

## Section 721 Operation of the Business of a Debtor

- Will operating the case result in an operating loss?**
- What are the tax consequences of operating the business?**
- What are the costs necessary to bring the business within compliance of local laws to the extent local laws do not conflict with the Bankruptcy code?**
- What are the potential liabilities and claims against the estate and the trustee that might arise from the operation of the business?**
- Insurance of estate's assets against all normal business risks including general liability, property damage, worker's compensation, and insurance required for a particular business.**
- What is the length of time the business will be operated? (not to exceed one year)**
- Should the business be converted to a Chapter 11 case?**
- Will the blanket bond cover the operation of the business case?**
- Cash management controls**
- The appropriate monthly operating business report form**
- Requirements before using cash collateral**
- Withholding income, social security, and other applicable taxes from any wages paid to business employees**

Trustees must submit to the supervising trial attorney and bankruptcy analyst a draft motion and proposed order with the court. We will advise the trustee if we have any objections to the motion and proposed order.

In addition to consulting with the trustee and the trial attorney regarding the above matters, bankruptcy analysts will:

1. Develop a monthly operating business report form for operation of rental property businesses and a generic operating business report form for all other types of business
2. Enter the OC7 code in ACMS for each operating business case
3. Note the fact that the trustee is operating a business in the trustee's evaluation file
4. Review the monthly reports filed by the trustee
5. Enter "WD" in the disposition field of ACMS when the operating order ends