

MID-STATES SUPPLY  
SUPPLEMENTAL DIP BUDGET

<i>Week number</i> <i>Week-ending date</i>	Beg. Balance 3/28 Projected	1 4/3 Projected	2 4/10 Projected	3 4/17 Projected	Accrued and Unpaid	3 Weeks Ending 4/17
<b>Gross sales</b>		<b>1,558,013</b>	<b>1,487,546</b>	<b>1,372,508</b>	-	<b>4,418,066</b>
Customer Collections		1,329,035	1,386,143	1,693,881	-	4,409,059
Other Collections		-	-	-	-	-
<b>TOTAL COLLECTIONS</b>		<b>1,329,035</b>	<b>1,386,143</b>	<b>1,693,881</b>	-	<b>4,409,059</b>
<b>Operating disbursements</b>						
Payroll and taxes		671,106	67,442	596,106	168,000	1,502,655
Benefits and health insurance		187,910	68,884	166,910	450,000	873,703
Sales commissions		-	117,615	-	74,337	191,953
Inventory vendors		511,255	454,585	381,792	-	1,347,631
Freight in, freight out, duty and trucking		77,901	74,377	68,625	-	220,903
Maintenance and repairs		6,000	6,000	6,000	-	18,000
Supplies and services		17,000	17,000	17,000	-	51,000
Travel and entertainment		40,000	40,000	40,000	-	120,000
Marketing - advertising and promotion		-	-	-	-	-
Rent		163,671	-	-	-	163,671
Utilities		25,000	25,000	25,000	-	75,000
Insurance and taxes		-	-	165,000	90,000	255,000
Automobile leases and expenses		25,000	25,200	28,300	-	78,500
Equipment leases		40,000	20,000	5,000	-	65,000
Professional fees, ongoing		-	-	-	-	-
Other accounts payable		-	-	-	-	-
<b>TOTAL OPERATING DISBURSEMENTS</b>		<b>1,764,843</b>	<b>916,103</b>	<b>1,499,733</b>	<b>782,337</b>	<b>4,963,016</b>
<b>OPERATING CASH-FLOW (DEFICIT)</b>		<b>\$ (435,808)</b>	<b>\$ 470,040</b>	<b>\$ 194,147</b>	<b>\$ (782,337)</b>	<b>\$ (553,958)</b>
<i>Cumulative Operating Cash-Flow (Deficit)</i>		<i>\$ (435,808)</i>	<i>\$ 34,232</i>	<i>\$ 228,380</i>		
<b>Other disbursements</b>						
Capital acquisitions / (disposals)		-	-	-	-	-
Bank fees		-	-	-	-	-
Debt payments						
Principal and interest, term loans		18,455	-	-	9,228	27,683
Interest, line of credit		59,281	-	-	29,641	88,922
Severance Costs		-	-	-	-	-
Automobile interest		-	-	-	-	-
All other (sources) / uses		-	-	-	-	-
<b>TOTAL OTHER DISBURSEMENTS</b>		<b>77,736</b>	<b>-</b>	<b>-</b>	<b>38,868</b>	<b>116,604</b>
<b>Bankruptcy-related disbursements</b>						
Fees, DIP loan		-	-	-	-	-
Professional fees, incremental		130,000	130,000	235,000	515,000	1,010,000
Transaction Fees		-	-	-	-	-
Vendor Deposits		-	-	-	-	-
Priority Claims		-	-	-	-	-
KEIP		-	-	-	-	-
Security		11,500	-	-	-	11,500
All other (sources) / uses <sup>1</sup>		-	-	-	450,000	450,000
<b>TOTAL BANKRUPTCY RELATED DISBURSEMENTS</b>		<b>141,500</b>	<b>130,000</b>	<b>235,000</b>	<b>965,000</b>	<b>1,471,500</b>
<b>TOTAL DISBURSEMENTS</b>		<b>1,984,079</b>	<b>1,046,103</b>	<b>1,734,733</b>	<b>1,786,206</b>	<b>6,551,121</b>
<b>NET CASH-FLOW (DEFICIT)</b>		<b>\$ (655,044)</b>	<b>\$ 340,040</b>	<b>\$ (40,853)</b>	<b>\$ (1,786,206)</b>	<b>\$ (2,142,062)</b>
<i>Cumulative Net Cash Flow (Deficit)</i>		<i>\$ (655,044)</i>	<i>\$ (315,004)</i>	<i>\$ (355,856)</i>		

<i>Week number</i> <i>Week-ending date</i>	Beg. Balance 3/28	1 4/3	2 4/10	3 4/17	Accrued and Unpaid	3 Weeks Ending 4/17
	Projected	Projected	Projected	Projected		
<b>Line of credit - Pre filing</b>						
Beginning balance		8,687,302	7,358,267	5,972,124	4,278,243	8,687,302
Advances						-
Repayments		(1,329,035)	(1,386,143)	(1,693,881)	-	(4,409,059)
<b>Ending balance</b>	<b>8,687,302</b>	<b>7,358,267</b>	<b>5,972,124</b>	<b>4,278,243</b>	<b>4,278,243</b>	<b>4,278,243</b>
<b>DIP Rollforward</b>						
Beginning balance		(11,515,077)	(13,499,156)	(14,545,259)	(16,279,993)	(14,545,259)
Collections					-	-
Total Disbursements		(1,984,079)	(1,046,103)	(1,734,733)	(1,786,206)	(6,551,121)
<b>Ending balance</b>	<b>(11,515,077)</b>	<b>(13,499,156)</b>	<b>(14,545,259)</b>	<b>(16,279,993)</b>	<b>(18,066,198)</b>	<b>(21,096,380)</b>
<b>Availability</b>						
Lender Block on Availability / Carve Out	1,565,000	1,565,000	1,565,000	1,565,000		1,565,000
Borrowing base	21,641,248	21,507,291	21,263,011	20,612,702	20,612,702	20,612,702
Less: Line of credit	(8,687,302)	(7,358,267)	(5,972,124)	(4,278,243)	(4,278,243)	(4,278,243)
Less: DIP Rollforward	(11,515,077)	(13,499,156)	(14,545,259)	(16,279,993)	(18,066,198)	(18,066,198)
Total RLOC & DIP	(20,202,379)	(20,857,423)	(20,517,383)	(20,558,236)	(22,344,441)	(22,344,441)
<b>Cash Surplus / (Shortfall)</b>	<b>\$ 1,438,869</b>	<b>\$ 649,867</b>	<b>\$ 745,628</b>	<b>\$ 54,467</b>	<b>\$ (1,731,739)</b>	<b>\$ (1,731,739)</b>
<b>Working-capital accounts</b>						
Accounts receivable	11,591,232	11,820,210	11,921,612	11,600,240		11,600,240
Inventory	67,897,074	67,360,579	66,820,907	66,280,772		66,280,772
Total Collateral	79,488,307	79,180,789	78,742,519	77,881,012		77,881,012

**NOTES**

1. The All Sources and Uses line includes the estimated wind-down costs to the estate in the accrued and unpaid column. Fees for 503(b)(9) claims, secured creditors fees, investment banker fees are not included in this Budget.
2. All Debtor and Committee Counsel fees and expenses are estimates and will be paid pursuant to Bankruptcy Court Order.