

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

PROOF OF CLAIM



620978

Bar Date Ref # 2-NVM-87560

In re _____ Case Number _____

NOTE This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor and Address

Salem Technologies Inc
2580 Salem Pt Court
Winston-salem NC 27103

0354653620978

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check box if you have never received any notices from the bankruptcy court in this case.

Check box if this address differs from the address on the envelope sent to you by the court.

If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.

Creditor Telephone Number (336) 777-3652

CREDITOR TAX ID #
56-1663367

ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR
See Attached

Check here replaces or amends a previously filed claim dated _____

1 BASIS FOR CLAIM
 Goods sold Personal injury/wrongful death Retiree benefits as defined in 11 U.S.C. § 1114(a)
 Services performed Taxes Wages, salaries, and compensation (Fill out below)
 Money loaned Other (describe briefly) Your social security number _____
 Unpaid compensation for services performed from _____ to _____
 (date) (date)

2 DATE DEBT WAS INCURRED _____ **3 IF COURT JUDGMENT, DATE OBTAINED** _____

4 TOTAL AMOUNT OF CLAIM AS OF PETITION DATE \$ 7,476.14 (unsecured) \$ (secured) \$ (unsecured priority) \$ 7,476.14 (total)

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.
 Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5 SECURED CLAIM
 Check this box if your claim is secured by collateral (including a right of setoff).
 Brief description of collateral:
 Real Estate _____
 Motor Vehicle _____
 Other _____
 Value of collateral \$ _____
 Amount of arrearage and other charges at time case filed included in secured claim above, if any \$ _____

6 UNSECURED PRIORITY CLAIM
 Check this box if you have an unsecured priority claim.
 Specify the priority of the claim:
 Wages, salaries, or commissions (up to \$4,650) earned within 90 days before filing of the bankruptcy petition or cessation of the Debtor's business, whichever is earlier. 11 U.S.C. § 507(a)(3)
 Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(4)
 Up to \$2,100 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(6)
 Alimony, maintenance, or support owed to a spouse, former spouse, or child. 11 U.S.C. § 507(a)(7)
 Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8)
 Other: Specify applicable paragraph of 11 U.S.C. § 507(a).
 Amounts are subject to adjustment on 4/1/01 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7 CREDITS The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8 SUPPORTING DOCUMENTS Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS if the documents are not available. Explain. If the documents are voluminous, attach a summary.

9 DATE-STAMPED COPY To receive an acknowledgment of your claim, please enclose a self-addressed stamped envelope and an additional copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is received on or before 4:00 p.m., September 15, 2003, Pacific Daylight Time.

BY MAIL TO: Bankruptcy Management Corporation, P.O. BOX 900, El Segundo, CA 90245-0900

BY HAND OR OVERNIGHT DELIVERY TO: Bankruptcy Management Corporation, 1330 East Franklin Avenue, El Segundo, CA 90245

THIS SPACE FOR COURT USE ONLY
FILED
 SEP 08 2003
 Filing Companies' Claim
 08520

DATE SIGNED: 8-26-2003
 SIGN and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): Robert C. Frazier / CFO

Penalty for presenting fraudulent claim is a fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 AND 3571

See Other Side For Instructions

S A L E M T E C H N O L O G I E S, I N C.

STATEMENT

STATEMENT NO. 13465 REFLECTS PAYMENTS RECEIVED THROUGH 08/20/2003

TO.

FLEMING - KENTUCKY DIVISION
ACCOUNTS PAYABLE DEPARTMENT
P.O. BOX 4609
LEITCHFIELD, KY 42754

C-NO. G1PT10564

Table with 6 columns: INVOICE, DATED, CUSTOMER PO, ITEM, AMOUNT, AGE (DAYS). Rows include invoice numbers 22997, 23060, 23091, 4446444, and 4446472 with their respective dates, customer PO numbers, item counts, amounts, and ages.

TOTAL..... \$\$\$\$7,476.14

SUMMARY:

Summary table with 4 columns: TOTAL, 0->30, 31->60, >60. Values: 7,476.14, 0.00, 0 00, 7,476 14

* INDICATES MULTIPLE ITEM INVOICE
REFERENCE THE INVOICE NO. OR THE STATEMENT NO. ON ALL CORRESPONDENCE

REMIT TO

SALEM TECHNOLOGIES, INC.
ACCOUNTS RECEIVABLE DEPARTMENT
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103

TEL 336-777-3652, FAX 336-777-3654

S A L E M T E C H N O L O G I E S I N C O R P O R A T E D
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103
TEL. (336) 777-3652 FAX. (336) 777-3654

=====

I N V O I C E N O . : 22997

=====

(CUSTOMER NO. 10564)

DATE: March 07, 2003

FLEMING - KENTUCKY DIVISION
ACCOUNTS PAYABLE DEPARTMENT
P.O. BOX 4609
LEITCHFIELD, KY 42754

SHIPPED TO:

FLEMING - KENTUCKY DIVISION
1055 SALT RIVER ROAD
LEITCHFIELD, KY 42755
ATTN: TONYA HENNING

=====

PO NUMBER: 022803-TONYA ITEM NO.: 1
PO DATE: February 28, 2003
DATE SHIPPED: March 06, 2003
PACKING SLIP NO: 20624
CARRIER: UPS
SHIPPER NO:

=====

QUANTITY	UNITS	DESCRIPTION
275000	PCS	TAB, PLASTIC CLR-7.5 X 1 3/4 /250 (W = W = 1 7/32 IN.) C-1243

UNIT PRICE: 0.003470
TOTAL PRICE: 954.25

SALES TAX: 0.00
SHIPPING CHARGES. 60.01

INVOICE TOTAL: \$\$\$\$1,014.26

TERMS: NET 30 DAYS. PLEASE PAY ON TIME AND AVOID LATE PAYMENT CHARGES
PAST DUE BALANCES ARE SUBJECT TO A FINANCE CHARGE OF 1-1/2% PER MONTH.

MAKE PAYMENT TO: SALEM TECHNOLOGIES, INC.
ACCOUNTS RECEIVABLE DEPARTMENT
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103

BILLED MAR - 7 2003

S A L E M T E C H N O L O G I E S I N C O R P O R A T E D
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103
TEL. (336) 777-3652 FAX. (336) 777-3654

=====

I N V O I C E N O . : 23060

=====

(CUSTOMER NO. 10564)

DATE: March 22, 2003

FLEMING - KENTUCKY DIVISION
ACCOUNTS PAYABLE DEPARTMENT
P.O. BOX 4609
LEITCHFIELD, KY 42754

SHIPPED TO:

FLEMING - KENTUCKY DIVISION
1055 SALT RIVER ROAD
LEITCHFIELD, KY 42755
ATTN: TONYA HENNING

=====

PO NUMBER: 031803-TONYA ITEM NO.: 1
PO DATE: March 18, 2003
DATE SHIPPED: March 21, 2003
PACKING SLIP NO: 20687
CARRIER: UPS
SHIPPER NO:

=====

QUANTITY	UNITS	DESCRIPTION
-----	-----	-----
375000	PCS	TAB, PLASTIC CLR-7.5 X 1 3/4 /250 (W = 1 7/32 IN.) C-1243

UNIT PRICE: 0.003610
TOTAL PRICE: 1,353.75

SALES TAX: 0.00
SHIPPING CHARGES: 81.84

INVOICE TOTAL: \$\$\$\$1,435.59

TERMS: NET 30 DAYS. PLEASE PAY ON TIME AND AVOID LATE PAYMENT CHARGES
PAST DUE BALANCES ARE SUBJECT TO A FINANCE CHARGE OF 1-1/2% PER MONTH

MAKE PAYMENT TO: SALEM TECHNOLOGIES, INC.
ACCOUNTS RECEIVABLE DEPARTMENT
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103

BILLED MAR 22 2003

S A L E M T E C H N O L O G I E S I N C O R P O R A T E D
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103
TEL. (336) 777-3652 FAX. (336) 777-3654

=====

I N V O I C E N O . : 23091

=====

(CUSTOMER NO. 10564)

DATE: March 29, 2003

FLEMING - KENTUCKY DIVISION
ACCOUNTS PAYABLE DEPARTMENT
P.O. BOX 4609
LEITCHFIELD, KY 42754

SHIPPED TO:

FLEMING - KENTUCKY DIVISION
1055 SALT RIVER ROAD
LEITCHFIELD, KY 42755
ATTN: TONYA HENNING

=====

PO NUMBER: 022803-TONYA ITEM NO.: 2
PO DATE: February 28, 2003
DATE SHIPPED: March 27, 2003
PACKING SLIP NO: 20718
CARRIER: UPS
SHIPPER NO:

=====

QUANTITY	UNITS	DESCRIPTION
40000	PCS	WIRE BASKET LABEL HOLDER, .020 HDPE 1 ARM, SIZE 1.79" X 1.25", 1.50" ARM C-2039

UNIT PRICE: 0.038960
TOTAL PRICE: 1,558.40

SALES TAX: 0.00
SHIPPING CHARGES: 38.43

INVOICE TOTAL: \$\$\$\$1,596.83

TERMS: NET 30 DAYS. PLEASE PAY ON TIME AND AVOID LATE PAYMENT CHARGES
PAST DUE BALANCES ARE SUBJECT TO A FINANCE CHARGE OF 1-1/2% PER MONTH

MAKE PAYMENT TO: SALEM TECHNOLOGIES, INC.
ACCOUNTS RECEIVABLE DEPARTMENT
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103

BILLED MAR 29 2003

SALEM TECHNOLOGIES, INC.
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103
TEL. (336) 777-3652, FAX. (336) 777-3654

I N V O I C E

ATTN: ACCOUNTS PAYABLE DEPARTMENT
FLEMING - KENTUCKY DIVISION
P.O. BOX 4609
LEITCHFIELD, KY 42754

Invoice No.: 4446444
Invoice Date: March 07, 2003
Customer No.: 10564

PO Number: 022803-TONYA

ITEM	REF	DESCRIPTION	QTY	PRICE	EXTENDED
1	20613	TAB, PLASTIC CLR-7 5 X 1 3/4 /250 (W = W = 1 7/32 IN) C-1243	350,000	3 4700/M	1,214 50
2	20614	WIRE BASKET LABEL HOLDER, 020 HDPE 1 ARM, SIZE 1 79" X 1 25", 1 50" ARM C-2039	10,000	38 9600/M	389 60
TOTAL PURCHASES					1,604 10
NC SALES TAX					0 00
SHIPPING AND HANDLING					86 52
INVOICE TOTAL					1,690 62

Past due balances are subject to a 1-1/2% per month finance charge

Remit to:

Salem Technologies, Inc.
Accounts Receivable Department
2580 Salem Point Court
Winston-Salem, NC 27103

Terms:

Net 30 Days, Payable in US Currency
Reference the Invoice no. on all
payments and correspondence.

BILLED MAR - 7 2003

SALEM TECHNOLOGIES, INC.
2580 SALEM POINT COURT
WINSTON-SALEM, NC 27103
TEL. (336) 777-3652, FAX. (336) 777-3654

I N V O I C E

ATTN: ACCOUNTS PAYABLE DEPARTMENT
FLEMING - KENTUCKY DIVISION
P.O. BOX 4609
LEITCHFIELD, KY 42754

Invoice No.: 4446472
Invoice Date: March 29, 2003
Customer No.: 10564

PO Number: 032403-TONYA

ITEM	REF	DESCRIPTION	QTY	PRICE	EXTENDED
1	20711	TAB, PLASTIC CLR-7 5 X 1 5/8 (W = 2 1/4 IN) SPECIAL WITH HOLE C-1317	75,000	14 2800/M	1,071 00
2	20712	ROLL, PLASTIC-GREEN PPCO, 11 GA X 500 FT (W = 1 7/32 IN) C-2135	60	9 900/EA	594 00

TOTAL PURCHASES 1,665 00
NC SALES TAX 0 00
SHIPPING AND HANDLING 73 84
INVOICE TOTAL 1,738 84

BILLED MAR 29 2003

Past due balances are subject to a 1-1/2% per month finance charge.

Remit to:
Salem Technologies, Inc.
Accounts Receivable Department
2580 Salem Point Court
Winston-Salem, NC 27103

Terms:
Net 30 Days, Payable in US Currency
Reference the Invoice no on all
payments and correspondence

BILLED MAR 29 2003