

United States Bankruptcy Court
SOUTHERN DISTRICT OF NEW YORK

In re RAPID-AMERICAN CORPORATION,
Debtor

Case No. 13-10687-smb

MONTHLY OPERATING REPORT

Month MAY, 2014

Date filed JUNE 9, 2014

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING SMALL BUSINESS MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:


Original Signature of Responsible Party

PAUL WEINER
Printed Name of Responsible Party

Questionnaire: (All questions to be answered on behalf of the debtor.)

	Yes	No	N/A
1. IS THE BUSINESS STILL OPERATING?	X	<input type="checkbox"/>	<input type="checkbox"/>
2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH?	X	<input type="checkbox"/>	<input type="checkbox"/>
3. DID YOU PAY YOUR EMPLOYEES ON TIME?	X	<input type="checkbox"/>	<input type="checkbox"/>
4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH?	X	<input type="checkbox"/>	<input type="checkbox"/>
5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH	X	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS?	X	<input type="checkbox"/>	<input type="checkbox"/>
7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?	<input type="checkbox"/>	<input type="checkbox"/>	X

- | | | | | |
|-----|---|--------------------------|--------------------------|--------------------------|
| 8. | DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH? | X | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. | ARE YOU CURRENT ON YOUR QUARTERLY FEE PAYMENT TO THE U.S. TRUSTEE? | X | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. | HAVE YOU PAID ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH? | X | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. | DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 12. | HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 13. | DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNTS? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 14. | HAVE YOU SOLD ANY ASSETS OTHER THAN INVENTORY THIS MONTH? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 15. | DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 16. | HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 17. | HAS ANYONE MADE AN INVESTMENT IN YOUR BUSINESS THIS MONTH? | <input type="checkbox"/> | X | <input type="checkbox"/> |
| 18. | HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY? | <input type="checkbox"/> | X | <input type="checkbox"/> |

TAXES

DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS?	X	<input type="checkbox"/>	<input type="checkbox"/>
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IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT.

ALL RETURNS FILED FOR YEAR ENDED 1/31/13. NYS AND NYC ARE DUE \$300 AND \$25 RESPECTIVELY. THE DUE DATE FOR PAYMENT WAS 4/15/13. PAYMENTS WERE NOT MADE AS FILING FOR BANKRUPTCY OCCURRED ON 3/8/13.

(Exhibit A)

INCOME

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL INCOME \$ 4,437.43 (1) (2)

(1) Dividend income \$124.29

(2) Refund of Delaware Franchise tax \$4,313.14

SUMMARY OF CASH ON HAND

Cash on Hand at Start of Month \$ 5,021,590.24

Cash on Hand at End of Month \$ 4,868,624.51

PLEASE PROVIDE THE TOTAL AMOUNT OF CASH CURRENTLY AVAILABLE TO YOU TOTAL

TOTAL INCOME \$ 4,868,624.51

(2) Taxes for NYS & NYC for y/e 1/31/2014 of \$325 have been charged to general funds, Delaware Franchise tax refund added to general funds

Of the balance, \$8,784.11 are general funds of Rapid American and the balance is escrowed funds to be used for specified escrow fund requirements (2)

EXPENSES

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT.

TOTAL EXPENSES \$ 157,403.16

(Exhibit B)

UNPAID BILLS

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE.

TOTAL PAYABLES \$ 360,047.36

(Exhibit C)

BANKING INFORMATION

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT OR HAD DURING THE PERIOD COVERED BY THIS REPORT.

(Exhibit D)

EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED? 1
NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT? 1

PROFESSIONAL FEES

BANKRUPTCY RELATED:

PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$ 118,021.46

TOTAL PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE? \$ 1,552,055.30

RAPID -AMERICAN CORPORATION

EXHIBIT B

MAY , 2014

DATE	AMOUNT	PAYMENT TO	PURPOSE
5/07/14	\$ 36,170.98	CAPLIN & DRYSDALE	PROFESSIONAL FEES
5/07/14	43,200.32	REED SMITH LLP	PROFESSIONAL FEES
5/07/14	32,774.28	DENTONS US LLP	PROFESSIONAL FEES
5/05/14	800.00	DENTONS US LLP	FILE STORAGE
5/07/14	5,170.28	YOUNG CONAWAY TARRGATT& TAYLOR	PROFESSIONAL FEES
5/07/14	705.60	LAWRENCE FITZPATRICK	PROFESSIONAL FEES
5/01/14	30,000.00	PAUL WEINER	COMPENSATION
5/01/14	500.00	HOFHEIMER, GARTLIR & GROSS	FILE STORAGE
5/05/14	3,982.35	LOGAN & COMPANY INC	CLAIMS & NOTICE AGENT
5/22/14	4,099.35	LOGAN & COMPANY INC	CLAIMS & NOTICE AGENT
	\$ 157,403.16	TOTAL	

RAPID-AMERICAN CORPORATION

MAY 31, 2014

EXHIBIT C

DEBT AMOUNT	DUE TO	PERIOD COVERED	DUE DATE
\$ 33,265.05	CAPLIN & DRYSDALE (1)	APRIL, 2014	6/05/14
17,281.20	CAPLIN & DRYSDALE (1)	3/01/14-4/30/14	TBD *
35,888.17	CAPLIN & DRYSDALE (1)	4/05/13-2/28/14	TBD**
12,220.18	CAPLIN & DRYSDALE (1)	11/01/13-2/28/14	6/04/14
41,937.45	REED SMITH LLP (2)	APRIL, 2014	6/05/14
20,931.60	REED SMITH LLP (2)	3/01/14-4/30/14	TBD *
47,476.80	REED SMITH LLP (2)	3/08/13-2/28/14	TBD **
16,010.80	REED SMITH LLP (2)	11/01/13-2/28/14	6/04/14
19,514.63	DENTONS US LLP (3)	APRIL, 2014	6/05/14
13,025.72	DENTONS US LLP (3)	3/01/14-4/30/14	TBD *
67,715.69	DENTONS US LLP (3)	3/08/13-2/28/14	TBD **
10,124.12	DENTONS US LLP (3)	11/01/13-2/28/14	6/04/14
873.60	LAWRENCE FITZPATRICK (4)	APRIL, 2014	6/05/14
394.80	LAWRENCE FITZPATRICK (4)	3/01/14-4/30/14	TBD *
1,222.20	LAWRENCE FITZPATRICK (4)	7/11/13-2/28/14	TBD **
394.80	LAWRENCE FITZPATRICK (4)	11/01/13-2/28/14	6/04/14
8,074.70.	YOUNG CONAWAY STARGATT & TAYLOR LLP (5)	APRIL, 2014	6/05/14
3,261.10	YOUNG CONAWAY STARGATT & TAYLOR LLP (5)	3/01/14-4/30/14	TBD *
7,276.60	YOUNG CONAWAY STARGATT & TAYLOR LLP (5)	7/11/13-2/28/14	TBD **
2,833.45	YOUNG CONAWAY STARGATT & TAYLOR LLP (5)	11/1/13-2/28/14	6/04/14
325.00	NYS & NYC TAXES (6)	PRIOR YEARS TAXES	
\$360,047.36	TOTAL		

- (1) COUNSEL TO CREDITOR'S COMMITTEE
- (2) COMPANY BANKRUPTCY COUNSEL
- (3) SPECIAL COUNSEL TO COMPANY
- (4) FUTURE CLAIMS REPRESENTATIVE
- (5) COUNSEL TO FUTURE CLAIMS REPRESENTATIVE
- (6) PRIOR YEARS TAXES DUE ON 4/15/13

*20% HOLD BACK IN ACCORDANCE WITH COURT ORDER DATED 4/3/13
**10% HOLD BACK IN ACCORDANCE WITH COURT ORDERS DATED 9/26/13,
2/5/14 & 6/3/14



BNY MELLON

RAPID AMERICAN CORPORATION
C/O HOPHEIMER, GARTLIR & GROSS
530 5TH AVE
NEW YORK NY 10036-5101

Account Statement

Statement Period 05/01/2014 Through 05/31/2014

Go Paperless. Securely access your account online to view your statements. Ask your BNY Mellon contact how we can help you access your accounts, enter your own transactions or submit an audit confirmation online. Also be sure to ask how Connect(SM), our new web-based, single sign-on platform can help you go paperless.

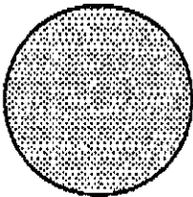
Visit us at www.bnymellon.com

RAPID AMERICAN CORP ASBESTOS ESCROW

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Account Overview



Percent of all Investments	Asset Classification	Market Value
100%	CASH AND SHORT TERM	4,868,624.51
100%	TOTAL OF ALL INVESTMENTS	4,868,624.51

Summary of Assets Held

Asset Classification	Market Value	Cost	Accrued Income	Est Annual Income	Market Yield
CASH AND SHORT TERM	4,868,624.51	4,868,624.51	0.00	1,460.59	0.03%
ACCOUNT TOTALS	4,868,624.51	4,868,624.51	0.00	1,460.59	0.03%

Summary of Cash Transactions

Transaction Category	Current Period			Year-to-Date	
	Income	Principal	Realized Gains/Losses	Income	Principal
OPENING BALANCE	0.00	0.00		0.00	0.00
DIVIDENDS	124.29	0.00	0.00	833.62	0.00
SALES AND REDEMPTIONS	0.00	157,403.16	0.00	0.00	706,476.51
OTHER CASH ADDITIONS	0.00	4,313.14	0.00	0.00	21,319.09
OTHER CASH RECEIPTS	0.00	0.00	0.00	1,600.00	0.00
PAYMENTS AND WITHDRAWALS	0.00	157,403.16	0.00	1,800.00	706,476.51
OTHER CASH DISBURSEMENTS	124.29	0.00	0.00	833.62	0.00
PURCHASES	0.00	4,313.14	0.00	0.00	21,319.09
CLOSING BALANCE	0.00	0.00	0.00	0.00	0.00

The above cash transactions summary is provided for information purposes only and may not reflect actual taxable income or deductible expenses as reportable under the Internal Revenue Code.



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Statement Period 05/01/2014 Through 05/31/2014

RAPID AMERICAN CORP ASBESTOS ESCROW

Statement of Assets Held

Shares / Par Value	Asset Description	Market Price Average Cost	Market Value Cost	Accrued Income Est Annual Income	Market Yield
CASH AND SHORT TERM					
4,863,223.480	DREYFUS CASH MGMT 288 INST'L CUSIP: S99991750	1.00000	4,863,223.48	0.00	0.03%
5,401.030	DREYFUS CASH MGMT 288 INST'L CUSIP: S99991750	1.00000	5,401.03	1,458.97	0.02%
		1.00000	5,401.03	0.00	0.02%
		1.00000	5,401.03	1.82	0.03%
Total CASH AND SHORT TERM			4,868,624.51	0.00	0.03%
			4,868,624.51	1,460.59	
ACCOUNT TOTALS			4,868,624.51	0.00	0.03%
			4,868,624.51	1,460.59	

Total Market Value Plus Total Accrued Income 4,868,624.51

Statement of Transactions

Transaction Date	Transaction Description	Income	Principal	Cost	Realized Gains/Losses
05/01/14	OPENING BALANCE	0.00	0.00	5,021,590.24	
05/01/14	Sale DREYFUS CASH MGMT 288 INST'L 30,500.00 SHARES	0.00	30,500.00	30,500.00 -	0.00
05/01/14	Cash Debit RAPIDESC TRANSTAR PAYMENT DTD 05/01/ 14 TRNDSP1405015478100	0.00	30,500.00 -	0.00	0.00
05/01/14	DAILY ENDING BALANCE	0.00	0.00	4,991,090.24	0.00
05/02/14	Purchase DREYFUS CASH MGMT 288 INST'L 124.29 SHARES	124.29 -	0.00	124.29	0.00
05/02/14	Dividend DREYFUS CASH MGMT 288 INST'L DIVIDEND	124.29	0.00	0.00	0.00
05/02/14	DAILY ENDING BALANCE	0.00	0.00	4,991,214.53	0.00
05/05/14	Sale DREYFUS CASH MGMT 288 INST'L 4,782.35 SHARES	0.00	4,782.35	4,782.35 -	0.00
05/05/14	Cash Debit RAPIDESC TRANSTAR PAYMENT DTD 05/05/ 14 TRNDSP1405054124400	0.00	4,782.35 -	0.00	0.00
05/05/14	DAILY ENDING BALANCE	0.00	0.00	4,986,432.18	0.00
05/07/14	Sale DREYFUS CASH MGMT 288 INST'L 118,021.46 SHARES	0.00	118,021.46	118,021.46 -	0.00
05/07/14	Cash Debit RAPIDESC TRANSTAR PAYMENT DTD 05/07/ 14 TRNDSP1405074181800	0.00	118,021.46 -	0.00	0.00
05/07/14	DAILY ENDING BALANCE	0.00	0.00	4,868,410.72	0.00
05/22/14	Sale DREYFUS CASH MGMT 288 INST'L 4,099.35 SHARES	0.00	4,099.35	4,099.35 -	0.00
05/22/14	Cash Debit RAPIDESC TRANSTAR PAYMENT DTD 05/22/ 14 TRNDSP1405224095700	0.00	4,099.35 -	0.00	0.00
05/22/14	DAILY ENDING BALANCE	0.00	0.00	4,864,311.37	0.00
05/30/14	Purchase DREYFUS CASH MGMT 288 INST'L 4,313.14 SHARES	0.00	4,313.14 -	4,313.14	0.00
05/30/14	Cash Credit RAPID AMERICAN CORP ASBESTOS ESCROW	0.00	4,313.14	0.00	0.00



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Sta. 01/2014 Through 05/31/2014
Acc. RAPID AMERICAN CORP ASBESTOS ESCROW

Statement of Transactions - Continued

Transaction Date	Transaction Description	Income	Principal	Cost	Realized Gains/Losses
	CHECK 0000787258 STATE OF DELAWARE 05/19/14				
05/30/14	DAILY ENDING BALANCE	0.00	0.00	4,888,624.51	0.00
05/31/14	CLOSING BALANCE	0.00	0.00	4,888,624.51	0.00

Cumulative realized capital gain and loss position from 12/31/2013 for securities held in principal of account:

Short Term: 0.00 * Long Term: 0.00 *

* The above gain and loss position does not include transactions where tax cost information is incomplete or unavailable.

The Bank of New York Mellon may utilize subsidiaries and affiliates to provide services and certain products to the Account. Subsidiaries and affiliates may be compensated for their services and products.

The value of securities set forth on this Account Statement are determined by The Bank of New York Mellon for Corporate Trust on the basis of market prices and information obtained by The Bank of New York Mellon from unaffiliated third parties (including independent pricing vendors) ("third party pricing services"). The Bank of New York Mellon has not verified such market values or information and makes no assurances as to the accuracy or correctness of such market values or information or that the market values set forth on this Account Statement reflect the value of the securities that can be realized upon the sale of such securities. In addition, the market values for securities set forth in this Account Statement may differ from the market prices and information for the same securities used by other business units of The Bank of New York Mellon or its subsidiaries or affiliates based upon market prices and information received from other third party pricing services utilized by such other business units. Corporate Trust does not compare its market values with those used by, or reconcile different market values used by, other business units of The Bank of New York Mellon or its subsidiaries or its affiliates. The Bank of New York Mellon shall not be liable for any loss, damage or expense incurred as a result of or arising from or related to the market values or information provided by third party pricing services or the differences in market prices or information provided by other third party pricing services.

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