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Exchange Act (17 CFR 240.13e-4(c))

=====
Item 8.01 - Other Events

As previously reported, on November 26, 2007 Reunion Industries, Inc. ("Reunion") filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division (the "Bankruptcy Court"). Reunion continues to operate as "debtor-in-possession" in that proceeding under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. Attached to and made a part of this Report is Reunion's Monthly Operating Report that was filed on January 22, 2009 with the Bankruptcy Court and the United States Trustee pursuant to Rule 2015 of the Federal Rules of Bankruptcy Procedure.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned, hereunto duly authorized.

Date: January 30, 2009

REUNION INDUSTRIES, INC.
(Registrant)

By: /s/ John M. Froehlich

John M. Froehlich
Executive Vice President
of Finance and Chief
Financial Officer

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UNITED STATES BANKRUPTCY COURT
 BRIDGEPORT DIVISION - DISTRICT OF CONNECTICUT
 MONTHLY OPERATING REPORT

In re REUNION INDUSTRIES, INC.

Case No. 07-50727(AHWS)

Reporting Period: DECEMBER 2008

Federal Tax I.D. # 06-1439715

CORPORATE MONTHLY OPERATING REPORT

| REQUIRED DOCUMENTS | Form No. | Document | Explanation Attached | Attached |
|---|---------------|----------|----------------------|----------|
| Schedule of Cash Receipts and Disbursements | | MOR-1 | YES | N/A |
| Bank Reconciliations | MOR-1 (CON'T) | | YES | N/A |
| Statement of Operations | MOR-2 | | YES | N/A |
| Balance Sheet | MOR-3 | | YES | N/A |
| Status of Post-petition Taxes | MOR-4 | | YES | N/A |
| Summary of Unpaid Post-petition Debts | | MOR-4 | YES | N/A |
| Accounts Receivable | MOR-5 | | YES | N/A |
| Taxes Reconciliation & Aging | MOR-5 | | YES | N/A |
| Payments -Insiders/Professionals | MOR-6 | | YES | N/A |
| Post Petition Status of Secured Notes, Leases Payable | MOR-6 | | YES | N/A |
| Debtor Questionnaire | MOR-7 | | YES | N/A |

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Authorized Individual \s\ JOHN M. FROEHLICH, CFO Date JAN. 24, 2009

Authorized individual must be an officer, director or shareholder if debtor is a corporation.

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 1
 CASH RECEIPTS AND DISBURSEMENTS
 DECEMBER 2008

CASE NO. 07-50727 (AHWS)
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| | | |
|--|--------------|-----------|
| Cash - beginning of period excluding | \$ 6,542,557 | |
| Plus: Collections on receivables | | 1,504,232 |
| Plus: Miscellaneous/Titan receipts | | 112,155 |
| Less: Disbursements | | |
| Net payroll | | 348,272 |
| Payroll taxes | | 148,325 |
| Titan disbursements | | 37,268 |
| Other operating | | 1,342,554 |
| Income Tax payments | | 150,000 |
| Reorganization: | | |
| Professional fees | | 168,458 |
| U.S. Trustee fees | | - |
| | | ----- |
| | Total | 2,194,877 |
| Increase(Decrease) in outstanding checks | (54,638) | ----- |
| Cash - end of period | \$ 5,909,429 | ===== |

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 1
BANK RECONCILIATION
AS OF DECEMBER 31, 2008

CASE NO. 07-50727 (AHWS)
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| BANK TYPE ACCOUNT NUMBER | PNC BANK OPERATING 2161326 | PNC BANK PAYROLL 2184149 | PNC BANK HEALTHCARE 2880718 | PNC BANK PENSION 10382890 |
|--------------------------------|----------------------------------|--------------------------------|-----------------------------------|---------------------------------|
| Balance per books | \$ 35,756 ===== | \$ 0 ===== | \$ (4,069) ===== | \$ 0 ===== |
| BANK BALANCE | \$ 60,772 | \$ 0 | \$ 3,776 | \$ 710 |
| Deposits in transit | | | | |
| Outstanding checks | (25,016) | - | (7,845) | (710) |
| Other - explain below | ----- | ----- | ----- | ----- |
| Adj. Bank Balance | \$ 35,756 ===== | \$ 0 ===== | \$ (4,069) ===== | \$ 0 ===== |

("Adj. Bank Balance" must equal "Balance per books".)

EXPLANATION OF OTHER:

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 1
 BANK RECONCILIATION
 AS OF DECEMBER 31, 2008

CASE NO. 07-50727 (AHWS)
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| BANK TYPE ACCOUNT NUMBER | PNC BANK PENSION 1011567058 | PNC BANK COLLATERAL 1019820572 | PNC BANK CARVE-OUT 1019820847 |
|--------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| Balance per books | \$ 0 ===== | \$3,895,447 ===== | \$1,511,722 ===== |
| BANK BALANCE | \$ 6,205 | \$3,895,447 | \$1,511,722 |
| Deposits in transit | 0 | | |
| Outstanding checks | (6,205) | | |
| Other - explain below | ----- | ----- | ----- |
| Adj. Bank Balance | \$ 0 ===== | \$3,895,447 ===== | \$1,511,722 ===== |

("Adj. Bank Balance" must equal "Balance per books".)

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 1
 BANK RECONCILIATION
 AS OF DECEMBER 31, 2008

CASE NO. 07-50727 (AHWS)
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| BANK TYPE ACCOUNT NUMBER | FIFTH THIRD OPERATING 7512940417 | FIFTH THIRD PAYROLL 1065629 | Chase Operating 1690008469 | Chase Royalty 1820765236 |
|--------------------------------|--|-----------------------------------|----------------------------------|--------------------------------|
| Balance per books | \$ 296,077 ===== | \$ 0 ===== | \$ 87,605 ===== | \$ 127,601 ===== |
| BANK BALANCE | \$ 470,925 | \$ 0 | \$ 98,516 | \$ 130,329 |
| Deposits in transit | | | | |
| Outstanding checks | (174,848) | (10,911) | (2,728) | |
| Other - explain below | ----- | ----- | ----- | ----- |

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| | | | | |
|-------------------|------------|-------|-----------|------------|
| Adj. Bank Balance | \$ 296,077 | \$ 0 | \$ 87,605 | \$ 127,601 |
| | ===== | ===== | ===== | ===== |

("Adj. Bank Balance" must equal "Balance per books".)

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 2
 INCOME STATEMENT
 FOR THE PERIODS INDICATED

CASE NO. 07-50727 (AHWS)

 (\$ amounts in thousands)

| | Month of Dec-08 ----- | Post Petition to 31-Dec-08 ----- |
|----------------|-----------------------------|---|
| Net Sales | \$ 990 | \$ 32,956 |
| Cost of Sales: | | |
| Standard Cost | 739 | 24,177 |

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| | | | |
|--|-------|------------|-----------|
| Variances & Other | | 259 | 2,867 |
| | | ----- | ----- |
| Gross Profit | (8) | 5,912 | |
| Operating Expenses: | | | |
| Marketing | | 47 | 1,050 |
| General & Admin | 528 | 4,295 | |
| | | ----- | ----- |
| Operating Profit | | (583) | 567 |
| Other Income (Expense) | (190) | 39,849 | |
| Equity in China JV | 66 | 944 | |
| Reorganization exp: | | | |
| Professional fees | | - | (339) |
| U.S. Trustee fees | | - | (71) |
| Other | | | |
| Adequate Protection Paym't Exp. | - | (450) | |
| Interest Expense - excluding Adequate Protection Payments | (522) | (3,781) | |
| | | ----- | ----- |
| Profit before tax | | (1,229) | 36,719 |
| Income Tax | | 0 | 0 |
| | | ----- | ----- |
| Net Income | | \$ (1,229) | \$ 36,719 |
| | | ===== | ===== |

NOTE: Other income (expense) above primarily reflects the gain on the sale of the Company's CP Industries division in April of 2008.

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 3
COMPARITIVE BALANCE SHEET
AS OF THE PERIODS SHOWN

(\$ amounts in thousands)

CASE NO. 07-50727 (AHWS)

26-Nov-07

30-Nov-08

31-Dec-08

ASSETS:

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| | | | | | | |
|----------------------------|----|----------|----|--------|-------|--------|
| Cash and Equivalents | \$ | 754 | \$ | 6,542 | \$ | 5,909 |
| Net Receivables | | 7,166 | | 2,349 | | 1,805 |
| Net Inventory | | 12,369 | | 1,947 | | 2,002 |
| Other Current Assets | | 3,029 | | 2,296 | | 3,753 |
| | | ----- | | ----- | | ----- |
| Current | | 23,318 | | 13,134 | | 13,469 |
| Net Property | | 6,300 | | 3,484 | | 3,472 |
| Goodwill | | 10,994 | | | 1,491 | 1,491 |
| CSV policies | | 2,200 | | 2,195 | | 2,003 |
| Interest in China JV | | 3,009 | | 3,887 | | 2,462 |
| | | ----- | | ----- | | ----- |
| Total | \$ | 45,821 | \$ | 24,191 | \$ | 22,897 |
| | | ===== | | ===== | | ===== |
| LIABILITIES & EQUITY: | | | | | | |
| Current Maturities of Debt | \$ | 0 | \$ | 0 | \$ | 0 |
| Trade Payables | | 3,305 | | 2,732 | | 2,768 |
| Accrued Income Taxes | | 0 | | 11 | | 11 |
| Accrued Interest | | 544 | | | 660 | 665 |
| Customer Deposits | | 4,424 | | | 0 | 0 |
| Accrued Other | | 4,272 | | 4,735 | | 4,826 |
| | | ----- | | ----- | | ----- |
| Current | | 12,545 | | 8,138 | | 8,270 |
| Secured Debt and interest | | 53,418 | | 500 | | 500 |
| Other Liabilities | | 3,101 | | | 624 | 427 |
| | | ----- | | ----- | | ----- |
| Total Liabilities | | 69,064 | | 9,262 | | 9,197 |
| Total Equity | | (23,243) | | 14,929 | | 13,700 |
| | | ----- | | ----- | | ----- |
| Total | \$ | 45,821 | \$ | 24,191 | \$ | 22,897 |
| | | ===== | | ===== | | ===== |

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 4
SUMMARY OF UNPAID POST PETITION TAXES AND DEBTS
AS OF DECEMBER 31, 2008

CASE NO. 07-50727 (AHWS)
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(\$ Amounts in 000's)

TAXES:

| | | Beg Liability | Accrued Paid | End Liability |
|--------------------|------|------------------|--------------|------------------|
| | | ----- | ----- | ----- |
| NON-PAYROLL TAXES: | | | | |
| Sales | | \$ 0 | | \$ 0 |
| Excise | \$ 0 | | | \$ 0 |
| Real Property | \$ 0 | | | \$ 0 |
| Personal Property | | \$ 0 | | \$ 0 |

PAYROLL TAXES - See attached pages 2 to 3

| | |
|---|-------|
| Amount due for payrolls in the last half of December 2008 - paid in January. | \$ 53 |
|---|-------|

DEBTS:

| | Current | Days Past Due | | | | Total |
|----------------------------|---------|---------------|-------|-------|----------|----------|
| | | 0-30 | 31-60 | 61-90 | Over 91 | |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Accounts Payable | \$ 359 | \$ 184 | \$ 40 | \$ 0 | \$ 2,185 | \$ 2,768 |
| Wages Payable | 133 | | | | | 133 |
| Taxes Payable | 0 | | | | | 0 |
| Rent-Building | 0 | | | | | 0 |
| Adequate Protection Paymts | 0 | | | | | 0 |
| Professional Fees | 71 | 0 | 5 | 0 | 0 | 76 |
| Amounts due Insiders | 4 | 4 | 4 | 4 | 114 | 130 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Total | \$ 568 | \$ 188 | \$ 49 | \$ 4 | \$ 2,299 | \$ 3,107 |
| | ===== | ===== | ===== | ===== | ===== | ===== |

Explanations:

Wages represent hourly wages earned in the last half of December that were paid in January.

Professional fees are due Reid and Riege and are awaiting Bankruptcy Court approval.

Amounts due insiders represent post petition interest on note and guaranty fees.

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REUNION INDUSTRIES, INC.
 MONTHLY OPERATING REPORT - 4
 FIT/FICA TAX PAYMENTS and FUTA 940 TAX PAYMENTS
 DECEMBER 2008

CASE NO. 07-50727 (AHWS)
 page 2/3

| DATE PAID | REF | HANNA | HQ | TOTAL |
|--------------|-----|---------|--------|---------|
| ---- | --- | ----- | ----- | ----- |
| DECEMBER | | | | |
| 01 | 941 | 36,092 | 10,995 | 47,087 |
| 02 | | | | 0 |
| 03 | | | | 0 |
| 04 | | | | 0 |
| 05 | | | | 0 |
| 08 | | | | 0 |
| 09 | 941 | 12,965 | | 12,965 |
| 10 | | | | 0 |
| 11 | | | | 0 |
| 12 | | | | 0 |
| 15 | | | | 0 |
| 16 | 941 | 14,655 | | 14,655 |
| 17 | 941 | 18,426 | 11,060 | 29,486 |
| 18 | | | | 0 |
| 19 | | | | 0 |
| 22 | | | | 0 |
| 23 | 941 | 13,855 | | 13,855 |
| 24 | | | | 0 |
| 26 | 941 | 15,345 | | 15,345 |
| 29 | | | | 0 |
| 30 | | | | 0 |
| 31 | | | | 0 |
| | | ----- | ----- | ----- |
| TOTAL | | 111,338 | 22,055 | 133,393 |
| | | ===== | ===== | ===== |

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REUNION INDUSTRIES, INC. CASE NO. 07-50727 (AHWS)
 MONTHLY OPERATING REPORT - 4 page 3/3
 PA., ILLINOIS, INDIANA AND WISCONSIN WITHHOLDING TAX PAYMENTS
 DECEMBER 2008

| DATE PAID ---- | STATE ----- | HANNA ----- | HQ ----- | TOTAL ----- |
|----------------------|----------------|----------------|-------------|----------------|
| DECEMBER | | | | |
| 01 | PA | | 1,168 | 1,168 |
| 02 | IL | 3,383 | | 3,383 |
| 03 | | | | 0 |
| 04 | | | | 0 |
| 05 | | | | 0 |
| 08 | | | | 0 |
| 09 | | | | 0 |
| 10 | IL | 1,332 | | 1,332 |
| 11 | | | | 0 |
| 12 | | | | 0 |
| 15 | WI | 836 | | 836 |
| 16 | | | | 0 |
| 17 | IL | 1,473 | | 1,473 |
| 18 | PA | | 1,250 | 1,250 |
| 19 | IL, IN | 1,670 | 65 | 1,735 |
| 22 | | | | 0 |
| 23 | | | | 0 |
| 24 | IL | 1,401 | | 1,401 |
| 26 | | | | 0 |
| 29 | IL | 1,506 | | 1,506 |
| 30 | | | | 0 |
| 31 | WI | 848 | | 848 |

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| | | | |
|-------|--------|-------|--------|
| | ----- | ----- | ----- |
| TOTAL | 12,449 | 2,483 | 14,932 |
| | ===== | ===== | ===== |

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 5
ACCOUNTS RECEIVABLE AND TAXES AGING
AS OF DECEMBER 31, 2008

CASE NO. 07-50727 (AHWS)

(\$ Amounts in 000's)

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TRADE ACCOUNTS RECEIVABLE RECONCILIATION:

| | | |
|----------------------------------|-------|----------|
| ----- | | |
| Trade Receivables - beg of month | | \$ 2,461 |
| Plus: Invoiced during the month | 1,011 | |
| Less: Amounts collected | | (1,504) |
| Less: Credits/Adjustments | | (15) |
| | | ----- |
| Trade Receivables - end of month | | \$ 1,953 |
| | | ===== |

ACCOUNTS RECEIVABLE AGINGS:

| | | |
|-------------------------------------|--|----------|
| ----- | | |
| 0-30 | | \$ 974 |
| 31-60 | | 785 |
| 61-90 | | 107 |
| 91+ | | 87 |
| | | ----- |
| Total trade receivables | | 1,953 |
| Non-trade receivables | | 0 |
| Less: Reserve for bad debts | | (148) |
| | | ----- |
| Net Receivables - per balance sheet | | \$ 1,805 |
| | | ===== |

TAXES PAYABLE

| | | |
|---|-------|-----|
| ----- | | |
| Taxes from December payrolls - paid in Jan. | \$ 53 | |
| | | === |

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PAYMENTS TO INSIDERS and PROFESSIONALS and
 STATUS OF SECURED NOTES, LEASES AND ADEQUATE PROTECTION PAYMENTS
 DECEMBER 2008

Of the total disbursements shown on MOR-1, list the amount paid to insiders and to professionals. For payments to insiders, identify the type of compensation paid.

| NAME | TYPE OF PAYM'T | PAID THIS PERIOD AMOUNT | POST PETITION | TOTAL |
|-------------------------|-------------------|-------------------------------|------------------|-----------|
| INSIDERS: | | | | |
| Thomas N. Amonett | Director fees | \$ 1,500 | | \$ 19,500 |
| Charles E. Bradley | Director fees | \$ 9,833 | \$127,829 | |
| Thomas L. Cassidy | Director fees | \$ 1,500 | | \$ 19,500 |
| David E. Jackson | Director fees | \$ 1,500 | | \$ 19,500 |
| Joseph C. Lawyer | Director fees | \$ 4,625 | | \$ 60,125 |
| John G. Poole | Director fees | \$ 5,000 | \$ 65,000 | |
| Kimball J. Bradley, CEO | Salary | \$32,627 | \$424,151 | |
| John M. Froehlich, CFO | Salary | \$18,255 | \$237,315 | |
| Thomas J. Vogel, VP | Salary | \$ 9,350 | \$169,200 | |

PROFESSIONALS:

| | DATE OF COURT ORDER | AMOUNT APPROVED | PAID THIS PERIOD PAID TO AMOUNT | TOTAL AND DATE | INCURRED UNPAID | TOTAL |
|--------------------|---------------------------|--------------------|--|----------------------|--------------------|-------|
| Reid and Riege, PC | 11/28/07 | \$ 545,036 | \$ 168,458 | \$ 545,036 | \$75,592 | |

POST PETITION STATUS OF SECURED NOTES, LEASES AND ADEQUATE PROTECTION PAYMENTS:

| NAME OF CREDITOR | MONTHLY PAYM'TS DUE | MONTH | PAID DURING UNPAID | POST PETITION |
|--|---------------------------|-------|--------------------------|------------------|
| SECURED NOTES: (Principal in default) | | | | |
| ADEQUATE PROTECTION PAYMENTS: | | | | |
| U.S. Bank, as Trustee | \$ 0 | | \$ 0 | \$ 0 |
| LEASES | | | | |
| KWA Properties | \$ 70,198 | | \$ 70,198 | \$ 0 |
| IPC REIT - Stanwix Street Assoc | \$ 9,362 | | \$ 9,362 | \$ 0 |
| US Bancorp | \$ 2,890 | | \$ 2,890 | \$ 0 |

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REUNION INDUSTRIES, INC.
MONTHLY OPERATING REPORT - 7
DEBTOR QUESTIONNAIRE
DECEMBER 2008

CASE NO. 07-50727 (AHWS)

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.

| | YES | N |
|--|-----|-----|
| | --- | --- |
| 1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD? | | |
| 2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT THIS REPORTING PERIOD? | X | |
| 3. IS THE DEBTOR DELINQUENT IN THE TIMELY FILING OF ANY POST-PETITION TAX RETURNS? | | |
| 4. ARE WORKERS' COMPENSATION, GENERAL LIABILITY OR OTHER NECESSARY INSURANCE COVERAGES EXPIRED OR CANCELLED, OR HAS THE DEBTOR RECEIVED NOTICE OF EXPIRATION OR CANCELLATION OF SUCH POLICIES? | X | |
| 5. IS THE DEBTOR DELINQUENT IN PAYING ANY INSURANCE PREMIUM PAYMENT? | X | |
| 6. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD? | | |
| 7. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES? | | |
| 8. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE? | X | |
| 9. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE? | X | |
| 10. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE? | | |
| 11. ARE ANY OTHER POSTPETITION TAXES PAST DUE? | X | |
| 12. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD? | X | |
| 13. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT? | X | |
| 14. ARE ANY WAGE PAYMENTS PAST DUE? | | |
| 15. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY? | | |
| 16. IS THE DEBTOR DELINQUENT IN PAYING ANY U.S. TRUSTEE FEES? | X | |
| 17. IS THE DEBTOR DELINQUENT WITH ANY COURT ORDERED PAYMENTS TO ATTORNEYS OR OTHER PROFESSIONALS? | X | |
| 18. HAVE THE OWNERS OF SHAREHOLDERS RECEIVED ANY COMPENSATION OUTSIDE OF THE NORMAL COURSE OF BUSINESS? | X | |

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