

UNITED STATES BANKRUPTCY COURT
DISTRICT OF Delaware

In re Point Blank Solutions, Inc.

Case No. 10-11255, 10-11257, 10-11258, 10-11259
 Reporting Period: 1 May 2010 - 31 May 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.

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		

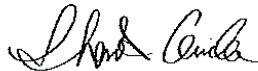
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date



17 June 2010

Signature of Authorized Individual*

Date

T. Scott Avila

CRO

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.

Point Blank Solutions, Inc.
Consolidated Cash Receipts and Disbursements
For the month ended May 31, 2010

<u>Cash Receipts</u>	<u>Consolidated Total</u>			
Cash Sales	\$ -			
Accounts Receivable	12,521,514			
Transfers from DIP Account	16,529,409			
Total Receipts	\$ 29,050,923			
<u>Case Number</u>	<u>Consolidated Total</u>	<u>10-11255</u>	<u>10-11257</u>	<u>10-11259</u>
Operating Disbursements		PBSI	PBBA	PACA
Materials	\$ 7,759,275	\$ -	\$ 7,487,679	\$ 271,596
Subcontractors	3,663,481	-	3,641,990	21,491
Payroll (1)	2,131,890	861,871	1,019,741	250,278
Insurance	126,018	126,018	-	-
Rent & Lease Payments	113,299	9,949	88,001	15,349
Supplies	60,508	3,308	35,723	21,476
Utilities	53,656	15,942	23,706	14,007
Freight	75,184	-	74,584	600
Repair & Maintenance	38,694	20,153	18,195	346
Testing Fees	100,450	-	100,450	-
Professional Fees- Ordinary Course	21,404	18,016	-	3,388
Other (See detail - Schedule of Other)	165,296	165,111	-	185
Subtotal	14,309,154	1,220,368	12,490,070	598,716
Non-Operating Disbursements				
DIP Interest & Fees	-	-	-	-
Cash Sweep to DIP financing	12,671,644	-	12,671,644	-
Other adjustments	320,207	-	320,207	-
Board Fees	2,111	2,111	-	-
CapEx	9,860	-	9,860	-
Subtotal	13,003,822	2,111	13,001,711	-
Bankruptcy-Related Items				
Professionals	149,626	149,626	-	-
Critical Vendor Payments	390,163	-	390,163	-
Claims Administrators	-	-	-	-
UCC Professional Fees	-	-	-	-
US Trustee	-	-	-	-
Utility Deposits	10,000	-	10,000	-
Subtotal	549,790	149,626	400,163	-
Total Disbursements	\$ 27,862,765	\$ 1,372,104	\$ 25,891,944	\$ 598,716
Net Cash Flow for the Month of May	\$ 1,188,158			
Beginning Cash Balance as of 4-30-10 Balance Sheet	\$ 1,692,540			
Change in cash during May 2010	1,188,158			
Ending Cash Balance as of 5-31-10 Balance Sheet	\$ 2,880,698			

Notes:

- (1) Payroll includes the actual weekly payroll payments and payment recorded in Accounts Payable.
(2) No cash activity in PBSS, LLC Case # 10-11258

Point Blank Solutions, Inc.

Consolidated Cash Receipts and Disbursements - Schedule of Other in the MTD Tab

For the month ended May 31, 2010

Case Number		10-11255	10-11257	10-11259	
	<u>Payment Amount</u>	<u>PBSI</u>	<u>PBBA</u>	<u>PACA</u>	
	Other - Accounting research web-based	\$ 5,875.02	\$ 5,875.02	\$ -	\$ -
	Other - AST stock listing	1,500	1,500	-	-
	Other - AST stock listing	1,500	1,500	-	-
	Other - AST stock listing	1,200	1,200	-	-
	Other - Commissions	15,549	15,549	-	-
	Other - Commissions	83,120	83,120	-	-
	Other - Document storage	23,488	23,488	-	-
	Other - Dues	248	248	-	-
	Other - Employee parking & shuttle service	1,400	1,400	-	-
	Other - Employee parking & shuttle service	1,400	1,400	-	-
	Other - Extermination	160	160	-	-
	Other - News Wire distribution	385	385	-	-
	Other - Petty cash	185	-	-	185
	Other - Public relations	10,252	10,252	-	-
	Other - Recruiting	1,260	1,260	-	-
	Other - Recruiting	125	125	-	-
	Other - Supplies	394	394	-	-
	Other - Taxes	422	422	-	-
	Other - Trade Show	450	450	-	-
	Other - Trade Show	350	350	-	-
	Other - Trade Show	700	700	-	-
	Other - Trade Show	200	200	-	-
	Other - Trade Show	800	800	-	-
	Other - Trade Show	600	600	-	-
	Other - Trade Show	350	350	-	-
	Other - Travel & Entertainment	13,383	13,383	-	-
		<u>\$ 165,296</u>	<u>\$ 165,111</u>	<u>\$ -</u>	<u>\$ 185</u>

Point Blank Solutions, Inc.
Schedule of Bank Accounts and Balances
For the month ended May 31, 2010
Mor - 1a

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>
PBBA	10-11257	Bank of America	Operating Account	xxxxxx0691	\$ -
PBBA	10-11257	Bank of America	Cash Disbursement	xxxxxx6094	117,861
PBBA	10-11257	Bank of America	Lockbox	xxxxxx6892	55,298
PBBA	10-11257	Bank of America	Payroll	xxxxxx2291	13,479
PBBA	10-11257	Bank of America	Lockbox	xxxxxx2275	17,628
PBSI	10-11255	Bank of America	Cash Disbursement	xxxxxx6979	6,393
PACA	10-11259	Bank of America	Cash Disbursement	xxxxxx6102	27,269
PACA	10-11259	Bank of America	Lockbox	xxxxxx2267	15,328
PACA	10-11259	Regions	Operating Account	xxxxxx1876	9,932
	10-11259				
PBSI	10-11255		Cash Securities		89
PBBA	10-11257		Petty Cash		1,000
PACA	10-11259		Petty Cash		500
PBBA	10-11257	Regions Bank	Lock Box	xxxxxx7360	-
PACA	10-11259	Regions Bank	Lock Box	xxxxxx7379	-
PBSI	10-11255	Regions Bank	Collection Account	xxxxxx7344	88,755
PBSI	10-11255	Regions Bank	Operating Account	xxxxxx7352	2,579,502
PBSI	10-11255	Regions Bank	Disbursement Account	xxxxxx7536	-
PBSI	10-11555	Regions Bank	Payroll Account	xxxxxx7544	(52,336)
Total					\$ 2,880,698



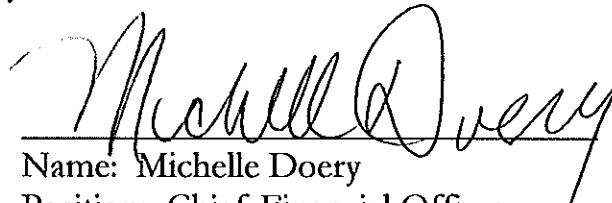
June 17, 2010

Office of the United States Trustee

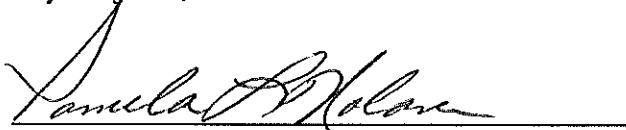
Subject: Attestation Regard Bank Account Reconciliations

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 account reconciliation in the ordinary course of its business. Copies of bank account statements and reconciliations are available for inspection upon request by the United States Trustee's Office.


Name: Michelle Doery
Position: Chief Financial Officer

Sworn to and Subscribed
before me on this 17
day of June, 2010.


Notary Public

My Commission Expires: _____

NOTARY PUBLIC-STATE OF FLORIDA
Pamela L. Nolan
Commission # DD877898
Expires: MAY 20, 2013
BONDED THRU ATLANTIC BONDING CO., INC.

Nationwide 800-413-5155
Phone 954-630-0900
Fax 954-630-9225

Point Blank Solutions, Inc.
Schedule of Professional Fees paid
For the month ended May 31, 2010
Mor - 1b

<u>Payee</u>	<u>Period</u>	<u>Amount Approved</u>
CRG Partners	May	\$ 149,626

CONSOLIDATING STATEMENT OF OPERATIONS

POINT BLANK SOLUTIONS, INC
For the Month Ended May 31, 2010

	<i>PBSI Case # 10-11255</i>	<i>PBBA Case # 10-11257</i>	<i>PACA- Case #10-11259</i>	<i>ELIMINATION</i>	<i>TOTAL</i>
	<i>PBSS Case # 10-11258</i>				
Gross Sales					
Outside Sales	\$ -	\$ 9,307,343	\$ 1,314,254	\$ -	\$ 10,621,597
Less: Discounts, Returns, and Allowances	-	(1,656)	(12,060)	-	(13,716)
Net Sales	-	9,305,687	1,302,194	-	10,607,881
Cost of Goods Sold	-	7,163,039	968,369	-	8,131,408
Gross Profit	-	2,142,648	333,825	-	2,476,473
Selling and Marketing	426,076	4,351	17,369	-	447,796
Research and Development	163,336	-	-	-	163,336
General and Administrative	700,351	246,578	(5,809)	-	941,120
Total Operating Expenses	1,289,763	250,929	11,560	-	1,552,252
Operating Income Before Non-Recurring Expenses	(1,289,763)	1,891,719	322,265	-	924,221
Non-Recurring Expenses					
Reorganization Expenses	446,671	-	-	-	446,671
Legal Settlements and Investigations	90,868	-	-	-	90,868
Payroll Tax Withholding Credit	(3)	-	-	-	(3)
Total Non-Recurring Expenses	537,536	-	-	-	537,536
Operating Income After Non-Recurring Expenses	(1,827,299)	1,891,719	322,265	-	386,685
Other Income and (Expense)					
Interest (Expense)	-	(100,006)	-	-	(100,006)
Interest and Other Income	(14,750)	3,065	1,627	-	(10,058)
Minority Interest	-	(7,591)	-	-	(7,591)
Total Other Income (Expense)	(14,750)	(104,532)	1,627	-	(117,655)
Pre-Tax Income (Loss)	(1,842,049)	1,787,187	323,892	-	269,030
Income Taxes (Benefit)	82,378	-	-	-	82,378
Net Income (Loss)	\$ (1,924,427)	\$ 1,787,187	\$ 323,892	\$ -	\$ 186,652

CONSOLIDATING BALANCE SHEET

POINT BLANK SOLUTIONS, INC
For the Period Ended May 31, 2010

	<i>PBSI Case # 10-11255</i>	<i>PBBA Case # 10-11257</i>	<i>PACA- Case #10-11259</i>	<i>ELIMINATION</i>	<i>TOTAL</i>
	<i>PBSS Case # 10-11258</i>				
ASSETS					
Current Assets					
Cash	\$ 24,178	\$ 2,803,491	\$ 53,029	\$ -	\$ 2,880,698
Accounts Receivable - Trade	289,875	13,822,846	1,922,143	-	16,034,864
Allowance for Doubtful Accounts - Trade	(284,403)	(85,781)	(7,953)	-	(378,137)
Accounts Receivable, Net	<u>5,472</u>	<u>13,737,065</u>	<u>1,914,190</u>	<u>-</u>	<u>15,656,727</u>
Other Receivables	2,957,935	1,779,975	-	-	4,737,910
Other Receivables, Net	<u>2,957,935</u>	<u>1,779,975</u>	<u>-</u>	<u>-</u>	<u>4,737,910</u>
Inventories	9,843,121	28,455,882	2,224,840	-	40,523,843
Inventory Reserves	(9,610,153)	(4,816,681)	(581,077)	-	(15,007,911)
Inventories, Net	<u>232,968</u>	<u>23,639,201</u>	<u>1,643,763</u>	<u>-</u>	<u>25,515,932</u>
Prepaid Expenses and Other Current Assets	1,797,744	1,904,720	197,420	-	3,899,884
Investments in Subs	8,185,702	-	-	(8,185,702)	-
Due To /From Subsidiaries	(122,481,678)	104,274,419	18,555,195	(347,936)	-
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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>(109,277,679)</u>	<u>148,138,871</u>	<u>22,363,597</u>	<u>(8,533,638)</u>	<u>52,691,151</u>
Plant, Property, and Equipment, net	3,628,495	1,828,236	205,511	-	5,662,242
Other Assets					
Deferred Financing Costs	-	287,059	-	-	287,059
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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deposits and Other Assets	4,920	101,950	12,153	-	119,023
Total Other Assets	<u>4,920</u>	<u>389,009</u>	<u>12,153</u>	<u>-</u>	<u>406,082</u>
TOTAL ASSETS	<u>\$ (105,644,264)</u>	<u>\$ 150,356,116</u>	<u>\$ 22,581,261</u>	<u>\$ (8,533,638)</u>	<u>\$ 58,759,475</u>

	<i>PBSI Case # 10-11255</i>	<i>PBBA Case # 10-11257</i>	<i>PACA- Case #10-11259</i>	<i>ELIMINATION</i>	<i>TOTAL</i>
	<i>PBSS Case # 10-11258</i>				
LIABILITIES AND STOCKHOLDERS' EQUITY					
Liabilities Not Subject to Compromise					
Accounts Payable	\$ 271,493	\$ 661,455	\$ 85,527	\$ -	\$ 1,018,475
Accrued Expenses	827,142	541,697	148,766	-	1,517,605
DIP Financing	-	14,428,732	-	-	14,428,732
Deferred Revenue	-	67,339	-	-	67,339
Income Taxes Payable	(1,143,787)	-	-	-	(1,143,787)
Total Current Liabilities	(45,152)	15,699,223	234,293	-	15,888,364
Long Term Liabilities					
Liabilities Subject to Compromise					
Accounts Payable	6,787,534	18,518,813	986,225	-	26,292,572
Accrued Expenses	9,216,194	3,520,451	179,324	-	12,915,969
Notes Payable - Current	15,534	-	-	-	15,534
Capital Leases Long Term	156,366	-	-	-	156,366
Vest Replacement Obligation	400,983	-	-	-	400,983
Reserve Class Action	4,171,974	-	-	-	4,171,974
Employment Tax Withholding Obligation	5,579,838	-	-	-	5,579,838
Total Long Term Liabilities	26,328,423	22,039,264	1,165,549	-	49,533,236
TOTAL LIABILITIES	26,283,271	37,738,487	1,399,842	-	65,421,600
Commitments and Contingencies					
Minority and Non-Controlling Interests in Subsidiaries	-	436,944	-	792,933	1,229,877
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	95,244,596	6,568,445	631,082	(7,699,477)	94,744,646
Accumulated Deficit	(245,214,175)	104,279,449	20,549,110	(1,625,762)	(122,011,378)
Total Stockholders Equity	(149,920,797)	110,847,949	21,181,419	(9,326,571)	(27,218,000)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ (104,311,528)	\$ 149,023,380	\$ 22,581,261	\$ (8,533,638)	\$ 58,759,475

Point Blank Solutions, Inc.
Summary of Post-petition Taxes
For the period ended May 31, 2010
Mor 4

Representation: The Company to the best of its knowledge has paid its taxes due as of 5-31-10 for the bankruptcy reporting period due 6-20-10.



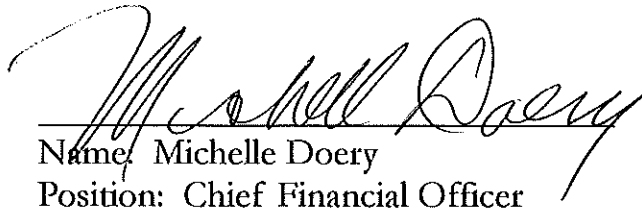
June 17, 2009

Office of the United States Trustee

Subject: Attestation of Regard Postpetition Taxes

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

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


Name: Michelle Doery
Position: Chief Financial Officer

Sworn to and Subscribed
before me on this 17
day of June, 2010.


Notary Public

NOTARY PUBLIC-STATE OF FLORIDA
Pamela L. Nolan
Commission # DD877898
Expires: MAY 20, 2013
BONDED THRU ATLANTIC BONDING CO., INC.

My Commission Expires: _____

Nationwide 800-413-5155
Phone 954-630-0900
Fax 954-630-9225

Point Blank Solutions, Inc.
Summary of Unpaid Post-Petition Debts - Consolidated
For the period ended May 31, 2010
Mor 4

Consolidated						
<u>Unpaid Post-Petition Debts</u>	<u>Current</u>	<u>0-31 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
Operating						
Materials	\$ 56,763	\$ 532,325	\$ -	\$ -	\$ -	\$ 589,088
Subcontractors	4,346	25,445	-	-	-	29,791
Payroll	3,499	12,138	-	-	-	15,637
Insurance	961	-	-	-	-	961
Rent & Lease Payments	52,063	87,341	-	-	-	139,404
Supplies	16,633	24,208	-	-	-	40,840
Utilities	13,255	5,533	-	-	-	18,788
Freight	5,558	9,037	-	-	-	14,595
Repair & Maintenance	9,194	8,355	-	-	-	17,549
Testing Fees	37,800	-	-	-	-	37,800
Professional Fees- Ordinary Course	10,300	6,038	-	-	-	16,338
Other	23,769	47,231	-	-	-	71,000
Subtotal	234,142	757,649	-	-	-	991,791
Non-Operating						
DIP Interest & Fees	-	-	-	-	-	-
Board Fees	-	-	-	-	-	-
CapEx	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Bankruptcy-Related Items						
Professionals	-	26,685	-	-	-	26,685
Critical Vendor Payments	-	-	-	-	-	-
Claims Administrators	-	-	-	-	-	-
UCC Professional Fees	-	-	-	-	-	-
US Trustee	-	-	-	-	-	-
Utility Deposits	-	-	-	-	-	-
Subtotal	-	26,685	-	-	-	26,685
Toal Post-Petition Debts	\$ 234,142	\$ 784,334	\$ -	\$ -	\$ -	\$ 1,018,475

Point Blank Solutions, Inc.
Accounts Receivable Reconciliation and Aging & Debtors Questionnaire
For the period ended May 31, 2010
Mor 5

Case Number	10-11255	10-11257	10-11259
	PBSI	Point Blank Body Armor	Protective Apparel Corporation of America
Accounts Receivable Reconciliation			
Total Accounts Receivables at the beginning of the period:	\$ 268,963	\$ 15,976,143	\$ 2,023,543
+Amounts billed during the period	27,400	10,664,097	1,309,177
- Amounts collected or adjusted during the period	6,488	11,104,758	1,410,577
Total Accounts Receivable at the end of the reporting period	<u>\$ 289,875</u> (a)	<u>\$ 15,535,482</u> (a)	<u>\$ 1,922,143</u> (a)
Account Receivable Aging:			
0-30 Days	\$ 186,192	\$ 15,089,304	\$ 1,490,012
31-60 days old	39,102	285,710	353,941
61-90 days old	18,887	185,934	55,506
91+ days old	45,694	(25,466) (b)	22,684
Total Accounts Receivable	<u>289,875</u>	<u>15,535,482</u>	<u>1,922,143</u>
Amounts considered uncollectible (Bad debt)	<u>284,403</u>	<u>85,781</u>	<u>7,953</u>
Accounts Receivable, net	<u>\$ 5,472</u>	<u>\$ 15,449,701</u>	<u>\$ 1,914,190</u>

(a): Per Balance Sheet

	PBSI	Point Blank Body Armor	Protective Apparel Corporation of America
Accounts Receivable Trade	\$ 289,875	\$ 13,822,846	\$ 1,922,143
Other Receivables	-	1,779,975	-
Deferred Revenue	-	(67,339)	-
Total Accounts Receivable	<u>\$ 289,875</u> (a)	<u>\$ 15,535,482</u> (a)	<u>\$ 1,922,143</u> (a)

(b) Net credit balance due to payment received in advance for Lot # 128

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	
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	