



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

**ARTHUR J. ABRAMOWITZ (AA3724)**  
**JERROLD N. POSLUSNY, JR. (JP7140)**  
**COZEN O'CONNOR**

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Attorneys for the Debtor

In re:

HAAS ENVIRONMENTAL, INC.,  
  
Debtor.

Case No. 13-27297

Judge: Kathryn C. Ferguson

Chapter: 11

**CONSENT ORDER AUTHORIZING USE OF CASH COLLATERAL ON AN  
INTERIM BASIS THROUGH DECEMBER 31, 2013, AND APPROVING  
PROCEDURES FOR SALE OF CERTAIN PIECES OF COLLATERAL**

The relief set forth on the following pages, numbered two (2) through eleven (11) is  
hereby **ORDERED**.

**DATED: 9/20/2013**

  
\_\_\_\_\_  
Honorable Kathryn C. Ferguson  
United States Bankruptcy Judge

Page: 2

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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This matter is before the Court on the motion (the “Motion”)<sup>1</sup> of Haas Environmental, Inc., the debtor and debtor-in-possession (the “Debtor”), by its attorneys, Cozen O’Connor, PC, for authority to use cash collateral on an interim and final basis pursuant to Bankruptcy Rule 4001(b) and 11 U.S.C. § 363(c)(2)(B). Notice of the Motion together with notice on the preliminary hearing thereon has been given and served by the Debtor to (i) the Office of the United States Trustee; (ii) Peoples United Equipment Finance Corp. (“Peoples”); (iii) Commercial Credit Group Inc. (“Commercial Credit”); (iv) Sovereign Bank (“Sovereign”); (v) Debtor’s twenty largest unsecured creditors and (vi) all parties that have appeared in this case. The Court having considered the Motion and Peoples and Commercial Credit having consented to the Motion on an interim basis through August 28, 2013; Commercial Credit, Peoples, and the Official Committee of Unsecured Creditors (the “Committee”) having consented to the relief set forth herein, and after due deliberation and for good cause shown, it is hereby found:

1. Notice and Hearing. Notice of the Motion on the Debtor's use of cash collateral has been served in accordance with 11 U.S.C. § 102(l) and Fed. R. Bankr. P. 4001(b), which notice is appropriate and sufficient for all purposes under the Bankruptcy Code and the applicable Bankruptcy Rules in respect to the relief requested.

2. Chapter 11 Filed. Debtor filed its petition under Chapter 11 of the Bankruptcy Code on August 6, 2013 (the “Petition Date”) and is presently operating as a debtor-in-possession in accordance with 11 U.S.C. §§ 1107(a) and 1108.

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<sup>1</sup> Unless otherwise defined herein, capitalized terms shall have the same meanings ascribed to them in the Motion.

Page: 3

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

---

3. Pre-Petition Debt and Collateral. The Debtor acknowledges the following secured claims against the Debtor's cash and accounts:

a. Peoples holds a first position lien against, inter alia, the Debtor's accounts, and Cash Collateral (as defined below) and several of the Debtor's pieces of equipment and vehicles. The balance owed to Peoples as of the Petition Date is \$3,402,245.<sup>2</sup>

b. Commercial Credit holds a second position lien against, inter alia, the Debtor's accounts and Cash Collateral (as defined below), and a first lien position against several of the Debtor's pieces of equipment and vehicles. The balance owed to Commercial Credit as of the Petition Date is \$ 2,907,682.22.

c. Sovereign holds a third position lien against, inter alia, the Debtor's accounts. The balance owed to Sovereign as of the Petition Date is \$783,782.82.

4. Cash Collateral. "Cash Collateral" is defined by 11 U.S.C. § 363(a) and includes cash, negotiable instruments, deposit accounts and or other cash equivalents, as more particularly defined in said subsection of the Bankruptcy Code, as well as post-petition accounts and "proceeds", and as that term is described in UCC Section 9-306.

5. Necessity and Best Interest. The Debtor does not have sufficient unencumbered cash or other assets with which to continue to operate its business in Chapter 11. The Debtor requires authority to use cash collateral as defined herein in order to continue its business operations without interruption toward the objective of formulating an effective plan of

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<sup>2</sup> On or about August 2, 2013 (the "Sale Date"), the Debtor sold one (1) 2007 Peterbilt truck, VIN 2NPLLZ9X27M680904, and one (1) 2008 Peterbilt truck, VIN 2NPRLN0X78M758286, to a third party for the aggregate amount of \$153,000.00 (the "Sale Proceeds"). Because the Debtor filed for bankruptcy protection shortly after the Sale Date, Peoples had not yet credited the Sale Proceeds to the aggregate indebtedness owed by the Debtor to Peoples on the Petition Date. Nevertheless, Peoples reserves the right to apply the Sale Proceeds to the aggregate indebtedness owed by the Debtor to Peoples in conformity with the terms set forth in the respective loan documents and the Debtor reserves the right to contest the application of the Sale Proceeds.

Page: 4

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

---

reorganization. The Debtor's use of Cash Collateral to the extent and on the terms and conditions set forth herein is necessary to avoid irreparable harm to the estate. The amount of Cash Collateral authorized to be used is not to exceed the amount set forth in the Debtor's budget attached as Exhibit "A" (the "Cash Collateral Budget").

6. Purposes. The Debtor is authorized to use Cash Collateral to meet its ordinary cash needs (and for such other purpose as may be approved in writing by Peoples, Commercial Credit, Sovereign, and the Committee or approved by the Court) for the payment of the Debtor's actual expenses necessary to (a) maintain and preserve its assets, continue operation of its business, including payroll and payroll taxes, and insurance expenses as reflected in the Cash Collateral Budget, and (b) pay quarterly fees to the Office of the United States Trustee.

7. Sale of Assets. The Debtor has exercised sound business judgment in deciding to sell the Disposable Collateral (defined below), and to consummate sales pursuant to the Sale Procedures detailed below pursuant to section 363(b) of the Bankruptcy Code. The Sale Procedures: (a) are fair and reasonable; (b) are designed to obtain the highest and best recovery for the Disposable Collateral; (c) will provide the highest recovery for Disposable Collateral; and (d) are designed to allow the Debtor to obtain a reasonable value for the Disposable Collateral. The sale of each piece of the Disposable Collateral will be a legal, valid and effective transfer and will vest in the buyer all right, title, and interest of the Debtor in the purchaser of that piece of Disposable Collateral, free and clear of all liens, claims, and encumbrances.

The Court having considered the Motion, and for good cause shown,

**IT IS ORDERED** as follows:

1. Use of Cash Collateral. Provided that there is no post-petition default of the terms of this Order by Debtor in its obligations to Commercial Credit, Peoples or Sovereign

Page: 5

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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(collectively, the “Secured Parties”), the Debtor is authorized to use Cash Collateral through December 31, 2013, as set forth in the Cash Collateral Budget (with an allowed deviation of up to 10%):

- a. to maintain and preserve its assets;
- b. to continue operation of its business and for payment of United States

Trustee’s Fees; and

- c. to purchase replacement inventory and equipment.

2. Adequate Protection. As adequate protection for use of the Cash Collateral, the Secured Parties (to the extent they are entitled to same) are GRANTED:

- a. Replacement Lien. A replacement perfected security interest under 11 U.S.C. § 361(2) to the extent that the Debtor’s use of the Cash Collateral results in the diminution in value of the Secured Parties’ interest in such Cash Collateral, solely to the extent of and with the same priority in the Debtor’s post-petition collateral, and proceeds thereof, that the Secured Parties held in the Debtor’s pre-petition collateral, provided, however, that the Replacement Lien shall not extend to any of the Debtor’s claims or causes of action arising under sections 502(d), 544, 545, 547, 548, 549, 550, or 553 of the Bankruptcy Code and any avoidance or similar action under the Bankruptcy Code (the “Avoidance Actions”).

- b. Deemed Perfected. The replacement lien and security interest granted herein are automatically deemed perfected upon entry of this Order without the necessity of the Secured Parties taking possession, filing financing statements, mortgages or other documents. Although not required, upon request by any or all of the Secured Parties, the Debtor shall execute and deliver to the any or all of the Secured Parties any and all UCC Financing Statements, UCC Continuation Statements, Certificates of Title or other instruments or documents considered by

Page: 6

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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the Secured Parties to be necessary in order to perfect the security interests and liens in the Debtor's post-petition collateral and proceeds granted by this Order, and the Secured Parties are authorized to receive, file and record the foregoing at the Secured Parties' own expense, which actions shall not be deemed a violation of the automatic stay. If, however, the Court determines that any of the Secured Parties are not perfected or that the secured claims are voidable, said replacement liens shall also be void.

c. Priority of Adequate Protection Obligations. Subject to the provisions of the Carve Out (defined below), the Adequate Protection Obligations shall have priority over all administrative expenses of the kind specified in section 507(b) (to the extent permitted by law) of the Bankruptcy Code ("Superpriority Claim"). No costs or administrative expenses which have been or may be incurred in this Chapter 11 Case, in any conversion of this Chapter 11 Case pursuant to section 1112 of the Bankruptcy Code, or in any other proceeding related thereto, and no priority claims, including, without limitation, any other superpriority claims, are or will be prior to or on a parity with the Superpriority Claims of Commercial Credit or Peoples against the Debtor arising as a result of the Adequate Protection Obligations, arising under any provision of this Final Order or the liens granted herein, or arising under the prepetition loans. For the avoidance of doubt, no Superpriority Claim shall be paid or satisfied from the proceeds of any Avoidance Actions or from any property not encumbered by the Prepetition Liens or Adequate Protection Liens as may be determined by this Court in a final, nonappealable order.

d. Periodic Accounting. Within five (5) days of a request by any or all of the Secured Parties or the Committee, the Debtor shall provide weekly periodic accountings to the Secured Parties and the Committee setting forth the cash receipts and disbursements (including a check register) made by the Debtor under this Order. In addition, the Debtor shall provide the

Page: 7

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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Secured Parties and the Committee all other reports required by the pre-petition loan documents and any other reports reasonably required by the Secured Parties. The Debtor shall also serve a copy of its Monthly Operating reports upon the Secured Parties and the Committee.

e. Default Hearing. In the event the Debtor defaults or violates this Order, the Secured Parties or the Committee are entitled to request a hearing to be held within seven (7) days of receipt of a notice of default, which notice may be sent via e-mail.

f. United States Trustee Payments. The Secured Parties' Cash Collateral and liens are subject to payment of fees pursuant to 28 U.S.C. § 1930(a)(6).

3. Disposition of Peoples' and Commercial Credit's Collateral. The Debtor has provided each of Peoples and Commercial Credit with a list of their collateral that the Debtor intends to sell (the "Disposable Collateral"). The Debtor shall also provide counsel to the Committee with copies of all lists of Disposable Collateral. The following procedures shall be used for the sale of such Disposable Collateral (the "Sale Procedures"):

a. No later than September 3, 2013, the Debtor shall identify and inform Peoples, Commercial Credit, and the Committee of any issues related to the shutdown of operations at the Debtor's East Chicago division, including but not limited to WARN Act issues. The parties acknowledge that any such issues may impact the timing and sale of Disposable Collateral located at the East Chicago division.

b. No later than September 13, 2013, the Debtor shall move all of the Disposable Collateral to be sold, and make such collateral available for inspection by Peoples and Commercial Credit, to one of the following locations:

- (i) 7485 Industrial Avenue, Portage, Indiana 46368;
- (ii) 1623 State Highway 137, East Armorell, Arkansas 72310; or

Page: 8

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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(iii) 4368 U.S. Route 422, Pulaski, Pennsylvania 16143.

c. No later than September 13, 2013, the Debtor shall confer with Peoples, Commercial Credit, and the Committee to identify potential auctioneers to sell the Disposable Collateral. No later than September 20, 2013, the Debtor shall contact the identified auctioneers requesting proposals for auctions of the Disposable Collateral that is not sold as part of a private sale. Upon selecting an auctioneer(s), but not later than September 30, 2013, the Debtor shall file appropriate retention pleadings with the Court, disclosing the terms of retention of the auctioneer(s) and the proposed procedures for any auction sales.

d. No later than September 27, 2013, the Debtor shall confer with Peoples, Commercial Credit, and the Committee to identify Disposable Collateral that the Debtor will attempt to sell by private sale (the “Private Sales Items”), and the Disposable Collateral that will be sold by auction. The Debtor, Peoples, Commercial Credit, and the Committee shall further confer and prepare a schedule of minimum prices to be accepted for each of the Private Sales Items (the “Minimum Private Sales Items Prices”)<sup>3</sup>.

e. No later than September 27, 2013, Peoples, Commercial Credit and the Committee each shall provide a list of potential buyers, if any, of the Private Sales Items, to the Debtor, which list shall include electronic mail contact information. The business people acting on behalf of the Debtor, Peoples, Commercial Credit, and the Committee shall consult with each other to determine the appropriate procedure for soliciting, vetting, obtaining bids, obtaining counter bids, and accepting bids for the Private Sales Items and shall thereafter finalize such procedures.

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<sup>3</sup> The Minimum Private Sales Items Prices shall be without prejudice and not binding on the parties in any other proceedings in this matter or otherwise.



Page: 9

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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f. Between September 27, 2013 and October 18, 2013, the Debtor, Peoples, Commercial Credit and the Committee shall pursue bids for the Private Sales Items. Any party receiving a written purchase offer for any of the Private Sales Items shall immediately provide a copy of same to the Debtor, to Peoples or Commercial Credit (as appropriate) and the Committee for consideration, but no later than October 18, 2013. All proceeds derived from the sale/purchase of each of the Private Sales Items shall be paid by the purchaser and tendered directly to the appropriate Secured Party simultaneous with the closing of each respective sale/purchase, via wire transfer or bank check, and the Debtor and the Committee shall be provided with a copy of the wire transfer confirmation or bank check and any other documents evidencing the sale. Sales of the Private Sales Items will be authorized so long as there are appropriate representations that the sale price is the highest and best offer for the Private Sales Item, the proposed buyer is not an Insider (as that term is defined in Bankruptcy Code Section 101(31)) of the Debtor and there is disclosure of any financing (but not the terms) by any of the Secured Parties of any Private Sales Item. Any written offer to purchase any of the Private Sales Items for an amount within 10% of the Minimum Private Sales Items Price or greater shall be deemed an acceptable sale price, but may only be consummated after obtaining the consent of the Debtor, Peoples or Commercial Credit (as the case may be) upon notice to the Committee. Any written offer to purchase any of the Private Sales Items where the proposed purchase price is more than 10% below the Minimum Private Sales Items Price may only be consummated after obtaining the written consent of the Debtor, Peoples or Commercial Credit (as the case may be), and the Committee, or by further order of the Court. Any of the Private Sales Items not sold prior to October 18, 2013, shall be included in the Auction (defined below).

Page: 10

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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g. The Debtor shall confer with the auctioneer, Peoples, Commercial Credit, and the Committee to select an appropriate date or dates to conduct an auction of Disposable Collateral that is not sold by private sale, which shall include any Private Sales Items that are not sold by private sale (the “Auction”). The Debtor, however, shall endeavor to conduct the auction(s) during the week of November 18, 2013. The auction(s) must be completed no later than December 20, 2013, unless Peoples, Commercial Credit and the Committee consent to a later date, or the Court orders a later date. Peoples and Commercial Credit shall have all the rights provided under Section 363(k) of the Bankruptcy Code to credit bid on Disposable Collateral sold at an Auction, provided that nothing in this Order shall (i) be deemed to expand the Secured Parties’ rights under Section 363(k); (ii) prejudice or impair the Committee’s rights to assert a Lien Challenge (defined below) by the Lien Challenge Date (defined below); or (iii) release any of the Secured Parties from any claims or causes of action which can be brought by the Committee on behalf of the Debtor’s estate relating to any of the foregoing.

h. Pursuant to section 363(f) of the Bankruptcy Code, all sales of Disposable Collateral shall be free and clear of any liens, claims, judgments, or other encumbrances (collectively, the “Liens”), with such Liens attaching to the proceeds of the sale. All proceeds from the sale of any of the Disposable Collateral (less payment of any fees and costs due and payable to the auctioneer) shall be turned over and remitted directly to Peoples or Commercial Credit (as the case may be) simultaneous with the closing of each respective sale/purchase, via wire transfer or bank check, in partial satisfaction of that party’s secured claim, and the Debtor and the Committee shall be provided with a copy of any wire transfer confirmation or bank check and any other documents evidencing the sale/purchase; provided however, that any funds received by Peoples or Commercial Credit shall be subject to disgorgement only if the

Page: 11

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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Committee commences an appropriate Lien Challenge action on or before the Lien Challenge Date and is successful in that action.

4. Committee Review of Liens and Priority. The Committee shall have a minimum of sixty (60) days from the date of the order approving the retention of counsel to the Committee (or such longer period as the Committee may obtain upon consent of the Secured Parties or by Court Order) (the “Lien Challenge Date”) to review the nature, extent, validity, perfection and priority of any of the Secured Creditors’ liens and claims (a “Lien Challenge”). If the Committee does not commence an action pursuant to Federal Rules of Bankruptcy Procedure 7001 *et seq.* by the Lien Challenge Date, such liens shall be deemed valid and perfected for all purposes. The stipulations and acknowledgements of the Debtor contained in Finding 3 hereof with respect to the Secured Parties’ liens and claims shall be without prejudice to the rights of the Committee to investigate and pursue a Lien Challenge by the Lien Challenge Date.

5. Avoidance Action Claims. Nothing contained herein shall provide the Secured Creditors with a lien on any Avoidance Actions that may be commenced pursuant to 11 U.S.C. §§ 544-550 or the proceeds thereof.

6. Professional Carve Out. Commercial Credit and Peoples consent to a Carve Out from their collateral in the total amount of \$200,000 to pay allowed fees and expenses for attorneys and accountants engaged by the Debtor (the “Debtor Carve Out”) and \$100,000 to pay allowed fees and expenses for attorneys and accountants engaged by the Committee (the “Committee Carve Out” and with the Debtor Carve Out, the “Carve Out”) pursuant to a Court order (the “Professional Fees”). The Carve Out shall be only for fees and expenses incurred between the Petition Date and December 31, 2013 and are in addition to, and do not supplant any previous carve out provided in prior orders. The Carve Out is to be in full force and effect,

Page: 12

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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regardless of the outcome of the Chapter 11 case and will be in effect in the event of the conversion of the case to a Chapter 7 case. Peoples and Commercial Credit, however, shall not be liable to pay any portion of the Carve Out from funds or proceeds received by Peoples or Commercial Credit on account of the Debtor's sale (private, auction or otherwise) or Peoples's or Commercial Credit's repossession and sale of the equipment and vehicles specifically listed as collateral on the schedules attached to the loan documents, including but not limited to any and all titled vehicles, that serve as collateral for Peoples or Commercial Credit (the "Specific Collateral"). The Debtor shall attempt to sell certain inventory located at Cummings Land & Development in Troy, Pennsylvania (the "Inventory"). The net proceeds of the sale of the Inventory (up to the full amount of the Carve Out) shall be placed into escrow and held by the Debtor's counsel pending Court approval of Professional Fees, and Peoples and Commercial Credit reserve their interests in and to the net proceeds of any sale of Inventory that exceeds the Carve Out (and/or any portion of the Carve Out that may not be used). The sale of the Inventory shall not be the sole source of funding for the Carve Out; the Carve Out may be funded by any other assets on which Peoples or Commercial Credit holds a lien, except from the Specific Collateral as noted above.

7. Refinancing. After conclusion of the Auction(s), the Debtor, Peoples, Commercial Credit and the Committee shall negotiate in good faith for the re-financing of the secured claims of Peoples and Commercial Credit, and for the terms of a Chapter 11 plan. This Order is without prejudice to the parties' respective rights, including but not limited to the Secured Parties' rights to seek adequate protection of their interests in the portion of their respective collateral which is being retained by the Debtor.

Page: 13

Debtor: Haas Environmental, Inc.

Case No: 13-27297 (KCF)

Caption: Consent Order Authorizing Use of Cash Collateral on an Interim Basis Through December 31, 2013, and Approving Procedures for Sale of Certain Pieces of Collateral

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8. All parties' rights and remedies under this Order shall be cumulative and nonexclusive of any other rights and remedies which the parties may have under any other agreement, including without limitation, the loan documents, the UCC, by operation of law or otherwise. This Order is without prejudice to any rights of all parties under the Bankruptcy Code or under non-bankruptcy law.

#### **NOTICE OF ORDER**

9. The Debtor shall serve a copy of this Order and Notice by electronic mail or first class mail within one (1) business day from the date hereof, on (i) the Office of the United States Trustee; (ii) Peoples; (iii) Commercial Credit; (iv) Sovereign; (v) the Committee; and (vi) all parties that have appeared in this case. The Debtor shall immediately file with the Clerk a Certificate of Service of said mailing.

## **EXHIBIT “A”**

HAAS ENVIRONMENTAL  
Weekly Cash Flow Report

Case 1:13-cv-00777-KCF Document 13-27287-1 Filed 09/20/13 Entered 09/20/13 13:08:42 Desc Main Document Page 15 of 16

	Week Ending 8/9/2013	Week Ending 8/16/2013	Week Ending 8/23/2013	Week Ending 8/30/2013	Week Ending 9/6/2013	Week Ending 9/13/2013	Week Ending 9/20/2013	Week Ending 9/27/2013	Week Ending 10/4/2013	Week Ending 10/11/2013	Week Ending 10/18/2013	Week Ending 10/25/2013	Week Ending 11/1/2013	Week Ending 11/8/2013
<b>Cash Balance - Sovereign</b>	<b>\$180,000</b>	<b>\$84,500</b>	<b>\$108,450</b>	<b>\$66,250</b>	<b>\$1,850</b>	<b>\$12,050</b>	<b>\$180,550</b>	<b>\$286,900</b>	<b>\$123,400</b>	<b>\$17,400</b>	<b>\$102,100</b>	<b>\$312,650</b>	<b>\$324,150</b>	<b>\$429,450</b>
<b>Cash Receipts A/R</b>														
Atlas Energy			\$3,000	\$19,400				\$5,000			\$9,300			
Arcelor/Mittal Indiana Harbor				\$3,900			\$77,000		\$12,000		\$60,000		\$85,000	
Arcelor/Mittal Burns Harbor				\$9,500			\$16,700				\$8,000		\$17,000	
EQT	\$3,300	\$56,200	\$20,400	\$51,300	\$12,600	\$25,000			\$25,000	\$25,000	\$37,000			
West Virginia Division						\$50,000	\$50,000	\$50,000	\$45,000	\$45,000	\$45,000	\$65,000	\$75,000	\$45,000
Hilcorp		\$2,000		\$6,000										
Kinder Morgan		\$12,900			\$10,300								\$17,800	
Max Environmental						\$17,300								
Nucor Hickman				\$13,500	\$8,800	\$10,000	\$15,000	\$10,000	\$15,000	\$15,000	\$10,000	\$10,000	\$15,000	\$10,000
Nucor Decatur		\$44,000	\$62,500	\$65,000	\$30,000	\$35,000	\$25,000	\$35,000	\$35,000	\$25,000			\$30,000	\$35,000
Nucor Decatur Shutdown										\$25,000	\$250,000	\$125,000		
Nucor Yamato			\$4,900			\$140,000				\$110,000		\$21,000		\$110,000
Nucor Yamato Shutdown														
Stone Energy		\$7,600												
Vacuum Services														
Williams Mid Stream							\$15,400			\$22,000				
Misc:		\$10,000	\$30,000	\$25,000	\$25,000			\$5,000	\$10,000	\$32,000	\$15,000			
<b>Total: Cash Receipts</b>	<b>\$3,300</b>	<b>\$132,700</b>	<b>\$120,800</b>	<b>\$193,600</b>	<b>\$86,700</b>	<b>\$277,300</b>	<b>\$199,100</b>	<b>\$105,000</b>	<b>\$142,000</b>	<b>\$299,000</b>	<b>\$434,300</b>	<b>\$221,000</b>	<b>\$239,800</b>	<b>\$200,000</b>
ACH Southwest Drilling	\$0	\$41,000	\$0	\$0	\$54,000	\$25,000	\$45,000	\$70,000	\$25,000	\$25,000	\$35,000	\$50,000	\$50,000	\$50,000
ACH SWEPI	\$0	\$0	\$10,000	\$10,000	\$20,000	\$10,000	\$10,000	\$0	\$0	\$10,000	\$10,000	\$0	\$0	\$10,000
ACH Cass Information	\$12,700	\$2,500	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
<b>Cash Balance - Sovereign</b>	<b>\$196,000</b>	<b>\$260,700</b>	<b>\$254,250</b>	<b>\$294,850</b>	<b>\$187,550</b>	<b>\$349,350</b>	<b>\$459,650</b>	<b>\$486,900</b>	<b>\$315,400</b>	<b>\$376,400</b>	<b>\$606,400</b>	<b>\$608,650</b>	<b>\$638,950</b>	<b>\$714,450</b>
<b>Cash Disbursements</b>														
Payroll - Taxes /Paychex	\$99,000	\$118,000	\$133,000	\$145,000	\$119,000	\$121,000	\$121,000	\$142,000	\$170,000	\$146,000	\$224,000	\$167,000	\$122,000	\$125,000
Utilities				\$5,000	\$6,000		\$6,000		\$6,000		\$6,000			
Exxon		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,500	\$1,500	\$1,500	\$2,000	\$1,000	\$1,000	\$2,000
Fuel		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000		\$35,000	\$20,000	\$20,000	\$35,000
Equipment Rental				\$5,000			\$5,000			\$5,000		\$5,000		\$5,000
Equipment Repairs			\$10,000			\$10,000		\$10,000		\$10,000		\$10,000		\$5,000
Corporate Taxes					\$5,000			\$5,000				\$5,000		
Union			\$4,000			\$1,800	\$4,000			\$1,800	\$4,000			
Vehicle Registrations			\$5,000					\$30,000	\$40,000				\$5,000	
Insurance				\$75,000				\$75,000		\$75,000				
Insurance - Health				\$36,000					\$36,000				\$36,000	
OH WC				\$6,000									\$6,000	
Rents		\$5,000			\$5,000				\$5,000		\$7,000			\$5,000
Materials / Operating Expenses	\$5,000	\$5,000	\$10,000		\$10,000	\$10,000	\$10,000	\$25,000	\$10,000	\$10,000	\$15,000	\$15,000	\$10,000	\$10,000
Expense Checks	\$2,500	\$2,500	\$5,000		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Line of Credit					\$4,500				\$4,500				\$4,500	
Bank Charges		\$750					\$750				\$750			
<b>Cash Disbursements total</b>	<b>\$106,500</b>	<b>\$152,250</b>	<b>\$188,000</b>	<b>\$293,000</b>	<b>\$175,500</b>	<b>\$168,800</b>	<b>\$172,750</b>	<b>\$313,500</b>	<b>\$298,000</b>	<b>\$274,300</b>	<b>\$293,750</b>	<b>\$228,000</b>	<b>\$209,500</b>	<b>\$192,000</b>
<b>Cash - Subtotal</b>	<b>\$89,500</b>	<b>\$108,450</b>	<b>\$66,250</b>	<b>\$1,850</b>	<b>\$12,050</b>	<b>\$180,550</b>	<b>\$286,900</b>	<b>\$173,400</b>	<b>\$17,400</b>	<b>\$102,100</b>	<b>\$312,650</b>	<b>\$380,650</b>	<b>\$429,450</b>	<b>\$522,450</b>
<b>Bankruptcy Expenses - Cash</b>														
Utility Deposits	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
US Trustee Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,500	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000	\$0	\$0
<b>Cash - Balance</b>	<b>\$84,500</b>	<b>\$108,450</b>	<b>\$66,250</b>	<b>\$1,850</b>	<b>\$12,050</b>	<b>\$180,550</b>	<b>\$286,900</b>	<b>\$123,400</b>	<b>\$17,400</b>	<b>\$102,100</b>	<b>\$312,650</b>	<b>\$324,150</b>	<b>\$429,450</b>	<b>\$522,450</b>
<b>Bankruptcy Expenses - Non - Cash</b>														
Debtor's Attorneys	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debtor's Accountants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

HAAS ENVIRONMENTAL  
Weekly Cash Flow Report

Case 1:13-cv-00777-KCF Doc 82 Filed 09/20/13 Entered 09/20/13 13:08:42 Desc Main Document Page 16 of 16

Cash Balance - Sovereign

	11/15/2013	11/22/2013	11/29/2013	12/6/2013	12/13/2013	12/20/2013	12/27/2013	1/3/2014
	\$522,450	\$878,500	\$690,000	\$1,097,500	\$1,072,000	\$1,247,300	\$1,240,300	\$180,000
<b>Cash Receipts A/R</b>								
Atlas Energy								\$36,700
Arcelor/Mittal Indiana Harbor	\$60,000		\$95,000		\$70,000		\$95,000	\$557,900
Arcelor/Mittal Burns Harbor								\$51,200
EQT								\$255,800
West Virginia Division	\$50,000	\$50,000	\$50,000	\$45,000	\$45,000	\$55,000	\$55,000	\$820,000
Hilcorp								\$8,000
Kinder Morgan								\$41,000
Max Environmental								\$17,300
Nucor Hickman	\$15,000	\$15,000	\$10,000	\$15,000	\$85,000	\$15,000	\$10,000	\$297,300
Nucor Decatur	\$30,000	\$30,000	\$25,000	\$25,000	\$55,000	\$35,000	\$25,000	\$646,500
Nucor Decatur Shutdown								\$400,000
Nucor Yamato					\$95,000			\$480,900
Nucor Yamato Shutdown			\$450,000					\$450,000
Stone Energy								\$7,600
Vacuum Services	\$400,000							\$400,000
Williams Mid Stream								\$37,400
Misc:								\$152,000
<b>Total: Cash Receipts</b>	<b>\$555,000</b>	<b>\$95,000</b>	<b>\$630,000</b>	<b>\$85,000</b>	<b>\$350,000</b>	<b>\$105,000</b>	<b>\$185,000</b>	<b>\$4,659,600</b>

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Southwest Drilling	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$680,000
SWEPI	\$0	\$10,000				\$10,000	\$10,000	\$120,000
Cass Information	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$480,200

Cash Balance - Sovereign

	\$1,132,450	\$1,038,500	\$1,375,000	\$1,237,500	\$1,477,000	\$1,417,300	\$1,490,300	\$6,119,800
<b>Cash Disbursements</b>								
Payroll - Taxes /Paychex	\$134,000	\$270,000	\$150,000	\$110,000	\$97,000	\$119,000	\$118,000	\$2,950,000
Utilities	\$6,000					\$5,000		\$40,000
Exxon	\$1,500	\$1,500	\$1,500	\$1,000	\$1,000	\$1,500	\$1,500	\$26,000
Fuel	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$430,000
Equipment Rental		\$5,000		\$5,000		\$5,000		\$40,000
Equipment Repairs		\$25,000			\$20,000			\$100,000
Corporate Taxes			\$5,000				\$5,000	\$25,000
Union	\$1,700	\$5,000			\$1,700	\$4,000		\$28,000
Vehicle Registrations				\$5,000				\$85,000
Insurance	\$75,000				\$75,000			\$375,000
Insurance - Health			\$36,000					\$144,000
OH WC								\$12,000
Rents		\$7,000		\$5,000		\$7,000		\$46,000
Materials / Operating Expenses	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$210,000
Expense Checks	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$95,000
Line of Credit				\$4,500				\$18,000
Bank Charges	\$750					\$500		\$3,500
<b>Cash Disbursements total</b>	<b>\$253,950</b>	<b>\$348,500</b>	<b>\$227,500</b>	<b>\$165,500</b>	<b>\$229,700</b>	<b>\$177,000</b>	<b>\$159,500</b>	<b>\$4,627,500</b>

% to Projected Rev

55%  
1%  
0%  
8%  
1%  
2%  
0%  
1%  
2%  
7%  
3%  
0%  
1%  
4%  
2%  
0%  
87%

Cash - Subtotal

	\$878,500	\$690,000	\$1,147,500	\$1,072,000	\$1,247,300	\$1,240,300	\$1,330,800	\$1,492,300
<b>Bankruptcy Expenses - Cash</b>								
Utility Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
US Trustee Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$10,400	\$16,900
Debt Service	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000	\$200,000

Cash - Balance

	\$878,500	\$690,000	\$1,097,500	\$1,072,000	\$1,247,300	\$1,240,300	\$1,270,400	\$1,270,400
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Bankruptcy Expenses - Non - Cash

Debtor's Attorneys	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$125,000
Debtor's Accountants	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000