

Edgar Filing: REUNION INDUSTRIES INC - Form 8-K

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 March 3, 2008 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: March 7, 2008

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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CASE NAME: REUNION INDUSTRIES, INC.
CASE NUMBER: 07-50727
JUDGE: A.H.W.SHIFF

ACCRUAL BASIS

UNITED STATES BANKRUPTCY COURT

DISTRICT OF CONNECTICUT

BRIDGEPORT DIVISION

MONTHLY OPERATING REPORT

MONTH ENDING: JANUARY 2008

MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I
DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING
MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND
THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE
DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER
(OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH
PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

\s\ JOHN M. FROEHLICH

CFO

ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

TITLE

JOHN M. FROEHLICH

FEB 28, 2008

PRINTED NAME OF RESPONSIBLE PARTY

DATE

PREPARER:

ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

TITLE

PRINTED NAME OF RESPONSIBLE PARTY

DATE

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 1
 COMPARITIVE BALANCE SHEET
 AS OF THE PERIODS SHOWN

CASE NO. 07-50727 (AHWS)

 (\$ amounts in thousands)

	26-Nov-07	31-Dec-07	31-Jan-08
	-----	-----	-----
ASSETS:			
Cash and Equivalents	\$ 754	\$ 1,121	\$ 455
Net Receivables	7,166	8,116	7,090
Net Inventory	12,369	12,101	13,517
Other Current Assets	3,029	2,624	1,726
	-----	-----	-----
Current	23,318	23,962	22,788
Net Property	6,300	6,262	6,232
Goodwill	10,994	10,994	10,994
CSV policies	2,200	2,194	2,194
Interest in China JV	3,009	3,046	3,110
	-----	-----	-----
Total	\$ 45,821	\$ 46,458	\$ 45,318
	=====	=====	=====
LIABILITIES & EQUITY:			
Current Maturities of Debt	\$ 0	\$ 0	\$ 0
Trade Payables	3,305	3,629	3,697
Accrued Income Taxes	0	11	11
Accrued Interest	544	562	579
Customer Deposits	4,424	3,337	3,094
Accrued Other	4,272	3,439	3,290
	-----	-----	-----
Current	12,545	10,978	10,671
Secured Debt and interest	53,418	55,840	54,494
Other Liabilities	3,101	3,133	2,768
	-----	-----	-----
Total Liabilities	69,064	69,951	67,933
Total Equity	(23,243)	(23,493)	(22,615)
	-----	-----	-----
Total	\$ 45,821	\$ 46,458	\$ 45,318
	=====	=====	=====

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 2
 INCOME STATEMENT
 FOR THE PERIODS INDICATED

CASE NO. 07-50727 (AHWS)

 (\$ amounts in thousands)

	Post Petition to 31-Dec-07 -----	Month of 31-Jan-08 -----
Net Sales	\$ 5,150	\$ 4,025
Cost of Sales:		
Standard Cost	3,569	2,928
Variances & Other	537	(103)
	-----	-----
Gross Profit	1,044	1,200
Operating Expenses:		
Marketing	128	113
General & Admin	478	346
	-----	-----
Operating Profit	438	741
Other Income (Expense)	3	(6)
Equity in China JV	37	64
Reorganization exp:		
Professional fees		(21)
U.S. Trustee fees		(8)
Other		
Adequate Protection Paym't Exp.	(100)	(100)
Interest Expense - excluding Adequate Protection Payments	(628)	(552)
	-----	-----
Profit before tax	(250)	118
Income Tax	0	0
	-----	-----
Net Income	\$ (250)	\$ 118
	=====	=====

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 3
 CASH RECEIPTS AND DISBURSEMENTS
 JANUARY 2008

CASE NO. 07-50727 (AHWS)

Cash - beginning of period excluding lock-boxes		\$ 509,238
Plus: DIP borrowings	3,300,000	
Less: Disbursements		
Net payroll		756,263
Payroll taxes	267,537	
Steel purchases - CPI	455,865	
Other operating		1,224,713
Reorganization:		
Professional fees		20,792
U.S. Trustee fees		8,000
Adequate Protection Payments	100,194	

	Total	2,833,364
Less: Outstanding checks	520,696	

Cash - end of period	\$ 455,178	
		=====

NOTE:

Cash above does not include amounts in the lock-box accounts for CPI and Hanna as these lock-box receipts are sent directly to Wachovia Bank under the DIP financing facility.

MEMO ONLY ITEMS:

Cash Receipts-book:

Receivable collections	\$ 4,879,010
Non-receivable receipts	7,783
Receipts transferred to DIP bank	(5,176,706)

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MEMO ONLY: Net activity \$ (289,913)
=====

DIP bank interest/fees charged directly \$ 185,652
=====

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REUNION INDUSTRIES, INC.
ACCRUAL BASIS - 4
AGINGS OF RECEIVABLES/PAYABLES AND TAX STATUS
AS OF THE DATES SHOWN

CASE NO. 07-50727 (AHWS)

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	Schedule Amount -----	As of 31-Dec-07 -----	As of 31-Jan-08 -----
ACCOUNTS RECEIVABLE AGINGS:			
0-30	\$3,378,574	\$3,984,065	\$3,771,008
31-60	2,215,452	2,536,228	2,136,804
61-90	1,059,536	1,125,731	973,966
91+	525,978	536,881	281,905
	-----	-----	-----
Total	7,179,540	8,182,905	7,163,683
Est. uncollectible	(101,000)	(101,000)	(115,000)
	-----	-----	-----
Receivables-net	7,078,540	\$8,081,905	\$7,048,683
	=====	=====	=====

	As of 31-Jan-08 -----
ACCOUNTS PAYABLE:	
0-30	\$ 773,935
31-60	328,689
61-90	970,784
91+	1,623,399

Total	\$3,696,807
	=====

Beg Liability Accrued Paid End Liability

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NON-PAYROLL TAXES:

Sales		\$ 0		\$ 0
Excise	\$ 0		\$ 0	
Real Property	\$ 0		\$ 0	
Personal Property		\$ 0		\$ 0

PAYROLL TAXES - See attached pages

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REUNION INDUSTRIES, INC.

CASE NO. 07-50727 (AHWS)

ACCRUAL BASIS - 4

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FIT/FICA TAX PAYMENTS and FUTA 940 TAX PAYMENTS

JANUARY 2008

DATE PAID	REFERENCE NUMBER	CPI	HANNA	CPI MGT	HANNA MGT	HQ	TOTAL
Jan							
02						0.00	
03							0.00
04							0.00
07							0.00
08	94100378339	4,504.26	16,405.42			20,909.68	
09							0.00
10	94100599911	53,053.97					53,053.97
11							0.00
14							0.00
15	94100878206		17,292.39				17,292.39
16							0.00
17	94100697915			13,185.37	18,730.21	20,076.98	51,992.56
18							0.00
21							0.00
22							0.00
23	94100496159	4,085.12	19,550.58				23,635.70
24	94100920121	43,774.33				43,774.33	
25							0.00
28							0.00
29	94100712784		19,346.81				19,346.81
30							0.00
31	94000407465	54.27	559.08				613.35
TOTAL		105,471.95	73,154.28	13,185.37	18,730.21	20,076.98	230,618.79

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REUNION INDUSTRIES, INC.

CASE NO. 07-50727 (AHWS)

ACCRUAL BASIS - 4

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PENNSYLVANIA, NORTH CAROLINA AND OHIO WITHHOLDING TAX

JANUARY 2008

DATE PAID	REFERENCE NUMBER	CPI	HANNA	CPI MGT	HANNA MGT	HQ	TOTAL
Jan							
02							0.00
03							0.00
04	PA 46849	5,542.29		2,369.34		4,867.22	12,778.85
07							0.00
08							0.00
09							0.00
10							0.00
11							0.00
14							0.00
15							0.00
16							0.00

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17						0.00
18	PA 62420	6,007.70		1,374.26		1,644.38 9,026.34
21						0.00
22						0.00
23						0.00
24						0.00
25						0.00
28						0.00
29						0.00
30						0.00
31						0.00
		-----	-----	-----	-----	-----
TOTAL		11,549.99	0.00	3,743.60	0.00	6,511.60 21,805.19
		=====	=====	=====	=====	=====

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JANUARY 2008

DATE PAID	REFERENCE NUMBER	CPI	HANNA	CPI MGT	HANNA MGT	HQ	TOTAL
Jan							
02							0.00
03	IL 46487		1,981.13		1,662.59	450.61	4,094.33
04							0.00
07							0.00
08							0.00
09	IL 44462		466.48				466.48
10	IL 90739		1,596.55				1,596.55
11							0.00
14							0.00
15	WI 00303544588		517.82		539.36		1,057.18
16	IL 92269		1,233.50				1,233.50
17	IN 46697					68.54	68.54
18	IL 61983				1,630.08		1,630.08
21							0.00
22							0.00
23	IL 70502		1,899.72				1,899.72
24							0.00
25							0.00
28							0.00
29							0.00
30	IL 32615		1,889.49				1,889.49
31	WI 01603572460		753.31		423.38		1,176.69
TOTAL		0.00	10,338.00	0.00	4,255.41	519.15	15,112.56

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REUNION INDUSTRIES, INC.
ACCRUAL BASIS - 5

CASE NO. 07-50727(AHWS)

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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax account, as well as all savings and investment accounts, money market accounts, certificate of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

BANK RECONCILIATIONS

MONTH: JANUARY 2008

	Account #1	Account #2	Account #3	TOTAL
A. BANK	PNC BANK-----			
B. ACCOUNT NUMBER	2161326	2184149	2880718	
C. PURPOSE (TYPE)	OPERATING	PAYROLL	HEALTHCARE	
1. BALANCE PER BANK STATEMENT	\$ 40,017	\$ 0	\$ 43,465	
2. ADD: TOTAL DEPOSITS NOT CREDITED	-	-	-	
3. SUBTRACT: OUTSTANDING CHECKS 70,924		- 43,465		
4. OTHER RECONCILING ITEMS 179,806		-	-	
5. MONTH END BALANCE PER BOOKS \$148,899	\$ 0	\$ 0	\$148,899	
6. NUMBER OF LAST CHECK WRITTEN 30280				

INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7. PNC - 2161326	VAR	OVERNIGHT MONEY MARKET	\$179,806	\$ 179,806
8.				
9.				
10.				
11. TOTAL INVESTMENT				\$ 179,806

CASH

12. CURRENCY ON HAND	\$ 20
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13. TOTAL CASH END OF MONTH

\$ 455,37

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 5

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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax account, as well as all savings and investment accounts, money market accounts, certificate of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

BANK RECONCILIATIONS

MONTH: JANUARY 2008

	Account #1	Account #2	Account #3	TOTAL
A. BANK	PNC	PNC	PNC	
B. ACCOUNT NUMBER	10382890	1011567058	1896806	
C. PURPOSE (TYPE)	PENSION	PENSION	WORK FUND	
1. BALANCE PER BANK STATEMENT	\$ 1,163	\$ 0	\$ 6,488	
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS	1,163		6,488	
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS	\$ 0	\$ 0	\$ 0	\$ 0
6. NUMBER OF LAST CHECK WRITTEN				

INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
-----	-----	-----	-----	-----

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- 7.
- 8.
- 9.
- 10.
- 11. TOTAL INVESTMENT

CASH

- 12. CURRENCY ON HAND
- 13. TOTAL CASH END OF MONTH

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 5

CASE NO. 07-50727 (AHWS)

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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax account, as well as all savings and investment accounts, money market accounts, certificate of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

BANK RECONCILIATIONS

MONTH: JANUARY 2008

	Account #1	Account #2	Account #3	TOTAL
A. BANK	PNC	PNC	PNC	
B. ACCOUNT NUMBER	1898000	1904706	1910807	
C. PURPOSE (TYPE)	CPI-OP	CPI-PAY	CPI-PEN	
1. BALANCE PER BANK STATEMENT	\$ 0	\$ 0	\$ 4,665	
2. ADD: TOTAL DEPOSITS NOT CREDITED				

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3. SUBTRACT: OUTSTANDING CHECKS	0		0		4,665		
4. OTHER RECONCILING ITEMS							
5. MONTH END BALANCE PER BOOKS	\$ 0	\$	0	\$	0	\$	0
6. NUMBER OF LAST CHECK WRITTEN	25673						

INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER -----	DATE OF PURCHASE -----	TYPE OF INSTRUMENT -----	PURCHASE PRICE -----	CURRENT VALUE -----
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENT				

CASH

12. CURRENCY ON HAND

13. TOTAL CASH END OF MONTH

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REUNION INDUSTRIES, INC.
ACCRUAL BASIS - 5

CASE NO. 07-50727 (AHWS)

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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax account, as well as all savings and investment accounts, money market accounts, certificate of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

BANK RECONCILIATIONS

MONTH: JANUARY 2008

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	Account #1	Account #2	Account #3	TOTAL
A. BANK	PNC	FIFTH THIRD		
B. ACCOUNT NUMBER	1914007	7512940417	1055011	
C. PURPOSE (TYPE)	LOCK-BOX	DISBURSING	LOCK-BOX	
1. BALANCE PER BANK STATEMENT	\$ 258,088	\$ 393,991	\$ 48,191	
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS		393,991		
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS	\$ 258,088	\$ 0	\$ 48,191	\$ 306,279
6. NUMBER OF LAST CHECK WRITTEN		108201		

INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENT				

CASH

- 12. CURRENCY ON HAND
- 13. TOTAL CASH END OF MONTH

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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax account, as well as all savings and investment accounts, money market accounts, certificate of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

BANK RECONCILIATIONS	MONTH:	JANUARY 2008		

	Account #1	Account #2	Account #3	

A. BANK	FIFTH THIRD			
B. ACCOUNT NUMBER	1065629			
C. PURPOSE (TYPE)	PAYROLL			TOTAL

1. BALANCE PER BANK STATEMENT	\$	0		
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS				
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS	\$	0		
6. NUMBER OF LAST CHECK WRITTEN				

INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
-----	-----	-----	-----	-----
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENT				

CASH

12. CURRENCY ON HAND

13. TOTAL CASH END OF MONTH

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 6
 PAYMENTS TO INSIDERS and PROFESSIONALS
 JANUARY 2008

CASE NO. 07-50727 (AHWS)

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NAME	TYPE OF PAYM'T	PERIOD AMOUNT	PAID THIS	POST PETITION	TOTAL
INSIDERS:					
Thomas N. Amonett	Director fees	\$ 1,500		\$ 3,000	
Thomas L. Cassidy	Director fees	\$ 1,500		\$ 3,000	
David E. Jackson	Director fees	\$ 1,500		\$ 3,000	
Joseph C. Lawyer	Director fees	\$ 4,625		\$ 9,250	
John G. Poole	Director fees	\$ 5,000	\$10,000		
Kimball J. Bradley, CEO	Salary	\$32,627	\$65,254		
John M. Froehlich, CFO	Salary	\$18,255	\$36,510		
Thomas J. Vogel, VP	Salary	\$ 9,350	\$18,700		

	DATE OF COURT ORDER	AMOUNT APPROVED	PERIOD	PAID THIS PERIOD PAID TO AMOUNT	TOTAL AND DATE	INCURRED UNPAID	TOTAL
PROFESSIONALS:							
Lincoln International	1/24/08	\$20,792		\$20,792	\$20,792		
Reid and Riege, PC	11/28/07					\$106,694	

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REUNION INDUSTRIES, INC.
 ACCRUAL BASIS - 6
 POST PETITION STATUS OF SECURED NOTES
 LEASES AND ADEQUATE PROTECTION PAYMENTS
 JANUARY 2008

CASE NO. 07-50727 (AHWS)

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NAME OF CREDITOR	MONTHLY INTEREST PAYM'TS		PAID INTEREST DURING	POST PETITION
	DUE	MONTH	UNPAID	INTEREST
SECURED NOTES: (Principal in default)				
ADEQUATE PROTECTION PAYMENTS:				
Steel Partners	\$ 39,181		\$ 39,181	\$ 0
Paradigm Capital	\$ 11,031		\$ 11,031	\$ 0
U.S. Bank, as Trustee	\$745,527		\$ 50,000	\$645,527

LEASES	MONTHLY PAYM'TS		PAID DURING	POST PETITION
	DUE	MONTH	UNPAID	
KWA Properties		\$ 70,198	\$ 70,198	\$ 0
IPC REIT - Stanwix Street Assoc	\$ 9,362		\$ 9,362	\$ 0
US Bancorp		\$ 2,890	\$ 2,890	\$ 0
Total Equipment Co		\$ 3,197	\$ 3,197	\$ 0
Hyster Capital		\$ 2,043	\$ 2,043	\$ 0
Equipco		\$ 1,494	\$ 1,494	\$ 0

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REUNION INDUSTRIES, INC.
ACCUAL BASIS - 7

CASE NO. 07-50727 (AHWS)

QUESTIONNAIRE

- | | 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- | | |
| 3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES- | | |
| 4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD- | | |
| 5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BYU THE DEBTOR FROM ANY PARTY? | X | |
| 6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE? | | X |
| 7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE? | | X |
| 8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE? | | |
| 9. ARE ANY OTHER POSTPETITION TAXES PAST DUE? | | X |
| 10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT? | | X |
| 11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD? | | X |
| 12. ARE ANY WAGE PAYMENTS PAST DUE? | | |

IF THE ANSWER TO ANY OF TH EABOVE QUESTIONS IS "YES" PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

5. Loans from Wachovia Bank re: DIP Financing

INSURANCE

- | | YES | N |
|--|-----|-----|
| | --- | --- |
| 1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT? | X | |

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2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?
 3. PLEASE ITEMIZE POLICIES BELOW. SEE PAGE 2

X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO" OR IF ANY POLICIES HAVE BEEN CANCELED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEET IF NECESSARY.

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
-----	-----	-----	-----
SEE PAGE 2-----			

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REUNION INDUSTRIES, INC.
 ADDENDUM TO ACCRUAL BASIS - 7
 ITEMIZED INSURANCE POLICIES

CASE NO. 07-50727 (AHWS)
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CARRIER	COVERAGE	PERIOD COVERED
Lexington Insurance	Property/Machinery Breakdown	April 2007-March
Liberty Surplus Insurance Corp	General Liability	April 2007-March 2008
American Intern'l Specialty Insurance Co. of PA	Umbrella Liability	April 2007-March
National Union Fire Insurance	Kidnap,Ransom/-Extortion	April 2007-March
American Home Assurance Co	Crime	April 2007-March
American Home Assurance Co	Workers' Compensation	April 2007-March
National Union Fire Insurance	D&O Liability	July 2007-June

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PAYMENTS - all current:

For April thru March Policies:

Down payment made and balance financed with Westfield Bank
Nine Installments payments - May 2007 thru Jan 2008

For D&O policy:

Down payment made and balance financed with Westfield Bank
Nine Installments payments - July 2007 thru March 2008

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19293.000/451396.1