UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
DISTRIBUTOR HOLDINGS LLC (f/k/a ARCHBROOK LAGUNA HOLDINGS LLC) *et al.*[1]	)	Case No. 11-13292 (SCC)
Debtors.	)	Jointly Administered

MONTHLY OPERATING REPORT FOR THE PERIOD FROM OCTOBER 1, 2011 TO OCTOBER 31, 2011

Debtors' Counsel: Ira S. Dizengoff
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New York, New York 10036

The undersigned, having reviewed the attached report and being familiar with the Debtors' financial affairs, verifies under penalty of perjury, that the information contained therein is complete, accurate and truthful to the best of my knowledge.

Daniel J. Boverman
Interim Chief Financial Officer
Distributor Holdings LLC

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer identification number, are: Distributor LLC (f/k/a ArchBrook Laguna LLC (6166)); Distributor Holdings LLC (f/k/a ArchBrook Laguna Holdings LLC (6156)); Distributor CM LLC (f/k/a Chimerica Global Logistics LLC (3745)); Distributor West LLC (f/k/a ArchBrook Laguna West LLC (9631)); Distributor LH LLC (f/k/a Lehrhoff ABL LLC (6386)); Distributor EW LLC (f/k/a Expert Warehouse LLC (4487)); and Distributor NY I LLC (f/k/a ArchBrook Laguna New York LLC (5385)).

DISTRIBUTOR HOLDINGS LLC, ET AL

Monthly Operating Reports
For the period from October 1, 2011 to October 31, 2011

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DISTRIBUTOR HOLDINGS LLC, ET AL
Debtor in Possession

The report includes activity from the following Debtors in these chapter 11 cases, along with the related case numbers[1]:

Debtor	Case No.	Period From October 1, 2011 - October 31, 2011 Disbursements
Distributor Holdings LLC	11-13292 (SCC)	--
Distributor NY I LLC	11-13290 (SCC)	--
Distributor LLC	11-13293 (SCC)	1,461,358.90
Distributor West LLC	11-13294 (SCC)	--
Distributor EW LLC	11-13295 (SCC)	69.77
Distributor LH LLC	11-13296 (SCC)	40,467.90
Distributor CM LLC	11-13297 (SCC)	--

I. Global Notes

A. The Chapter 11 Cases

1. Background

On July 8, 2011 (the "***Petition Date***"), Distributor Holdings LLC and certain of its affiliates (collectively, the "***Debtors***") filed voluntary petitions (the "***Chapter 11 Cases***") for relief under chapter 11 of title 11 of the United States Code (the "***Bankruptcy Code***") in the United States Bankruptcy Court for the Southern District of New York (the "***Bankruptcy Court***"). The Debtors continue to operate their businesses and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On July 18, 2011, the United States Trustee for the Southern District of New York (the "***U.S. Trustee***") appointed the Official Committee of Unsecured Creditors (the "***Committee***"). Information contained herein may differ from the Debtors' filings on the Petition Date due to more accurate information becoming available.

On July 28, 2011, the Debtors filed with the Bankruptcy Court their Schedules of Assets and Liabilities and Statements of Financial Affairs [Docket Nos. 95-108] (the "***Schedules***"). Information contained herein may differ from that contained in the Schedules due to more accurate information becoming available.

On September 7, 2011, the Bankruptcy Court entered an order (the "***Bar Date Order***") [Docket No. 252] establishing the following bar dates: (i) October 18, 2011 as (a) the general bar

[1] Disbursements noted in above table for Distributor LLC and Distributor LH LLC primarily correspond to the appropriate entity requiring such disbursement. However, in certain instances, *de minimis* amounts relating to Distributor LLC were disbursed from Distributor LH LLC accounts due to restrictive signatory access on Distributor LLC accounts and the need for expedited payment. These instances are not material in total.

date for filing proofs of claim against the Debtors' estates and (b) the administrative claims bar date for filing administrative claims against the Debtors' estates and (ii) January 4, 2012 as the governmental bar date for governmental entities to file proofs of claim against the Debtors' estates. Following the entry of the Bar Date Order, the Debtors served notice of the bar dates and the required procedures with respect to the filings of proofs of claim in the form and manner approved by the Bankruptcy Court. The Debtors' notice and claims agent is presently retaining all proofs of claim received to date.

2. Postpetitition Financing

On the Petition Date, the Debtors filed a motion (the "***DIP Motion***") seeking approval of ongoing access to cash collateral as well as approval to enter into an aggregate $50 million senior secured super-priority, debtor in possession financing facility (the "***DIP Facility***"). The DIP Facility is secured by a first priority lien on substantially all of the Debtors' unencumbered assets, subject to certain limitations. In addition, the DIP Facility is guaranteed by all of the Debtors with the exception of Distributor LH LLC.

On July 13, 2011, the Bankruptcy Court entered an order approving the DIP Motion on an interim basis [Docket No. 46]. The final hearing on the DIP Motion was held on August 2, 2011. On August 3, 2011, the Bankruptcy Court entered the *Final Order (I) Authorizing Debtors (A) To Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. §§ 105, 361, 362 and 364, and (B) To Utilize Cash Collateral Pursuant to 11 U.S.C. § 363; (II) Granting Liens and Super-Priority Claims; and (III) Granting Adequate Protection to Pre-Petition Secured Parties Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364* [Docket No. 143] (the "***Final DIP Order***").

The DIP Facility carries an interest rate of prime plus 3.75% per annum. GE Capital Commercial Services, Inc. ("***GE***"), acting as administrative agent for itself and certain other lenders (collectively, the "***DIP Lenders***") received an Upfront Facility Fee (as defined in the Final DIP Order) equal to 1% of the DIP Lenders' aggregate commitments under the DIP Facility for providing the DIP Facility and a $100,000 administrative fee. The DIP Facility contains negative and affirmative covenants standard for debtor in possession financing facilities, as well as various operational performance covenants. The Debtors do not believe they will be unable to comply with these covenants. Further, the DIP Facility contains various events of default, including, without limitation, failure to comply with the following milestones (the "***DIP Milestones***"): (1) the Debtors filing a motion seeking Bankruptcy Court approval of the bidding procedures (the "***Bid Procedures Motion***") on the Petition Date; (2) the Bankruptcy Court entering a sale procedures order (the "***Bid Procedures Order***") on or before July 23, 2011; (3) the Debtors holding and completing an auction (the "***Auction***") in compliance with the Bid Procedures Order on or before August 12, 2011; (4) the Bankruptcy Court entering one or more orders approving each winning bid on or before August 17, 2011; and (5) the Debtors executing documents required by the DIP Facility on or before August 22, 2011.

3. The Sale Process

On July 9, 2011, the Debtors filed the Bid Procedures Motion [Docket No. 12]. A hearing on the Bid Procedures Motion was held on July 20, 2011. On July 21, 2011, the Bankruptcy Court entered the Bid Procedures Order [Docket No. 74].

Beginning on August 8, 2011, pursuant to the Bid Procedures Order, the Debtors conducted an auction seeking to sell substantially all of the Debtors' assets. On August 10, 2011, the Debtors selected Gordon Brothers Group, LLC ("***GBG***" and, together with SED International Holdings, Inc., and each in their individual capacities, the "***Purchaser***") as the successful bidder, and the Bankruptcy Court conducted a hearing to approve the sale transaction (the "***Sale Transaction***").

On August 12, 2011, the Bankruptcy Court entered the Order (I) Authorizing the Sale of Certain Assets and (II) Granting Related Relief (the "***Sale Order***") [Docket No. 207]. On August 15, 2011, the Debtors executed the documents required by the DIP Facility and closed the Sale Transaction.

On August 15, 2011, the sale closing date (the "***Closing Date***"), pursuant to the Sale Order, the Debtors entered into a Transition Services Agreement (the "***TSA***") to provide certain services to the Purchaser during the period immediately following the Closing Date. The services under the TSA include (i) payroll services; (ii) certain information technology services; and (iii) access to certain employees to provide the Purchaser with the Debtors' data, books and records and information. The Debtors have successfully met the DIP Milestones.

B. GAAP

The consolidated financial statements and supplemental information contained herein are preliminary and unaudited and may not comply with generally accepted accounting principles in the United States of America ("***GAAP***") in all material respects. In addition, the consolidated financial statements and supplemental information contained herein represent information for the Debtors only and exclude all non-Debtor affiliates unless otherwise noted.

The unaudited consolidated financial statements have been derived from the Debtors' books and records. This information, however, has not been subject to certain procedures that would typically be applied to financial information in accordance with GAAP. Upon application of such procedures (such as tests for asset impairment), the Debtors believe that the financial information could be subject to changes, which could be material. The information furnished in this report includes primarily normal recurring adjustments but does not include all adjustments that would typically be made for consolidated financial statements in accordance with GAAP.

C. General Methodology

The Debtors prepared this Monthly Operating Report relying primarily upon the information set forth in their books and records. Consequently, certain transactions that are not identified in the normal course of business in the Debtors' books and records may not be included in this Monthly Operating Report. Nevertheless, in preparing this Monthly Operating Report, the Debtors made reasonable efforts to supplement the information set forth in their books and records with additional information concerning transactions that may not have been identified therein.

D. Prepetition vs. Postpetition Liabilities

The Debtors allocated liabilities between prepetition and postpetition periods based upon the information available at the time of, and research conducted in connection with, the preparation of this Monthly Operating Report. As additional information becomes available and further research is conducted, the Debtors' allocation of liabilities between the prepetition and postpetition periods may change. The liability information, except as otherwise noted, is listed as of the close of business as of the end of the month. Accordingly, the Debtors reserve all rights to amend, supplement or otherwise modify this Monthly Operating Report as necessary and appropriate.

E. Liabilities Subject to Compromise

As a result of commencing the Chapter 11 Cases, the payment of prepetition indebtedness is subject to compromise or other treatment under a chapter 11 plan. Generally, actions to enforce or otherwise effect payment of prepetition liabilities are stayed.

F. Liabilities Not Subject to Compromise

Although payment of prepetition claims generally is not permitted, the Bankruptcy Court has authorized the Debtors to pay certain prepetition claims in designated categories and subject to certain terms and conditions pursuant to certain orders entered on July 12, 2011 (the "***First Day Orders***"). This relief generally was designed to preserve the value of the Debtors' businesses and assets. To the extent such claims have been categorized as "Liabilities Not Subject to Compromise," the Debtors reserve their right to dispute their obligation to make such payments.

The Debtors have been paying and intend to continue to pay certain undisputed postpetition amounts in the ordinary course of business.

In addition, as a result of the Sale Transaction and the related agreements, including the TSA, expenses incurred but reimbursable by the Purchaser are not considered in these reports as liabilities or expenses, though the transactions are reflected in the Statement of Cash Flows.

G. Reservation of Rights

Given the complexity of the Debtors' businesses, inadvertent errors, omissions or the overinclusion of contracts or leases may have occurred in the preparation of this Monthly Operating Report. Accordingly, the Debtors hereby reserve all of their rights to dispute the validity, status, enforceability or the executory nature of any claim amounts, representation or other statement in this Monthly Operating Report and reserve the right to amend or supplement this Monthly Operating Report, if necessary.

Nothing contained in this Monthly Operating Report shall constitute a waiver of the Debtors' rights or an admission with respect to the Chapter 11 Cases, including with respect to any issues involving the Debtors' ownership interests, substantive consolidation, equitable subordination, defenses and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws.

II. Notes to Monthly Operating Reports

A. Notes to MOR-1

Cash is received in accordance with the the Final DIP Order. The Debtors maintain an integrated cash management system for the purposes of collecting, concentrating, transferring, disbursing and investing cash.

B. Notes to MOR-2

The Debtors' quarterly U.S. Trustee fees became due during the reporting period and are reflected herein. Although amounts reported in MOR-2 are generally reported on an accrual basis, the Debtors will only report quarterly U.S. Trustee fees in the period in which they become due and owing.

C. Notes to MOR-3

The amount listed in the Wages Payable represents only the Debtors' portion of wages incurred during the reporting period. The balance of the wages incurred was reimbursed by the Purchaser pursuant to the TSA.

Tax figures shown include sales, property, and payroll taxes incurred during the reporting period. These amounts exclude those taxes reimbursed by the Purchaser as required by the TSA.

The amounts listed in Owner's Equity have been calculated in the following manner:

(i) the Capital Stock includes both preferred and common stock;
(ii) the Investment in Subsidiary represents the investment in Debtor Distributor EW LLC;
(iii) the Owner's Equity Account amount includes all current year earnings; and
(iv) the Retained Earnings Prepetition include all prior year retained earnings.

Certain adjustments have been made to the Owner's Equity to reflect further reconciliation of accounts transferred to the Purchaser in the Sale Transaction.

For the reporting period, the Debtors have made certain accounting adjustments between prepetition and postpetition amounts of Secured Debt. The Debtors believe that these adjusted amounts, previously reported as prepetition liabilities subject to compromise, are more accurately accounted for in the Debtors postpetition liabilities not subject to compromise.

D. Notes to MOR-4

Due to the Debtors' payroll schedule, certain amounts relating to Federal, State and Local Taxes incurred during the reporting period were paid after the close of the reporting period. To accurately reflect the current state of the Debtors' businesses, the Date Paid for these amounts, although after the close of the reporting period, is listed.

As the Debtors' professionals close the Debtors' books and records, additional information regarding past due unpaid postpetition debts has become available. See Notes to MOR-7 for further details regarding such reported amounts.

Further, in the Summary of Unpaid Post-Petition Debts the Debtors have reported for the first time unpaid professional fees subject to the holdback described in the *Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals Pursuant to 11 U.S.C. §§ 105(a) and 331* [Docket No. 139] (the "***Compensation Order***") entered on August 3, 2011.

In addition, certain past due amounts reported in the Professional Fees line item of the Summary of Unpaid Post-Petition Debts are subject to informal objections by the DIP Lenders and thus, have not been paid. The parties continue to work on a consensual resolution.

E. Notes to MOR-6

The Debtors have not reported payments to professionals utilized in the ordinary course of business. The Debtors and the Committee's retained professionals receive payment pursuant to the Compensation Order, which provides for the monthly payment of professional fees after the thirty-fifth day following the month for which compensation is sought. The Debtors' retained professionals include Akin Gump Strauss Hauer & Feld LLP, Macquarie Capital (USA) Inc, Garden City Group, Inc. and PricewaterhouseCoopers LLP. The Committee's retained professionals include Cooley LLP and Loughlin Meghji and Company Inc.

The DIP Lenders' professionals receive payment pursuant to the Final DIP Order. The DIP Lenders' professionals include Latham & Watkins LLP, FTI Consulting, Inc., Jensen Coddington Financial Consulting Group Inc. and Great American Group Advisory and Valuation Services, LLC.

Hawkwood Consulting LLC was paid pursuant to the *Order Authorizing (A) The Employment and Retention of Hawkwood Consulting LLC as Crisis Manager for the Debtors and (B) The Appointment of Stephen J. Gawrylewski as Chief Restructuring Officer for the Debtors Effective Nunc Pro Tunc to the Petition Date* [Docket No. 146] entered on August 3, 2011.

The amount listed in Utility Deposit/Disbursement Account represents funds held in escrow pursuant to the First Day Orders.

F. Notes to MOR-7

#2: Please see the notes to MOR-1 regarding the Final Cash Management Order.

#13: The Debtors are currently investigating and reconciling certain past-due postpetition invoices and are working to process all payables as quickly as possible once payment determinations are made.

In re Distributor Holdings LLC, et al. **Case No.** 11-13292
Debtor **Reporting Period:** 10/1/11 - 10/31/11

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS *

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS				
ACCOUNT NUMBER (LAST 4)	OPER	PAYROLL	TAX	OTHER	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
CASH BEGINNING OF MONTH	1,219,717				1,219,717
RECEIPTS					
CASH SALES					
ACCOUNTS RECEIVABLE - PREPETITION					
ACCOUNTS RECEIVABLE - POSTPETITION					
LOANS AND ADVANCES					
SALE OF ASSETS					
OTHER *(ATTACH LIST)*	1,618,377				1,618,377
TRANSFERS *(FROM DIP ACCTS)*					
TOTAL RECEIPTS	1,618,377				1,618,377
DISBURSEMENTS					
NET PAYROLL	156,204				156,204
PAYROLL TAXES					
SALES, USE, & OTHER TAXES	19,716				19,716
INVENTORY PURCHASES					
SECURED/ RENTAL/ LEASES	62,219				62,219
INSURANCE					
ADMINISTRATIVE	9,579				9,579
SELLING	4,682				4,682
OTHER *(ATTACH LIST)*	49,843				49,843
OWNER DRAW					
PAY DOWN OF SECURED LOAN PRINCIPAL & INTEREST					-
PROFESSIONAL FEES	1,215,823				1,215,823
U.S. TRUSTEE QUARTERLY FEES					
COURT COSTS					
TOTAL DISBURSEMENTS	1,518,066				1,518,066
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	100,311				100,311
CASH – END OF MONTH	1,320,028				1,320,028

* See Notes to MOR-1.

Other Disbursements	
Utilities	1,077
Telecommunications	27,345
Other Operating	21,422
Receivables Proceeds Remitted Regarding Sale Transaction	
Total Other Disbursements	49,843

Other Cash Receipts	
Estate funding from secured creditor bank group	1,315,933
COBRA receipts not previously recorded	39,574
Reimbursements Relating to Sale Transaction	262,870
Total Other Cash Receipts	1,618,377

Distributor Holdings LLC, et al. **Case No.** 11-13292

Debtor **Reporting Period:** 10/1/11 - 10/31/11

BANK RECONCILIATIONS

Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.

(Bank account numbers may be redacted to last four numbers.)

	Operating #	Payroll #	Tax #	Other #
BALANCE PER BOOKS	$ 1,320,027.63			
BANK BALANCE	$ 1,314,534.61			
(+) DEPOSITS IN TRANSIT *(ATTACH LIST)*				
(-) OUTSTANDING CHECKS *(ATTACH LIST)* :	(5,493.02)			
OTHER *(ATTACH EXPLANATION)*				
ADJUSTED BANK BALANCE *	1,320,027.63			

*"Adjusted Bank Balance" must equal "Balance per Books"

(SEE ATTACHED)

Distributor EW LLC
Bank Reconciliation
October 31, 2011
Disbursement account
#4725

Balance per Bank Statement, October 31, 2011		**$ -**
Outstanding Checks	$ -	
	$ -	
Reconciled Bank Balance, October 31, 2011		**$ -**
Reconciled Book Balance, October 31, 2011		**$ -**

Distributor LH LLC
Bank Reconciliation
October 31 ,2011
Integrated Premium Concepts (IPC)
#6843

Balance per Bank Statement, October 31, 2011		**$ -**
Reconciled Bank Balance, October 31, 2011	$ -	
Reconciled Book Balance, October 31 ,2011		**$ -**

Distributor LLC
Bank Reconciliation
October 31, 2011
Controlled ABL Disbursement Account
#8932

Balance per Bank Statement, October 31, 2011		**$ 146,492.96**
Deduct:		
Outstanding Checks	$ 5,258.84	
		$ 5,258.84
Reconciled Bank Balance, October 31, 2011		**$ 141,234.12**
Reconciled Book Balance, October 31, 2011		**$ 141,234.12**

Distributor LLC Bank Reconciliation October 31, 2011 Controlled Disbursement Account #2844	
Balance per Bank Statement, 10/31/2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor LH LLC Bank Reconciliation October 31, 2011 Lehrhoff Disbursement Account #9546	
Balance per Bank Statement, October 31, 2011	$ 2,313.10
Deduct: O/S checks	$ 234.18
Reconciled Bank Balance, October 31, 2011	$ 2,078.92
Reconciled Book Balance, October 31, 2011	$ 2,078.92

Distributor LH LLC Bank Reconciliation October 31, 2011 Integrated Premium Concepts (IPC) #3147	
Balance per Bank Statement, October 31, 2011	$ -
Reconciled Bank Balance October 31, 2011	$ -
Reconciled Bank Balance October 31, 2011	$ -

Distributor LLC
Bank Reconciliation
October 31, 2011
Disbursement Account - Bid Escrow Deposit Account
#1991

Balance per Bank Statement, October 31, 2011	**$ 1,051,015.44**
Reconciled Bank Balance October 31, 2011	**$ 1,051,015.44**
Reconciled Bank Balance October 31, 2011	**$ 1,051,015.44**

Distributor LLC
Bank Reconciliation
October 31, 2011
Controlled Disbursement Account - North
#0631

Balance per Bank Statement, October 31, 2011	**$ -**
Reconciled Bank Balance, October 31, 2011	**$ -**
Reconciled Book Balance, October 31, 2011	$ -

Distributor LLC
Bank Reconciliation
October 31, 2011
Disbursement Account - Utility Deposit Account
#1983

Balance per Bank Statement, October 31, 2011	**$ 48,470.11**
Reconciled Bank Balance, October 31, 2011	**$ 48,470.11**
Reconciled Book Balance, October 31, 2011	**$ 48,470.11**

Distributor LH LLC Bank Reconciliation October 31, 2011 Disbursement #6329	
Balance per Bank Statement, October 31, 2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor LLC Bank Reconciliation October 31, 2011 Disbursement #9303	
Balance per Bank Statement, October 31,2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor LLC Bank Reconciliation October 31, 2011 Disbursement #0171	
Balance per Bank Statement, October 31,2011	$ 65,607.00
Reconciled Bank Balance, October 31, 2011	$ 65,607.00
Reconciled Book Balance, October 31, 2011	$ 65,607.00

Distributor LLC Bank Reconciliation October 31, 2011 Disbursement #3954	
Balance per Bank Statement, October 31,2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor EW LLC Bank Reconciliation October 31, 2011 Disbursement #4767	
Balance per Bank Statement, October 31,2011	$ 636.00
Reconciled Bank Balance, October 31, 2011	$ 636.00
Reconciled Book Balance, October 31, 2011	$ 636.00

Distributor LH LLC Bank Reconciliation October 31, 2011 Disbursement #6827	
Balance per Bank Statement, October 31,2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor EW LLC Bank Reconciliation October 31, 2011 Disbursement #4182	
Balance per Bank Statement, October 31,2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor LLC Bank Reconciliation October 31, 2011 Disbursement #4179	
Balance per Bank Statement, October 31,2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Distributor LH LLC Bank Reconciliation October 31, 2011 Sterling #6830	
Balance per Bank Statement, October 31,2011	$ -
Reconciled Bank Balance, October 31, 2011	$ -
Reconciled Book Balance, October 31, 2011	$ -

Attachment to MOR-1 – Outstanding Checks

Payment Date	Document Num	Payment Amount
8/17/2011	2062	148.44
8/17/2011	2063	909.85
8/23/2011	2072	386.78
6/29/2011	83466	17.36
6/30/2011	83472	20.93
6/30/2011	83473	5.70
7/19/2011	83502	77.60
10/17/2011	83640	1,452.00
10/19/2011	83644	286.39
10/19/2011	83647	1,723.47
10/19/2011	83648	230.32
10/19/2011	52671	234.18
		5,493.02

In re: Distributor Holdings LLC, et al. Case No. 11-13292
Debtor Reporting Period: 10/1/11 - 10/31/11

STATEMENT OF OPERATIONS (Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	MONTH	CUMULATIVE - FILING TO DATE
Gross Revenues	$ -	$ 7,661,168
Less: Returns and Allowances	$ -	$ -
Net Revenue	$ -	$ 7,661,168
COST OF GOODS SOLD		
Beginning Inventory	$ -	$ -
Add: Purchases	$ -	$ -
Add: Cost of Labor	$ -	
Add: Other Costs *(attach schedule)*	$ -	$ -
Less: Ending Inventory	$ -	$ -
Cost of Goods Sold	$ -	$ 8,475,548
Gross Profit	$ -	$ 8,475,548
OPERATING EXPENSES		
Advertising	$ -	$ -
Auto and Truck Expense	$ -	$ -
Bad Debts		
Contributions	$ -	$ -
Employee Benefits Programs	$ 2,235	$ 300,591
Officer/Insider Compensation*	$ 19,716	$ 19,716
Insurance	$ -	$ 61,514
Management Fees/Bonuses	$ -	$ -
Operating Expenses	$ 2,611	$ 1,280,135
Pension & Profit-Sharing Plans	$ -	$ -
Repairs and Maintenance	$ -	$ 357,891
Rent and Lease Expense	$ 1,940	$ 312,439
Salaries/Commissions/Fees	$ 7,527	$ 1,593,385
Supplies	$ -	$ -
Taxes - Payroll	$ 2,475	$ 639,787
Taxes - Real Estate	$ -	$ 13,730
Taxes - Other	$ 2,896	$ 8,343
Travel and Entertainment	$ -	$ -
Utilities	$ -	$ 6,107
Other *(attach schedule)*	$ -	$ -
Total Operating Expenses Before Depreciation	$ 39,402	$ 4,593,638
Depreciation/Depletion/Amortization	$ -	$ -
Net Profit (Loss) Before Other Income & Expenses	$ (39,402)	$ (5,856,022)
OTHER INCOME AND EXPENSES		
Other (Income) *(attach schedule)*	$ (18,005)	$ (46,812)
Interest Expense		$ -
Other Expense *(attach schedule)*		$ -
Net Profit (Loss) Before Reorganization Items	$ (21,396)	$ (5,809,210)
REORGANIZATION ITEMS		
Professional Fees	$ 327,460	$ 5,646,207
U. S. Trustee Quarterly Fees	$ 50,800	$ 50,800
Interest Earned on Accumulated Cash from Chapter 11 *(see continuation sheet)*	$ -	$ -
Gain (Loss) from Sale of Equipment	$ -	$ -
Other Reorganization Expenses *(attach schedule)*	$ -	$ 118,807,093
Total Reorganization Expenses	$ 378,260	$ 124,504,100
Income Taxes	$ -	$ -
Net Profit (Loss)	$ (399,656)	$ (130,313,310)

* See notes to MOR-2 *"Insider" is defined in 11 U.S.C. Section 101(31).

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

Other (Income)		
Customer recoveries	16,221	36,446
Recycling vendor	-	486
Supplier recovery	-	8,095
State tax refunds	1,784	1,784
	-	
	18,005	46,812

Other Reorganization Expenses		
DEMG Payment	-	100,000
Sale Transaction expenses	-	6,917
Adjustments to loss on Sale Transaction	-	1,150,000
Total Estate funded other restructuring fees	-	1,256,917

In re Distribuidora Holdings LLC et al **Case No.** 11-13292
Debtor **Reporting Period:** 10/1/11 - 10/31/11

BALANCE SHEET *

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from post-petition obligations.

ASSETS	*BOOK VALUE AT END OF CURRENT REPORTING MONTH*	*BOOK VALUE AT END OF PRIOR REPORTING MONTH*	*BOOK VALUE ON PETITION DATE OR SCHEDULED*
CURRENT ASSETS			
Unrestricted Cash and Equivalents	220,542	120,238	1,789,241
Restricted Cash and Cash Equivalents *(see continuation sheet)*	1,099,486	1,099,479	-
Accounts Receivable (Net)	36,139	93,829	91,075,986
Notes Receivable	-	-	-
Inventories	-	-	33,204,060
Prepaid Expenses	-	-	224,377
Professional Retainers	-	-	-
Other Current Assets *(attach schedule)*	-		-
TOTAL CURRENT ASSETS	1,356,167	1,313,546	126,293,664
PROPERTY & EQUIPMENT			
Real Property and Improvements	-	-	-
Machinery and Equipment	-		2,004,162
Furniture, Fixtures and Office Equipment	-	-	11,483,637
Leasehold Improvements	-	-	156,338
Vehicles	-	-	-
Less: Accumulated Depreciation	-		-
TOTAL PROPERTY & EQUIPMENT	-	-	13,644,137
OTHER ASSETS			
Amounts due from Insiders*	-	-	
Other Assets *(attach schedule)*	-	-	6,467,205
TOTAL OTHER ASSETS	-	-	6,467,205
TOTAL ASSETS	1,356,167	1,313,546	146,405,005
LIABILITIES AND OWNER EQUITY			
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)			
Accounts Payable	469,677	321,447	-
Taxes Payable *(refer to FORM MOR-4)*	363	1,728	-
Wages Payable	7,978	7,373	-
Notes Payable	-	-	-
Rent / Leases - Building/Equipment	58,056	24,075	-
Secured Debt / Adequate Protection Payments	7,366,943	6,051,010	37,330,085
Professional Fees	2,407,448	3,227,824	-
Amounts Due to Insiders**			
Other Post-petition Liabilities *(attach schedule)*			
TOTAL POST-PETITION LIABILITIES	10,310,464	3,582,447	37,330,085
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)			
Secured Debt	-	-	-
Priority Debt	-	-	-
Unsecured Debt	84,993,554	84,993,554	82,912,554
TOTAL PRE-PETITION LIABILITIES	84,993,554	91,044,564	82,912,554
TOTAL LIABILITIES	95,304,018	94,627,011	120,242,639
OWNERS' EQUITY			
Capital Stock	76,786,154	76,786,154	76,786,154
Additional Paid-In Capital	-	-	-
Investment in Subsidiary	541,139	541,139	541,139
Owner's Equity Account	(2,375,110)	(2,375,110)	(2,375,110)
Retained Earnings - Pre-Petition	(48,789,816)	(48,789,816)	(48,789,816)
Retained Earnings - Post-petition	(399,656)	(775,656)	-
Adjustments to Owner Equity *(attach schedule)*	(119,710,562)	(118,700,176)	-
Post-petition Contributions *(attach schedule)*			
NET OWNERS' EQUITY	(93,947,852)	(93,313,465)	26,162,366
TOTAL LIABILITIES AND OWNERS' EQUITY	1,356,166	1,313,546	146,405,006

* See Notes to MOR-3 ** "Insider" is defined in 11 U.S.C. Section 101(31).

BALANCE SHEET - continuation section *

OWNERS EQUITY	**BOOK VALUE AT END OF CURRENT REPORTING MONTH**	**BOOK VALUE AT END OF PRIOR REPORTING MONTH**	**BOOK VALUE ON PETITION DATE**
Adjustments to Owner's Equity			
Loss (Gain) from Sale Transaction	123,183,657	123,183,657	-
Loss from Hyperams open box transaction	2,787,619	2,787,619	-
Other write offs relating to balance sheet re-valuation	(6,260,714)	(7,271,100)	-

* See Notes to MOR-3

Accounts Receivable as of 10/31/11;		
Hawkwood Retainer		200,000
Value Added Fee		(36,633)
WE 9/18 applied		(48,348)
WE 9/25 applied		(13,880)
WE 10/02 applied		(23,310)
WE 10/09 applied		(14,190)
WE 10/16 applied		(13,625)
WE 10/23 applied		(16,080)
WE 10/30 applied		(13,795)
	20,139	
Other professinal retainers		
Hyperams Recievable	16,000	
Total Estate A/R as of 10/31	**36,139**	

Restricted Cash;	
Utilities escrow	48,470
Macquarie Escrow	1,051,015
	1,099,486

In re **Distributor Holdings LLC, et al.** **Case No.** 11-13292

Debtor **Reporting Period:** 10/1/11 - 10/31/11

STATUS OF POST-PETITION TAXES *

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.

Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Date Paid	Check # or EFT	Ending Tax
Withholding	-	22,718	22,718	11-Nov		
FICA-Employee	-	6,022	6,022	11-Nov		
FICA-Employer	-	8,889	8,889	11-Nov		
Unemployment	-	1	1	11-Nov		
Income	-					
Medicare employee	-	2,647	2,647	11-Nov		
Medicare employer	-	2,647	2,647	11-Nov		
Total Federal Taxes	-	42,925	42,925	11-Nov		
State and Local						
Withholding, SUI, SDI, SWT	-	7,076	7,076	11-Nov		
Sales, Excise, and business taxes	-	2,896	2,896	13-Oct		
Excise						
Unemployment						
Real Property						
Personal Property						
Other:_partnership income						
Total State and Local		9,973	9,973			
Total Taxes		52,898	52,898			

* See Notes to MOR 4.

SUMMARY OF UNPAID POST-PETITION DEBTS *

Attach aged listing of accounts payable.

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 91	Total
Accounts Payable	64,852	75,320.51	150,120.18	179,384.59		469,677
Wages Payable	7,978					7,978
Taxes Payable	363					363
Rent/Leases-Building			1,223.87	2,010.65		3,235
Rent/Leases-Equipment	24,276		12,124.28	21,655.59		58,056
Secured Debt/Adequate Protection Payments						
Professional Fees	269,770	333,097.00	1,460,538.00	344,043.00		2,407,448
Amounts Due to Insiders						
Other:_____						
Other:_____						
Total Post-petition Debts	367,238	408,418	1,624,006	547,094		2,946,756

Distributor Holdings LLC A/P accruals as of 10/31/11

amount	Estimated Period incurred	Description
Leases:		
Real Property		
2,010.65	11-Jul	Hackensack NJ Apt. Rent
2,010.65		
Leases:		
Equipment		
5,797.01	11-Jul	Forklift Leases
14,492.52	11-Jul	Forklift Leases
833.64	11-Jul	SecurityAccess System Lease
309.08	11-Jul	Copier Lease
100.60	11-Jul	Copier Maintenance
122.75	11-Jul	GA Forklift Lease
21,655.59	Leases payable 90 days	
Other:		
38.50	11-Jul	Copier Maintenance
48.00	11-Jul	Bottled Water
190.00	11-Jul	Scale Maintenance
662.26	11-Jul	Freight Charges
118.16	0-Jan	Cable Television
736.91	11-Jul	Forklift Maintenance
195.81	11-Jul	Records storage
127.45	11-Jul	Cleaning Supplies
19.81	11-Jul	Bottled Water
34.45	11-Jul	Coffee Supplies
208.78	11-Jul	Freight Charges
191.54	11-Jul	Taxi Service
22,198.76	11-Jul	Freight Charges
2,794.19	11-Jul	Freight Charges
12,371.35	11-Jul	Freight Charges
8,377.81	11-Jul	Freight Charges
40,145.89	11-Jul	Freight Charges
532.44	11-Jul	Postini & Virus Protection
19,716.21	11-Jul	Postini & Virus Protection
180.00	11-Jul	Catalogue Subscription
38.39	11-Jul	Security
2,399.33	11-Jul	Imaging Services
380.39	11-Jul	Shipping Supplies
1,204.71	11-Jul	Shipping Supplies
4,195.00	11-Jul	Freight Charges
111.00	11-Jul	Exterminator
7,182.00	11-Jul	ILS Programming Issues
103.55	11-Jul	Plant Service
65.00	11-Jul	IT Consulting
1,390.49	11-Jul	Freight Charges
132.11	11-Jul	Freight Charges
736.56	11-Jul	HVAC Repair
18.88	11-Jul	Water Cooler Rental
1,522.50	11-Jul	Packaging & Shipping Supplies
1,433.99	11-Jul	Freight Charges
564.00	11-Jul	HVAC Service
40.00	11-Jul	Freight Charges
164.46	11-Jul	Credit Card Processing
15.94	11-Jul	Water Filtration Rental
2,217.80	11-Jul	Freight Charges
357.50	11-Jul	Temporary Employment Services
20,725.00	11-Jul	Sales Module Support
313.71	11-Jul	Security Monitoring
73.58	11-Jul	Cellular Charges
2,220.00	11-Jul	IT Consulting
17,503.64	11-Jul	Freight Charges
11.00	11-Jul	Freight Charges
388.92	11-Jul	Freight Charges
667.74	11-Jul	Store Merchandising
632.90	11-Jul	Freight Charges
74.98	11-Jul	Freight Charges
3,611.20	11-Jul	Office Supplies
179,384.59	Other A/P 90 days	
203,050.83	**Total A/P 90 days**	
Leases:		
Real Property		
1,223.87	11-Aug	Hackensack NJ Apt. Rent
1,223.87		

Leases:
Equipment

4,035.14	11-Aug	Leased Equipment
4,981.03	11-Aug	Forklift Rental
507.43	11-Aug	Security access systems lease
383.39	11-Aug	Water filtration equipment
33.10	11-Aug	Water Filtration Rental
188.13	11-Aug	Copier Lease
641.06	11-Aug	Copier Lease
1,140.19	11-Aug	Equipment lease
214.81	11-Aug	Forklift Lease
12,124.28	Leases payable 60 days	

Other:

839.28	11-Aug	Utilities
702.48	11-Aug	Utilities
278.90	11-Aug	Accounting Software
2,039.22	11-Aug	Outside Marketing and Sales Services
1,503.90	11-Aug	GA Forklift Maint
97.90	11-Aug	Records storage
173.56	11-Aug	Edison Bottled water
365.97	11-Aug	IT
3,140.55	11-Aug	Outside Marketing and Sales Services
43.26	11-Aug	Edison Water
24.78	11-Aug	Edison Water
2,968.00	11-Aug	Freight Charges
8,973.88	11-Aug	Freight Charges
10,897.67	11-Aug	Freight Charges
15,571.69	11-Aug	Freight Charges
27,217.60	11-Aug	Freight Charges
199.75	11-Aug	Postini & Virus Protection
532.44	11-Aug	Postini & Virus Protection
199.75	11-Aug	Postini & Virus Protection
248.39	11-Aug	Postini & Virus Protection
772.10	11-Aug	Outside Marketing and Sales Services
46.61	11-Aug	Security
38.39	11-Aug	Security
46.61	11-Aug	Security
1,253.52	11-Aug	Outside Marketing and Sales Services
1,241.52	11-Aug	Shipping Supplies
96.30	11-Aug	Copier Maintenance
60.40	11-Aug	Plant Services
179.00	11-Aug	IT
2,706.00	11-Aug	Recruting Fees
37,611.22	11-Aug	WAN services
1,023.70	11-Aug	Freight Charges
897.88	11-Aug	Record Storage
176.37	11-Aug	Freight Charges
75.68	11-Aug	Water Cooler Rental
179.03	11-Aug	Waste removal
839.63	11-Aug	Forklift maintenance
9,636.45	11-Aug	Utilities
398.22	11-Aug	Freight Charges
77.60	11-Aug	Employee Funded Garnishment
386.78	11-Aug	Employee Expense Reports
283.80	11-Aug	LEH Instapak Warranty
148.44	11-Aug	Employee Funded Garnishment
146.10	11-Aug	Employee Funded Garnishment
6,359.16	11-Aug	Security
240.70	11-Aug	Outside Marketing and Sales Services
1,959.35	11-Aug	Freight Charges
539.84	11-Aug	Outside Marketing and Sales Services
1,337.10	11-Aug	IT
3,180.22	11-Aug	Outside Marketing and Sales Services
909.85	11-Aug	Employee Funded Garnishment
190.96	11-Aug	Security Monitoring
387.31	11-Aug	Outside Marketing and Sales Services
209.69	11-Aug	Cellular Charges
126.86	11-Aug	Telephone Services
64.20	11-Aug	Office Supplies
274.63	11-Aug	Communications Services
150,120.18	Other A/P 60 days	
163,468.34	**Total A/P 60 days**	

256.50	11-Sep	General services
24.84	11-Sep	IT
24,029.48	11-Sep	WAN services
209.69	11-Sep	Cellular Charges
325.00	11-Sep	US Trustee Fees
325.00	11-Sep	US Trustee Fees

30,000.00		11-Sep	US Trustee Fees
325.00		11-Sep	US Trustee Fees
6,500.00		11-Sep	US Trustee Fees
13,000.00		11-Sep	US Trustee Fees
325.00		11-Sep	US Trustee Fees
75,320.51	**Total A/P 30 days**		
Leases:			
1,940.34		11-Oct	Leased Equipment
22,335.65		11-Nov	Lease Buyout
24,275.99	Leases payable current		
118.99		11-Oct	IT
127.45		11-Oct	Office supplies
235.27		11-Oct	IT
7.00		11-Oct	COBRA Payments
261.62		11-Oct	COBRA Payments
1,196.29		11-Oct	IT Consulting
3,800.00		11-Oct	Treasury Department Filing Fees
674.78		11-Oct	Employee reimbursement
(2,644.57)		11-Oct	Tax Refunds
(6,354.78)		11-Oct	Petty Cash Deposits
3,661.87		11-Oct	IT
260.18		11-Oct	Vendor Reconciliations
(650.15)		11-Oct	Vendor Reconciliations
977.06		11-Oct	Bank Charges
252.42		11-Oct	IT
(3,535.93)		11-Nov	Vendor Reconciliations
75.08		11-Nov	Payroll Processing Fees
45.18		11-Nov	Payroll Processing Fees
92.00		11-Nov	Payroll Fees
2,500.00		11-Nov	Cleaning Services
9.99		11-Nov	Bank Charges
961.89		11-Nov	Freight Charges
1,167.30		11-Nov	Freight Charges
23,272.76		Jul/Aug	Freight Charges
38,340.00		Jun - Dec	Website Maintenance
64,851.70	Other A/P current		
89,127.69	**Total A/P current**		
530,967.36	**Total Estate Trade A/P**		
	Professionals A/P:		
169,144.00	**Akin Gump July**		
83,720.00	GCG July		
27,338.00	**Cooley July**		
12,951.00	**Loughlin July**		
50,890.00	**PWC**		
344,043.00	**90 days**		
168,104.00	**Akin Gump August**		
60,556.00	**GCG August**		
38,216.00	**Cooley August**		
26,785.00	**Loughlin August**		
1,065,627.00	**Macquarie August**		
101,250.00	**Macquarie other**		
1,460,538.00	**60 days**		
200,341.00	Akin Gump Sept		
36,719.00	**GCG September**		
53,989.00	**Cooley Sept**		
42,048.00	**Loughlin Sept**		
333,097.00	**30 days**		
144,770.00	**Akin Gump Oct**		
35,000.00	**GCG October**		
60,000.00	**FTI**		
30,000.00	**Latham**		
269,770.00	**current**		
2,407,448.00	**Total Professionals A/P as of 10/31/11**		

In re Distributer Holdings LLC, et al. Case No. 11-13292
Debtor Reporting Period: 10/1/11 - 10/31/11

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING *

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	
Plus: Amounts billed during the period	
Less: Amounts collected during the period	
Total Accounts Receivable at the end of the reporting period	

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old					
31 - 60 days old					
61 - 90 days old					
91+ days old					
Total Accounts Receivable					
Less: Bad Debts (Amount considered uncollectible)					
Net Accounts Receivable			-		

TAXES RECONCILIATION AND AGING *

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old					
31 - 60 days old					
61 - 90 days old					
91+ days old					
Total Taxes Payable					
Total Accounts Payable					

In re: Distribution Holdings, LLC, et al. Case No. 11-13202
Debtor Reporting Period: 10/1/11 - 10/31/11

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS

NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
Member	KEIP	-	150,000
Member	KEIP	-	37,500
Member	KEIP	-	37,500
Member	KEIP	-	37,500
Member	KEIP	-	37,500
Chairman & CEO, Lehrhoff ABL LLC	salaries	-	75,625
President, Lehroff ABL LLC	salaries		75,625
Member	salaries	-	33,853
Member	salaries	-	40,000
Member	salaries	-	19,360
Member	salaries		8,538
Member	salaries	-	33,731
Member	salaries	-	29,192
Member	salaries	-	12,672
Member	salaries	1,092	20,705
Member	salaries	-	42,094
Member	salaries	9,319	50,858
Member	salaries	-	31,369
Member	salaries	-	8,845
Member	salaries	-	34,963
Member	salaries	-	29,577
Member	salaries	-	18,796
Member	salaries	9,305	44,701
Member	Expense reimbursement	-	650
Member	Expense reimbursement	-	5,460
Member	Expense reimbursement	-	355
Member	Expense reimbursement	-	1,464
Member	Expense reimbursement	-	3,106
Member	Expense reimbursement	-	536
Member	Expense reimbursement	-	2,790
Member	Expense reimbursement	-	22
Chairman & CEO Lehrhoff ABL LLC	Expense reimbursement	-	1,113
	TOTAL PAYMENTS TO INSIDERS	19,716	926,001

* See Notes to MOR-6

PROFESSIONALS

NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Akin Gump Strauss Hauer & Feld LLP	8/3/2011	726,571	726,571	1,432,597	682,359
FTI Consulting , Inc.	8/3/2011	203,310	203,310	777,203	60,000
Hawkwood Consulting LLC	8/3/2011	-	-	1,064,759	-
Latham & Watkins LLC	8/3/2011	-	-	421,309	30,000
Macquarie Capital (USA) Inc.	8/3/2011	-	-	102,451	1,166,877
Garden City Group, Inc.	8/3/2011	8,106	8,106	50,579	215,995
Jensen Coddington Financial Consulting Group Inc.	8/3/2011	17,531	17,531	142,060	-
Great American Group Advisory and Valuation Services, LLC	8/3/2011	-	-	26,500	-
Cooley LLP	8/3/2011	152,634	152,634	264,301	119,543
Loughlin Meghji and Company Inc.	8/3/2011	107,671	107,671	160,396	81,784
Pricewaterhouse Coopers LLP	8/3/2011	-	-	34,110	50,890
	TOTAL PAYMENTS TO PROFESSIONALS	1,215,823	1,215,823	4,476,265	2,407,448

* See Notes to MOR-6

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS *

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
Utility Deposit/Disbursement Account		48,481	
	TOTAL PAYMENTS	48,481	

* See Notes to MOR-6

In Re **Distributor Holdings LLC, et al.** **Case No.** 11-13292

Debtor **Reporting Period:** 10/1/11 - 10/31/11

DEBTOR QUESTIONNAIRE *

	Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		x
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?	x	
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		x
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		x
5	Is the Debtor delinquent in paying any insurance premium payment?		x
6	Have any payments been made on pre-petition liabilities this reporting period?		x
7	Are any post petition receivables (accounts, notes or loans) due from related parties?		x
8	Are any post petition payroll taxes past due?		x
9	Are any post petition State or Federal income taxes past due?		x
10	Are any post petition real estate taxes past due?		x
11	Are any other post petition taxes past due?		x
12	Have any pre-petition taxes been paid during this reporting period?		x
13	Are any amounts owed to post petition creditors delinquent?	x	
14	Are any wage payments past due?		x
15	Have any post petition loans been received by the Debtor from any party?		x
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		x
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		x
18	Have the owners or shareholders received any compensation outside of the normal course of business?		x

* See Notes to MOR-7