

UNITED STATES DEPARTMENT OF JUSTICE

OFFICE OF THE UNITED STATES TRUSTEE

CENTRAL DISTRICT OF CALIFORNIA

In Re: Colorep Inc.

Debtor(s).

CHAPTER 11 (Remittance)

Case Number: 2:13-bk-27689-WB

Operating Report Number: 9

For the Month Ending: 31-Mar-14

I. CASH RECEIPTS AND DISBURSEMENTS

A. (REMITTANCE ACCOUNT*)

1. TOTAL RECEIPTS PER ALL PRIOR REMITTANCE ACCOUNT REPORTS 1.00

2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR REMITTANCE ACCOUNT REPORTS 1.00

3. BEGINNING BALANCE: 0.00

4. RECEIPTS DURING CURRENT PERIOD:

Accounts Receivable - Post-filing

Accounts Receivable - Pre-filing

General Sales 0.00

Other (Specify) Transfer from Transprint OP 0.00

Account. (required to keep acct open)

TOTAL RECEIPTS THIS PERIOD: 0.00

5. BALANCE: 0.00

6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD

Transfers to Other DIP Accounts (from page 2) 0.00

Disbursements (from page 2) 0.00

TOTAL DISBURSEMENTS THIS PERIOD:*** 0.00

7. ENDING BALANCE: **** 0.00

8. General Account Number(s): 004980218459 (remitt account)

Depository Name & Location: Citibank. NY,NY

* All receipts must be deposited into the general account.

** Include receipts from the sale of any real or personal property out of the ordinary course of business; attach an exhibit specifying what was sold, to whom, terms, and date of Court Order or Report of Sale.

***This amount should be the same as the total from page 2.

**** This account was closed on November 12th, 2013.

* Fill in amounts in this column if they are TRANSFERS to another DIP account (e.g. Payroll or Tax); the "amount" column will be filled in for you.

** Fill in amounts in this column if they are DISBURSEMENTS to outside payees; the "amount" column will be filled in for you.

Plus deposits in transit (a):

Deposit DateDeposit Amount

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

Check NumberCheck DateCheck Amount

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

Explanation of Adjustments-

ADJUSTED BANK BALANCE:

\$0.00

* It is acceptable to replace this form with a similar form

** Please attach a detailed explanation of any bank statement adjustment

UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE UNITED STATES TRUSTEE
CENTRAL DISTRICT OF CALIFORNIA

In Re: Colorep Inc. Debtor(s).	CHAPTER 11 (Operating)	
	Case Number:	2:13-bk-27689-WB
	Operating Report Number:	8
	For the Month Ending:	28-Feb-14

I. CASH RECEIPTS AND DISBURSEMENTS
A. (GENERAL ACCOUNT*)

1. TOTAL RECEIPTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	1.00
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	1.00
3. BEGINNING BALANCE:	0.00
4. RECEIPTS DURING CURRENT PERIOD:	
Accounts Receivable - Post-filing	
Accounts Receivable - Pre-filing	
General Sales	0.00
Other (Specify) Transfer from Transprint OP	0.00
Account. (required to keep acct open)	
TOTAL RECEIPTS THIS PERIOD:	0.00
5. BALANCE:	0.00
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD	
Transfers to Other DIP Accounts (from page 2)	0.00
Disbursements (from page 2)	0.00
TOTAL DISBURSEMENTS THIS PERIOD:***	0.00
7. ENDING BALANCE: ****\	0.00
8. General Account Number(s):	004980218467 (operating account)
Depository Name & Location:	Citibank. NY,NY

* All receipts must be deposited into the general account.

** Include receipts from the sale of any real or personal property out of the ordinary course of business; attach an exhibit specifying what was sold, to whom, terms, and date of Court Order or Report of Sale.

***This amount should be the same as the total from page 2.

**** This account was closed on Novemeber 12, 2013.

TOTAL DISBURSEMENTS FROM GENERAL ACCOUNT FOR CURRENT PERIOD

[illegible]

* Fill in amounts in this column if they are TRANSFERS to another DIP account (e.g. Payroll or Tax); the "amount" column will be filled in for you.

** Fill in amounts in this column if they are DISBURSEMENTS to outside payees; the "amount" column will be filled in for you.

GENERAL ACCOUNT
BANK RECONCILIATION

Bank statement Date: _____ Balance on Statement: _____ \$0.00

Plus deposits in transit (a):

Deposit Date

Deposit Amount

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

Check Number

Check Date

Check Amount

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

Explanation of Adjustments-

ADJUSTED BANK BALANCE:

\$0.00

* It is acceptable to replace this form with a similar form

** Please attach a detailed explanation of any bank statement adjustment

B. (PAYROLL ACCOUNT)

1. TOTAL RECEIPTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	1.00
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	1.00
3. BEGINNING BALANCE:	0.00
4. RECEIPTS DURING CURRENT PERIOD: Transferred from Transprint OP account (required to keep tha account open)	0.00
5. BALANCE:	0.00
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:**	0.00
7. ENDING BALANCE: **	0.00
8. PAYROLL Account Number(s):	004980218440
Depository Name & Location:	Citibank. NY,NY

*This amount should be the same as the total from page 2.

** This amount was closed on Novemeber 12, 2013.

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TOTAL DISBURSEMENTS THIS PERIOD:	0.00

Bank statement Date: _____ Balance on Statement: _____ \$0.00

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL DEPOSITS IN TRANSIT

0.00

Less Outstanding Checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL OUTSTANDING CHECKS:

0.00

Bank statement Adjustments:

Explanation of Adjustments-

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ADJUSTED BANK BALANCE:

\$0.00

C. (TAX ACCOUNT)

1. TOTAL RECEIPTS PER ALL PRIOR TAX ACCOUNT REPORTS	<input type="text"/>
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR TAX ACCOUNT REPORTS	<input type="text"/>
3. BEGINNING BALANCE:	<input type="text" value="0"/>
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	<input type="text"/>
5. BALANCE:	<input type="text" value="0.00"/>
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	<input type="text" value="0.00"/>
7. ENDING BALANCE:	<input type="text" value="0.00"/>
8. TAX Account Number(s):	<input type="text"/>
Depository Name & Location:	<input type="text"/>
	<input type="text"/>
	<input type="text"/>
	<input type="text"/>

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TOTAL DISBURSEMENTS THIS PERIOD:	0.00

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(Provide a copy of monthly account statements for each of the below)

*Other Accounts: _____

**Petty Cash (from below):	0.00
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0.00

Date _____

Amount

**** Attach Exhibit Itemizing all petty cash transactions**

II. STATUS OF PAYMENT OBLIGATIONS OF DEBTORS, LESSORS
AND OTHER PARTIES TO EXECUTORY CONTRACTS

TOTAL DUE:	0.0
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FOR THE REPORTING PERIOD:

Total Wages Paid: _____

	Total Post-Petition Amounts Owing	Amount Delinquent	Date Delinquent Amount Due
Federal Withholding			
State Withholding			
FICA- Employer's Share			
FICA- Employee's Share			
Federal Unemployment			
Sales and Use			
Real Property			
Other:			
TOTAL:	0.00	0.0	

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30 days or less
31 - 60 days
61+

V. INSURANCE COVERAGE

General Liability
Worker's Compensation
Casualty
Vehicle
Others: D&O

VI. UNITED STATES TRUSTEE QUARTERLY FEES (TOTAL PAYMENTS)

975.00

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[illegible]

VIII. SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

[illegible]

(ACCRUAL BASIS ONLY)

	Current Month	Cumulative Post-Petition
Sales/Revenue:		
Gross Sales/Revenue		
Less: Returns/Discounts		
Net Sales/Revenue	0.0	0.0
Cost of Goods Sold:		
Beginning Inventory at cost		
Purchases		
Less: Ending Inventory at cost		
Cost of Goods Sold (COGS)	0.00	0.00
Gross Profit	0.00	0.00
Other Operating income (itemize)		
Operating Expenses:		
Payroll - Insiders		
Payroll - Other Employees		
Payroll Taxes		
Other Taxes (Itemize)		
Depreciation and Amortization		
Rent Expense - Real Property		
Lease Expense - Personal Property		
Insurance		
Real Property Taxes		
Telephone and Utilities		
Repairs and Maintenance		
Travel and Entertainment (Itemize)		
Miscellaneous Operating Expenses (Itemize)		
Total Operating Expenses	0.00	0.00
Net Gain/(Loss) from Operations	0.00	0.00
Non-Operating Income:		
Interest Income	0.00	0.00
Net Gain on Sale of Assets (Itemize)		
Other (Itemize)		
Total Non-Operating income	0.00	0.00
Non-Operating Expenses:		
Interest Expense	0.00	115,713.39
Legal and Professional (Itemize)		
Other (Itemize)		
Total Non-Operating Expenses	0.00	115,713.39
NET INCOME/(LOSS)	0.00	(115,713.39)

(Attach exhibit listing all itemizations required above)

(Attach exhibit listing all itemizations required above)

ASSETS	Current Month End	
Current Assets:	0.00	
Unrestricted Cash	0.00	
Restricted Cash	0.00	
Accounts Receivable	0.00	
Inventory	0.00	
Notes Receivable	0.00	
Prepaid Expenses	0.00	
Other	0.00	
Total Current Assets		0.00
Property, Plant, and Equipment	0.00	
Accumulated Depreciation/Depletion	0.00	
Net Property, Plant, and Equipment		0.00
Other Assets (Net of Amortization):		
Due from Insiders	0.00	
Other (Itemize) Intellectual Property	0.00	
Total Other Assets		0.00
TOTAL ASSETS		0.00
LIABILITIES		
Post-petition Liabilities:		
Accounts Payable	0.00	
Taxes Payable	0.00	
Notes Payable	0.00	
Professional fees	0.00	
Secured Debt	0.00	
Other (Itemize)	0.00	
Total Post-petition Liabilities		0.00
Pre-petition Liabilities:		
Secured Liabilities	0.00	
Priority Liabilities	0.00	
Unsecured Liabilities	5,305,359.28	
Other		
Total Pre-petition Liabilities		5,305,359.28
TOTAL LIABILITIES		5,305,359.28
EQUITY:		
Pre-petition Owners' Equity	(26,521,359.00)	
Post-petition Profit/(Loss)	(115,713.39)	
Direct Charges to Equity	21,331,713.11	
TOTAL EQUITY		(5,305,359.28)
TOTAL LIABILITIES & EQUITY		0.00

(1) On October 7, 2013, Colorep closed a sale of substantially of its assets to AirDye Solutions, LLC ("AirDye"). Pursuant to the terms of the sale, \$19.75 million of Meserole, LLC's prepetition secured lien and \$250,000 of the Debtor's DIP loan was credit bid to purchase the "Acquired Assets." Certain of the Debtor's prepetition priority claims and postpetition administrative claims were also assumed by AirDye pursuant to the terms of the sale. To the extent anything in this balance sheet is inconsistent with the terms of the Asset Purchase governing the sale, the Asset Purchase Agreement shall govern. A copy of the Asset Purchase agreement for the sale to AirDye was filed as docket number 254 of case number 2:13-bk-27689-ER.

XI. QUESTIONNAIRE

- | | No | Yes |
|--|----------|-------------|
| 1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below: | <u>X</u> | <u> </u> |
| <hr/> | | |
| 2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below: | <u>X</u> | <u> </u> |
| <hr/> | | |
| 3. State what progress was made during the reporting period toward filing a plan of reorganization. The Debtor, on October 7, 2013, closed a sale of substantially all of its assets. The Debtor will be filing a motion to dismiss shortly. | | |
| <hr/> | | |
| 4. Describe potential future developments which may have a significant impact on the case:
See above. | | |
| 5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period. | | |
| None | <u>X</u> | <u> </u> |
| 6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below. | <u>X</u> | <u> </u> |
| <hr/> | | |

I, Rich Hauer,
declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge.



Date

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Principal for debtor-in-possession