

## Monthly Operating Report

### CHAPTER 11

CASE NAME: Mississippi Phosphates Corporation

CASE NUMBER: 14-51668

For Period: April 1 to April 30, 2016

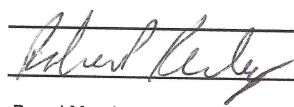
THIS REPORT IS DUE 15 DAYS AFTER THE END OF THE MONTH. The debtor must attach each of the following forms unless the United States Trustee has waived the requirement in writing. File with the court and submit a paper copy to UST with an original signature.

Form Attached (mark only one - attached or waived)	Previously Waived	REQUIRED REPORTS/DOCUMENTS
(X)	()	Comparative Balance Sheet (FORM 2-B)
(X)	()	Profit and Loss Statement (FORM 2-C)
(X)	()	Cash Receipts & Disbursements Statement (FORM 2-D)
(X)	()	Supporting Schedules (FORM 2-E)
(X)	()	Narrative (FORM 2-F)
(X)	()	Copies of Bank Statement(s) and Reconciliations of Bank Balance for all account(s)

I declare under penalty of perjury that the following Monthly Operating Report and any attachments therefor, are true and correct to the best of my knowledge and belief.

Executed on: 6-22-16  
(date)

Debtor(s)\* Mississippi Phosphates Corporation

By:\*\* 

Position: Board Member

Name of Preparer: Robert Kerley

Telephone No. of Preparer: \_\_\_\_\_

\* both debtors must sign if a joint petition

\*\* for corporate or partnership debtor

MPC Consolidating Balance Sheet (Amounts in Thousands USD)	MPC		ATS		SATS		MPC	
	4/30/2016	3/31/2016	4/30/2016	3/31/2016	4/30/2016	3/31/2016	4/30/2016	4/30/2016
			Adjusted Balances	Adjusted Balances	Adjusted Balances	Adjusted Balances	Eliminations	Balances
Petty Cash	2	2					-	2
Wells Fargo Bank Funding							-	-
MPC DIP Account	157	141					-	157
MPC DIP Tax Account	30	40					-	30
MPC Employee Health Benefit Account							-	-
Wells Fargo Disbursement							-	-
Merchange & Marine Plt Mgr							-	-
PHI Cash							-	-
Total Cash	189	182					-	189
Deferred Income Taxes - Current	5,004	5,004					-	5,004
A/R - Trade							-	-
A/R - Misc Trade							-	-
Total A/R - Trade							-	-
A/R - Other	11	11					-	11
A/R - OCP							-	-
A/R - Intercompany	2,921	2,921					-	2,921
A/R - Ammonia Tank Subsidiary							-	-
A/R - Sulfuric Acid Tank Subsidiary							-	-
Note Receivable - PHI/MPC							-	-
Interest Receivable - PHI/MPC							-	-
Total A/R - Other	2,932	2,932					-	2,932
Workers Compensation Deposit							-	-
Prepaid Insurance	7	7					-	7
Deposits and Retainers							-	-
Transammonia Inv Valuation Deposit							-	-
Prepaid Other							-	-
Raw Material Deposits-Exxon Mobil							-	-
ST Freight Deposits							-	-
Raw Material Deposits-Chevron							-	-
Raw Material Deposits-Shrieve							-	-
Raw Material Deposits-Trammo Ammonia							-	-
Prepaid Turnaround Cost							-	-
DAP Inventory Delivered not Billed							-	-
Total Prepaid & Other Current	7	7					-	7
DAP - Finished Goods Inventory							-	-
Sulfuric Acid							-	-
Phos Acid							-	-
Total Intermediary Products Inventory							-	-
Phos Rock							-	-
Sulfur							-	-
Purchased SA							-	-
Raw Material Deposits							-	-
Chemicals							-	-
Total Raw Materials Inventory							-	-
Spare Parts & Supplies							-	-
Spare Parts Out for Repair							-	-
Spare Parts - Transfer to Capital Spares							-	-
Total Spare Parts Inventory							-	-
Total Inventories							-	-
Total Current Assets	8,132	8,126					-	8,132
Investment in MPC							-	-
PHI Other Assets							-	-
Deferred Loan Costs	481	481					-	481
Morgan Keegan - Gyp Closure							-	-
LT Freight Deposits							-	-
LT Deferred Tax Asset							-	-
Investment - Ammonia Tank Subsidiary							-	-
Investment - Sulfuric Acid Tanks Sub							-	-
Total Other LT Assets	481	481					-	481
Buildings - Non Katrina							-	-
Buildings - Katrina							-	-
Land Improvements-2010							-	-
Land Improvements-2011							-	-
Land Improvements-2012							-	-
Land Improvements-2013							-	-
Site Improvements							-	-

MPC Consolidating Balance Sheet (Amounts in Thousands USD)	MPC		ATS		SATS		MPC	
	4/30/2016	3/31/2016	4/30/2016	3/31/2016	4/30/2016	3/31/2016	4/30/2016	4/30/2016
			Adjusted Balances	Adjusted Balances	Adjusted Balances	Adjusted Balances	Eliminations	Balances
Apparatus & Machinery								
Katrina Equipment								
Other Equipment - Non Katrina								
Other Equipment - Katrina								
Plant Rolling Stock - Non Katrina								
Plant Rolling Stock - Katrina								
Office Furn & Fix - Non Katrina								
Office Furn & Fix - Katrina								
Capital Spare Parts								
Total Machinery & Equipment								
A/D - Land-2010								
A/D - Land-2011								
A/D - Land-2012								
A/D - Land-2013								
A/D - Buildings - Non Katrina								
A/D - Buildings - Katrina								
A/D - Site Improvements								
A/D - Apparatus & Machinery								
A/D - Apparatus & Machinery								
A/D - Other Equipment - Non Katrina								
A/D - Other Equipment - Katrina								
A/D - Plant Rolling Stock - Non Katrina								
A/D - Plant Rolling Stock - Katrina								
A/D - Office Furn & Fix - Non Katrina								
A/D - Office Furn & Fix - Katrina								
A/D - Capital Spare Parts								
Total Accumulated Depreciation								
Construction in Progress								
Total Net PP&E								
<b>Total Assets</b>	<b>8,614</b>	<b>8,607</b>						<b>8,614</b>
A/P - Trade (Post Petition)	(1)	(1)						(1)
A/P - Trade (Pre-Petition)	27,657	27,657						27,657
Payroll Liabilities								
A/P-Accr								
A/P-ATS	(8)	(8)	8	8				(0)
A/P-SATS	(14)	(14)			14	14		(0)
A/P - PHI	62	62						62
A/P - MPC								
Total Accounts Payable	27,696	27,696	8	8	14	14		27,718
Accrued Other	399	399						399
Accrued Other - Rock	-	-						-
Accrued Environmental Remediation	-	-						-
Accrued Rock Price Adj	-	-						-
Accrued Competitive Discounts	-	-						-
Accrued Medical Claims - IBNR	-	-						-
Spare Parts Received Not Billed	81	81						81
Accrued Workers Comp - IBNP	383	383						383
Accrued Hospital Insurance	-	-						-
United Way Contribution	-	-						-
HBP Revolver	9,067	9,067						9,067
Butler Snow Escrow	(1,859)	(1,859)						(1,859)
UCC Escrow	(425)	(425)						(425)
Notes Payable - HBP	-	-						-
Accrued Interest - PHI	-	-						-
Accrued Payroll	94	99						94
Accrued Vacations	-	-						-
Accrued Vacation Employee Bank	-	-						-
Accrued Compensation - SARS	-	-						-
Accrued Bonus	-	-						-
Accrued Audit Fees	-	-						-
Accrued Interest - Hudson	9,130	9,130						9,130
Accrued Property Tax	2,062	2,062						2,062
Accrued Franchise Tax	226	226						226
Accrued Use Tax	25	25						25
Accrued Interest - Ins Financing								
Total Accrued Liabilities	19,183	19,188						19,183
Total A/P & Accrued Expenses	46,879	46,884	8	8	14	14		46,901
Hudson Bay LTD	31,000	31,000						31,000
Notes Payable - PHI/MPC	5,968	5,968						5,968
Notes Payable - Equipment Financing								
Notes Payable - Ins Financing								
Trammo Term Loan - Long Term								

MPC Consolidating Balance Sheet (Amounts in Thousands USD)	MPC		ATS		SATS		MPC	
	4/30/2016	3/31/2016	4/30/2016	3/31/2016	4/30/2016	3/31/2016	4/30/2016	4/30/2016
				Adjusted Balances		Adjusted Balances	Eliminations	Balances
LT Notes Payable - Equipment Financing							-	-
Accrued Gypsum Disposal							-	-
Deferred Income Taxes - LT	1,262.79	1,262.79					-	1,263
Common Stock	1.00	1.00					-	1
Add'l Paid-In-Capital	29,877.00	29,877.00	2,861	2,861	3,111	3,111	-	35,849
Retained Earnings	-105,542.36	-105,542.36	(2,869)	(2,869)	(3,125)	(3,125)	-	(111,536)
Net Income	-831.96	-843.38	-	(0)			-	(832)
Total Shareholder's Equity	(76,496)	(76,508)	(8)	(8)	(14)	(14)	-	(76,518)
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>8,614</b>	<b>8,607</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>8,615</b>

## MCD Consolidating Profit and Loss Statement

**(Amounts in Thousands USD)**

Year to Date 04/30/2016

	<b>MPC</b>	<b>ATS</b>	<b>SATS</b>	<b>MPC</b>	<b>MPC</b>
	<u>Adjusted Balances</u>	<u>Adjusted Balances</u>	<u>Adjusted Balances</u>	<u>Consolidated Eliminations</u>	<u>Consolidated Balances</u>
DAP Sales	-	-	-	-	-
MAP Sales	-	-	-	-	-
Profit Share Income - Trammo	-	-	-	-	-
Customer Volume Discounts	-	-	-	-	-
Misc sales adj	-	-	-	-	-
Stg & Handling - Trammo Sales	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Sales - DAP	-	-	-	-	-
Net Sales - Other	-	-	-	-	-
PHI Management Services Income	-	-	-	-	-
PHI Sales Commissions	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Sales	-	-	-	-	-
Total Cost of Sales	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Gross Profit (Loss)	(59)	-	-	-	(59)
Total Selling, General & Admin Exp	30	-	-	-	30
Insurance Recoveries	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	(89)	-	-	-	(89)
Total Interest, Net	-	-	-	-	-
Total Other, Net	(743)	-	-	-	(743)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Income (Loss) Before Taxes	(832)	-	-	-	(832)
Income Tax Expense	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Income (Loss)	<u>(832)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(832)</u>

**Mississippi Phosphates Corporation  
For the Period of April 1 thru April 31, 2016**

**Cash Reconciliation**

Beginning Cash Balance	\$	242,969
Cash Receipts (ties to Form 2-D)	\$	19,865
Cash Disbursements (ties to Form 2D)	\$	(14,067)
Net Cash Flow	\$	5,798
Ending Cash Balance (ties to Form 2B)	\$	248,767

**Cash Summary - Ending Balance**

	<b>Amount</b>	<b>Financial Institution</b>
Real Estate Account	<u>\$ -</u>	
Trust Account	<u>\$ -</u>	
Operating and / or Personal Account	<u>\$ -</u>	
DIP Funding Account	<u>\$ 216,796</u>	<u>WF DIP Funding Account</u>
Payroll Account		
Tax Account	<u>\$ 30,472</u>	<u>Wells Fargo</u>
Control Disbursements	<u>\$ -</u>	
Other Accounts (Specify savings or checking)	Checking <u>\$ -</u>	
Other Accounts (Specify savings or checking)	Checking <u>\$ -</u>	
Cash Collateral Account		
Petty Cash	<u>\$ 1,500</u>	<u>Cash on hand</u>
 Total Cash (must agree with above ending Cash)	 <u>\$ 248,767</u>	

Adjusted Cash Disbursements: \_\_\_\_\_

Cash disbursements above less inter-account transfers and UST fees paid (to be used to determining quarterly UST fee)

## Mississippi Phosphates Corporation

MPC Quarterly Fee Summary

March 31, 2016

<u>Payment Date</u>	<u>Cash Disbursements</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date</u>
January	\$ 940,535.82			
February	\$ 33,772.82			
March	\$ 15,495.48			
Total 1st Quarter	\$ 989,804.12	\$ 13,000.00	58277	4/22/2015
April	\$ 14,067.40			
May	_____			
June	_____			
Total 2nd Quarter	\$ 14,067.40	\$ 13,000.00	60187	7/15/2015
July	_____			
August	_____			
September	_____			
Total 3rd Quarter	\$ -	\$ 13,000.00	60392	10/16/2015
October	_____			
November	_____			
December	_____			
Total 4th Quarter	\$ -	\$ -		

**Mississippi Phosphates Corporation**

Cash Disbursements April 2016				
Date	Check No.-TO	Vendor	DESCRIPTION	AMOUNT
4/11/2016	60456	Robert P. Kerley		\$ (1,000.00)
4/11/2016		WF Client Fees		\$ (2,310.50)
4/25/2016		Crawford and Company		\$ (458.14)
4/25/2016		Intuit payroll		\$ (419.44)

<b>Grand Total</b>	<b>(4,188.08)</b>
<b>Tax Account</b>	<b>(\$9,879.32)</b>
<b>petty cash</b>	-
<b>Employee benefit account</b>	-
<b>Plant Managers Account</b>	-
<b>Total disbursements</b>	<b>(14,067.40)</b>



**Mississippi Phosphates Corporation**

<b>Cash Receipts April 2016</b>			
<b>Date</b>	<b>Request</b>	<b>Description</b>	<b>Receipts</b>
4/18/2016		Over the counter deposit	\$ 7.86
4/20/2016		Over the counter deposit	\$ 19,857.60

<b>Grand total</b>	<b>\$19,865.46</b>
<b>Tax accounts</b>	0.00
<b>petty cash</b>	-
<b>Employee benefit account</b>	-
<b>Plant Managers Account</b>	
<b>MPC DIP Account</b>	
	<b><u>\$19,865.46</u></b>

**Phosphate Holdings Inc.**  
**Phosphate Holdings Inc. : Mississippi Phosphates Corporation**  
**Custom A/P Aging Summary**  
**As of April, 2016**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
BROCK SERVICES, LTD	0.00	0.00	0.00	0.00	3,490.56	3,490.56
JACKSON COUNTY PORT AUTHORITY	0.00	0.00	-691.94	0.00	0.00	-691.94
JOE TUCKER, TAX COLLECTOR	0.00	0.00	0.00	0.00	149,682.69	149,682.69
PASCAGOULA UTILITIES	0.00	0.00	0.00	2,017.78	0.00	2,017.78
U.S. Trustee	0.00	0.00	0.00	0.00	0.00	0.00
USA BLUE BOOK	0.00	0.00	534.17	0.00	0.00	534.17
Vanguard	19,181.67	0.00	0.00	0.00	0.00	19,181.67
	<b>19,181.67</b>	<b>0.00</b>	<b>-157.77</b>	<b>2,017.78</b>	<b>153,173.25</b>	<b>174,214.93</b>

**Mississippi Phosphates Corporation  
Customer A/R Aging Summary 2  
As of April 30, 2016**

**Filters: Amount Due (not equal to From: 0.0 ), Name (equal to A/R - Trade )**

Customer:Work Order	Current	12/17/2014 - 1/15/2015 (30)	11/17/2014 - 12/16/2014 (60)	10/18/2014 - 11/16/2014 (90)	Before 10/18/2014 (>90)	Total
	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance
Debruce Fertilizer, INC	\$0.00	\$0.00	\$0.00	\$0.00	(\$5,357.17)	(\$5,357.17)
Growmark, Inc	\$0.00	\$0.00	\$0.00	\$0.00	(\$33,709.19)	(\$33,709.19)
Stuart Farm Center	\$0.00	\$0.00	\$0.00	\$0.00	\$559.20	\$559.20
Ammonia Tanks Subsidiary	\$0.00	\$0.00	\$0.00	\$0.00	\$1,137,392.00	\$1,137,392.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,098,884.84</b>	<b>\$1,098,884.84</b>
<b>Inter-Oceanic Corp.</b>					<b>\$0.00</b>	<b>\$0.00</b>
Less Reserve for Doubtful Accounts					(\$1,098,884.84)	(\$1,098,884.84)
<b>Net AR Outstanding</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Mississippi Phosphates Corporation  
**As of April 30, 2016**  
 Insurance Schedule

<u>Type</u>	<u>Carrier / Agent</u>	<u>Coverage</u>	<u>Date of Expiration</u>	<u>Premium Paid</u>
Workers Compensation	New Hampshire Ins. (AIG)	Statutory + 1M employer	22-Dec-15	237,686
General Liability	National Union (AIG)	1,000,000	22-Dec-15	26,528
Property (Fire, Theft)	AIG & Lloyds of London	100,000,000	22-Dec-15	1,783,031
Vehicle	Granite State Insurance Co. (AIG)	2,000,000	22-Dec-15	32,074
Other				
Other:				
Foreign Liability	ACE	1,000,000	22-Dec-15	2,500
Marine Liability	Travelers Group	5,000,000	22-Dec-15	12,500
Hull / P&I	Travelers Group	1,037,500	22-Dec-15	5,720
Umbrella Liability	National Union (AIG)	25,000,000	22-Dec-15	188,346
Environmental	AIG	10,000,000	22-Dec-15	357,158
Fiduciary	XL Specialty Insurance Company	5,000,000	23-Dec-15	25,000
Emp. Practices Liab.	XL Specialty Insurance Company	5,000,000	23-Dec-15	75,000
Crime	U.S. Specialty Ins. Co.	1,000,000	22-Mar-16	4,342
Director and Officer	Endurance American Insurance Compar	10,000,000	31-Oct-15	14,900 (A)
Kidnap & Ransom	Federal Insurance Company (Chubb)	5,000,000	22-Dec-16	5,250

Note: Insurance is purchased by MPC for the consolidated group without segregation between the individual operations. The amounts above reflect the insurance in place for the entire group till expiration of the particular policy. Additionally, we increased the collateral on the workers compensation insurance from \$1,500 thousand to \$1,850 thousand at the time of the renewal in December 2014.

(A) In September 2015, the company obtained a one month coverage for D&O as noted above to cover the period from Oct. 1 to October 31, 2015.

MISSISSIPPI PHOSPHATES CORPORATION  
 DEBTOR IN POSSESSION  
 CH 11 CASE 14-51667 (SMI)  
 601 INDUSTRIAL RD  
 PASCAGOULA MS 39581-3233

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. (182)  
 PO Box 63020  
 San Francisco, CA 94163

**Account summary**

**WellsOne® Account**

Account number	Beginning balance	Total credits	Total debits	Ending balance
4202608733	\$201,117.91	\$19,865.46	-\$4,187.56	\$216,795.81

**Credits**

**Electronic deposits/bank credits**

Effective date	Posted date	Amount	Transaction detail
	04/18	7.86	Over The Counter Deposit
	04/20	19,857.60	WT F50420618671000 Royal Bank of SC /Org=Howden Uk Group Limited - Nst Clie Srf# F50420618671000 Trn#160420022079 Rfb#
		<b>\$19,865.46</b>	<b>Total electronic deposits/bank credits</b>
		<b>\$19,865.46</b>	<b>Total credits</b>

**Debits**

**Electronic debits/bank debits**

Effective date	Posted date	Amount	Transaction detail
	04/11	1,709.98	Client Analysis Srvc Chrg 160408 Svc Chge 0316 000004202608733
	04/25	458.14	C & C Sisdat-Aeg DTC 16065 Crawford & Company
	04/25	419.44	Intuit Payroll 160422 0584387 Mississippi Phosphates
		<b>\$2,587.56</b>	<b>Total electronic debits/bank debits</b>

**Checks paid**

Number	Amount	Date	Number	Amount	Date
60455	600.00	04/01	60456	1,000.00	04/28
		<b>\$1,600.00</b>	<b>Total checks paid</b>		
		<b>\$4,187.56</b>	<b>Total debits</b>		

**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

MISSISSIPPI PHOSPHATES CORPORATION  
 TAX ACCOUNT

DEBTOR IN POSSESSION  
 CH 11 CASE 14-51667 (SMI)  
 601 INDUSTRIAL RD  
 PASCAGOULA MS 39581-3233

Online: [weinstargo.com](http://weinstargo.com)  
 Write: Wells Fargo Bank, N.A. (182)  
 PO Box 63020  
 San Francisco, CA 94163

## Account summary

### WellsOne® Account

<i>Account number</i>	<i>Beginning balance</i>	<i>Total credits</i>	<i>Total debits</i>	<i>Ending balance</i>
4128195625	\$40,350.94	\$0.00	-\$9,879.32	\$30,471.62

### Debits

#### Electronic debits/bank debits

<i>Effective date</i>	<i>Posted date</i>	<i>Amount</i>	<i>Transaction detail</i>
04/11		9,801.93	IRS Usataxpymt 041116 270650232325679 Mississippi Phosphates
04/11		73.83	IRS Usataxpymt 041116 270650224389631 Mississippi Phosphates
04/11		3.56	IRS Usataxpymt 041116 270650282822845 Mississippi Phosphates
		<b>\$9,879.32</b>	<b>Total electronic debits/bank debits</b>
		<b>\$9,879.32</b>	<b>Total debits</b>

### Daily ledger balance summary

<i>Date</i>	<i>Balance</i>	<i>Date</i>	<i>Balance</i>
03/31	40,350.94	04/11	30,471.62
<b>Average daily ledger balance</b>		<b>\$33,764.72</b>	

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION**

<p><b>In re:</b> )</p> <p style="padding-left: 100px;">)</p> <p><b>MISSISSIPPI PHOSPHATES</b> )</p> <p style="padding-left: 40px;"><b>CORPORATION, <i>et al.</i></b><sup>1</sup> )</p> <p style="padding-left: 100px;">)</p> <p><b>Debtors</b> )</p> <hr style="width: 50%; margin-left: 0;"/>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p><b>CASE NO. 14-51667-KMS</b></p> <p><b>Chapter 11</b></p> <p><b>Jointly Administered</b></p>
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**NARRATIVE STATEMENT**

For Period April 1, 2016 to April 30, 2016

Please provide a brief description of the significant business and legal action by the debtor, its creditors, or the court during the reporting period. Comments should include any change in bank accounts, explanation of extraordinary expenses, and purpose of any new post-petition financing. Comments should also include debtor’s efforts during the month to rehabilitate the business and to develop a plan.<sup>2</sup>

Mississippi Phosphates Corporation, *et al.*, the Debtors and debtors-in-possession herein (the “**Debtors**”), filed their Bankruptcy Cases on October 27, 2014 (the “**Petition Date**”). The Debtors have continued to operate and manage their businesses pursuant to Bankruptcy Code §§ 1107(a) and 1108.

As noted in the November 2015 Monthly Operating Report, on October 16, 2015 (the “**Closing Date**”), the Debtors closed the Alternative Transactions by transferring to the MPC Environmental Trust and to the MPC Liquidation Trust substantially all of its real and personal property. As of that date, the MPC Environmental Trustee assumed the responsibility for the wastewater treatment and the gyp stacks maintenance, while the MPC Liquidation Trustee assumed the responsibility for the ammonia terminalling operations of the Debtors. On November 3, 2015, the Debtors filed their *Notice of Closing of Sale of Assets to Environmental Trustee and Liquidation Trustee under Alternative Transaction* [Dkt. # 1070].

After the Closing Date, the Debtors’ professionals continued to work with professionals for the MPC Environmental Trustee, the MPC Liquidation Trustee, and the Environmental Agencies with respect to various financing and budget issues related to the transfers of assets of

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<sup>1</sup> The chapter 11 cases of the following affiliated Debtors have been administratively consolidated for joint administration pursuant to that certain *Order Granting Motion of the Debtor for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b)*, dated October 29, 2014 [Dkt. # 62]: Mississippi Phosphates Corporation (“**MPC**”), Case No. 14-51667, Ammonia Tank Subsidiary, Inc. (“**ATS**”), Case No. 14-51668 and Sulfuric Acid Tanks Subsidiary, Inc. (“**SATS**”), Case No. 14-51671. These chapter 11 cases are sometimes referred to herein as the “**Bankruptcy Cases**.” Consequently, this Narrative describes developments in all three Bankruptcy Cases.

<sup>2</sup> All references to Docket Numbers are to the Docket in the MPC case, which is the Lead Case.

the Debtors to those two Trusts to ensure a smooth and orderly transition, as well as with respect to numerous operational, transitional, and legal issues related to the transfer of the Debtors' real and personal property to the appropriate trust, including matters related to a survey of the subject property.

During April 2016, the Debtors' professionals continued to communicate with other interested parties, including:

- (a) Counsel for the Official Committee of Unsecured Creditors regarding finalizing the Plan and Disclosure Statement;
- (b) Counsel for the MPC Liquidation Trust, the MPC Environmental Trust, the MDEQ, and the EPA with respect to the Plan and Disclosure Statement;
- (c) BMC, the claims and noticing agent, with respect to issues for noticing of the plan and disclosure statement;
- (d) John Lammert and counsel with respect to the treatment for Jackson County, Mississippi for its ad valorem tax claim for real and personal property; and
- (e) Addressing means of resolving and consummating settlements of pending workers compensation claims.

A hearing was held on April 7, 2016 on the *United States Trustee's Motion to Convert or Dismiss* [Dkt. # 1106] (the "***Motion to Convert or Dismiss***") and the *Debtor's Response to United States Trustee's Motion to Convert or Dismiss* [Dkt. # 1115] in opposition to the Motion to Convert or Dismiss, as well as on the responses filed by the Official Committee of Unsecured Creditors and the Mississippi Department of Environmental Quality. The interested parties reached an agreement, on which the Court entered an *Agreed Order* [Dkt. # 1125] allowing for a Chapter 11 plan and disclosure statement to be filed on or before April 29, 2016.

Subsequently, the Debtors filed a *Joint Chapter 11 Plan of the Debtors and the Official Committee of Unsecured Creditors* on April 29, 2016 [Dkt. # 1128], and also the *Disclosure Statement to Accompany the Joint Chapter 11 Plan of the Debtors and the Official Committee of Unsecured Creditors* [Dkt. # 1130].