

In re: Universal Cooperatives, Inc.  
 Debtor -Universal Cooperatives, Inc.

Case No. 14-11187 (MFW)  
 Reporting Period:

May 2014

**Monthly Operating Report**

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copy of debtor's bank reconciliations)	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	No	Accrued but not paid	
Copies of bank statements		N/A	X	
Cash disbursement journals		N/A	X	
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X	X	
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	N/A		
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.

D. Guolai  
 Signature of Authorized Individual  
DENNIS GUOLAI  
 Printed Name of Authorized Individual

7/10/2014  
 Date  
TREASURER  
 Title

In re: Universal Cooperatives, Inc.  
Debtor-Universal Cooperatives, Inc.

Case No. 14-11187 (MFW)  
Reporting Period:

5/11/14-5/31/14

**Schedule Of Cash Receipts And Disbursements**

	Bank Accounts					Current Month		Cumulative Filing To Date	
	Operating/Contolled Disbursement	Deposit	Utility	Roundbank	CAD Denominated	Actual	Projected	Actual	Projected
<b>Cash at beginning of month (As of 5/10/14)</b>	411,151	240,579	-	-	-	651,730	651,730	651,730	651,730
<b>Receipts</b>									
Cash sales									
Accounts Receivable		1,461,189				1,461,189	850,604	1,461,189	850,604
Loans and advances	813,091					813,091	638,279	813,091	638,279
Sale of assets									
Other (attach list)		50,806				50,806		50,806	
Transfers (from DIP accts)									
<b>Total Receipts</b>	<b>813,091</b>	<b>1,511,995</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,325,086</b>	<b>1,488,883</b>	<b>2,325,086</b>	<b>1,488,883</b>
<b>Disbursements</b>									
Operating Disbursements	375,813					375,813	600,432	375,813	600,432
Vendor Payments	9,577					9,577	-	9,577	-
Payroll and PTO	508,765					508,765	400,656	508,765	400,656
Paydown of Bank Debt		1,685,005				1,685,005	638,279	1,685,005	638,279
Professional Fees							30,000		30,000
US Trustee Quarterly Fees									
Court Costs									
<b>Total Disbursements</b>	<b>894,155</b>	<b>1,685,005</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,579,160</b>	<b>1,669,368</b>	<b>2,579,160</b>	<b>1,669,368</b>
<b>Net Cash Flow</b>	<b>(81,064)</b>	<b>(173,010)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(254,074)</b>	<b>(180,484)</b>	<b>(254,074)</b>	<b>(180,484)</b>
<b>Cash at end of month</b>	<b>330,087</b>	<b>67,569</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>397,656</b>	<b>471,246</b>	<b>397,656</b>	<b>471,246</b>

**Disbursements for calculating U.S. Trustee quarterly fee**

<b>Total Disbursements</b>	2,579,160
Less: Transfers to Debtor in Possession Accounts	
Plus: Estate disbursements made by outside sources	
<b>Total Disbursements for calculating U.S. Trustee quarterly fees</b>	<u>2,579,160</u>

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Case No. 14-11187 (MFW)  
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**Monthly Operating Report**

Debtor	Bank Name and Address	Contact	Last 4 digits of account	Balance
Universal Cooperatives, Inc.	Bank of America 600 Peachtree Street NE Atlanta, GA 30308-2265	Tameka 404-607-5429	3286	\$ 67,568.85
Universal Cooperatives, Inc.	Bank of America 600 Peachtree Street NE Atlanta, GA 30308-2265	Tameka 404-607-5429	7018	\$ -
Universal Cooperatives, Inc.	Bank of America 600 Peachtree Street NE Atlanta, GA 30308-2265	Tameka 404-607-5429	1895	\$ 68,189.73
Universal Cooperatives, Inc.	Bank of America 600 Peachtree Street NE Atlanta, GA 30308-2265	Tameka 404-607-5429	3304	\$ 270,336.02
Bridon Cordage LLC	Roundbank 200 Second Street Waseca, MN 56093	Mark Butterfield 507-837-4805	0638	\$ 25,000.00
Agrilon International, LLC	Wells Fargo 7900 Xerxes Ave South Suite 2300 Bloomington, MN 55431	Sharlyn Rekenthaler 612-316-4187	9943	\$ 7,123.59

**UNIVERSAL COOPERATIVES, INC.**  
**BANK RECONCILIATION**  
**BANK OF AMERICA - DEPOSIT ONLY ACCOUNT**  
**5/31/2014**

G.L. ACCT. #	10.000.000.00.12205.0000
ACCOUNT #	8188193286

PER BANK

\$ 67,568.85

PER GENERAL LEDGER

BALANCE PER GENERAL LEDGER,

5/30/2014

\$ 67,568.85

ADJUSTED GENERAL LEDGER BALANCE

\$ 67,568.85

-

Reviewed By:



Date:

6/23/2014

**UNIVERSAL COOPERATIVES, INC.**  
**BANK RECONCILIATION**  
**BANK OF AMERICA-CAD ACCOUNT**  
**May 31, 2014**

G.L. ACCT. #	10.000.000.00.12210.0000
ACCOUNT #	13027018

**PER BANK**

BALANCE PER STATEMENT

CAD \$ -

ADJUSTED BANK BALANCE

\$ -

**PER GENERAL LEDGER**

BALANCE PER GENERAL LEDGER, May 30, 2014

CAD \$ -

ADJUSTED GENERAL LEDGER BALANCE

CAD \$ -

0:00

Reviewed By:

D. Syplaw

Date:

6/23/2014

**UNIVERSAL COOPERATIVES, INC.**  
**BANK RECONCILIATION**  
**BANK OF AMERICA - CONTROLLED DISB ACCOUNT**  
**5/31/2014**

G.L. ACCT. #	10.000.000.00.12215.0000
ACCOUNT #	8765031895

**PER BANK**

LESS: OUTSTANDING CHECKS  
 LESS: OUTSTANDING CHECKS  
 LESS: OUTSTANDING CHECKS  
 LESS: OUTSTANDING CHECKS

Universal  
 Universal-Voids in future months  
 Bridon  
 Bridon- Voids in future months

\$ 68,189.73

(20,662.39)

(8,999.92)

ADJUSTED BANK BALANCE

\$ 38,527.42

**PER GENERAL LEDGER**

BALANCE PER GENERAL LEDGER,

5/30/2014

\$ 38,527.42

ADJUSTED GENERAL LEDGER BALANCE

\$ 38,527.42

-

Reviewed By:



Date:

6/23/2014

**UNIVERSAL COOPERATIVES, INC.**  
**BANK RECONCILIATION**  
**BANK OF AMERICA - OPERATING ACCOUNT**  
**5/31/2014**

G.L. ACCT. #	10.000.000.00.12200.0000
ACCOUNT #	8188193304

**PER BANK**

\$ 270,336.02

**PER GENERAL LEDGER**

BALANCE PER GENERAL LEDGER,

5/30/2014

\$ 291,560.01

Delta Dental  
 Bridon ID Power-Reversed at bank on 6/2/14

\$ (0.03)  
 \$ (21,223.96)

ADJUSTED GENERAL LEDGER BALANCE

\$ 270,336.02

-

Reviewed By: D. Syolaw

Date: 6/23/2014

**Bridon Cordage, LLC**  
**BANK RECONCILIATION**  
**ROUNDBANK**  
**May 31, 2014**

G.L. ACCT. #	80.500.000.00.12120.0000
ACCOUNT #	4431030638

**PER BANK**

BALANCE PER STATEMENT

\$ 25,000.00

ADJUSTED BANK BALANCE

\$ 25,000.00

**PER GENERAL LEDGER**

BALANCE PER GENERAL LEDGER, May 30, 2014

\$ 25,000.00

ADJUSTED GENERAL LEDGER BALANCE

\$ 25,000.00

0.00

Reviewed By: D. Syolaw

Date: 6/23/2014





### Cash Reconciliation

As of May 31, 2014

<u>Deposits</u>	<u>Transaction Date</u>	<u>Transaction Amount</u>
UCPA Capital Contribution	5/12/2009	\$ 50,000
Anhui Huaxing Capital Contribution	7/16/2009	\$ 50,000
UCPA Capital Contribution	1/26/2011	\$ 12,000
Anhui Huaxing Capital Contribution	4/11/2011	\$ 150,000
UCPA Capital Contribution	7/20/2011	\$ 138,000
UCPA Capital Contribution	11/22/2011	\$ 130,000
UCPA Capital Contribution	12/27/2011	\$ 20,000
UCPA Capital Contribution	12/27/2011	\$ 25,000
UCPA Capital Contribution	1/23/2012	\$ 30,000
UCPA Capital Contribution	2/13/2012	\$ 18,000
UCPA Capital Contribution	2/15/2012	\$ 150,000
UCPA Capital Contribution	2/15/2012	\$ 150,000
UCPA Capital Contribution	3/30/2012	\$ 15,000
UCPA Capital Contribution	8/1/2012	\$ 52,625
UCPA Capital Contribution	8/10/2012	\$ 15,000
UCPA Capital Contribution	10/1/2012	\$ 47,200
UCPA Capital Contribution	11/9/2012	\$ 55,000
UCPA Capital Contribution	1/16/2013	\$ 300,000
UCPA Capital Contribution	7/10/2013	\$ 15,000
UCPA Capital Contribution-Adjustment	7/31/2013	\$ (94,400)
UCPA Capital Contribution	8/1/2013	\$ 65,000
UCPA Capital Contribution	10/15/2013	\$ 50,000
UCPA Capital Contribution	1/17/2014	\$ 300,000
		<u>\$ 1,743,425</u>
<u>Withdrawals</u>	<u>Transaction Date</u>	<u>Transaction Amount</u>
Bank Fees	Various	\$ 2,121
USEPA	Various	\$ 24,150
Case Consulting Laboratories	Various	\$ 46,000
Pyxis Regulatory Consulting, Inc.	Various	\$ 100,551
Joint Glyphosate Task Force	Various	\$ 130,230
Klincora Corporations	Various	\$ 13,700
Delaware Secretary of State	Various	\$ 1,250
DLA Piper LLP	Various	\$ 195,858
Steven Schatzow, Attorney at Law	7/8/2011	\$ 1,332
Spray Drift Task Force	Various	\$ 157,875
American Arbitration Assoc.	11/22/2011	\$ 107,275
Ace-Federal Reporters, Inc.	12/27/2011	\$ 960
Richard E. Just	2/14/2012	\$ 5,000
Monsanto	Various	\$ 950,000
Cinmax International, LLC	Various	\$ -
		<u>\$ 1,736,301</u>
<b>Current Cash Balance</b>		<u>\$ 7,124</u>
Outstanding Items at Month End		\$ -
<b>Current Cash Balance per Bank</b>		<u>\$ 7,124</u>

  
 1/23/2014

# Commercial Checking Account

Account number: 6885999943 ■ May 1, 2014 - May 31, 2014 ■ Page 1 of 1



AGRILON INTERNATIONAL, LLC  
 1300 CORPORATE CENTER CURV  
 EAGAN MN 55121-2589

### Questions?

Call your Customer Service Officer or Client Services  
**1-800-AT WELLS** (1-800-289-3557)  
 5:00 AM TO 6:00 PM Pacific Time Monday - Friday

Online: [wellsfargo.com](http://wellsfargo.com)

Write: Wells Fargo Bank, N.A. (300)  
 Minneapolis Wholesale  
 PO Box 63020  
 San Francisco, CA 94163

## Account summary

### Commercial Checking Account

Account number	Beginning balance	Total credits	Total debits	Ending balance
6885999943	\$7,403.31	\$0.00	-\$279.72	\$7,123.59

### Debits

#### Electronic debits/bank debits

Effective date	Posted date	Amount	Transaction detail
	05/12	29.72	Client Analysis Srvc Chrg 140509 Svc Chge 0414 000006885999943
		<b>\$29.72</b>	<b>Total electronic debits/bank debits</b>

#### Checks paid

Number	Amount	Date
1061	250.00	05/20
<b>\$250.00</b>		<b>Total checks paid</b>
<b>\$279.72</b>		<b>Total debits</b>

## Daily ledger balance summary

Date	Balance	Date	Balance	Date	Balance
04/30	7,403.31	05/12	7,373.59	05/20	7,123.59
<b>Average daily ledger balance</b>		<b>\$7,287.36</b>			

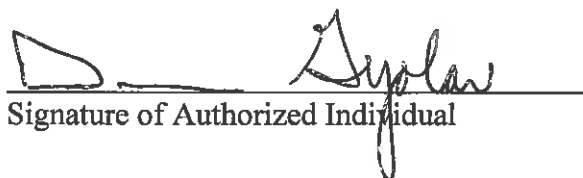
In re: Universal Cooperatives, Inc. et al.

Form No.: MOR-1a  
Case No.: 14-11187 (MFW)  
Reporting Period: May 2014

**Bank Reconciliations**

The debtors hereby submit this attestation regarding bank account reconciliations in lieu of providing copies of bank statements.

The debtors' standard practice is to ensure that each bank account is reconciled to bank statements at least once per fiscal quarter within 30 days after the month end. I attest that each of the debtors' bank accounts is reconciled to bank statements in accordance with their practices.

  
Signature of Authorized Individual

7/10/2014  
Date

DENNIS GYOLAI  
Printed Name of Authorized Individual

VP FINANCE  
Title of Authorized Individual

**Statement Of Operations**

	Month	Cummulative Filing To Date
<b>Revenues</b>		
Gross Revenues	181,366	181,366
Less: Returns and Allowances	-	-
Net Revenue	181,366	181,366
<b>Cost Of Goods Sold</b>		
Cost of good sold	158,802	158,802
Gross Profit	22,564	22,564
<b>Operating Expenses</b>		
Salaries and wages	85,050	85,050
Insider compensation	74,295	74,295
Travel expenses	2,982	2,982
Leased auto	3,927	3,927
Insurance	6,362	6,362
Advertising	(72)	(72)
Taxes - Payroll	12,139	12,139
Taxes - Real Estate	14,500	14,500
Licenses, Fees & Other Taxes	476	476
Rent Expense	12,592	12,592
Office/Meeting Expense	6,440	6,440
Consultants	2,524	2,524
Legal/Audit Expense	125,000	125,000
Bad Debts/Collections	-	-
Factory Expense	-	-
Repairs & Maintenance	13,908	13,908
Utilities	10,941	10,941
Label Registration & Regulatory Expense	-	-
Bank Charges	-	-
Miscellaneous (Income)/Expense	(18,360)	(18,360)
Warehouse expense	6,135	6,135
Other Financing Expenses	584,987	584,987
Other	-	-
Total Operating Expenses before Depreciation	943,826	943,826
Depreciation	14,857	14,857
Net Profit (Loss) before Other Income & Expenses	(936,119)	(936,119)
<b>Other Income and Expenses</b>		
Other Income (attach schedule)	-	-
Rental Income	21,411	21,411
Interest Expense	19,032	19,032
Other Expense (attach schedule)	(125)	(125)
Net Profit (Loss) before reorganization items	(933,615)	(933,615)
<b>Reorganization Items</b>		
Professional fees	-	-
U.S. Trustee Quarterly Fees	-	-
Interest earned on accum. Cash from Chapter 11	-	-
Gain (Loss) from sale of Assets/Business	(1,114,149)	(1,114,149)
Other reorganization expenses (attach schedule)	-	-
Total Reorganization Expenses	1,114,149	1,114,149
Income Taxes	-	-
Net Profit (Loss)	(2,047,764)	(2,047,764)

In re: Universal Cooperatives, Inc.  
Debtor - Universal Cooperatives, Inc.

Case No. 14-11187 (MFW)  
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May 2014

**BALANCE SHEET**

Assets	Book Value At End Of Current Reporting Month	Book Value On Petition Date
<b>CURRENT ASSETS</b>		
Unrestricted cash and equivalents	424,453	678,527
Restricted cash and equivalents	0	0
Account receivable (net)	10,140,617	11,649,896
Notes receivable	0	0
Inventories	8,844,423	10,078,766
Prepaid expenses	3,120,619	1,457,036
Professional retainers	0	0
Miscellaneous Receivable	234,134	281,406
Other current assets-Deferred charges, Advances	1,573,025	1,689,882
Other current assets (attach schedule)	0	0
<b>TOTAL CURRENT ASSETS</b>	<b>24,337,271</b>	<b>25,835,513</b>
<b>PROPERTY AND EQUIPMENT</b>		
Real property and improvements	8,937,071	8,937,071
Machinery and equipment	28,325,845	28,325,845
Furniture, fixtures and office equipment	871,011	871,011
Leasehold improvements	354,960	354,960
Vehicles	66,850	66,850
Less accumulated depreciation	(31,962,900)	(31,888,207)
<b>TOTAL PROPERTY &amp; EQUIPMENT</b>	<b>6,592,837</b>	<b>6,667,530</b>
<b>OTHER ASSETS</b>		
Loans to insiders	0	0
Intercompany investment	9,076,003	9,138,625
Investment in affiliates	4,217,969	4,217,969
Deferred Charges	823,949	842,735
Deferred Tax Asset	5,244,813	5,244,813
Intangibles	2,086,132	2,086,132
Other assets (attach schedule)	0	0
<b>TOTAL OTHER ASSETS</b>	<b>21,448,866</b>	<b>21,530,274</b>
<b>TOTAL ASSETS</b>	<b>52,378,973</b>	<b>54,033,317</b>
<b>LIABILITIES and PATRON'S EQUITY</b>		
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>		
Accounts payable	(661,291)	0
Taxes payable	(67,343)	0
Wage payable	(39,235)	0
Notes payable	0	0
Rent/lease - building/equipment	0	0
Secured debt/adequate protection payments	0	0
Professional fees	0	0
Amounts due insiders	0	0
Miscellaneous Accruals-Interest, Withholdings, Expenses	(354,439)	0
Other postpetition liabilities (attach schedule)	0	0
<b>TOTAL POSTPETITION LIABILITIES</b>	<b>(1,122,307)</b>	<b>0</b>
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-petition)</b>		
Secured debt	(11,716,467)	(12,749,567)
Priority debt	(640,574)	(728,085)
Unsecured debt	(57,610,604)	(58,029,404)
<b>TOTAL PRE-PETITION LIABILITIES</b>	<b>(69,967,645)</b>	<b>(71,507,056)</b>
<b>TOTAL LIABILITIES</b>	<b>(71,089,952)</b>	<b>(71,507,056)</b>
<b>PATRON'S EQUITY</b>		
Common stock	(140,000)	(140,000)
Certificates of participation	(54,363,612)	(54,363,612)
Additional paid in capital	(1,000,000)	(1,000,000)
Foreign exchange difference	207,518	145,350
Unallocated reserve	36,607,268	36,607,268
Accumulated other comprehensive (income)/loss	14,367,572	14,367,572
Retained earnings - prepetition	5,957,280	5,957,280
Retained earnings - post petition	2,862,262	0
<b>TOTAL PATRON'S EQUITY</b>	<b>4,498,288</b>	<b>1,573,858</b>
<b>TOTAL LIABILITIES AND PATRON'S EQUITY</b>	<b>(66,591,664)</b>	<b>(69,933,198)</b>

In re: Universal Cooperatives, Inc. et al.

Form No.: MOR-4  
Case No.: 14-11187 (MFW)  
Reporting Period: May 2014

**Status of Post-Petition Taxes**

The debtors hereby submit this attestation regarding the status of post-petition taxes of the debtors.

I attest that all of the debtors have filed all necessary federal, state and local tax returns and made all required post-petition tax payments in connection therewith on a timely basis or have promptly remediated any late filing or payments that may have occurred due to unintentional oversight.

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

7/10/2014  
\_\_\_\_\_  
Date

DENNIS Gyolai  
\_\_\_\_\_  
Printed Name of Authorized Individual

VP FINANCE  
\_\_\_\_\_  
Title of Authorized Individual

In re: Universal Cooperatives, Inc.  
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### Summary Of Unpaid Postpetition Debts

	Number Of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable	4,472					4,472
Wages Payable	-					-
Taxes Payable	-					-
Rent/Leases-Building	57					57
Rent/Leases-Equipment	-					-
Secured Debt/Adequate Protection Payments	-					-
Professional Fees	-					-
Amounts Due to Insiders*	-					-
Other: Insurance Premium Payments	24,710					24,710
Other:						
<b>Total Postpetition Debts</b>	<b>29,239</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,239</b>

In re: Universal Cooperatives, Inc.

Case No. 14-11187 (MFW)  
May 2014**Accounts Receivable Reconciliation And Aging**

<b>Accounts Receivable Reconciliation</b>	<b>Amount</b>
Total Accounts Receivable at the beginning of the reporting period	12,367,203
+ Amounts billed during the period	3,845,461
- Adjustments (offsets and deposit billings)	(565,708)
- Amounts collected during the period	<u>(5,223,288)</u>
Total Accounts Receivable at the end of the reporting period	<u>10,423,668</u>
<b>Accounts Receivable Aging</b>	<b>Amount</b>
0-30 day old	10,519,431
31-60 days old	89,599
61-90 days old	132,726
91+ days old	<u>(318,088)</u>
Total Accounts Receivable	<u>10,423,668</u>
Amount considered uncollectible (Bad Debt)	<u>(141,900)</u>
Accounts Receivable (Net)	<u>10,565,568</u>



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## 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 to the Delaware Local Rule 4001-3.		X