

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

**Caption in Compliance with D.N.J. LBR 9004-2(c)**

**PAUL GAUER ATTORNEY  
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**Attorney for Debtor**

**In Re:**

**QUANTEX LABORATORIES, INC**

**Debtor**

**Case No: 17-22754**

**Chapter 11-Small Business**

**Judge: Michael 8. Kaplan**

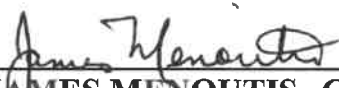
**Supplementary affirmation of  
James Menoutis for cash  
Collateral Application**

**James Menoutis affirms that:**

1. Attached is a projected budget for Quantex Laboratories Inc. which reflects the needs of the company for cash collateral and its ability to pay.

I affirm that the foregoing statements made by me are true. I am aware that if any of the statements made by me are willfully false, I am subject to punishment

**Date:** August 10, 2017

  
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**JAMES MENOUTIS, CEO**

In re: **Quantex Laboratories, Inc.**

Case No. \_\_\_\_\_

**BUDGET FOR THE 12 MONTH PERIOD JUNE 23, 2017 through June 30, 2018**

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTAL
<b>Cash beginning of Month</b>	16,554.00	10,396.41	10,357.28	52,235.07	40,313.86	25,717.47	-4,633.92	20,042.22	21,736.13	16,655.05	22,590.60	30,723.52	534,969.55
<b>RECEIPTS</b>													
CASH SALES	8,500.00												8,500.00
ACCOUNTS RECEIVABLE	64,795.00	78,000.00	78,000.00	70,000.00	65,000.00	48,000.00	79,000.00	81,000.00	81,000.00	81,000.00	81,000.00	81,000.00	887,795.00
SALE OF ASSETS (1)			50,000.00				30,000.00						80,000.00
OTHER													
<b>TOTAL RECEIPTS</b>	<b>73,295.00</b>	<b>78,000.00</b>	<b>128,000.00</b>	<b>70,000.00</b>	<b>65,000.00</b>	<b>48,000.00</b>	<b>109,000.00</b>	<b>81,000.00</b>	<b>81,000.00</b>	<b>95,000.00</b>	<b>90,000.00</b>	<b>90,000.00</b>	<b>998,295.00</b>
<b>EXPENSES/DISBURSEMENTS</b>													
NET PAYROLL (2)	31,564.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	32,738.00	391,682.00
PAYROLL TAXES	8,377.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	5,874.00	72,993.00
Employer Withholding (3)	3,069.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	2,563.00	31,162.00
SALES USE AND OTHER TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory Purchases	250.00	175.14	175.14	157.28	146.95	107.78	177.39	181.88	181.88	181.88	181.88	181.88	2,097.98
Lab Supplies-General	256.00	693.37	945.57	568.41	1,112.81	869.76	957.49	981.73	657.73	657.73	981.73	657.73	8,799.83
Lab Supplies - Gases	961.00	578.25	1046.25	998.54	871.87	643.84	1059.86	1086.49	1086.49	1086.49	1086.49	1086.49	11,137.25
Lab Supplies - Chemicals	291.00	552.29	630.29	565.64	525.24	387.87	638.37	654.53	654.53	654.53	654.53	654.53	8,663.33
Securities/Rental/Leases													
Office/Lease Rent (4)	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	9,201.33	110,113.96
Sun	4500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	76,000.00
Direct	1980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00	23,766.00
RAI	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	1575.00	18,921.00
COPIER	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	121.00	1,452.00
INSURANCE													
BUSINESS V/COMP	2,600.00	938.00	938.00	938.00	938.00	938.00	938.00	938.00	938.00	938.00	938.00	938.00	13,642.00
MEDICAL/DENTAL	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	6,109.00	73,308.00
Administrative & Supplies													
Janitorial	454.93	454.93	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	3,208.86
Pest Control	83.36	0.00	0.00	83.36	0.00	0.00	83.36	0.00	0.00	83.36	0.00	0.00	333.44
Postage	137.00	156.05	156.05	144.05	130.04	94.03	158.05	162.05	162.05	162.05	162.05	162.05	1,783.56
Office supplies	160.00	315.62	315.62	283.25	263.02	194.23	319.67	327.76	327.76	327.76	327.76	327.76	3,490.23
Payroll Service Expenses	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	2,880.00
Marketing/Website	379.95	379.95	379.95	379.95	379.95	379.95	379.95	379.95	379.95	379.95	379.95	379.95	4,559.40
Utilities (5)	2,000.00	2,136.19	2,136.19	1,917.09	1,780.16	1,314.58	2,163.57	2,118.35	2,118.35	2,118.35	2,118.35	2,118.35	24,399.50
Phone/IT	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	7,704.00
Software Licenses (6)	926.02	926.02	926.02	926.02	926.02	926.02	926.02	926.02	926.02	926.02	926.02	926.02	11,113.24
Professional Fees (7)	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00	55,000.00
US Trustee Fees	325.00	0	0	0	0	0	0	0	0	0	0	0	8,125.00
Court Costs	0	0.00	3,500.00	0	0	0	0	0	0	0	0	0	17,500.00
<b>TOTAL DISBURSEMENTS</b>	<b>79,452.59</b>	<b>78,039.13</b>	<b>86,122.20</b>	<b>77,321.21</b>	<b>83,596.39</b>	<b>78,351.39</b>	<b>84,374.86</b>	<b>79,105.09</b>	<b>86,081.09</b>	<b>79,064.45</b>	<b>81,867.09</b>	<b>82,593.09</b>	<b>976,718.57</b>
<b>NET CASH FLOW FROM RECEIPTS</b>	<b>-6,157.59</b>	<b>-39.13</b>	<b>41,677.80</b>	<b>-7,921.21</b>	<b>-18,596.39</b>	<b>-30,351.39</b>	<b>24,675.14</b>	<b>1,694.91</b>	<b>-5,081.09</b>	<b>5,935.55</b>	<b>8,132.91</b>	<b>7,406.91</b>	<b>21,576.43</b>
<b>Cash At End of Month</b>	<b>10,396.41</b>	<b>10,357.28</b>	<b>52,235.07</b>	<b>44,313.86</b>	<b>25,717.47</b>	<b>-4,633.92</b>	<b>20,042.22</b>	<b>21,736.13</b>	<b>16,655.05</b>	<b>22,590.60</b>	<b>30,723.52</b>	<b>38,130.43</b>	

Notes

1. Assumes sale of assets (lab equipment) not in use. Portion of sale used for litigation expenses against carriers for Sandy claims.
2. Employees out on disability. One returning mid month July, other returning beginning of August.
3. Employees withholdings include employee contribution to medical/dental benefits
4. Assumes reduction of space down to 4,000sq ft from 22,282 sq ft as most lab & office space not used currently. 4. Software licensing includes lab software required for compliance with USFDA 21CFR Part 11, 211 and 820
5. Utilities cost varies based upon estimated usage of equipment
6. Monthly payment for software licenses (LIMS & MS Office365). Needed for compliance with FDA electronic records
7. Professional fees include fees for Special Counsel handling Sandy litigation claims against carriers