

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF Delaware**

In re SS Body Armor I, Inc., et al

Case No. 10-11255, 10-11257, 10-11258, 10-11259
Reporting Period: August 2014

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.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a			X
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements				X
Cash disbursements journals				X
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X		
Copies of IRS Form 6123 or payment receipt				X
Copies of tax returns filed during reporting period				X
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		

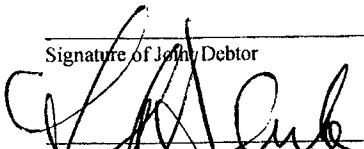
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date



Signature of Authorized Individual*

October 23, 2014
Date

Scott Avila
Printed Name of Authorized Individual

CRO
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.

SS Body Armor I, Inc.
Consolidated Cash Receipts and Disbursements
For the month ended August 31, 2014

	<u>Consolidated</u>			
	<u>Total</u>			
<u>Cash Receipts</u>				
Cash Sales	\$ -			
Accounts Receivable	-			
Sale Proceeds from 363 Auction	-			
Amounts for Cure Payments (funded by Buyer)	-			
Other Cash Receipts	-			
Interest Income	-			
Transfers from DIP Account	-			
Total Receipts	\$ -			
Case Number		10-11255	10-11257	10-11259
	<u>Consolidated</u>	<u>SS Body</u>	<u>SS Body</u>	<u>SS Body</u>
	<u>Total</u>	<u>Armor I, Inc.</u>	<u>Armor II, Inc.</u>	<u>Armor III, Inc.</u>
	\$	\$	\$	\$
<u>Operating Disbursements</u>				
Materials	-	-	-	-
Subcontractors	-	-	-	-
Payroll Taxes	-	-	-	-
Insurance	-	-	-	-
Rent & Lease Payments (storage unit - 6 mos)	-	-	-	-
Supplies	-	-	-	-
Utilities	-	-	-	-
Freight	-	-	-	-
Repair & Maintenance	-	-	-	-
Testing Fees	-	-	-	-
Professional Fees- Ordinary Course	7,200	7,200	-	-
Other (See detail - Schedule of Other)	-	-	-	-
Subtotal	7,200	7,200	-	-
<u>Non-Operating Disbursements</u>				
DIP Interest & Fees	-	-	-	-
DIP Lender Counsel Fees	-	-	-	-
DIP Paydown	-	-	-	-
Bank & Credit Card Fees	462	-	462	-
Board Fees & Expenses	-	-	-	-
Professional Fee Carve-Out Funding	-	-	-	-
Subtotal	462	-	462	-
<u>Bankruptcy-Related Items</u>				
Debtor Professional Fees	-	-	-	-
Critical Vendor Payments	-	-	-	-
EC Professional Fees	-	-	-	-
UCC Professional Fees	-	-	-	-
US Trustee	-	-	-	-
Purchase Price Adjustment (Refund to Buyer)	-	-	-	-
Stalking Horse Break-up Fee & Expense Reimbursement	-	-	-	-
Sellers' Share for Potential Transfer Taxes	-	-	-	-
Cure Payments	-	-	-	-
Subtotal	-	-	-	-
Total Disbursements	\$ 7,662	\$ 7,200	\$ 462	\$ -
Net Cash Flow for the Month of November 2013	\$ (7,662)			
Beginning Cash Balance as of 4-30-14	\$ 394,193			
Change in Cash during May 2014	\$ (7,662)			
Ending Cash Balance as of 5-31-14	\$ 386,531			
Mor 1a	\$ 386,531			

SS Body Armor I, Inc.
Consolidated Cash Receipts and Disbursements - Schedule of Other in the MTD Tab
For the month ended August 31, 2014

Case Number	<u>Payment</u>	10-11255	10-11257	10-11259
<u>Category</u>	<u>Amount</u>	<u>SS Body</u>	<u>SS Body</u>	<u>SS Body</u>
		<u>Armor I, Inc.</u>	<u>Armor II, Inc.</u>	<u>Armor III, Inc.</u>
None	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SS Body Armor I, Inc.
Schedule of Bank Accounts and Balances
For the month ended August 31, 2014

Note: All bank accounts have been reconciled for the period presented.

<u>Company</u>	<u>Case Number</u>	<u>Name of Bank</u>	<u>Account Name</u>	<u>Bank Account #</u>	<u>Book Balance</u>
SS Body Armor II, Inc.		Regions Bank	Commercial Money Market	xxxxxx2208	0
SS Body Armor II, Inc.		Regions Bank	Commercial Money Market	xxxxxx2216	0
SS Body Armor II, Inc.	10-11257	Regions Bank	Lock Box	xxxxxx7360	0
SS Body Armor III, Inc.	10-11259	Regions Bank	Lock Box	xxxxxx7379	0
SS Body Armor I, Inc.	10-11255	Regions Bank	Collection Account	xxxxxx7344	0
SS Body Armor I, Inc.	10-11255	Regions Bank	Operating Account	xxxxxx7352	418,307
SS Body Armor I, Inc.	10-11255	Regions Bank	Disbursement Account	xxxxxx7536	-23,830
SS Body Armor I, Inc.	10-11555	Regions Bank	Payroll Account	xxxxxx7544	-7,947
			Total		<u>\$ 386,531</u>

**SS Body Armor I, Inc.
 Schedule of Professional Fees Paid
 For the month ended August 31, 2014
 Mor - 1b**

Payee	Period	Amount Approved
Burr Pilger - Income Tax Preparations	2013	\$ 7,200.00
Total Debtor Professional Fees		\$ 7,200.00

Payee	Period	Amount Approved
None		\$ -
Total EC Professional Fees		\$ -

Payee	Period	Amount Approved
None		\$ -
Total UCC Professional Fees		\$ -

CONSOLIDATING STATEMENT OF OPERATIONS

POINT BLANK SOLUTIONS, INC
For the Month Ended August 31, 2014

	PBSS Case # 10-11255	PBBA Case # 10-11257	PACA- Case #10-11259	ELIMINATION	TOTAL
Gross Sales	-	-	-	-	-
Outside Sales	-	-	-	-	-
Less: Discounts, Returns, and Allowances	-	-	-	-	-
Net Sales	-	-	-	-	-
Cost of Goods Sold	-	-	-	-	-
Gross Profit	-	-	-	-	-
Selling and Marketing	-	-	-	-	-
Research and Development	-	-	-	-	-
General and Administrative	-	-	-	-	-
Total Operating Expenses	-	-	-	-	-
Operating Income Before Non-Recurring Expenses	-	-	-	-	-
Non-Recurring Expenses	-	-	-	-	-
Reorganization Expenses (Income)	193,200	-	-	-	193,200
Non-Recurring Professional Fees	-	-	-	-	-
Discontinued Operations	-	-	-	-	-
Legal Settlements and Investigations	-	-	-	-	-
Total Non-Recurring Expenses	193,200	-	-	-	193,200
Operating Income After Non-Recurring Expenses	(193,200)	-	-	-	(193,200)
Other Income and (Expense)	-	-	-	-	-
Interest (Expense & Fees)	-	-	-	-	-
Other Income / (Expense)	-	(5,652)	-	-	(5,652)
(Loss) / Gain on Sale of Assets	-	-	-	-	-
Total Other Income (Expense)	-	(5,652)	-	-	(5,652)
Pre-Tax Income (Loss)	(193,200)	(5,652)	-	-	(198,852)
Net Income (Loss)	\$ (123,602)	\$ (5,652)	\$ -	\$ -	\$ (129,254)

CONSOLIDATING BALANCE SHEET

POINT BLANK SOLUTIONS, INC
 For the Month Ended August 31, 2014
 PBSS Case # 10-11255 PBBA Case # 10-11257 PACA Case #10-11259
 PBSS Case # 10-11258 ELIMINATION TOTAL

ASSETS									
Current Assets									
Cash	89	\$	386,531	\$	-	-	-	-	386,620
Restricted Cash			12,500						12,500
Accounts Receivable - Trade									
Allowance for Doubtful Accounts - Trade									
Accounts Receivable, Net									
Other Receivables	2,957,935								2,957,935
Other Receivables, Net	2,957,935								2,957,935
Inventories									
Inventory Reserves									
Inventories, Net									
Prepaid Expenses and Other Current Assets	1,020,666		331,058						1,351,725
Investments in Subs	10,199,791					(10,199,791)			-
Due To /From Subsidiaries	(171,378,605)		147,306,390		24,072,215				(0)
Deferred Tax Asset - Current	11,171,096								11,171,096
Deferred Tax Current Valuation	(11,171,096)								(11,171,096)
Deferred Tax Asset Current, Net									
Total Current Assets	(157,200,123)		148,036,479		24,072,215		(10,199,791)		4,708,780
Plant, Property, and Equipment, net									
Other Assets									
Deferred Financing Costs									
Deferred Tax Asset - Non Current	9,586,614								9,586,614
Deferred Tax Non Current Valuation	(9,586,614)								(9,586,614)
Deferred Tax Non Current, Net									
Deposits and Other Assets			211,000						211,000
Total Other Assets			211,000						211,000
TOTAL ASSETS	\$		(157,200,123)	\$	148,247,479	\$	24,072,215	\$	(10,199,791)
									\$ 4,919,780

CONSOLIDATING BALANCE SHEET

POINT BLANK SOLUTIONS, INC
For the Month Ended August 31, 2014
PBSS Case # 10-11255 PBBA Case # 10-11257 PACA Case #10-11259
PBSS Case # 10-11258

	\$	\$	\$	\$	\$	\$	\$
LIABILITIES AND STOCKHOLDERS' EQUITY							
Liabilities Not Subject to Compromise							
Accounts Payable	8,429,321	-	-	-	-	-	8,429,321
Cash Reserved for Professional Fees	-	357,857	65	-	-	-	2,887,689
Accrued Expenses	2,529,767	-	-	-	-	-	-
DIP Financing Loan	-	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Income Taxes Payable	(16,996,742)	-	-	-	-	-	(16,996,742)
Total Liabilities Not Subject to Compromise	(6,037,655)	357,857	65	-	-	-	(5,679,733)
Liabilities Subject to Compromise							
Accounts Payable	7,904,301	17,111,163	888,094	-	-	-	25,903,558
Accrued Expenses	2,755,842	2,795,946	2,516	-	-	-	5,554,304
Capital Leases	-	-	-	-	-	-	-
Vest Replacement Obligation	395,205	-	-	-	-	-	395,205
Reserve Class Action	4,171,974	-	-	-	-	-	4,171,974
Employment Tax Withholding Obligation	5,563,670	-	-	-	-	-	5,563,670
Total Liabilities Subject to Compromise	20,790,992	19,907,109	890,610	-	-	-	41,588,711
TOTAL LIABILITIES	14,753,338	20,264,965	890,675	-	-	-	35,908,978
Commitments and Contingencies							
Minority and Non-controlling Interests in Subsidiaries	-	463,833	-	-	-	-	463,833
Contingently Redeemable Common Stock	19,325,998	-	-	-	-	-	19,325,998
Stockholders' Equity:							
Common Stock	48,782	55	1,227	-	-	(1,332)	48,732
Additional Paid In Capital	95,131,317	6,568,445	631,082	-	-	(7,199,477)	95,131,367
Accumulated Deficit	(286,459,558)	120,950,181	22,549,231	-	-	(2,998,982)	(145,959,128)
Total Stockholders Equity	(191,279,459)	127,518,681	23,181,540	-	(10,199,791)	-	(50,779,029)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	(157,200,123)	148,247,479	24,072,215	(10,199,791)	-	-	4,919,780

**SS Body Armor I, Inc.
Summary of Post-petition Taxes
For the month ended August 31, 2014
Mor 4**

Representation: The Company to the best of its knowledge has paid its taxes due as of 8-31-14 for the bankruptcy reporting period due 9-20-14.

SS Body Armor I, Inc.
Summary of Unpaid Post-Petition Debts - Consolidated
For the month ended August 31, 2014
Mor 4

	Consolidated					Total
	Current	0-31 Days	31-60 Days	61-90 Days	Over 90 Days	
Unpaid Post-Petition Accounts Payable						
Operating						
Materials	\$ -	\$ -	\$ -	\$ -	\$ -	-
Subcontractors	-	-	-	-	-	-
Payroll	-	-	-	(786)	-	(786)
Insurance	-	-	-	-	-	-
Rent & Lease Payments	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Freight	-	-	-	-	0	0
Repair & Maintenance	-	-	-	-	-	-
Testing Fees	-	-	-	-	-	-
Professional Fees- Ordinary Course	-	-	5,252	-	1,010,634	1,015,886
Other	-	-	-	-	7,575	7,575
Subtotal	-	-	5,252	-	1,017,424	1,022,676
Non-Operating						
DIP Interest & Fees	-	-	-	-	-	-
DIP Lender Counsel Fees	-	-	-	-	-	-
Board Fees	-	-	-	-	-	-
CapEx	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Bankruptcy-Related Items						
Debtor Professional Fees	-	-	3,222	1,267	4,452,195	4,456,684
EC Professional Fees	-	-	-	-	1,461,004	1,461,004
Critical Vendor Payments	-	-	-	-	-	-
UCC Professional Fees	-	-	-	-	1,488,957	1,488,957
US Trustee	-	-	-	-	-	-
Utility Deposits	-	-	-	-	-	-
Subtotal	-	-	3,222	1,267	7,402,156	7,406,645
Total Post-Petition Debts	\$ -	\$ -	\$ 8,474	\$ 1,267	\$ 8,419,580	\$ 8,429,321

SS Body Armor I, Inc.
 Accounts Receivable Reconciliation and Aging & Debtors Questionnaire
 For the month ended August 31, 2014
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Case Number	10-11255 SS Body Armor I, Inc.	10-11257 SS Body Armor II, Inc.	10-11259 SS Body Armor III, Inc.
Accounts Receivable Reconciliation			
Total Accounts Receivables at the beginning of the period:	\$ 7,935	-	\$ -
+Amounts billed during the period	-	-	-
- Amounts collected or adjusted during the period	-	-	-
Total Accounts Receivable at the end of the reporting period	\$ 7,935 (a)	-\$ - (a)	\$ - (a)
Account Receivable Aging:			
0-30 Days	\$ -	\$ -	\$ -
31-60 days old	-	-	-
61-90 days old	-	-	-
91+ days old	7,935	-	-
Total Accounts Receivable	7,935	-	-
Amounts considered uncollectible (Bad debt)	-	-	-
Accounts Receivable, net	\$ 7,935	-\$ -	\$ -
(a): Per Balance Sheet	SS Body Armor I, Inc.	SS Body Armor II, Inc.	SS Body Armor III, Inc.
Accounts Receivable Trade	\$ -	\$ -	\$ -
Other Receivables	7,935	-	-
Deferred Revenues	-	-	-
Total Accounts Receivable	\$ 7,935 (a)	-\$ - (a)	\$ - (a)

Debtor Questionnaire

	Yes	No
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 post petition 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? In no, provide an explanation below.	X	
Note: Operational type insurance is no longer in place given the operations were sold in October 2011.		
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

SS Body Armor I, Inc. et al. f/k/a Point Blank Solutions Inc.


October 23, 2014

Office of the United States Trustee

Subject: Attestation Regarding Bank Account Reconciliations – Aug'14

The debtor, Point Blank Solutions, Inc. and its subsidiaries, hereby submits this attestation regarding bank account reconciliations in lieu of providing copies of bank statements and copies of all account reconciliations.

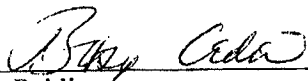
The debtor has, on a timely basis, performed all bank reconciliations in the ordinary course of business. Copies of bank statements and reconciliations are available for inspection upon request by the United States Trustee's Office.



Scott Avila
CRO

Sworn to and Subscribed

before me on this 24 day of October, 2014.



Notary Public

My Commission Expires: 6-17-17



Nationwide 800-413-5155
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Fax 954-630-9225

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SS Body Armor I, Inc. *et al.* f/k/a Point Blank Solutions Inc.

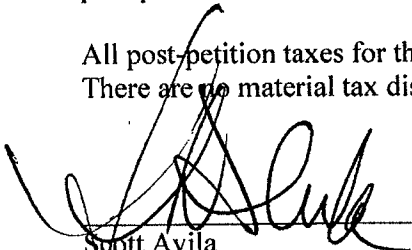
October 23, 2014

Office of the United States Trustee

Subject: Attestation Regarding Post-Petition Taxes – Aug'14

The debtor, Point Blank Solutions, Inc. and its subsidiaries, hereby submits this attestation regarding post-petition taxes.


All post-petition taxes for the debtor, which are not subject to dispute or reconciliation, are current. There are no material tax disputes or reconciliations.



Scott Avila
CRO

Sworn to and Subscribed

before me on this 24 day of October, 2014.



Notary Public

My Commission Expires: 6-17-17



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