

# MIDDLEBROOK PHARMACEUTICALS, INC.

## FORM 8-K (Current report filing)

Filed 07/21/10 for the Period Ending 07/15/10

Address	20425 SENECA MEADOWS PARKWAY GERMANTOWN, MD 20878
Telephone	(301) 944-6600
CIK	0001161924
Symbol	MBRKQ
SIC Code	2834 - Pharmaceutical Preparations
Industry	Biotechnology & Drugs
Sector	Healthcare
Fiscal Year	12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): July 15, 2010**

**MIDDLEBROOK PHARMACEUTICALS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**000-50414**

(Commission File Number)

**52-2208264**

(IRS Employer Identification No.)

**7 Village Circle, Suite 100, Westlake, Texas**

(Address of principal executive offices)

**76262**

(Zip Code)

Registrant's telephone number, including area code: **(817) 837-1200**

**N/A**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 1.01. Entry into a Material Definitive Agreement .**

As previously disclosed, on April 30, 2010, MiddleBrook Pharmaceuticals, Inc. (“MiddleBrook” or the “Company”) filed a voluntary petition for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code (the Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (“Bankruptcy Court”), case number 10-11485. Also, on May 14, 2010, MiddleBrook issued a press release announcing that it had entered into an asset purchase agreement (the “Agreement”) with Victory Pharma, Inc. (“Victory”), a Delaware corporation, pursuant to which MiddleBrook agreed to sell substantially all of its assets in exchange for a cash purchase price of \$17.1 million, subject to adjustment for product sales by MiddleBrook prior to closing in excess of specified limits, plus the assumption of trade sales and certain other liabilities of the Company. The Agreement is subject to customary closing conditions, approval by the Bankruptcy Court, and the receipt of no higher or otherwise better offers pursuant to specific bidding procedures and a competitive auction process to be conducted under the supervision of the Bankruptcy Court.

The deadline for other parties to submit a higher or better bid pursuant to the Bankruptcy Court approved specific bidding procedures was July 15, 2010 at 4:00 p.m. Eastern time. MiddleBrook did not receive any competing bids and, therefore, the auction of assets which was scheduled for July 22, 2010 at 10:00 a.m. Eastern time will be canceled. The Bankruptcy Court has scheduled the sale hearing to review the Agreement on July 28, 2010 at 2:00 p.m. Eastern time.

The foregoing description of the terms of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Agreement, which was filed as Exhibit 2.1 to a Form 8-K filed by the Company on May 20, 2010.

### **Item 7.01. Regulation FD Disclosure.**

On July 21, 2010, MiddleBrook filed its unaudited monthly operating report (the “Monthly Operating Report”) for the period June 1, 2010 through June 30, 2010 with the Bankruptcy Court, case number 10-11485. A copy of the Monthly Operating Report is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The Monthly Operating Report is limited in scope, covers a limited time period and has been prepared solely for the purpose of complying with reporting requirements of the Bankruptcy Court and the Bankruptcy Code, 11 U.S.C. §§ 101-1532. The financial information contained in the Monthly Operating Report is preliminary and unaudited and does not purport to show the Company’s financial statements in accordance with generally accepted accounting principles (“GAAP”) and, therefore, may exclude items required by GAAP. The Monthly Operating Report also does not include footnotes that would ordinarily be contained in the financial statements in the Company’s quarterly and annual reports filed pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Monthly Operating Report contains information for periods that may be shorter or otherwise different from those contained in reports required pursuant to the Exchange Act. The financial information has not been reviewed or otherwise verified for accuracy or completeness by our independent registered public accountants, and there can be no assurance that the Monthly Operating Report is complete. The Company cautions readers not to place undue reliance on the Monthly Operating Report, which may be subject to revision. The Monthly Operating Report is in the format required by the Bankruptcy Court and the Bankruptcy Code and should not be used for investment purposes. The information in the Monthly Operating Report should not be viewed as indicative of future results.

The information furnished pursuant to Item 7.01 and Exhibit 99.1 of this Current Report on Form 8-K shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. The information in Item 7.01 of this Current Report shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date of this Current Report, regardless of any general incorporation language in the filing.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

The following exhibits are furnished with this Current Report on Form 8-K:

<b>Exhibit Number</b>	<b>Description</b>
99.1	Monthly Operating Report for the Period from June 1, 2010 to June 30, 2010

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MIDDLEBROOK PHARMACEUTICALS, INC.

Date: July 21, 2010

By: /s/ David Becker \_\_\_\_\_  
David Becker  
Executive Vice President, Chief Financial Officer  
and Acting President and Chief Executive Officer

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## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
99.1	Monthly Operating Report for the Period from June 1, 2010 to June 30, 2010

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re MiddleBrook Pharmaceuticals, Inc.  
Debtor

Case No. 10-11485  
Reporting Period: June 1 — June 30, 2010

**MONTHLY OPERATING REPORT**

**File with Court and submit copy to United States Trustee within 20 days after end of month**

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>	<b>Affidavit/Supplement Attached</b>
<b>Certifications</b>				
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)			see certifications	X
Schedule of Professional Fees Paid	MOR-1b	X		
<b>Copies of bank statements</b>				
Cash disbursements journals		X		
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
<b>Status of Postpetition Taxes</b>				
Copies of IRS Form 6123 or payment receipt			see certifications	X
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

/s/ David Becker  
\_\_\_\_\_

July 21, 2010  
\_\_\_\_\_

Signature of Authorized Individual\*

\_\_\_\_\_

David Becker  
\_\_\_\_\_

EVP, CFO and Acting President and CEO  
\_\_\_\_\_

Printed Name of Authorized Individual

Title of Authorized Individual

\* Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

MOR  
(04/07)

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re MiddleBrook Pharmaceuticals, Inc.  
Debtor

Case No. 10-11485  
Reporting Period: June 1 — June 30, 2010

CERTIFICATIONS

**A. Bank Reconciliation Certification**

The undersigned verifies that, to my knowledge, all of the Debtors' June 30, 2010 bank balances have been reconciled in an accurate and timely manner.

**B. Post-petition Taxes Certification**

The undersigned verifies that, to my knowledge, all post-petition tax obligations, including but not limited to payroll, real property, income, franchise and other taxes have been paid to the proper taxing authority when due.

/s/ David Becker  
Signature of Authorized Individual

July 21, 2010  
Date

David Becker  
Printed Name of Authorized Individual

EVP, CFO and Acting President and CEO  
Title of Authorized Individual

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MOR 1

	Current Month		Cumulative Filing to Date	
	Actual	Forecast	Actual	Forecast
<b>Beginning Date</b>	<b>1-Jun-10</b>	<b>1-Jun-10</b>	<b>3-May-10</b>	<b>3-May-10</b>
<b>Ending Date</b>	<b>30-Jun-10</b>	<b>30-Jun-10</b>	<b>30-Jun-10</b>	<b>30-Jun-10</b>
<b>Cash — Beginning Balance</b>	\$ 4,995,640	\$ 5,020,387	\$ 5,257,718	\$ 5,269,539
<b>Receipts</b>				
Lockbox	\$ 178,957	\$ 100,809	\$ 261,392	\$ 228,359
Misc Deposit	\$ 27,001		\$ 63,568	
<b>Total Receipts</b>	<b>\$ 205,958</b>	<b>\$ 100,809</b>	<b>\$ 324,961</b>	<b>\$ 228,359</b>
<b>Operating Disbursements</b>				
Broadpoint	\$ 0	\$ 0	\$ 0	\$ 0
Cardinal Co-Pay Redemptions	\$ 0	\$ 0	\$ 0	\$ 0
Dr Directory	\$ 0	\$ 0	\$ 0	\$ (49,826)
Legal & Deal fees	\$ 0	\$ 0	\$ 0	\$ 0
Payroll	\$ (215,391)	\$ (363,896)	\$ (476,300)	\$ (620,667)
Severance	\$ 0	\$ 0	\$ 0	\$ 0
Vacation Payout	\$ 0	\$ 0	\$ 0	\$ 0
Invoices in A/P Aging	\$ (614,475)	\$ (666,870)	\$ (697,725)	\$ (761,902)
Misc (TX rent, Insurance, ICS)	\$ (33,373)	\$ (33,500)	\$ (66,746)	\$ (63,500)
Other	\$ (2,168)	\$ 0	\$ (5,716)	\$ (150,000)
<b>Total Operating Disbursements</b>	<b>\$ (865,406)</b>	<b>\$(1,064,266)</b>	<b>\$(1,246,487)</b>	<b>\$(1,645,895)</b>
<b>Net Operating Cash Flow</b>	<b>\$ (659,448)</b>	<b>\$ (963,457)</b>	<b>\$ (921,526)</b>	<b>\$(1,417,536)</b>
<b>Non-Operating Disbursements</b>				
Capex				
Professional Fees				
<b>Total Non-Operating Disbursements</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Net Operating Cash Flow Before Financing</b>	<b>\$ (659,448)</b>	<b>\$ (963,457)</b>	<b>\$ (921,526)</b>	<b>\$(1,417,536)</b>
<b>Financing Activities</b>				
Interest Payments				
<b>Financing Activities</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Cash Flow</b>	<b>\$ (659,448)</b>	<b>\$ (963,457)</b>	<b>\$ (921,526)</b>	<b>\$(1,417,536)</b>
<b>Ending Cash Balance (per books)</b>	<b>\$ 4,336,192</b>	<b>\$ 4,056,929</b>	<b>\$ 4,336,192</b>	<b>\$ 3,852,003</b>

**DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)**

<b>TOTAL DISBURSEMENTS</b>	\$ (865,406)
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	0
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	0
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	<b>\$ (865,406)</b>

In re: MiddleBrook Pharmaceuticals, Inc.  
Debtor

Case No. 10-11485  
Reporting Period: June 1 — 30, 2010

Disbursements Journal

**Checks cut during period**

<b>GL Posting Date</b>	<b>Source Document</b>	<b>Checkbook Amount</b>	<b>CM Trx Number</b>	<b>Voided</b>	<b>Paid ToRcvd From</b>
6/1/2010	PMCHK	\$ 3,368.95	2529	No	ExecuSuites I-270, Inc.
6/1/2010	PMCHK	\$ 1,025.45	2530	No	IKON Financial Services Box 650016
6/1/2010	PMCHK	\$ 39.41	2531	No	Maryland
6/1/2010	PMCHK	\$ 477.91	2532	No	NYS EPIC PROGRAM
6/9/2010	PMCHK	\$ 1,690.52	2533	No	Commonwealth of PA/DRP
6/9/2010	PMCHK	\$ 1,392.26	2534	No	CONNECTICUT MEDICAL ASSITANCE PROGRAM
6/9/2010	PMCHK	\$ 29.39	2535	No	D.C. Treasurer Med Asst Admin
6/9/2010	PMCHK	\$ 441.89	2536	No	Georgia DCH, Dept. of Medical Assist
6/9/2010	PMCHK	\$ 114.01	2537	No	Department of Med Asst Svc
6/9/2010	PMCHK	\$ 105.42	2538	No	DHS
6/9/2010	PMCHK	\$ 280.69	2539	No	The Division of Hlth Care Financing
6/9/2010	PMCHK	\$ 48,532.83	2540	No	Health & Human Svc Comm.
6/9/2010	PMCHK	\$ 437.94	2541	No	Kentucky State Treasurer
6/9/2010	PMCHK	\$ 19,212.24	2542	No	Louisiana Dept of Health&Hospitals
6/9/2010	PMCHK	\$ 13.72	2543	No	Maryland
6/9/2010	PMCHK	\$ 43.69	2544	No	State of Maryland
6/9/2010	PMCHK	\$ 6,404.90	2545	No	North Carolina XIX Drug Rebate
6/9/2010	PMCHK	\$ 45,018.51	2546	No	NYS Department of Health
6/9/2010	PMCHK	\$ 807.82	2547	No	South Carolina Dept fo H&H Svc.
6/9/2010	PMCHK	\$ 116.25	2548	No	State of Alaska Dept of Hlth&SS
6/9/2010	PMCHK	\$ 39.19	2549	No	State of Montana-Medicaid Rebate
6/9/2010	PMCHK	\$ 40.69	2550	No	State of Michigan
6/9/2010	PMCHK	\$ 49.57	2551	No	Treasurer,St of New Hampshire
6/9/2010	PMCHK	\$ 138.73	2552	No	Treasurer St of Colorado
6/9/2010	PMCHK	\$ 29.39	2553	No	Treasurer of the State Ohio
6/9/2010	PMCHK	\$ 79.60	2554	No	ADP Commercial Leasing
6/9/2010	PMCHK	\$ 99.43	2555	No	AT Conference
6/9/2010	PMCHK	\$ 423.80	2557	No	RMA Chauffeured Transportation
6/9/2010	PMCHK	\$ 97,826.21	2558	No	United Healthcare Insurance Co.
6/9/2010	PMCHK	\$ 2,035.92	2559	No	UNUM Life Insurance
6/9/2010	PMCHK	\$ 2,269.45	2560	No	VSP — (AT)
6/9/2010	PMCHK	\$ 795.72	2561	No	Vista Imaging Supplies
6/9/2010	PMCHK	\$ 150.00	2562	No	WebEx Communications Inc.
6/9/2010	PMCHK	\$ 250.76	2563	No	WorldWide express
6/9/2010	PMCHK	\$ 1,071.09	2564	No	AT&T Mobility
6/9/2010	PMCHK	\$ 500.00	2565	No	Robin N. Belsaas
6/9/2010	PMCHK	\$ 69.42	2566	No	AT&T
6/9/2010	PMCHK	\$ 318.45	2567	No	Gary Herman
6/9/2010	PMCHK	\$ 150.00	2568	No	Ohio State Bd of Pharmacy
6/9/2010	PMCHK	\$ 24,456.33	2569	No	Integrated Commercialization Sol.
6/9/2010	PMCHK	\$ 1,066.33	2570	No	State of Mississippi Div of Medicaid
6/9/2010	PMCHK	\$ 1,793.73	2571	No	Indiana Medicaid Drug Rebates-
6/9/2010	PMCHK	\$ 47.03	2572	No	State of Wyoming
6/9/2010	PMCHK	\$ 1,334.49	2573	No	Oklahoma Health Care Authority
6/9/2010	PMCHK	\$ 19.60	2574	No	Alabama Medicaid Agency
6/9/2010	PMCHK	\$ 6.67	2575	No	Washington Dept of Revenue
6/9/2010	PMCHK	\$ 523.91	2576	No	Lynne B. Marton
6/9/2010	PMCHK	\$ 951.98	2577	No	ATT
6/10/2010	PMCHK	\$ 50.00	2578	No	NYS Sales Tax Processing
6/10/2010	PMCHK	\$ 257.89	2579	No	Utah State Dept of Health
6/10/2010	PMCHK	\$ 74.71	2580	No	Amber Tomlinson

6/10/2010 PMCHK

\$

8,119.40 2581

No

Brad Cole

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GL Posting Date	Source Document	Checkbook Amount	CM Trx Number	Voided	Paid ToRcvd From
6/10/2010	PMCHK	\$ 2,260.35	2582	No	David Becker
6/10/2010	PMCHK	\$ 231.02	2583	No	Marcus Schestopol
6/21/2010	PMCHK	\$ 1,100.00	2584	No	American Stock Transfer & Trust Co
6/21/2010	PMCHK	\$ 154.81	2585	No	Arkansas Dept of Hlth&Human
6/21/2010	PMCHK	\$ 991.17	2586	No	Avaya, inc.
6/21/2010	PMCHK	\$ 16.59	2587	No	Broadridge
6/21/2010	PMCHK	\$ 566.00	2588	No	Carella, Byrne, Bain
6/21/2010	PMCHK	\$ 68.94	2589	No	Catalent Pharma Solutions
6/21/2010	PMCHK	\$ 232.79	2590	No	Corporation Service Company
6/21/2010	PMCHK	\$ 30,780.00	2591	No	Dakota Drug Inc.
6/21/2010	PMCHK	\$ 238.75	2592	No	Department of Social & Hlth Srvc
6/21/2010	PMCHK	\$ 783.80	2593	No	Sheila Filipponi
6/21/2010	PMCHK	\$ 650.89	2594	No	Missouri Healthnet Division
6/21/2010	PMCHK	\$ 16,650.94	2595	No	PPD Medical Communications
6/21/2010	PMCHK	\$ 47,893.98	2596	No	QPharma Corp
6/21/2010	PMCHK	\$ 24.38	2597	No	State of Rhode Island
6/21/2010	PMCHK	\$ 750.00	2598	No	SunTrust
6/21/2010	PMCHK	\$ 234.53	2599	No	TechDepot
6/21/2010	PMCHK	\$ 4,033.00	2600	No	Travelers
6/21/2010	PMCHK	\$ 1,206.77	2601	No	Dr. Donald J. Treacy
6/21/2010	PMCHK	\$ 7,831.46	2602	No	Wisconsin Dept of Health
6/21/2010	PMCHK	\$ 181.75	2603	No	WorldWide express
6/28/2010	PMCHK	\$ 250.00	5011	No	NH Board of Pharmacy
6/29/2010	PMCHK	\$ 671.94	5012	No	David Becker
6/29/2010	PMCHK	\$ 999.19	5013	No	Robin N. Belsaas
6/29/2010	PMCHK	\$ 1,944.23	5014	No	Brad Cole
6/29/2010	PMCHK	\$ 1,045.53	5015	No	Nicholas Garito
6/29/2010	PMCHK	\$ 855.06	5016	No	Gary Herman
6/29/2010	PMCHK	\$ 918.40	5017	No	Cynthia Tirpak
6/29/2010	PMCHK	\$ 73.32	5018	No	Amber Tomlinson
6/29/2010	PMCHK	\$ 939.40	5019	No	Dr. Donald J. Treacy
		<u>\$ 399,172.28</u>			Checks Cut

### Debits to bank other than checks

Transaction Date	Description	Amount	Bank Ref. #	Customer Ref. #	Payee / Description
6/1/2010	ACH DEBIT	6,320.76	10277	0	AMERICAN UNITED PENSION (401K)
6/1/2010	WIRE TRSF DEBIT FX	204,712.52	1360	0	Sandoz — FX 814628 EUR165692.04 1.235500
6/15/2010	WIRE TRANSFER DEBIT	10,000.00	3881	0	PPD DEVELOPMENT LP
6/4/2010	ACH DEBIT	341.72	2078	0	ADP PAYROLL FEES ADP — FEES
6/16/2010	ACH DEBIT	7,070.76	1028	0	AMERICAN UNITED PENSIONPMT (401K)
6/18/2010	ACH DEBIT	766.46	2212	0	ADP PAYROLL FEES ADP — FEES
6/21/2010	ACH DEBIT	589.89	1892	0	The Utility Company (IT related)
6/25/2010	ACH DEBIT	122.59	1318	0	ADP PAYROLL FEES ADP — FEES
6/25/2010	ACH DEBIT	67.65	2139	0	ADP PAYROLL FEES ADP — FEES
6/28/2010	SERVICE CHARGE	657.18	13307	0	ANALYSIS SERVICE CHARGE (bank charge)
6/30/2010	ACH DEBIT	7,070.76	757	0	AMERICAN UNITED PENSIONPMT (401K)
6/11/2010	WIRE TRANSFER DEBIT	64,520.96	2643	0	ADP TAX SVCS INC. REV. (payroll related)
6/14/2010	WIRE TRANSFER DEBIT	33,029.04	2775	0	ADP INC FUNDSMGMT (payroll-related)
6/28/2010	WIRE TRANSFER DEBIT	64,800.31	3015	0	ADP TAX SVCS INC. REV. (payroll related)
6/29/2010	WIRE TRANSFER DEBIT	32,578.57	2457	0	ADP INC FUNDSMGMT (payroll-related)
6/28/2010	ACH DEBIT	212.14			Check stock order — Capital One Bank
6/28/2010	WIRE TRANSFER DEBIT	33,372.85	W06282010		Maguire Partners — Texas rent
		<u>\$ 466,234.16</u>			Debits to Bank other than Checks
		<u>\$ 865,406.44</u>			total disbursements



<b>GL Posting Date</b>	<b>Source Document</b>	<b>Checkbook Amount</b>	<b>CM Trx Number</b>	<b>Voided</b>	<b>Paid ToRcvd From</b>
Checks cleared by bank:					
6/1/2010	DEBIT MEMO	447.71	16	0	CONTROL DISBURSEMENT
6/2/2010	DEBIT MEMO	4,935.00	15	0	CONTROL DISBURSEMENT
6/3/2010	DEBIT MEMO	4,444.33	14	0	CONTROL DISBURSEMENT
6/4/2010	DEBIT MEMO	383.82	40	0	CONTROL DISBURSEMENT
6/7/2010	DEBIT MEMO	4,161.90	10	0	CONTROL DISBURSEMENT
6/8/2010	DEBIT MEMO	1,750.40	24	0	CONTROL DISBURSEMENT
6/9/2010	DEBIT MEMO	1,785.59	11	0	CONTROL DISBURSEMENT
6/10/2010	DEBIT MEMO	4,046.86	23	0	CONTROL DISBURSEMENT
6/11/2010	DEBIT MEMO	50	34	0	CONTROL DISBURSEMENT
6/14/2010	DEBIT MEMO	114.12	58	0	CONTROL DISBURSEMENT
6/15/2010	DEBIT MEMO	8,175.91	248	0	CONTROL DISBURSEMENT
6/16/2010	DEBIT MEMO	29,987.62	33	0	CONTROL DISBURSEMENT
6/17/2010	DEBIT MEMO	176,202.97	7	0	CONTROL DISBURSEMENT
6/18/2010	DEBIT MEMO	11,468.93	13	0	CONTROL DISBURSEMENT
6/21/2010	DEBIT MEMO	171.42	81	0	CONTROL DISBURSEMENT
6/23/2010	DEBIT MEMO	507.54	17	0	CONTROL DISBURSEMENT
6/24/2010	DEBIT MEMO	257.89	28	0	CONTROL DISBURSEMENT
6/25/2010	DEBIT MEMO	45,065.54	57	0	CONTROL DISBURSEMENT
6/28/2010	DEBIT MEMO	18,159.44	43	0	CONTROL DISBURSEMENT
6/29/2010	DEBIT MEMO	84,498.68	43	0	CONTROL DISBURSEMENT
6/30/2010	DEBIT MEMO	9,698.05	63	0	CONTROL DISBURSEMENT
		<u>\$ 406,313.72</u>			



In re: MiddleBrook Pharmaceuticals, Inc.  
Debtor

Case No. 10-11485  
Reporting Period: June 1 — 30, 2010

	June 2010	Cumulative Filing to Date
Gross Sales	111,938	365,041
Sales Reserves and Allowances	471,126	519,052
Net Revenue	583,064	884,093
Cost of Goods Sold	581,284	994,268
Salaries, Bonus & Temp Labor	222,773	465,646
Benefits, Payroll Taxes, Recruiting & Relocation	79,256	95,426
Subtotal: Salaries & Benefits	302,029	561,072
Stock-Based Compensation	448,443	408,171
Marketing & Advertising	1,051	1,897
Travel & Entertainment	20,131	36,108
Facilities and Equipment Related	58,718	108,644
Insurance	76,623	160,715
Distribution Expense	124,016	223,513
Office & General Lab Supplies	3,035	4,235
Consulting & Legal Fees	897,637	1,641,200
Patents & Licensing	121,356	217,942
Audit, IR & Financial Fees	7,561	31,248
Non-Income Taxes	232	1,305
Depreciation and Amortization	221,836	593,111
Director and SAB Fees	16,560	37,476
Subtotal: FTE Expenses	2,299,227	4,026,638
Marketing Costs	85,378	134,548
Direct Project Costs	2,867	117,573
Total Expenses	2,968,756	5,273,027
Income (Loss) from Operations	(2,385,693)	(4,388,934)
Interest Income	0	199
Other income (expense)	0	2,905
Net Income (Loss) Before Taxes	(2,385,693)	(4,385,830)
Net Income (Loss)	(2,385,693)	(4,385,830)

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In re: MiddleBrook Pharmaceuticals, Inc.  
Debtor

Case No. 10-11485  
Reporting Period: June 1 — 30, 2010

	<b>Current Month</b>	<b>Petition Date</b>
Cash & Cash Equivalents	4,336,192	5,257,718
Accounts Receivable, net	(29,218)	(490,487)
Inventory	1,764,996	2,213,158
Prepaid and Other Current Assets	3,579,537	3,397,106
Property and Equipment	11,108,162	14,341,773
Accumulated Depreciation	(9,444,034)	(12,460,925)
Property and Equipment, net	1,664,129	1,880,848
Deposits and Other Assets	670,270	680,580
Intangible Assets	11,877,529	11,877,529
Accum. Amort — Intangibles	(3,062,960)	(2,643,218)
Intangible Assets, net	8,814,569	9,234,311
<b>Total Assets</b>	<b>20,800,475</b>	<b>22,173,234</b>
20000 - Accounts Payable — post-petition	(524,441)	—
21201 - Accrued Payable to Lilly	(6,155)	—
21210 - Accrued Professional Fees	(1,294,008)	—
21250 - Accrued R&D Costs	(3,047)	—
21275 - Accrued Keflex Copay Assistance	(285)	—
21276 - Accrued Moxatag Copay Assistance	(15,836)	—
21281 - Accrued Medicaid Rebates Payable	(12,073)	—
21282 - Accrued Returns	(21,902)	—
21290 - Other Accrued Expenses	(203,345)	—
23200 - Wages Payable	(36,440)	—
23650 - Employee Benefits — Flex Spending	(2,468)	—
Accounts Payable and Accrued Expenses — Post-Petition	(2,120,001)	—
20000 - Accounts Payable — pre-petition	(3,094,822)	(1,214,588)
21110 - Accrued Severance	(257,343)	(281,258)
21201 - Accrued Payable to Lilly	(5,252)	(5,252)
21210 - Accrued Professional Fees	(29,917)	(199,917)
21250 - Accrued R&D Costs	(136,067)	(136,067)
21275 - Accrued Keflex Copay Assistance	(5,329)	(9,276)
21276 - Accrued Moxatag Copay Assistance	(2,942,645)	(3,705,035)
21281 - Accrued Medicaid Rebates Payable	(417,759)	(563,001)
21282 - Accrued Returns	(1,909,382)	(1,945,797)
21290 - Other Accrued Expenses	(41,460)	(292,773)
23200 - Wages Payable	(306,521)	(306,521)
23620 - Employee Benefits Pay-401k	—	(33,339)
23650 - Employee Benefits — Flex Spending	(9,372)	(3,899)
25000 - Other Current Liabilities	(4,835,277)	(4,810,772)
Accounts Payable and Accrued Expenses — Pre-Petition	(13,991,148)	(13,507,496)
Deferred Contract Revenue — non-current (pre-petition)	(11,625,000)	(11,625,000)
Deferred Lease Expense	(19,587)	(18,340)
Common Stock	(865,119)	(865,119)
Additional Paid in Capital	(312,689,529)	(312,281,358)
Retained Earnings	299,240,744	299,240,744
YTD P&L	21,269,166	16,883,336
Accumulated Deficit	320,509,910	316,124,080

Stockholders' Equity	6,955,261	2,977,602
<b>Liabilities &amp; Stockholders' Equity</b>	<b>(20,800,475)</b>	<b>(22,173,234)</b>

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In re: MiddleBrook Pharmaceuticals, Inc.  
Debtor

Case No. 10-11485  
Reporting Period: June 1 — 30, 2010

**Other Post-petition liabilities**

Professional bankruptcy fees — creditors' committee counsel & FA	594,090.74
Professional bankruptcy fees — equity committee counsel	300,000.00
Professional bankruptcy fees — corporate and local counsel	218,257.87
Professional bankruptcy fees — KCC estimate	28,500.00
Professional legal fees (May & June)	93,468.05
DoctorDirectory (June estimate)	44,089.26
PPD estimate	17,000.00
Other miscellaneous May & June accruals — no invoices yet	<u>201,946.55</u>
	<u>\$ 1,497,352</u>

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**SUMMARY OF UNPAID POSTPETITION DEBTS**

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable	198,199.76	5,449.58	—	—	—	203,649.34
Wages Payable (401k contributions)	—	—	—	—	—	—
Taxes Payable (payroll-related taxes)	—	—	—	—	—	—
Rent/Leases-Building	—	—	—	—	—	—
Rent/Leases-Equipment	—	—	—	—	—	—
Secured Debt/Adequate Protection Payments	—	—	—	—	—	—
Professional Fees	318,481.28	2,310.20	—	—	—	320,791.48
Amounts Due to Insiders*	—	—	—	—	—	—
Other: _____	—	—	—	—	—	—
Other: _____	—	—	—	—	—	—
<b>Total Postpetition Debts</b>	<b>516,681.04</b>	<b>7,759.78</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>524,440.82</b>

**Explain how and when the Debtor intends to pay any past-due postpetition debts.**

All amounts in 0 — 30 days past due were paid in early July, just beyond the due date.

\* "Insider" is defined in 11 U.S.C. Section 101(31).

**SUMMARY OF UNPAID POSTPETITION DEBTS**

Vendor ID	Vendor Name	Voucher Number	Document Date	Current Trx Amount	Document Number	Document Type	Paid Date
ADP001	ADP	038287	6/11/2010	\$ 2,894.02	443202	Invoice	7/1/2010
ALS002	Alston & Bird LLP	038357	7/14/2010	\$204,155.20	May 2010 80%	Invoice	
ALS002	Alston & Bird LLP	038358	7/14/2010	\$ 51,038.80	May 2010 20%	Invoice	
ALS002	Alston & Bird LLP	038359	7/14/2010	\$ 5,825.95	May 2010 Exps	Invoice	
ATC003	AT Conference	038335	6/30/2010	\$ 16.98	1788830610	Invoice	
ATT011	AT&T Mobility	038344	6/29/2010	\$ 832.89	836833917X07082010	Invoice	
ATT013	A T & T 8174909174/8174908790	038337	6/27/2010	\$ 77.52	8174908790 062010	Invoice	
ATT013	A T & T 8174909174/8174908790	038340	6/27/2010	\$ 354.20	8174909174 062010	Invoice	
ATT013	A T & T 8174909174/8174908790	038341	6/27/2010	\$ 1,043.44	8310001262 062010	Invoice	
ATT013	A T & T 8174909174/8174908790	038343	6/29/2010	\$ 1,290.15	8178371200 062010	Invoice	
BOW001	Bowne of New York City	038318	6/23/2010	\$ 1,342.40	I100641420	Invoice	7/1/2010
CSC003	Corporation Service Company	038297	5/7/2010	\$ 53.25	52938683	Invoice	7/1/2010
DCT002	D.C. Treasurer Med Asst Admin	038286	5/31/2010	\$ 2,500.00	FILING FEE 2009	Invoice	7/1/2010
DEP008	Department of Health Services	038300	6/7/2010	\$ 37.23	1104220101	Invoice	7/1/2010
DOC002	DoctorDirectory.Com, Inc.	038317	6/29/2010	\$ 58,454.19	4861	Invoice	7/1/2010
EXC003	Excel Micro	038342	7/8/2010	\$ 120.00	0097746	Invoice	
EXC003	Excel Micro	038333	6/8/2010	\$ 63.00	0094777	Invoice	7/7/2010
FLE001	FlexAmerica, Inc.	038367	6/28/2010	\$ 200.00	25707	Invoice	
FRA007	Franchise Tax Board - CA	038293	6/15/2010	\$ 34.98	3169462	Invoice	7/1/2010
HEA012	Healthcare & Family Services	037619	3/9/2010	\$ (145.27)	1104220094	Credit Memo	
ICS001	Integrated Commercialization Sol.	038346	7/6/2010	\$ 24,962.99	15110012950	Invoice	
IKO005	IKON Finacial Services	038291	6/15/2010	\$ 202.18	82336798	Invoice	7/1/2010
IKO005	IKON Finacial Services	038290	6/15/2010	\$ 292.28	82367227	Invoice	7/1/2010
IRO001	Iron Mountain	038218	5/31/2010	\$ 156.12	BYT1429	Invoice	7/1/2010
KUR001	Kurtzman Carson Consultants	038282	6/15/2010	\$ 57,461.33	05312010	Invoice	
KUR001	Kurtzman Carson Consultants	038283	5/25/2010	\$ 2,310.20	USKCC310005	Invoice	7/1/2010
MAR018	Lynne B. Marton	038365	7/1/2010	\$ 656.25	MB070110	Invoice	
MIS003	Mississippi State Tax Commission	038284	5/25/2010	\$ 72.45	287112 DEC 2008	Invoice	7/1/2010
PIC003	Picture This Communications, Inc.	038320	6/23/2010	\$ 885.00	1517	Invoice	7/1/2010
PRO011	Prostar Services, Inc.	038305	6/24/2010	\$ 45.36	348547	Invoice	7/1/2010
PUR001	Pure Compliance	038131	5/19/2010	\$ 3,477.00	C01315	Invoice	7/1/2010
PUR001	Pure Compliance	038298	6/22/2010	\$ 765.00	C02661	Invoice	7/1/2010
QPH001	QPharma Corp	038334	6/30/2010	\$ 99,052.64	20968	Invoice	
RXS001	RX Sample Solution	038368	7/12/2010	\$ 612.50	54943	Invoice	
SHR003	Shred-it USA, DBA Shred-it Dallas	038261	6/17/2010	\$ 50.00	3737505657	Invoice	
STA011	State of New Jersey Div	038296	5/4/2010	\$ 881.49	522208264 2009	Invoice	7/1/2010
TRA006	Transport Solutions Inc	038285	5/31/2010	\$ 250.00	8100028	Invoice	7/1/2010
VER004	Verizon	038312	6/28/2010	\$ 903.85	6433957631	Invoice	7/1/2010
VER010	Verizon Business	038339	6/26/2010	\$ 45.93	148901006	Invoice	
WEB001	WebEx Communications Inc.	038338	6/23/2010	\$ 150.00	3542277	Invoice	
WES008	West Virginia State Tax Dept	038295	5/4/2010	\$ 765.39	L1118294784	Invoice	7/1/2010
WOR005	WorldWide express	038345	6/29/2010	\$ 91.91	986788	Invoice	
WOR005	WorldWide express	038288	6/2/2010	\$ 11.08	945924	Invoice	7/1/2010
WOR005	WorldWide express	038292	6/15/2010	\$ 45.56	959602	Invoice	7/1/2010
WOR005	WorldWide express	038289	6/16/2010	\$ 105.38	972987	Invoice	7/1/2010

\$524,440.82

**ACCOUNTS RECEIVABLE RECONCILIATION AND AGING**

<b>Accounts Receivable Reconciliation</b>	<b>Amount</b>	
Total Accounts Receivable at the beginning of the reporting period	605,932.48	
+ Amounts billed during the period	111,937.73	
- Amounts collected during the period	(178,957.37)	
- Other adjustments during period	(18,146.94)	
Total Accounts Receivable at the end of the reporting period	520,765.90	
<b>Accounts Receivable Aging</b>		
		<b>Amount</b>
0 - 30 days old	112,029.21	
31 - 60 days old	169,435.18	
61 - 90 days old	235,261.08	
91+ days old	3,866.08	
Total Accounts Receivable	520,591.55	
Amount considered uncollectible (Bad Debt)	—	
Accounts Receivable (Net)	520,591.55	174.35
		reconciling item

**DEBTOR QUESTIONNAIRE**

<b>Must be completed each month</b>	<b>Yes</b>	<b>No</b>
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.	X	

We created new accounts at Capital One Bank in June and previously provided the account numbers.