Pachulski Stang	11/20/2014	WIRE	Alsip Acquisition, LLC	25,000 (a)
Epiq	11/20/2014	WIRE	Alsip Acquisition, LLC	15,000 (a)

Notes:

(a) Estimated, subject to final reconciliation.



DATE (MM/DD/YYYY)  
 12/2/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER <b>Risk Strategies Company</b> 160 Federal Street  Boston MA 02110	CONTACT NAME: <b>Michael Vitulli</b> PHONE (A/C, No. Ext): <b>(617) 330-5700</b>	FAX (A/C, No): <b>(617) 439-3752</b>	
	E-MAIL ADDRESS: <b>mvitulli@risk-strategies.com</b>		
INSURED <b>Alsip Acquisition, LLC d/b/a FutureMark Paper</b> 13101 South Pulaski Road  Alsip IL 60803	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: <b>The Hartford</b>		<b>00914</b>
	INSURER B: <b>ACE American</b>		
	INSURER C: <b>Torus National Insurance Co.</b>		
	INSURER D: INSURER E: INSURER F:		

**COVERAGES** CERTIFICATE NUMBER: **CL1412286394** REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			08 UEN ZJ4667	11/5/2013	12/31/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			08 UEN ZJ4667	11/5/2013	12/31/2014
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED RETENTION \$			35934D140ALI	11/5/2014	12/31/2014	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			08WECL1552	11/5/2013	12/31/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	Property			EPRN0 9156707	11/6/2013	12/31/2014	Stated Limit \$50,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

<b>CERTIFICATE HOLDER</b>  Department of Justice Attn: Timothy J. Fox, Esq. Office of the U.S. Trustee 844 King Street, Suite 2207 Wilmington, DE 19801	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE  Michael Christian/NXR <i>Michael Christian</i>

Alsip Acquisition, LLC DIP Budget								
	11/20-11/21	WE 11/28	WE 12/5	WE 12/12	WE 12/19	12/20- 12/24	After 12/24	Petition Total
<b>Receipts</b>								
Cash receipts from working capital	\$ 150,000	\$ 385,640	\$ 250,000	\$ 300,000	\$ 350,000	\$ 350,000	\$ 305,876	\$ 2,091,516
Sale of land, building, equipment	-	-	-	-	-	5,500,000	-	5,500,000
Total cash receipts	150,000	385,640	250,000	300,000	350,000	5,850,000	305,876	7,591,516
<b>Disbursements</b>								
Property taxes	-	-	-	-	-	664,399	-	664,399
Utilities	184,253	53,180	51,155	142,000	59,496	(117,309)	-	372,775
Plant operations	29,139	6,542	15,636	4,752	4,752	13,227	-	74,048
Wages and benefits	11,013	35,428	28,074	69,074	88,074	16,846	4,921	253,430
Professional fees	7,500	16,250	47,500	15,000	17,500	212,500	812,794	1,129,044
Bank professionals	-	-	-	-	-	-	277,253	277,253
Security	3,000	3,000	3,000	3,000	3,000	3,000	-	18,000
Interest and bank fees	3,520	7,972	7,914	7,973	8,000	107,983	-	143,362
Total cash disbursements	238,425	122,372	153,279	241,799	180,822	900,646	1,094,968	2,932,311
Loan (increase)/reduction	(88,425)	263,268	96,721	58,201	169,178	4,949,354	(789,092)	4,659,205
Beginning loan balance	8,038,639	8,127,064	7,863,796	7,767,075	7,708,874	7,539,696	2,590,342	8,038,639
Loan reduction	88,425	(263,268)	(96,721)	(58,201)	(169,178)	(4,949,354)	789,092	(4,659,205)
<b>Ending loan balance</b>	<b>8,127,064</b>	<b>7,863,796</b>	<b>7,767,075</b>	<b>7,708,874</b>	<b>7,539,696</b>	<b>2,590,342</b>	<b>3,379,434</b>	<b>3,379,434</b>

Alsip Acquisition, LLC DIP Budget								
	11/20-11/21	WE 11/28	WE 12/5	WE 12/12	WE 12/19	12/20- 12/24	After 12/24	Petition Total
<b>Professional Fees (not including pre-filing retainers)</b>								
<b>Debtor</b>								
DSI	-	-	-	-	-	-	207,500	207,500
Mintz Levin	-	-	-	-	-	-	350,000	350,000
Debtor local counsel (Pachulski Stang)	-	-	-	-	-	-	50,000	50,000
US Trustee fees	-	-	-	-	-	-	20,000	20,000
Claims agent (EPIC)	-	-	-	-	-	-	25,000	25,000
Sanabe (monthly fee and bonus)	-	-	35,000	-	-	195,000	-	230,000
Tax returns - McGladrey	-	-	-	-	-	-	45,000	45,000
Publication of sale notice	5,000	5,000	-	-	-	-	-	10,000
UCC professionals	-	-	-	-	-	-	100,000	100,000
UMAC (5% of receivable collections)	2,500	11,250	12,500	15,000	17,500	17,500	15,294	91,544
Total professional fees	7,500	16,250	47,500	15,000	17,500	212,500	812,794	1,129,044
<b>Lender</b>								
Reimer Braunstein/local Bank counsel	-	-	-	-	-	-	170,000	170,000
RSI/bank financial advisor and expenses	-	-	-	-	-	-	107,253	107,253
Bank professional fees	-	-	-	-	-	-	277,253	277,253

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
ALSIP ACQUISITION, LLC., et al., <sup>1</sup>	)	Case No. 14-12596 (KJC)
	)	
Debtors.	)	(Joint Administration Requested)
	)	
_____	)	<b>Re: Docket No. 7</b>

**ORDER (I) AUTHORIZING THE DEBTORS TO (A) CONTINUE TO OPERATE THE CASH MANAGEMENT SYSTEM; (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO; (C) MAINTAIN EXISTING BUSINESS FORMS; AND (II) GRANTING RELATED RELIEF**

Upon consideration of the motion (the "Motion")<sup>2</sup> of Alsip Acquisition, LLC and ACPA, LLC, the above-captioned debtors and debtors in possession (each a "Debtor" and together the "Debtors"), for entry of an order (this "Order") (I) authorizing the Debtors to (a) continue to operate the Cash Management System; (b) honor certain prepetition obligations related thereto; (c) maintain existing business forms; and (II) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a

<sup>1</sup> The Debtors in these proceedings and the last four digits of each Debtor's federal taxpayer identification number are as follows: Alsip Acquisition, LLC (Tax ID No. XX-XXX4908), and APCA, LLC (Tax ID No. XX-XXX3005).

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Debtors are authorized, but not directed, to: (a) continue operating the Cash Management System, substantially as identified on Exhibit 1 attached hereto and as described in the Motion; (b) honor their prepetition obligations related thereto; and (c) maintain existing business forms.
3. The Debtors are further authorized, in their sole discretion, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those accounts identified on Exhibit 2 attached hereto; (b) use, in their present form, all correspondence and business forms (including letterhead, purchase orders, and invoices), as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; (e) pay the prepetition Bank Fees; (f) pay any ordinary course bank fees incurred in connection with the Bank Accounts, and (g) otherwise perform their obligations under the documents governing the Bank Accounts. Once the Debtors have exhausted their

existing supply of checks or when the Debtors print new checks in the ordinary course, the Debtors will reprint or print, as the case may be, new checks with the designation “Debtor in Possession” and the corresponding bankruptcy number on all such checks. To the extent the Debtors print or reprint any of their other business forms they will add the designation “Debtor in Possession” and the corresponding bankruptcy number on all such business forms.

4. All banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

5. All banks provided with notice of this Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issue stop payment orders in accordance with the documents governing such Bank Accounts, except as express set forth below.

6. Any bank may rely upon the representations of the Debtors with respect to whether any check, item, or other payment order drawn or issued by the Debtors prior to filing of the Petition Date should be honored pursuant to this or any other order of this Court, and such bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

7. Each of the Debtors’ banks is authorized to debit the Debtors’ accounts in the ordinary course of business without need for further order of this Court for: (i) all checks, items,



and other payment orders drawn on the Debtors' accounts which are cashed at such bank's counters or exchanged for cashier's checks by the payees thereof prior to the bank's receipt of notice of filing of the petitions; (ii) all checks, automated clearing house entries, and other items deposited or credited to one of Debtors' accounts with such bank prior to filing of the petitions which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to filing of the petitions; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any bank as service charges for the maintenance of the Cash Management System, including but not limited to the Bank Fees.

8. The Debtors, in their sole discretion, are authorized to open any new Bank Accounts or close any existing Bank Accounts; *provided, however*, that in the event that the Debtors open or close any Bank Accounts, such opening or closing shall be timely indicated on the Debtors' monthly operating reports and notice of such opening or closing shall be provided to the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee's Office") and counsel to any official committee appointed in this case (subsequent to its appointment) within 15 days, provided, further, however that the Debtors shall open any such new Bank Account at banks that have executed a Uniform Depository Agreement with the Office of the United States Trustee for the District of Delaware, or at such banks that are willing to immediately execute such an agreement.

9. For any bank maintaining any of the Bank Accounts that is party to a Uniform Depository Agreement with the U.S. Trustee's Office, within 15 days of entry of this Order, the Debtors shall (a) contact such bank, (b) provide the Debtors' employer identification numbers,

and (c) identify each of its accounts held at such bank as being held by the Debtors in possession in a bankruptcy case.

10. For banks at which the Debtors hold Bank Accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee's Office, the Debtors shall use their good-faith efforts to cause the banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within thirty (30) days of the date of this Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.

11. The requirement to establish separate accounts for cash collateral and/or tax payments is hereby waived.

12. Nothing contained in the Motion or this Order shall be deemed or construed as an admission as to the validity or priority of any claim or lien against the Debtors or as a waiver of the Debtors' rights to dispute any claim or lien.

13. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

14. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

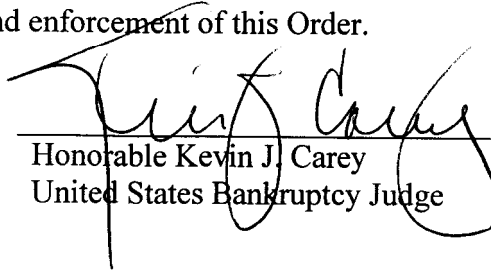
15. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

16. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

17. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

18. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

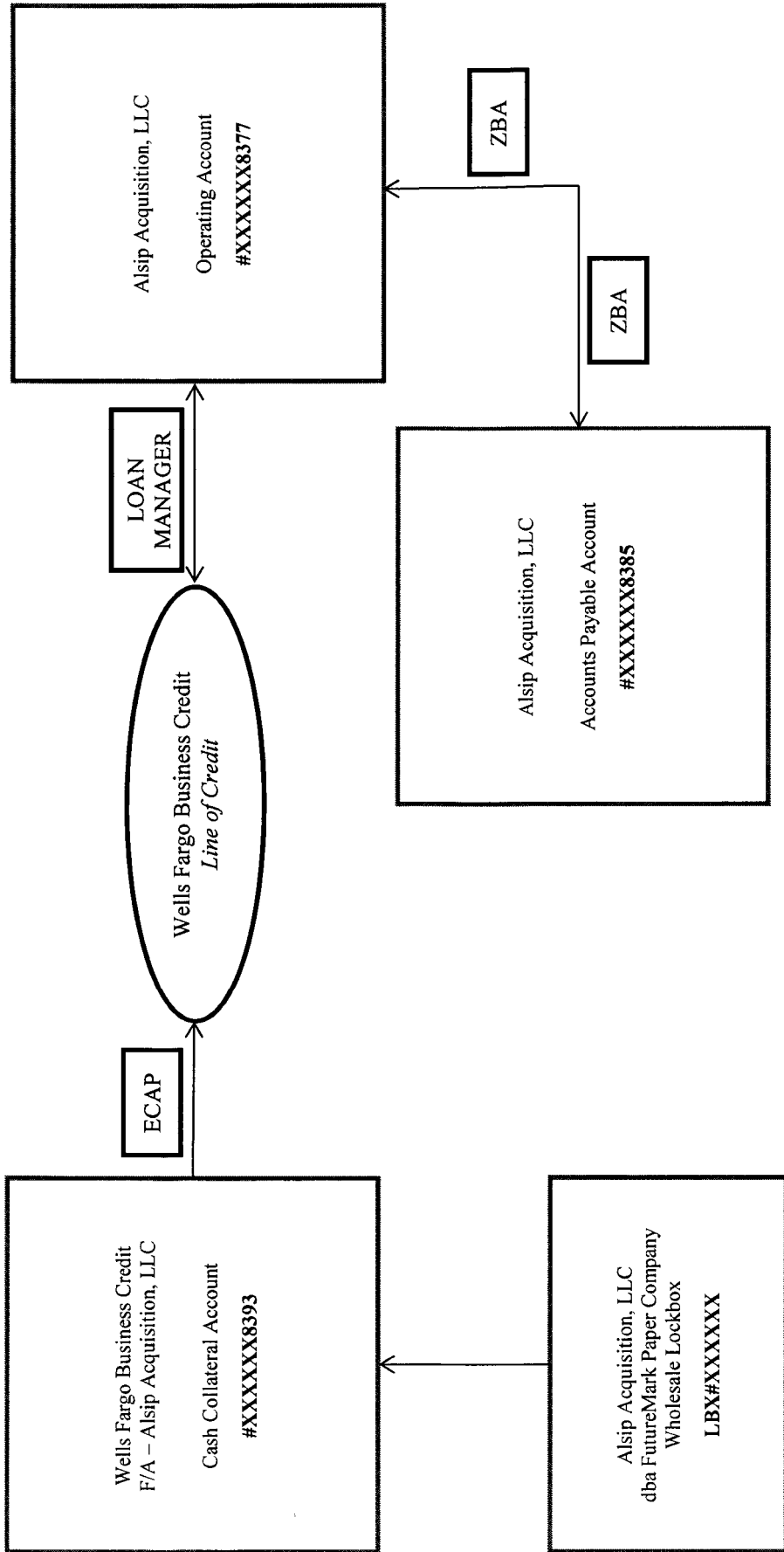
Dated: November 21, 2014



\_\_\_\_\_  
Honorable Kevin J. Carey  
United States Bankruptcy Judge

Exhibit 1

**Alsip Acquisition, LLC**



**EXHIBIT 2**

**Bank Accounts**

	<b>Bank Name</b>	<b>Account Number</b>	<b>Account Type</b>
<b>1</b>	<b>Wells Fargo Bank, N.A.</b>	<b>XXXXXX8377</b>	<b>Operating Account</b>
<b>2</b>	<b>Wells Fargo Bank, N.A.</b>	<b>XXXXXX8393</b>	<b>Cash Collateral Account</b>
<b>3</b>	<b>Wells Fargo Bank, N.A.</b>	<b>XXXXXX8385</b>	<b>Accounts Payable Account</b>