

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re EMC PACKAGING, INC

Case No. 09-11524  
Reporting Period: December 2013

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>	<b>Affidavit/Supplement Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements		X		
Cash disbursements journals		X		
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X		
Copies of IRS Form 6123 or payment receipt				NA
Copies of tax returns filed during reporting period				NA
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents 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\*

January 31, 2014  
Date

**Norman L. Pernick**  
\_\_\_\_\_  
Printed Name of Authorized Individual

**Chapter 11 Trustee**  
\_\_\_\_\_  
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.

**Chapter 11 Trustee Disclaimer to the December 2013 Monthly Operating Reports**

The accompanying monthly operating report sets forth balance sheets as of December 31, 2013 and as of the Debtors' filing date. Certain assets and liabilities including accounts receivable, accounts payable, inventory, and intercompany accounts receivable are presented on these noted dates. The Chapter 11 Trustee's professionals have not yet been provided with all of the relevant information to satisfy themselves of the accuracy, completeness, or reasonableness of the presented amounts. Accordingly, the Chapter 11 Trustee makes no representations for these amounts, and subject to the ongoing analysis of his professionals, the amounts reported are subject to change.

In re EMC PACKAGING, INC  
Debtor

Case No. 09-11524  
Reporting Period: December 2013

**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>	10,165.90				10,165.90		1,204.63	
<b>RECEIPTS</b>								
CASH SALES					0.00		184,090.00	
ACCOUNTS RECEIVABLE					0.00		100,000.00	
LOANS AND ADVANCES					0.00		0.00	
SALE OF ASSETS					0.00		0.00	
OTHER (ATTACH LIST)					0.00		0.00	
TRANSFERS (FROM DIP ACCTS)					0.00		-274,049.97	
<b>TOTAL RECEIPTS</b>	0.00	0.00	0.00	0.00	0.00	0.00	10,040.03	0.00
<b>DISBURSEMENTS</b>								
NET PAYROLL					0.00		0.00	
PAYROLL TAXES					0.00		0.00	
SALES, USE, & OTHER TAXES					0.00		0.00	
INVENTORY PURCHASES					0.00		0.00	
SECURED/ RENTAL/ LEASES					0.00		0.00	
INSURANCE					0.00		0.00	
ADMINISTRATIVE	124.41				124.41		1,203.17	
SELLING					0.00		0.00	
OTHER (ATTACH LIST)					0.00		0.00	
OWNER DRAW *					0.00		0.00	
TRANSFERS (TO DIP ACCTS)					0.00		0.00	
PROFESSIONAL FEES					0.00		0.00	
U.S. TRUSTEE QUARTERLY FEES					0.00		0.00	
COURT COSTS					0.00		0.00	
<b>TOTAL DISBURSEMENTS</b>	124.41	0.00	0.00	0.00	124.41		1,203.17	
<b>NET CASH FLOW</b>	-124.41	0.00	0.00	0.00	-124.41	0.00	8,836.86	0.00
(RECEIPTS LESS DISBURSEMENTS)								
<b>CASH - END OF MONTH</b>	10,041.49	0.00	0.00	0.00	10,041.49	0.00	10,041.49	0.00

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

**THE FOLLOWING SECTION MUST BE COMPLETED**

<b>DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)</b>	
TOTAL DISBURSEMENTS	124.41
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	0
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	0
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	<b>124.41</b>





In re EMC PACKAGING, INC  
Debtor

Case No. 09-11524  
Reporting Period: December 2013

**STATEMENT OF OPERATIONS**  
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

<b>REVENUES</b>	<b>Month</b>	<b>Cumulative Filing to Date</b>
Gross Revenues		184,090.00
Less: Returns and Allowances	-	-
Net Revenue	\$ -	\$ 184,090.00
<b>COST OF GOODS SOLD</b>		
Beginning Inventory		90,000.00
Add: Purchases		-
Add: Cost of Labor		-
Add: Other Costs (attach schedule)		-
Less: Ending Inventory		-
Cost of Goods Sold		90,000.00
Gross Profit	\$ -	\$ 94,090.00
<b>OPERATING EXPENSES</b>		
Advertising		
Auto and Truck Expense		
Bad Debts		200,000.00
Contributions		
Employee Benefits Programs		
Insider Compensation*		
Insurance		
Management Fees/Bonuses		
Office Expense	124.41	9,210.32
Pension & Profit-Sharing Plans		
Repairs and Maintenance		
Rent and Lease Expense		
Salaries/Commissions/Fees		
Supplies		
Taxes - Payroll		
Taxes - Real Estate		
Taxes - Other		
Travel and Entertainment		
Utilities		
Other (attach schedule)		
Total Operating Expenses Before Depreciation	124.41	209,210.32
Depreciation/Depletion/Amortization		
Net Profit (Loss) Before Other Income & Expenses	\$ (124.41)	\$ (115,120.32)
<b>OTHER INCOME AND EXPENSES</b>		
Other Income (attach schedule)		
Interest Expense		
Other Expense (attach schedule)		
Net Profit (Loss) Before Reorganization Items	\$ (124.41)	\$ (115,120.32)
<b>REORGANIZATION ITEMS</b>		
Professional Fees		56,598.21
U. S. Trustee Quarterly Fees	\$ -	\$ 5,851.43
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)		
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Expenses	-	62,449.64
Income Taxes		
Net Profit (Loss)	\$ (124.41)	\$ (177,569.96)

\*"Insider" is defined in 11 U.S.C. Section 101(31).

In re EMC PACKAGING, INC  
Debtor

Case No. 09-11524  
Reporting Period: December 2013

**STATEMENT OF OPERATIONS - continuation sheet**

BREAKDOWN OF "OTHER" CATEGORY	Month	Cumulative Filing to Date
<b>Other Costs</b>		
<b>Other Operational Expenses</b>		
<b>Other Income</b>		
<b>Other Expenses</b>		
<b>Other Reorganization Expenses</b>		

**Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:**

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

In re EMC PACKAGING, INC

Debtor

Case No. 09-11524

Reporting Period: December 2013

**BALANCE SHEET**

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>CURRENT ASSETS</b>		
Unrestricted Cash and Equivalents	10,041.49	1,204.63
Restricted Cash and Cash Equivalents (see continuation sheet)		-
Accounts Receivable (Net)	-	300,000.00
Notes Receivable		-
Inventories	-	90,000.00
Prepaid Expenses		-
Professional Retainers	-	-
Other Current Assets (attach schedule)	294,586.49	-
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 304,627.98</b>	<b>\$ 391,204.63</b>
<b>PROPERTY AND EQUIPMENT</b>		
Real Property and Improvements	-	-
Machinery and Equipment		-
Furniture, Fixtures and Office Equipment		-
Leasehold Improvements		-
Vehicles		-
Less Accumulated Depreciation		-
<b>TOTAL PROPERTY &amp; EQUIPMENT</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OTHER ASSETS</b>		
Loans to Insiders*		-
Other Assets (attach schedule)	-	-
<b>TOTAL OTHER ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL ASSETS</b>	<b>\$ 304,627.98</b>	<b>\$ 391,204.63</b>

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>		
Accounts Payable	-	
Taxes Payable (refer to FORM MOR-4)	-	
Wages Payable	-	
Notes Payable	-	
Rent / Leases - Building/Equipment	-	
Secured Debt / Adequate Protection Payments	-	
Professional Fees	-	
Amounts Due to Insiders*	-	
Other Postpetition Liabilities (attach schedule)	90,993.31	
<b>TOTAL POSTPETITION LIABILITIES</b>	<b>\$ 90,993.31</b>	<b>\$ -</b>
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</b>		
Secured Debt	4,806,239.68	4,806,239.68
Priority Debt	0.00	0.00
Unsecured Debt	227,657.68	227,657.68
<b>TOTAL PRE-PETITION LIABILITIES</b>	<b>\$ 5,033,897.36</b>	<b>\$ 5,033,897.36</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 5,124,890.67</b>	<b>\$ 5,033,897.36</b>
<b>OWNER EQUITY</b>		
Capital Stock		
Additional Paid-In Capital	2,964,203.00	2,964,203.00
Partners' Capital Account		
Owner's Equity Account	-	-
Retained Earnings - Pre-Petition	(7,606,895.73)	(7,606,895.73)
Retained Earnings - Postpetition	(177,569.96)	-
Adjustments to Owner Equity (attach schedule)	-	-
Postpetition Contributions (Distributions) (Draws) (attach schedule)	-	-
<b>NET OWNER EQUITY</b>	<b>\$ (4,820,262.69)</b>	<b>\$ (4,642,692.73)</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>\$ 304,627.98</b>	<b>\$ 391,204.63</b>

\*Insider" is defined in 11 U.S.C. Section 101(31).





In re EMC PACKAGING, INC  
Debtor

Case No. 09-11524  
Reporting Period: December 2013

**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.  
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.  
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
<b>Federal</b>						
Withholding						
FICA-Employee						
FICA-Employer						
Unemployment						
Income						
Other:						
<b>Total Federal Taxes</b>	0.00	0.00	0.00			0.00
<b>State and Local</b>						
Withholding						
Sales						
Excise						
Unemployment						
Real Property						
Personal Property						
Other:						
<b>Total State and Local</b>	0.00	0.00	0.00			0.00
<b>Total Taxes</b>	0.00	0.00	0.00			0.00

**SUMMARY OF UNPAID POSTPETITION DEBTS**

Attach aged listing of accounts payable.

	Number of Days Past Due						Total
	Current	0-30	31-60	61-90	Over 90		
Accounts Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wages Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Taxes Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rent/Leases-Building	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rent/Leases-Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Debt/Adequate Protection Payments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professional Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inter-Debtor Liabilities	90,993.31	0.00	0.00	0.00	0.00	0.00	90,993.31
Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Postpetition Debts</b>	90,993.31	0.00	0.00	0.00	0.00	0.00	90,993.31

Explain how and when the Debtor intends to pay any past-due postpetition debts.

\*"Insider" is defined in 11 U.S.C. Section 101(31).

In re EMC PACKAGING, INC  
Debtor

Case No. 09-11524  
Reporting Period: December 2013

### ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation		Amount
Total Accounts Receivable at the beginning of the reporting period		-
+ Amounts billed during the period		-
- Amounts collected during the period		-
Total Accounts Receivable at the end of the reporting period		-
Accounts Receivable Aging		Amount
0 - 30 days old		-
31 - 60 days old		-
61 - 90 days old		-
91+ days old		-
Total Accounts Receivable		-
Amount considered uncollectible (Bad Debt)		-
Accounts Receivable (Net)		-

### DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.		X*
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

\* Federal and State Income Tax Returns have not been timely filed

10:44 AM  
 01/29/14  
 Accrual Basis

**EMC DIP**  
**Transactions by Account**  
 As of December 31, 2013

Type	Date	Num	Adj	Name	Memo	Clr	Split	Debit	Credit	Balance
JPMorgan Chase 5599 Check	12/16/2013	ACH		JPMorgan Chase		X	Bank Service ...		124.41	10,165.90
Total JPMorgan Chase 5599								0.00	124.41	10,041.49
<b>TOTAL</b>								<b>0.00</b>	<b>124.41</b>	<b>10,041.49</b>



JPMorgan Chase Bank, N.A.  
 Northeast Market  
 P O Box 659754  
 San Antonio, TX 78265-9754

November 30, 2013 through December 31, 2013

Account Number: XXXXXXXXXXXX

**Customer Service Information**

If you have any questions about your statement, please contact your Customer Service Professional.

00011490 WBS 802 141 00114 NNNNNNNNNN 1 000000000 69 0000  
 EMC PACKAGING INC  
 CASE NO 09-11524  
 C/O COLE SCHOTZ MEISEL FORMAN & LEON  
 500 DELAWARE AVE STE 1410  
 WILMINGTON DE 19801-1496



**Commercial Checking Summary**

	Number	Market Value/Amount	Shares
Opening Ledger Balance		\$10,165.90	
Deposits and Credits	0	\$0.00	
Withdrawals and Debits	1	\$124.41	
Checks Paid	0	\$0.00	
<b>Ending Ledger Balance</b>		<b>\$10,041.49</b>	

**Withdrawals and Debits**

Ledger Date	Description	Amount
12/16	Account Analysis Settlement Charge	\$124.41
<b>Total</b>		<b>\$124.41</b>

**Daily Balance**

Date	Ledger Balance	Date	Ledger Balance
12/16	\$10,041.49		

Your service charges, fees and earnings credit have been calculated through account analysis.

Please examine this statement of account at once. By continuing to use the account, you agree that: (1) the account is subject to the Bank's deposit account agreement, and (2) the Bank has no responsibility for any error in or improper charge to the account (including any unauthorized or altered check) unless you notify us in writing of this error or charge within sixty days of the mailing or availability of the first statement on which the error or charge appears.

This Page Intentionally Left Blank