

APPENDIX TWO

Applicable Provisions of Section 1116

In a **small business case**, a **trustee** or the **debtor in possession**, in addition to the duties provided in this title and as otherwise required by law, shall—

- (1) append to the voluntary **petition** or, in an involuntary case, file not later than 7 days after the date of the **order for relief**—
 - (A) Its most recent balance sheet, statement of operations, cash flow statement, and Federal income tax return; or
 - (B) a statement made under penalty of perjury that no balance sheet, statement of operations, or cash-flow statement has been prepared and no Federal tax **return** has been filed;
- (2) attend, through its senior management personnel and counsel, meetings scheduled by the court or the **United States trustee**, including initial **debtor** interviews, scheduling conferences, and meetings of **creditors** convened under **section 341** unless the court, after notice and a hearing, waives that requirement upon a finding of extraordinary and compelling circumstances;
- (3) timely file all schedules and statements of financial affairs, unless the court, after notice and a hearing, grants an extension, which shall not extend such time period to a date later than 30 days after the date of the **order for relief**, absent extraordinary and compelling circumstances;
- (4) file all postpetition financial and other reports required by the Federal Rules of Bankruptcy Procedure or by local rule of the district court;
- (5) subject to section 363(c)(2), maintain insurance customary and appropriate to the industry;
- (6) (A) timely file tax **returns** and other required government filings; and
(B) subject to section 363(c)(2), timely pay all taxes entitled to administrative expense priority except those being contested by appropriate proceedings being diligently prosecuted; and
- (7) allow the **United States trustee**, or a designated representative of the **United States trustee**, to inspect the **debtor's** business premises, books, and records at reasonable times, after reasonable prior written notice, unless notice is waived by the **debtor**.

NOTE: Under sub-paragraph 7, the Subchapter V Trustee will almost certainly be the one to whom debtor makes business premises and records available for inspection.