Exhibit 1

# CHAPTER 11 OPERATING GUIDELINES AND REPORTING REQUIREMENTS OF THE THE U.S. TRUSTEE, REGION 5, JUDICIAL DISTRICTS OF LOUISIANA AND MISSISSIPPI www.justice.gov/ust/r05

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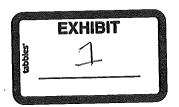
- A. General Requirements
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AMENDED MARCH 15, 2011



#### I. INTRODUCTION

#### A. Authority

In furtherance of the duties imposed upon the United States Trustee under the United States Bankruptcy Code (Code) and 28 U.S.C. §586(a)(3), the United States Trustee, Region 5 (UST) herein promulgates the following Operational Guidelines and Reporting Requirements (OGRR-11) for cases filed under Chapter 11 of Title 11, United States Code. The OGRR-11 establish the instructions for all debtors in possession and appointed Chapter 11 trustees (hereinafter collectively debtor or debtors).

# THE DEBTOR'S ATTORNEYS SHOULD CAREFULLY REVIEW THE CONTENTS OF THESE INSTRUCTIONS WITH THE DEBTOR IMMEDIATELY UPON RECEIPT.

The responsibilities of the UST include the administrative supervision of Chapter 11 proceedings. Pursuant to Federal Rules of Bankruptcy Procedure (FRBP), it is the responsibility of the debtor to keep the UST informed of all matters pertaining to the case at all times. This includes ensuring that the UST is served with copies of all pleadings filed in the case.

Unless specifically directed otherwise, all communications and document submissions should be addressed to the appropriate office of the United States Trustee. (Attachment I).

#### B. Purpose

The OGRR-11 establish the procedures to be followed by each debtor subsequent to the entry of an order for relief in Chapter 11 cases and standardize the practices in Region 5.

#### C. Certification

The debtor or the debtor's authorized officer in the case of a corporation <u>and</u> the debtor's attorney must sign the attached "Receipt and Certification" (Attachment II) which will be submitted on or before the initial debtor interview.

#### D. Compliance, Amendments or Modifications

Timely compliance with each of the requirements contained herein is mandatory. Any request to amend or modify these requirements for a particular Chapter 11 case must be made in writing and approval by the UST must be in writing to be effective.

#### II. OPERATING REQUIREMENTS

#### A. General Requirements

- 1. The debtor must pay all obligations arising in the normal course of business after the filing of the petition (post-petition) in full when due.
- 2. The debtor may not pay pre-petition obligations except as allowed by the Code or by order of the court.
- 3. The debtor may not employ or compensate any professional, including but not limited to attorneys, accountants, realtors or appraisers, without court approval.
- 4. The debtor shall file all required tax returns but not pay pre-petition taxes except as allowed by order of the court. The debtor is responsible for the timely deposit and payment of post-petition taxes. Individual Chapter 11 debtors must review IRS Notice 2006-83 which provides guidance regarding tax treatment of individual Chapter 11 debtors. This notice can be obtained from the Internal Revenue Service website: <a href="http://www.irs.gov/">http://www.irs.gov/</a>

#### B. Initial Debtor Interview with Office of the U.S. Trustee

The debtor and attorney are required to attend an initial debtor interview (IDI) and no less than two days prior to the IDI produce the Initial Operating Report (Attachment II) with all required documents listed on Form 1.

#### C. Bank Accounts

The debtor shall:

- 1. Immediately upon the filing of the petition close any bank account over which the debtor has possession or control at the time of filing, open new debtor in possession accounts in an authorized depository for estate funds and certify compliance (Attachment V).
- 2. Ensure that the depository imprints the name of the debtor, the designation "Debtor in Possession" (not DIP), and the case number on all permanent checks for all accounts (Attachment VI sample of check form to be used). The debtor must type or print all of the foregoing information on temporary checks. The new account signature cards shall clearly indicate that the debtor is a "Chapter 11 Debtor in Possession." A "voided" original pre-printed check for each account shall be provided to the UST with Attachment II.
- 3. Deposit all receipts and make all disbursements of estate funds by check or electronic fund transfers through these accounts. Notations representing reasons for disbursement shall be recorded on each check and reported monthly on the cash receipts and disbursements statement. Any funds in excess of those required for

current operations should be maintained in an interest-bearing "debtor-in-possession" account.

- 4. When a trustee is appointed to succeed a debtor in possession, the trustee may continue previously opened and maintained debtor in possession accounts, but must ensure that the accounts and checks reflect the trustee's name and title along with the name of the debtor and the case number. The trustee should also ensure that debtor is removed as a signatory on the account.
- 5. Funds of the estate may only be deposited in financial institutions which are UST authorized depositories. A list of authorized depositories is available on the Bankruptcy Forms page of the UST website at <a href="https://www.justice.gov/ust/r05">www.justice.gov/ust/r05</a>.

#### D. Insurance

- 1. All debtors must maintain insurance and make all insurance premium payments when due.
- 2. Unless the UST directs otherwise, the debtor shall maintain at least the following insurance coverage:
  - (a) If the debtor has tangible assets susceptible to casualty loss (fire, weather, theft, vandalism, etc.), casualty insurance must be maintained at an amount at least equal to the replacement value of the property;
  - (b) If the debtor has employees, workers' compensation insurance and unemployment insurance must be maintained in accordance with applicable state laws;
  - (c) If the debtor conducts business operations, general liability and, if appropriate, product liability insurance must be maintained; and
  - (d) Any other insurance customarily used in the debtor's business.
- 3. The debtor must notify the insurance carrier(s) that the UST is a party to be notified regarding any changes in coverage. The debtor shall have each insurance carrier send a copy of the declaration page or certificate of proof of insurance to the UST indicating that the UST has been added.
- 4. Upon expiration, termination, or renewal, or any changes affecting coverage whatsoever, the debtor shall <u>immediately</u> notify the UST and provide adequate proof of renewal or replacement coverage in the monthly operating report (Form 2-E, page 3 of 3).

5. Proof of compliance with all sections dealing with insurance must be provided at the initial debtor interview.

#### E. Books and Records

The books and records of the debtor shall be closed as of the date of the filing of the petition excluding small business cases as defined at 11 U. S. C  $\S101(51C)$  and  $\S101$ . The debtor shall open a new set of books and records, and shall provide separate accounting with respect to pre-petition and post-petition accounts and transactions.

#### F. Chapter 11 Quarterly Fees

Pursuant to the provisions of 28 U.S.C. §1930, a quarterly fee shall be paid to the UST for deposit in the Treasury. The fee is due on the last day of the calendar month following the calendar quarter for which the fee is owed, starting with the quarter in which the case commenced, and continuing until and including the quarter in which the case is dismissed, converted to another chapter of the Bankruptcy Code, or closed by the court. Interest will be charged on unpaid quarterly fees, pursuant to 31 U.S.C. 3717.

The amount of the fee will vary based upon the amount of funds disbursed during a quarter. The scale used to calculate the fee is as follows:

DISBURSEMENT RANGE	<b>QUARTERLY FEE</b>
\$0 to \$14,999.99	\$325
\$15,000 to \$74,999.99	\$650
\$75,000 to \$149,999.99	\$975
\$150,000 to \$224,999.99	\$1,625
\$225,000 to \$299,999.99	\$1,950
\$300,000 to \$999,999.99	\$4,875
\$1,000,000 to \$1,999,999.99	\$6,500
\$2,000,000 to \$2,999,999.99	\$9,750
\$3,000,000 to \$4,999,999.99	\$10,400
\$5,000,000 to \$14,999,999.99	\$13,000
\$15,000,000 to \$29,999,999.99	\$20,000
\$30,000,000 or more	\$30,000

Fees are to be paid pursuant to the following schedule:

Quarter	Quarter Ending	Due Date for Payment
1st Quarter - JanFebMar.	Mar. 31	April 30
2nd Quarter - AprMay-June	June 30	July 31
3rd Quarter - July-AugSept.	Sept. 30	Oct. 31
4th Quarter - OctNovDec.	Dec. 31	Jan. 31

Debtor should contact the UST if no quarterly fee statement is received. Failure to pay all fees may result in a referral to the U. S. Treasury for collection (Attachment VII).

#### G. Communication with U.S. Trustee

U. S. Trustee personnel cannot communicate directly with debtors represented by an attorney unless written permission is provided prior to the communication (Attachment VIII).

#### III. REPORTING REQUIREMENTS

#### A. Operating Reports

- 1. Monthly operating reports shall be filed with the court and a paper copy of all reports shall be submitted to the UST with original signatures. Copies of all reports shall also be submitted to the chairperson of any creditors' committees.
- 2. All operating reports shall be filed by the 15th day of the month following the end of the month covered by the report. Debtors shall use the operating report forms provided by the UST (Attachment X or Attachment XI for small business cases as defined at 11 U. S. C §101(51C) and (51D)). Operating Report forms and these Guidelines can be obtained from the UST website at <a href="http://www.justice.gov/ust/r05/">http://www.justice.gov/ust/r05/</a>.
- 3. When a trustee is appointed in a Chapter 11 case, the trustee assumes responsibility for submission of all monthly reports.

#### B. Post-Confirmation Reporting

Operating reports after a plan of reorganization has been confirmed are limited to Form 2-A, cover page and Form 2-D, page 2 of 4, Quarterly Fee Summary excluding small business cases as defined at 11 U. S. C §101(51C) and (51D) which shall continue using Attachment XI. Operating reports are not required for any period after a final decree is entered closing the case or an order entered dismissing or converting the case.

#### IV. CONCLUSION

Pursuant to 11 U.S.C. §101 et. seq. and 28 U.S.C. §586(a)(3), the UST reserves the right to revise, modify or amend these guidelines as deemed appropriate. Any inquiries regarding compliance with these guidelines should be addressed to the appropriate office of the UST.

/S/

HENRY G. HOBBS, JR. Acting United States Trustee Region 5, Judicial Districts of Louisiana and Mississippi 14-51667-KMS Dkt 779 Filed 06/04/15 Entered 06/04/15 15:19:08 Page 7 of 12

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# **Monthly Operating Report**

CHAPTER 11

ASE NAME. Mississip	ppi Phosphales Corporat	ion			
ASE NUMBER: 14-	51671	For Peri	od:	April 1 to April 30	, 2015
		ND OF THE MONTH, The ment in writing. File with ti			
Form Attached (mark only one - attac	Previously Waived	REQUIRED REPOR	RTS/DOCUMENTS	***************************************	en and the second section of the section of the second section of the section of
(X)	()	Comparitive Blance	Sheet (FORM 2-B)		
(X)	()	Profit and Loss State	ement (FORM 2-C)	•	
(X)	()	Cash Receipts & Dis	sbursements Stateme	nt (FORM 2-D)	
(X)	()	Supporting Schedule	es (FORM 2-E)	•	
(X) <sup>(1</sup>	()	Narrative (FORM 2-	F)	$\mathbf{\hat{y}}_{j}$	
(X)	()	Copies of Bank State all account(s)	ement(s) and Recond	iliations of Bank Balance	for
declare under penally of est of my knowledge and	pergury that the following belief.	ng Monthly Operating Repo	ort and any attacheme	nts therefor, are true and	d correct to the
xecuted on: 5/18 (date)	5/2015	Debtor(s)*	Mississippi Phosph	ates Corporation	in alfryddolenno yw ffair daino ann ar fal
		Ву:**	1,160	of Else	
		Position:	CFO		······································
		Name of Preparer	Robert P. Kerley		***************************************
		Telephone No. of Pri	eparer: <u>1-228-7</u>	12-3314	
ooth debors must sign if	a joint petititon				,
for corporate or partner	ship debtor				

Cover Page



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# Mississippi Phosphates Corporation

# As of April 30, 2015

Insurance Schedule

			Date of	Premium
<u>Type</u>	Carrier / Agent	Coverage	<b>Expiration</b>	<u>Paid</u>
Workers Compensation	New Hampshire Ins. (AIG)	Statutory + 1M employer	22-Jun-15	119,148
General Liability	National Union (AIG)	1,000,000	22-Jun-15	13,264
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-Jun-15	16,037
Other				
			<del></del> ,	
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 Liábility	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	Great American Insurance Company	5,000,000	1-Jul-15	4,342
Director and Officer	US Specialty as Primary	25,000,000	1-Jul-15	96,950
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.

Mississppi Phosphate Corporation Payments to Bank Direct

Total Payments

Down payment to Bank Direct Monthly Servicing

397,000 \$

Feb-15 -179,828

Mari-15 Apr-15

179,828

179,828

179,828

179,828

179,828

179,828

179,828

179,828

397,000 1,618,452

397,000 \$ 719,312

1,116,312 \$

899,140 899,140

397,000 \$ 179,828 \$ 179,828 \$ 179,828 \$ 179,828 \$ 179,828 \$ 179,828 \$ 179,828 \$ 179,828 \$ 179,828 \$ 2,015,452

Amount   A
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Amount Am
Amount Financed 9.59 9.59 0.19 0.69 0.29 9.59



Balance - DIP Borrowing		Sie remant vernank	Cash Consumed	controlled they could	Total Rankrintov Costs	IIS Thickee and Court Costs	UCC Professionals	Debtor Interest Cost	Sandler O'Neill	BMC	Deloitte - Document Discovery	Deloitte - CRO	Butler Snow	Debtor Costs - Legal and other Services	Bankruptcy Fees and Expenses	Sub-Total Environmental Spending	Financial Assurance Trust Payment	Waste Water Treatment Chemicals/Environmental Spend	Environmental Spending  Environmental Management - Allen Engineering		Contingency   Sub- Total Prepaid and Capital Addition Disbursements	PREPAID and CAPITAL ADDITION DISBURSEMENTS	and the chairman cases	Sub Total Opportunitional Contr	Property Tay Economy	Property and Casualty Insurance	Utilities & Gas	MSA/Corp. Governance	Workers Comp Claims	BCBS Claims	Payroll	Raw Material Purchased	OPERATIONAL COST DISBURSEMENTS:			Mazzuma and other refunds	Terminal Management Fee Ammonia	Truck Sales (included in basic DAP sales above)	MAP/DAP true-up on Netback	DAP/MAP Provisional Amount		Week Ending:	Mississippi Phosphates Corp. DIP Budget	
	Ending Cash \$	ı			1												1	Spend			Ports.			1										Total Cash Available	lotal Receipts	: :					Beginning Cash \$			
1,037,019	453,806 \$	,	277,821	107/01	135 35							26,261	,			75,000		50,000	25,000		.  .		146,411	,	20,925		29,518	14,166			111,952			731,627					,		731,627	5/17/15	11	Actual
1,549,997	258,883	8/6/715	707,900	423,630	200	00,000	80.000	-	32 891	35,945	,	25,000	250,000			53,916	,	53,916					230,149	1	1,911	184,439	15,934	21,196	4,120	2,548				453,806							\$ 453,806	5/24/15	12	Actual
1,799,997	\$ 189,209	250,000	319,674	28,000	1000	,		•		,		28,000				70,000		45,000	25,000	200000	10,000		211,6/4		40,300		30,000	16,005		,	125,369			258,883			,	4	•		\$ 258,883	5/31/15	13	Projected
2,299,997	\$ 528,209	000,000	161,000	28,000	3			,	,			28,000				45,000		45,000		10,000	10,000		000'87		29,500		30,000	6,000	12,500			,		189,209	1		,		•		\$ 189,209	6/7/15	14	Projected
3,299,997	\$ 1,050,996	1,000,000	872,213	448,000	-	50,000	80,000	, 000	40,000	25,000	,	28,000	275,000			70,000	,	45,000	25,000	Tolog	10,000		344,213		25,000	147,839	30,000	16,005			125,369			923,209	395,000		395,000	,			\$ 528,209	6/14/15	15	Projected
3,299,997	\$ 630,827		420,169	28,000				,	•			28,000	•			45,000		45,000		, ooo			337,169		25,000	282,169	30,000	,			ı	ı		1,050,996			,	,		1	\$ 1,050,996	6/21/15	16	Projected
4,299,997	\$ 1,191,454	1,000,000	439,374	DOO'S9T	-	,	ı		ı		, .	28,000	135,000			70,000		45,000	25,000	To',000	10,000		196,374		25,000		30,000	16,005	•		125,369			630,827						ı	\$ 630,827	6/28/15	17	Projected
4,299,997	\$ 1,355,454		236,000	88,000	20,000		•	+0,000	40,000		, ,	28,000				45,000		45,000	ı	10,000	10,000		000,88		29,500	,	30,000	21,000	12,500	,				1,591,454	400,000	,	400,000				\$ 1,191,454	7/5/15	18	Projected
4,299,997	\$ 1,270,080	,	409,374	LS3,UUU		00,000	20,000			25.000	, :	28,000				70,000		45,000	25,000	מטענים	10,000		196,374		25,000		30,000	16,005	,	, .	125,369	,		1,679,454	324,000		324,000	,	,		\$ 1,355,454	7/12/15	19	Projected
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4,849,997	\$ 1,552,878	550,000	479,202	28,000	1	,				,		28.000				65,000		45,000	20,000	TOUC	10,000		376,202		25,000	179,828	30,000	16,005		, .	125,369			1,482,080				,	,		\$ 1,482,080 \$	7/26/15	21	Projected
5,249,997	\$ 1,404,378	400,000	548,500	428,000	20,000	2000	20 000	10,000	0000	25,000	.	28.000	275,000			45,000		45,000		T0,000	10,000		65,500		29,500	,	30,000	6,000	1	,				1,552,878				1	*		1,552,878	8/2/15	22	Projected
5,249,997	\$ 1,112,504		291,874	000/87	,				,	•	.	28.000				45,000		45,000		TO,000	10,000		208,874		25,000	,	30,000	16,005	12,500		125,369			1,404,378					,		\$ 1,404,378	8/9/15	23	Projected
5,249,997	\$ 1,278,504	1	158,000	28,000	3 -	,				,		28.000				65,000		45,000	20,000	±0,000	10,000		55,000		25,000		30,000		•	•	•			1,436,504	324,000		324,000				\$ 1,112,504	8/16/15	24	Projected
5,249,997	\$ 819,302	,	459,202	28,000		,			ı	,	, ,	28.000				45,000		45,000	•	T0,000	10,000		376,202		25,000	179,828	30,000	16,005		, .	125,369			1,278,504	,		,	,	,		\$ 1,278,504	8/23/15	25	Projected
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\*\*Prepared by management subject to DIP Lenders' review.



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6,000,000	\$ 163,133	,	73,000	73,000	20,000	i		. ,		28,000	25,000				1			'	-											236,133	1			 ,	\$ 236,133	31 10/4/15	Projected
	\$ 163,133	4,962,981	7,648,475	2,402,096	60,000	280,000	-	192 891	160 045	583,261	1,125,000		963,916	1	778,916	185,000		150,000	150,000		4,132,463	264.565	1,414,103	522,452	210,406	2,548	1,183,133	ı		2,848,627	2,117,000	350,000	1,767,000	 ,	\$ 731,627	WE 5/17- 10/4 <u>Tptal</u>	

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From: Burrer, Karl [mailto:Karl.Burrer@haynesboone.com]

**Sent:** Friday, May 15, 2015 10:02 AM **To:** Steve Rosenblatt; Chris Maddux

Cc: Parkins, Lenard M.

Subject: Motion of the Debtors for Relief From Certain United States Trustee Chapter 11 Operating Guidelines

Steve and Chris

As discussed prior to the filing of the Motion of the Debtors for Relief From Certain United States Trustee Chapter 11 Operating Guidelines, the Agent, on behalf of the Lenders, fully supports the relief requested in the motion. Based on the Debtors' scarce resources, the estimated value of the property and the cost of the Insurance, the Agent believes that the Debtors' have exercised sound business judgment with respect to cancelling the property and casualty insurance.

Regards,

Karl

haynesboone Karl Burrer

Associate karl.burrer@haynesboone.com

Haynes and Boone, LLP 1221 McKinney Street Suite 2100 Houston, TX 77010

(t) 713.547.2231 (f) 713.236.5402 (m) 713.366.1114

vCard | Bio | Website

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