

# SAMPLE CO, Inc.

## STATUS REPORT

For the Period April 29, 2000 to May 5, 2000

### Current Period Issues (through May 5, 2000):

1. Cash has ranged from \$3,252M to \$2,958M this week.
2. The Appellate Judge issued a ruling on the ABC Supply and Marketing contracts sending the issue back to the Bankruptcy Judge. The central issue is whether or not ABC may cancel the contracts and whether the contracts are an accommodation necessary to financially sustain SAMPLE. The final outcome is unclear. Nonetheless, we have contacted an alternate firm, DEF, to provide marketing services. Through counsel, we believe that if ABC is given the ability to cancel the contracts, we will not owe the bulk of the current liability carried on our books, \$X,XXX,000. This issue is scheduled to begin hearing on July 26, 2000.
3. We have requested additional operational funding of \$XXX,000. This amount is tied to available funds currently held by the Chapter 11 Trustee Bank GHI.
4. We are continuing our forensic study of the XYZ contract to determine whether any breach of duty claims may exist.