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13  
14 **UNITED STATES BANKRUPTCY COURT**  
15 **CENTRAL DISTRICT OF CALIFORNIA**  
16 **SAN FERNANDO VALLEY DIVISION**  
17

18 In re:

19 ECOLY INTERNATIONAL, INC., a California  
20 corporation, SEXY HAIR CONCEPTS, LLC, a  
21 California limited liability company, and LUXE  
22 BEAUTY MIDCO CORPORATION, a Delaware  
23 corporation,

24 Debtors and Debtors-in-Possession.

Case No.: 1:10-bk-25919-GM

(Jointly Administered with Case Nos.:  
1:10-bk-25922-GM, 1:10-bk-25921-GM)

Chapter 11

**MONTHLY OPERATING REPORT**  
**NUMBER THREE (3) FOR SEXY HAIR**  
**CONCEPTS, LLC**  
**(FEBRUARY 1-28, 2011)**

25 **Check One or More as Appropriate:**

- 26 Affects All Debtors:
- 27 Affects Ecoly International Inc. only:
- 28 Affects Sexy Hair Concepts, LLC only:
- Affects Luxe Beauty Midco Corporation only:



UNITED STATES DEPARTMENT OF JUSTICE  
 Main Document Page 2 of 27  
 OFFICE OF THE UNITED STATES TRUSTEE  
 CENTRAL DISTRICT OF CALIFORNIA

In Re:  
 Sexy Hair Concepts, LLC  
 21551 Prairie Street  
 Chatsworth, CA 91311  
 Debtor(s).

CHAPTER 11 (BUSINESS)  
 Case Number: SV 10-25922 GM  
 Operating Report Number: 3  
 For the Month Ending: 2/01/2011-2/28/2011

I. CASH RECEIPTS AND DISBURSEMENTS  
 A. (GENERAL ACCOUNT\*)

1. TOTAL RECEIPTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	6,015,965.09
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	3,348,290.90
3. BEGINNING BALANCE:	2,667,674.19
4. RECEIPTS DURING CURRENT PERIOD:	
Accounts Receivable - Post-filing	4,497,475.42
Accounts Receivable - Pre-filing	1,624,740.20
General Sales	0.00
Other (Specify)	0.00
**Other (Specify)	
TOTAL RECEIPTS THIS PERIOD:	6,122,215.62
5. BALANCE:	8,789,889.81
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD	
Transfers to Other DIP Accounts (from page 2)	0.00
Disbursements (from page 2)	3,838,597.93
TOTAL DISBURSEMENTS THIS PERIOD:***	3,838,597.93
7. ENDING BALANCE:	4,951,291.88
8. General Account Number(s):	General Account - 9144
Depository Name & Location:	US Bank
	PO Box 1800, Saint Paul, MN 55101-0800

\* All receipts must be deposited into the general account.

\*\* Include receipts from the sale of any real or personal property out of the ordinary course of business; attach an exhibit specifying what was sold, to whom, terms, and date of Court Order or Report of Sale.

\*\*\*This amount should be the same as the total from page 2.



Sexy Hair Concepts  
Cash Disbursements Feb 2011

<u>Paid</u>	<u>check #</u>	<u>Act Number</u>	<u>name</u>	<u>External Document No.</u>	<u>Amount</u>
5302	2/4/2011	xxxxxxxx9144	24 SEVEN STAFFING, INC.	Staffing	1,575.00
5303	2/4/2011	xxxxxxxx9144	ABSOLUTE MESSENGER SERVICE	trade	206.00
5304	2/4/2011	xxxxxxxx9144	AERONET WORLDWIDE	Freight	2,613.14
5305	2/4/2011	xxxxxxxx9144	ERIC J. ALLEN	Educator	1,435.38
5306	2/4/2011	xxxxxxxx9144	AMERIGAS-GARDENA 5402	Utilities	141.57
5307	2/4/2011	xxxxxxxx9144	AT & T MOBILITY	phone	36.51
5308	2/4/2011	xxxxxxxx9144	LISA BAKER	Employee Expenses	434.17
5309	2/4/2011	xxxxxxxx9144	JOHN G. BALL	insider BOD	12,500.00
5310	2/4/2011	xxxxxxxx9144	TANYA BOOS	Educator	283.68
5311	2/4/2011	xxxxxxxx9144	LONN BOGART JR.	Educator	2,400.00
5312	2/4/2011	xxxxxxxx9144	IAN BROWNING	Educator	1,896.00
5313	2/4/2011	xxxxxxxx9144	JESSICA LEIGH BROWN	Educator	326.20
5314	2/4/2011	xxxxxxxx9144	BURRELLE'S LUCE	Trade	124.20
5315	2/4/2011	xxxxxxxx9144	COMPUTER SUPPLY	Supplies	912.03
5316	2/4/2011	xxxxxxxx9144	NICOLE CORRINGTON	Educator	555.40
5317	2/4/2011	xxxxxxxx9144	TAMARA COUNTERMAN	Educator	1,067.40
5318	2/4/2011	xxxxxxxx9144	JOSHUA BURKE DANIEL	Educator	450.00
5319	2/4/2011	xxxxxxxx9144	JASMINE DASHTIZAD	Educator	450.00
5320	2/4/2011	xxxxxxxx9144	KAHSHANNA EVANS	Educator	312.50
5321	2/4/2011	xxxxxxxx9144	CHRISTOPHER FARMER	Educator	149.20
5322	2/4/2011	xxxxxxxx9144	HEATHER FROST	Employee Expenses	81.60
5323	2/4/2011	xxxxxxxx9144	MICHAEL FROW	insider BOD	12,500.00
5324	2/4/2011	xxxxxxxx9144	CYNTHIA GAUDET	Educator	896.40
5325	2/4/2011	xxxxxxxx9144	KARI HARPER	Educator	260.40
5326	2/4/2011	xxxxxxxx9144	KC HARTE	Employee Expenses	687.60
5327	2/4/2011	xxxxxxxx9144	TRACEY HEATH	Educator	231.00
5328	2/4/2011	xxxxxxxx9144	MARGIE HILL	Employee Expenses	233.77
5329	2/4/2011	xxxxxxxx9144	JENNIFER HYDE	Employee Expenses	1,674.85
5330	2/4/2011	xxxxxxxx9144	INTERNATIONAL COSMETICS &	trade	1,838.73
5331	2/4/2011	xxxxxxxx9144	LISA JACOBSON	Employee Expenses	26.57
5332	2/4/2011	xxxxxxxx9144	ANNA JOYA	Employee Expenses	15.56
5333	2/4/2011	xxxxxxxx9144	CARRIE JUHASZ	Educator	301.20
5334	2/4/2011	xxxxxxxx9144	JUST IMAGINE	January Event	1,011.75
5335	2/4/2011	xxxxxxxx9144	LUTZY, KARINA	Employee Expenses	306.47
5336	2/4/2011	xxxxxxxx9144	KIMBERLY McKEE	Employee Expenses	3,298.59
5337	2/4/2011	xxxxxxxx9144	LIZ MEFFORD	Educator	831.20
5338	2/4/2011	xxxxxxxx9144	ALFRED MERCADO	Educator	450.00
5339	2/4/2011	xxxxxxxx9144	MERRILL COMMUNICATIONS LLC	Data room	810.24
5340	2/4/2011	xxxxxxxx9144	JORGE MORALES	Educator	225.00
5341	2/4/2011	xxxxxxxx9144	MR. B'S FLOWERS	Office Expense	384.15
5342	2/4/2011	xxxxxxxx9144	MICHELLE NAPIERALA	Educator	172.03
5343	2/4/2011	xxxxxxxx9144	CLAIRE NAVARRO	Educator	236.92
5344	2/4/2011	xxxxxxxx9144	NAVILUS	Computer	224.25
5345	2/4/2011	xxxxxxxx9144	ELIZABETH GOPWANI NGIUYEN	Educator	296.00
5346	2/4/2011	xxxxxxxx9144	CHRISTA ONESTO	Employee Expenses	62.99
5347	2/4/2011	xxxxxxxx9144	BRITANNY ORSBORN	Educator	206.00
5348	2/4/2011	xxxxxxxx9144	MELISSA PALDINO	Educator	82.20
5349	2/4/2011	xxxxxxxx9144	JOSH PEREZ	Educator	1,594.30
5350	2/4/2011	xxxxxxxx9144	PINKERTON MODEL AND TALENT AGENCY	Trade	10,680.00
5351	2/4/2011	xxxxxxxx9144	PREMIER LOGISTICS INC	Freight	21,650.00
5352	2/4/2011	xxxxxxxx9144	PRINTING SAFARI	Trade	3.47
5353	2/4/2011	xxxxxxxx9144	QUALITY LAPEL PINS	Trade	5,860.40
5354	2/4/2011	xxxxxxxx9144	MICHELLE ROHRER	Educator	270.00
5355	2/4/2011	xxxxxxxx9144	DAYNA MENDEZ-SANDOVAL	Educator	384.00
5356	2/4/2011	xxxxxxxx9144	JOHN SHERLOCK	Educator	1,990.12
5357	2/4/2011	xxxxxxxx9144	SOLUTION TECHNOLOGY, INC	Checks	386.25
5358	2/4/2011	xxxxxxxx9144	SOUTHWEST SALES	Trade	24,879.70
5359	2/4/2011	xxxxxxxx9144	SPARKLETTS	Trade	209.04
5360	2/4/2011	xxxxxxxx9144	JEANNENE STEWART	educator	915.10
5361	2/4/2011	xxxxxxxx9144	CONNIE SUTHERLAND	Educator	263.08
5362	2/4/2011	xxxxxxxx9144	MARILYN S. SYLVESTRE	insider BOD	12,500.00
5363	2/4/2011	xxxxxxxx9144	LESLEY THORNTON	Educator	450.00
5364	2/4/2011	xxxxxxxx9144	MARCIA THORNHILL	Educator	169.00
5365	2/4/2011	xxxxxxxx9144	TIME WARNER CABLE	Cable	1,519.85
5366	2/4/2011	xxxxxxxx9144	RACHEL TOWSEND	Employee Expenses	90.29
5367	2/4/2011	xxxxxxxx9144	TRAGER, NICKI	Educator	1,044.40
5368	2/4/2011	xxxxxxxx9144	UBS PRINTING GROUP, INC.	Trade	38.71
5369	2/4/2011	xxxxxxxx9144	KRISTA VOLKER	Educator	750.00
5370	2/4/2011	xxxxxxxx9144	SARA WELCH	Educator	422.00
5371	2/4/2011	xxxxxxxx9144	CHRISTIE WILHELM	Educator	378.40
5372	2/4/2011	xxxxxxxx9144	KAITLAN WILSON	Educator	218.68
5373	2/4/2011	xxxxxxxx9144	JOHN WOODMAN	Repairs	1,300.00
5374	2/4/2011	xxxxxxxx9144	WORLDWIDE EXPRESS	Freight	7,695.78

Sexy Hair Concepts  
Cash Disbursements Feb 2011

<u>Paid</u>	<u>check #</u>	<u>Act Number</u>	<u>name</u>	<u>External Document No.</u>	<u>Amount</u>
5375	2/4/2011	xxxxxxxx9144	YALE CHASE MATERIALS HANDLING	Lease	410.11
5376	2/4/2011	xxxxxxxx9144	BARBARA YNIQUEZ	Educator	450.00
5377	2/4/2011	xxxxxxxx9144	DIANE ZAHURANEC	Educator	229.00
5381	2/4/2011	xxxxxxxx9144	PDA GROUP	Trade	83,655.05
5382	2/4/2011	xxxxxxxx9144	PARKS, JENNIFER	Employee Expenses	14,549.06
5383	2/11/2011	xxxxxxxx9144	24 SEVEN STAFFING, INC.	Staffing	672.00
5384	2/11/2011	xxxxxxxx9144	AMERIGAS- GARDENA 5402	Utilities	126.83
5385	2/11/2011	xxxxxxxx9144	ARAMARK REFRESHMENT SERVICES	Office	821.67
5386	2/11/2011	xxxxxxxx9144	DESIGN WORK PACKAGING	trade	10,608.00
5387	2/11/2011	xxxxxxxx9144	DAWN ATKINSON	Educator	1,081.98
5388	2/11/2011	xxxxxxxx9144	CONSOLIDATED DISPOSAL SRVS #902	Utilities	476.17
5389	2/11/2011	xxxxxxxx9144	JESSICA BEROES	Educator	100.00
5390	2/11/2011	xxxxxxxx9144	RENEE BRANDT	Employee Expenses	166.54
5391	2/11/2011	xxxxxxxx9144	IAN BROWNING	Educator	1,896.00
5392	2/11/2011	xxxxxxxx9144	ALLIE BURTON	Educator	200.00
5393	2/11/2011	xxxxxxxx9144	KATRINA CAHILL	Educator	175.92
5394	2/11/2011	xxxxxxxx9144	CANON FINANCIAL SERVICES INC	Lease	1,570.53
5395	2/11/2011	xxxxxxxx9144	C.H. ROBINSON WORLDWIDE INC.	Freight	2,800.98
5396	2/11/2011	xxxxxxxx9144	CITRIX ONLINE AUDIO SERVICES GROUP, LLC	IT Service	166.87
5397	2/11/2011	xxxxxxxx9144	COMPUTER SUPPLY	Supplles	3,898.33
5398	2/11/2011	xxxxxxxx9144	CREATIONS BY FAYE INC.	Educator	907.13
5399	2/11/2011	xxxxxxxx9144	CROWN EQUIPMENT CORPORATION	trade	70.00
5400	2/11/2011	xxxxxxxx9144	CROWN TRANSPORTATION, INC	trade	5,072.00
5401	2/11/2011	xxxxxxxx9144	DAHLHOUSE PRODUCTIONS	Trade	470.00
5402	2/11/2011	xxxxxxxx9144	TRICIA WESTLIND	Employee Expenses	2,506.19
5403	2/11/2011	xxxxxxxx9144	EASY WAY TRANSPORTATION	Freight	1,420.00
5404	2/11/2011	xxxxxxxx9144	EDI EXPRESS	Freight	804.12
5405	2/11/2011	xxxxxxxx9144	CHRISTOPHER FARMER	Educator	249.20
5406	2/11/2011	xxxxxxxx9144	CYNTHIA FREEMAN	Educator	850.51
5407	2/11/2011	xxxxxxxx9144	HELENA FREILICH	Educator	850.00
5408	2/11/2011	xxxxxxxx9144	HEATHER FROST	Employee Expenses	445.09
5409	2/11/2011	xxxxxxxx9144	JENNIFER PARKS	Employee Expenses	7,285.93
5410	2/11/2011	xxxxxxxx9144	CYNTHIA GAUDET	Educator	584.00
5411	2/11/2011	xxxxxxxx9144	LANCE GINES	Educator	107.82
5412	2/11/2011	xxxxxxxx9144	ANGIE GUIBOA	Employee Expenses	30.00
5414	2/11/2011	xxxxxxxx9144	CHRISTYN C. HANNIGAN	Educator	272.12
5415	2/11/2011	xxxxxxxx9144	RAFE HARDY	Employee Expenses	606.40
5416	2/11/2011	xxxxxxxx9144	KC HARTE	Employee Expenses	1,878.23
5417	2/11/2011	xxxxxxxx9144	HEATHER HEBRON	Employee Expenses	140.95
5418	2/11/2011	xxxxxxxx9144	MARGIE HILL	Employee Expenses	284.29
5419	2/11/2011	xxxxxxxx9144	JENNIFER HYDE	Employee Expenses	733.60
5420	2/11/2011	xxxxxxxx9144	DOREEN IMPERIAL	Employee Expenses	873.77
5421	2/11/2011	xxxxxxxx9144	INSTITUTE OF COURAGE LLC	IOC	10,000.00
5422	2/11/2011	xxxxxxxx9144	EMILY ISAACSON	Educator	200.00
5423	2/11/2011	xxxxxxxx9144	STEVE JARVI	Employee Expenses	369.95
5424	2/11/2011	xxxxxxxx9144	JC PRINT PACKAGING & DISPLAY INC.	trade	16,330.11
5425	2/11/2011	xxxxxxxx9144	JACKI JOHNSON	Educator	438.80
5426	2/11/2011	xxxxxxxx9144	RICHARD JUDSON	Employee Expenses	4,901.26
5427	2/11/2011	xxxxxxxx9144	CARRIE JUHASZ	Educator	820.00
5428	2/11/2011	xxxxxxxx9144	THE KIRSCHNER GROUP, INC	Trade	30,011.43
5429	2/11/2011	xxxxxxxx9144	ALEXANDRA KOHL	Educator	730.00
5430	2/11/2011	xxxxxxxx9144	LAURAL PACKAGING GROUP	trade	766.80
5431	2/11/2011	xxxxxxxx9144	QWEST	Phone	114.46
5432	2/11/2011	xxxxxxxx9144	DANIELLE LEE	Educator	237.80
5433	2/11/2011	xxxxxxxx9144	VICTORIA LONG	Employee Expenses	348.80
5434	2/11/2011	xxxxxxxx9144	MIGUEL ANGEL LOPEZ	Educator	4,289.80
5435	2/11/2011	xxxxxxxx9144	PDA GROUP	Trade	1,715.00
5436	2/11/2011	xxxxxxxx9144	SLOANE LA MARTINA	Employee Expenses	348.57
5437	2/11/2011	xxxxxxxx9144	KIMBERLY McKEE	Employee Expenses	422.89
5438	2/11/2011	xxxxxxxx9144	BETH MEDINA	Educator	155.00
5439	2/11/2011	xxxxxxxx9144	MARK MILNER	Employee Expenses	411.44
5440	2/11/2011	xxxxxxxx9144	KATHY C. MOON	Educator	125.00
5441	2/11/2011	xxxxxxxx9144	NEWAY PACKAGING CORP	trade	5,425.60
5442	2/11/2011	xxxxxxxx9144	ELIZABETH GOPWANI NGUYEN	Educator	148.20
5443	2/11/2011	xxxxxxxx9144	NIXON, NICOLE	Employee Expenses	84.31
5444	2/11/2011	xxxxxxxx9144	MAHDAD REZAIYAN NOJANI	Educator	450.00
5445	2/11/2011	xxxxxxxx9144	DENISE OTTOMANELLI	Employee Expenses	499.07
5446	2/11/2011	xxxxxxxx9144	MELISSA PALDINO	Educator	429.30
5447	2/11/2011	xxxxxxxx9144	HEATHER PETTYPIECE	Educator	167.40
5448	2/11/2011	xxxxxxxx9144	JENIFER PIETRZAK	Employee Expenses	169.00
5450	2/11/2011	xxxxxxxx9144	PREMIER LOGISTICS INC	Freight	34,900.00
5451	2/11/2011	xxxxxxxx9144	KATE REEVES	Educator	977.40
5452	2/11/2011	xxxxxxxx9144	SALON INNOVATIONS	Customer	1,580.00

Sexy Hair Concepts  
Cash Disbursements Feb 2011

<u>Paid</u>	<u>check #</u>	<u>Act Number</u>	<u>name</u>	<u>External Document No.</u>	<u>Amount</u>
5453	2/11/2011	xxxxxxxx9144	DAYNA MENDEZ SANDOVAL	Educator	112.00
5454	2/11/2011	xxxxxxxx9144	RITA DZIEDZIC	Educator	278.00
5455	2/11/2011	xxxxxxxx9144	JOHN SHERLOCK	Educator	551.81
5456	2/11/2011	xxxxxxxx9144	SHRED-IT	trade	120.00
5457	2/11/2011	xxxxxxxx9144	SNYDER, JILLYNN (VICKI)	Employee Expenses	47.91
5458	2/11/2011	xxxxxxxx9144	HEATHER SPRINKLE	Educator	358.20
5459	2/11/2011	xxxxxxxx9144	TCSOCIETY	Trade	400.00
5460	2/11/2011	xxxxxxxx9144	KENDRA TEASLEY	Employee Expenses	1,972.95
5461	2/11/2011	xxxxxxxx9144	TERMINIX PROCESSING CTR	Repairs	52.00
5462	2/11/2011	xxxxxxxx9144	THE UNIVERSITY CORPORATION	Trade	2,250.48
5463	2/11/2011	xxxxxxxx9144	MARCIA THORNHILL	Educator	163.00
5464	2/11/2011	xxxxxxxx9144	GLENDA VAQUERANO	Employee Expenses	123.21
5465	2/11/2011	xxxxxxxx9144	NADIRAH VOLPE	Educator	393.00
5466	2/11/2011	xxxxxxxx9144	PARADIGM PACKAGING	trade	3,985.22
5467	2/11/2011	xxxxxxxx9144	WESTLAKE DAVVAR CORP. INT'L	January Event	3,323.50
5468	2/11/2011	xxxxxxxx9144	WORLDWIDE EXPRESS	Freight	9,551.23
5469	2/11/2011	xxxxxxxx9144	DIANE ZAHURANEC	Educator	125.00
5470	2/11/2011	xxxxxxxx9144	Z STUDIOS PHOTOGRAPHY	Photo	3,200.00
5471	2/11/2011	xxxxxxxx9144	MEHGAN PEARSON	Educator	400.00
5472	2/14/2011	xxxxxxxx9144	Marlene Amezcua	Employee Expenses	420.00
5473	2/18/2011	xxxxxxxx9144	24 SEVEN STAFFING, INC.	Staffing	546.00
5474	2/18/2011	xxxxxxxx9144	ADVANCED DATA PROTECTION SERVICES INC	Security	214.00
5475	2/18/2011	xxxxxxxx9144	Void	Void	0.00
5476	2/18/2011	xxxxxxxx9144	VERIZON WIRELESS	Phone	4,292.07
5477	2/18/2011	xxxxxxxx9144	Marlene Amezcua	Employee Expenses	785.23
5478	2/18/2011	xxxxxxxx9144	AMERIGAS-GARDENA 5402	Utilities	119.10
5479	2/18/2011	xxxxxxxx9144	AMERICAN EXPRESS	Employee Expenses	14,779.23
5480	2/18/2011	xxxxxxxx9144	JULIO ANLEU	Educator	1,495.00
5481	2/18/2011	xxxxxxxx9144	DAWN ATKINSON	Educator	337.00
5482	2/18/2011	xxxxxxxx9144	ERIC AUGUSTA	Educator	1,320.00
5483	2/18/2011	xxxxxxxx9144	LISA BAKER	Employee Expenses	1,767.73
5484	2/18/2011	xxxxxxxx9144	CHERI BICKAR	Employee Expenses	4,500.00
5485	2/18/2011	xxxxxxxx9144	TANYA BOOS	Educator	225.00
5486	2/18/2011	xxxxxxxx9144	RENEE BRANDT	Employee Expenses	700.47
5487	2/18/2011	xxxxxxxx9144	CALIFORNIA BULLETS ALLSTARS CHEER	trade	500.00
5488	2/18/2011	xxxxxxxx9144	CANON BUSINESS SOLUTIONS, INC	Lease	799.40
5489	2/18/2011	xxxxxxxx9144	CANON FINANCIAL SERVICES INC	Lease	253.17
5490	2/18/2011	xxxxxxxx9144	HEATHER CARRANZA	Educator	1,250.00
5491	2/18/2011	xxxxxxxx9144	IRENE CARRANO	Educator	758.11
5492	2/18/2011	xxxxxxxx9144	CYNTHIA CAZIN	Educator	185.80
5493	2/18/2011	xxxxxxxx9144	C.H. ROBINSON WORLDWIDE INC.	Freight	7,384.28
5494	2/18/2011	xxxxxxxx9144	COMPUTER SUPPLY	Supplies	2,839.56
5495	2/18/2011	xxxxxxxx9144	MARIA COOPER	Employee Expenses	38.80
5496	2/18/2011	xxxxxxxx9144	MEGAN COSTIC	Employee Expenses	71.40
5497	2/18/2011	xxxxxxxx9144	TAMARA COUNTERMAN	Educator	511.00
5498	2/18/2011	xxxxxxxx9144	MISSY CROQUART	Educator	641.60
5499	2/18/2011	xxxxxxxx9144	CANADIAN SALES AGENCY	Freight	3,720.25
5500	2/18/2011	xxxxxxxx9144	TRICIA WESTLIND	Employee Expenses	865.90
5501	2/18/2011	xxxxxxxx9144	DIPLOMAT PACKAGING CO	trade	17.91
5502	2/18/2011	xxxxxxxx9144	LISA DURBOROW	Educator	344.80
5503	2/18/2011	xxxxxxxx9144	EASY WAY TRANSPORTATION	Freight	2,170.00
5504	2/18/2011	xxxxxxxx9144	KIM FLINCK	Educator	172.30
5505	2/18/2011	xxxxxxxx9144	SKOT FOSS	Employee Expenses	294.29
5506	2/18/2011	xxxxxxxx9144	CYNTHIA FREEMAN	Educator	275.24
5507	2/18/2011	xxxxxxxx9144	HEATHER FROST	Employee Expenses	208.47
5508	2/18/2011	xxxxxxxx9144	JENNIFER PARKS	Employee Expenses	1,874.76
5509	2/18/2011	xxxxxxxx9144	CYNTHIA GAUDET	Educator	283.60
5510	2/18/2011	xxxxxxxx9144	JEFFREY GEISINGER	Employee Expenses	2,843.46
5511	2/18/2011	xxxxxxxx9144	LANCE GINES	Educator	533.00
5512	2/18/2011	xxxxxxxx9144	WENDY GRAHAM	Employee Expenses	772.81
5513	2/18/2011	xxxxxxxx9144	WELLS FARGO FINANCIAL LEASING	Lease	3,655.69
5514	2/18/2011	xxxxxxxx9144	GXS INC.	IT Service	2,275.36
5515	2/18/2011	xxxxxxxx9144	KARI HARPER	Educator	408.20
5516	2/18/2011	xxxxxxxx9144	SHARON HART	Consulting	676.40
5517	2/18/2011	xxxxxxxx9144	KC HARTE	Employee Expenses	1,351.94
5518	2/18/2011	xxxxxxxx9144	HEATHER HEBRON	Employee Expenses	66.57
5519	2/18/2011	xxxxxxxx9144	MARGIE HILL	Employee Expenses	1,470.38
5520	2/18/2011	xxxxxxxx9144	KELLY BILEDDO	Educator	584.80
5521	2/18/2011	xxxxxxxx9144	LISA JACOBSON	Employee Expenses	517.08
5522	2/18/2011	xxxxxxxx9144	STEVE JARVI	Employee Expenses	287.06
5523	2/18/2011	xxxxxxxx9144	JC PRINT PACKAGING & DISPLAY INC.	trade	5,387.40
5524	2/18/2011	xxxxxxxx9144	CARRIE JUHASZ	Educator	599.20
5525	2/18/2011	xxxxxxxx9144	JUST IMAGINE	January Event	1,053.60

Sexy Hair Concepts  
Cash Disbursements Feb 2011

<u>Paid</u>	<u>check #</u>	<u>Act Number</u>	<u>name</u>	<u>External Document No.</u>	<u>Amount</u>
5526	2/18/2011	xxxxxxxx9144	VICTORIA LONG	Employee Expenses	992.41
5527	2/18/2011	xxxxxxxx9144	LUCHT, HEATHER	Employee Expenses	2,947.61
5528	2/18/2011	xxxxxxxx9144	RICHARD MAES	Educator	580.08
5529	2/18/2011	xxxxxxxx9144	GINA MARIA MASANOTTI	Educator	439.40
5530	2/18/2011	xxxxxxxx9144	MIKE MCDONAGH	Educator	200.00
5531	2/18/2011	xxxxxxxx9144	KIMBERLY McKEE	Employee Expenses	1,827.84
5532	2/18/2011	xxxxxxxx9144	BETH MEDINA	Educator	194.32
5533	2/18/2011	xxxxxxxx9144	KATHY C. MOON	Educator	201.00
5534	2/18/2011	xxxxxxxx9144	CLAIRE NAVARRO	Educator	656.48
5535	2/18/2011	xxxxxxxx9144	NMHG FINANCIAL SERVICES	Lease	2,797.04
5536	2/18/2011	xxxxxxxx9144	DENISE OTTOMANELLI	Employee Expenses	137.01
5537	2/18/2011	xxxxxxxx9144	AT&T	phone	102.24
5538	2/18/2011	xxxxxxxx9144	AXIOM LABEL GROUP	Trade	853.55
5539	2/18/2011	xxxxxxxx9144	JESSICA PALMER	Educator	118.40
5540	2/18/2011	xxxxxxxx9144	JENIFER PIETRZAK	Employee Expenses	838.00
5541	2/18/2011	xxxxxxxx9144	RACHEL POWER	Educator	290.07
5542	2/18/2011	xxxxxxxx9144	PREMIUM CREATIVE LABELS, INC.	Trade	399.50
5544	2/18/2011	xxxxxxxx9144	PREMIER LOGISTICS INC	Freight	25,660.00
5545	2/18/2011	xxxxxxxx9144	PRINTING SAFARI	Trade	2,526.73
5546	2/18/2011	xxxxxxxx9144	DEB PROUX - GERLEMAN	Educator	800.00
5547	2/18/2011	xxxxxxxx9144	KATE REEVES	Educator	306.80
5548	2/18/2011	xxxxxxxx9144	SERENA RIZO	Educator	165.84
5549	2/18/2011	xxxxxxxx9144	MICHELLE ROHRER	Educator	273.80
5550	2/18/2011	xxxxxxxx9144	MICHELLE ROUZER	Educator	1,259.89
5551	2/18/2011	xxxxxxxx9144	SALON CENTRIC	Customer	2,500.00
5552	2/18/2011	xxxxxxxx9144	RITA DZIEDZIC	Educator	185.60
5553	2/18/2011	xxxxxxxx9144	JEANNENE STEWART	educator	1,823.32
5554	2/18/2011	xxxxxxxx9144	CONNIE SUTHERLAND	Educator	721.21
5555	2/18/2011	xxxxxxxx9144	THE UNIVERSITY CORPORATION	Trade	1,178.28
5556	2/18/2011	xxxxxxxx9144	T MOBILE	phone	806.86
5557	2/18/2011	xxxxxxxx9144	JESSECA TURNER	Employee Expenses	463.36
5558	2/18/2011	xxxxxxxx9144	UNITED PARCEL SERVICE	Freight	7.86
5559	2/18/2011	xxxxxxxx9144	NIKY VANHATTEN	Educator	784.45
5560	2/18/2011	xxxxxxxx9144	PARADIGM PACKAGING	trade	3,728.89
5561	2/18/2011	xxxxxxxx9144	ANTHONY WEST	Educator	252.80
5562	2/18/2011	xxxxxxxx9144	WORLDWIDE EXPRESS	Freight	4,994.86
5563	2/18/2011	xxxxxxxx9144	XEROX CORPORATION	Lease	1,517.43
5564	2/18/2011	xxxxxxxx9144	DAHLHOUSE PRODUCTIONS	Trade	1,500.00
5568	2/18/2011	xxxxxxxx9144	PDA GROUP	Trade	132,275.32
5569	2/22/2011	xxxxxxxx9144	Scott Foss	Employee Expenses	4,345.00
5570	2/22/2011	xxxxxxxx9144	Marlene Amezcua	Employee Expenses	481.07
5571	2/24/2011	xxxxxxxx9144	CITY OF LA BUSINESS TAX	Tax	3,558.23
5572	2/24/2011	xxxxxxxx9144	AACS	trade	850.00
5573	2/25/2011	xxxxxxxx9144	ABRAMS ARTISTS AGENCY	Staffing	120.00
5574	2/25/2011	xxxxxxxx9144	ACTION BAG COMPANY, INC	trade	6,000.00
5575	2/25/2011	xxxxxxxx9144	MICHELE AGUILAR	Educator	696.72
5576	2/25/2011	xxxxxxxx9144	ALT PRINT GRAPHICS	Trade	383.51
5577	2/25/2011	xxxxxxxx9144	AMERIGAS-GARDENA 5402	Utilities	179.14
5579	2/25/2011	xxxxxxxx9144	ARL TRUCKING INC.	Freight	3,500.00
5580	2/25/2011	xxxxxxxx9144	DESIGN WORX PACKAGING	trade	47,675.46
5581	2/25/2011	xxxxxxxx9144	DAWN ATKINSON	Educator	1,262.60
5582	2/25/2011	xxxxxxxx9144	JOANNA AUGUSTINE	Educator	536.60
5583	2/25/2011	xxxxxxxx9144	LISA BAKER	Employee Expenses	1,599.06
5584	2/25/2011	xxxxxxxx9144	BARCODING INC	trade	17,506.17
5585	2/25/2011	xxxxxxxx9144	BAY ALARM COMPANY	Alarm	807.00
5586	2/25/2011	xxxxxxxx9144	REBECCA BERRO	Educator	272.80
5587	2/25/2011	xxxxxxxx9144	BIO SCREEN CLINICAL SERVICES	trade	2,500.00
5588	2/25/2011	xxxxxxxx9144	RENEE BRANDT	Employee Expenses	868.75
5589	2/25/2011	xxxxxxxx9144	PROFESSIONALCONSULTANTS & RESOURCES	Research	5,000.00
5590	2/25/2011	xxxxxxxx9144	ALLIE BURTON	Educator	295.20
5591	2/25/2011	xxxxxxxx9144	KATRINA CAHILL	Educator	132.76
5592	2/25/2011	xxxxxxxx9144	IRENE CARRANO	Educator	686.66
5593	2/25/2011	xxxxxxxx9144	CASH	trade	250.07
5594	2/25/2011	xxxxxxxx9144	CYNTHIA CAZIN	Educator	217.11
5595	2/25/2011	xxxxxxxx9144	MERISEL INC	trade	1,092.01
5596	2/25/2011	xxxxxxxx9144	NICOLE CORRINGTON	Educator	168.20
5597	2/25/2011	xxxxxxxx9144	TAMARA COUNTERMAN	Educator	1,212.80
5598	2/25/2011	xxxxxxxx9144	DAHLHOUSE PRODUCTIONS	Trade	2,725.00
5599	2/25/2011	xxxxxxxx9144	LISA DOHERTY	Educator	212.00
5600	2/25/2011	xxxxxxxx9144	NICOLE DUBRAVSKI	Educator	789.20
5601	2/25/2011	xxxxxxxx9144	LISA DURBOROW	Educator	430.80
5602	2/25/2011	xxxxxxxx9144	EASY WAY TRANSPORTATION	Freight	3,250.00
5603	2/25/2011	xxxxxxxx9144	ENR SERVICES INC.	trade	249.00

Sexy Hair Concepts  
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<u>Paid</u>	<u>check #</u>	<u>Act Number</u>	<u>name</u>	<u>External Document No.</u>	<u>Amount</u>
	5604	2/25/2011 xxxxxxxx9144	CHRISTOPHER FARMER	Educator	574.00
	5606	2/25/2011 xxxxxxxx9144	FEDERAL EXPRESS	Freight	2,071.19
	5607	2/25/2011 xxxxxxxx9144	RINA FERGUSON	Educator	162.60
	5608	2/25/2011 xxxxxxxx9144	TIFFANY FERRILL	Educator	495.80
	5609	2/25/2011 xxxxxxxx9144	HEATHER FROST	Employee Expenses	277.97
	5610	2/25/2011 xxxxxxxx9144	JENNIFER PARKS	Employee Expenses	3,964.69
	5611	2/25/2011 xxxxxxxx9144	JEFFREY GEISINGER	Employee Expenses	1,008.12
	5612	2/25/2011 xxxxxxxx9144	LANCE GINES	Educator	1,650.00
	5613	2/25/2011 xxxxxxxx9144	JAMIE HARTDIGE	Educator	78.00
	5614	2/25/2011 xxxxxxxx9144	KC HARTE	Employee Expenses	873.58
	5615	2/25/2011 xxxxxxxx9144	MARGIE HILL	Employee Expenses	804.34
	5616	2/25/2011 xxxxxxxx9144	LISA JACOBSON	Employee Expenses	48.55
	5617	2/25/2011 xxxxxxxx9144	STEVE JARVI	Employee Expenses	300.04
	5618	2/25/2011 xxxxxxxx9144	JC PRINT PACKAGING & DISPLAY INC.	trade	2,787.75
	5619	2/25/2011 xxxxxxxx9144	JACKI JOHNSON	Educator	360.80
	5620	2/25/2011 xxxxxxxx9144	JOVA LABORATORIES	trade	3,286.08
	5621	2/25/2011 xxxxxxxx9144	RICHARD JUDSON	Employee Expenses	1,864.21
	5622	2/25/2011 xxxxxxxx9144	CARRIE JUHASZ	Educator	388.40
	5623	2/25/2011 xxxxxxxx9144	JUST IMAGINE	January Event	470.83
	5624	2/25/2011 xxxxxxxx9144	ALEXANDRA KOHL	Educator	555.00
	5625	2/25/2011 xxxxxxxx9144	JL KROPP TRUCKING INC.	Freight	90.00
	5626	2/25/2011 xxxxxxxx9144	L.A. DEPT. OF WATER AND POWER	Utilities	5,054.41
	5627	2/25/2011 xxxxxxxx9144	LAURAL PACKAGING GROUP	trade	929.28
	5628	2/25/2011 xxxxxxxx9144	LIBERTY EXPOSITION SERVICES INC	trade	6,252.72
	5629	2/25/2011 xxxxxxxx9144	VICTORIA LONG	Employee Expenses	572.63
	5630	2/25/2011 xxxxxxxx9144	LUCHT, HEATHER	Employee Expenses	2,653.37
	5631	2/25/2011 xxxxxxxx9144	PDA GROUP	Trade	26,066.33
	5632	2/25/2011 xxxxxxxx9144	RICHARD MAES	Educator	131.60
	5633	2/25/2011 xxxxxxxx9144	ARIANE MARTIN	Educator	426.80
	5634	2/25/2011 xxxxxxxx9144	SLOANE LA MARTINA	Employee Expenses	28,140.38
	5635	2/25/2011 xxxxxxxx9144	KIMBERLY McKEE	Employee Expenses	1,000.00
	5636	2/25/2011 xxxxxxxx9144	LIZ MEFFORD	Educator	2,170.50
	5637	2/25/2011 xxxxxxxx9144	JIMMY MELTON	Educator	225.00
	5638	2/25/2011 xxxxxxxx9144	KATHY C. MOON	Educator	217.00
	5639	2/25/2011 xxxxxxxx9144	COSWAY COMPANY, INC.	Freight	37,246.06
	5640	2/25/2011 xxxxxxxx9144	ELIZABETH GOPWANI NGUYEN	Educator	515.07
	5641	2/25/2011 xxxxxxxx9144	BRITANNY ORSBORN	Educator	426.80
	5642	2/25/2011 xxxxxxxx9144	RACHEL POWER	Educator	250.00
	5643	2/25/2011 xxxxxxxx9144	PREMIER LOGISTICS INC	Freight	6,180.00
	5644	2/25/2011 xxxxxxxx9144	PRINTING SAFARI	Trade	462.82
	5645	2/25/2011 xxxxxxxx9144	DEB PROUX - GERLEMAN	Educator	800.00
	5646	2/25/2011 xxxxxxxx9144	JENIFER FARRIS	Educator	711.64
	5647	2/25/2011 xxxxxxxx9144	SERENA RIZO	Educator	321.76
	5648	2/25/2011 xxxxxxxx9144	AMY ROBINSON	Educator	143.24
	5649	2/25/2011 xxxxxxxx9144	MICHELLE ROHRER	Educator	137.60
	5650	2/25/2011 xxxxxxxx9144	MICHELLE ROUZER	Educator	251.00
	5651	2/25/2011 xxxxxxxx9144	PATRICIA SALVIA	Educator	35.90
	5652	2/25/2011 xxxxxxxx9144	RITA DZIEDZIC	Educator	143.00
	5653	2/25/2011 xxxxxxxx9144	JOHN SHERLOCK	Educator	493.20
	5654	2/25/2011 xxxxxxxx9144	SHERATON UNIVERSAL	January Event	75,797.77
	5655	2/25/2011 xxxxxxxx9144	ROD SICKLER	Educator	547.40
	5656	2/25/2011 xxxxxxxx9144	CONNIE SUTHERLAND	Educator	979.15
	5657	2/25/2011 xxxxxxxx9144	KENDRA TEASLEY	Employee Expenses	1,576.90
	5658	2/25/2011 xxxxxxxx9144	JESSECA TURNER	Employee Expenses	1,444.01
	5659	2/25/2011 xxxxxxxx9144	UBS PRINTING GROUP, INC.	Trade	20,824.75
	5660	2/25/2011 xxxxxxxx9144	UNITED AGENCIES, INC.	Insurance	270.00
	5661	2/25/2011 xxxxxxxx9144	UNITED PARCEL SERVICE	Freight	22.00
	5662	2/25/2011 xxxxxxxx9144	NADIRAH VOLPE	Educator	1,769.40
	5663	2/25/2011 xxxxxxxx9144	MARGARET WEBLEY	Educator	335.31
	5664	2/25/2011 xxxxxxxx9144	ASHLEY WEINER	Employee Expenses	92.68
	5665	2/25/2011 xxxxxxxx9144	SARA WELCH	Educator	529.20
	5666	2/25/2011 xxxxxxxx9144	ANTHONY WEST	Educator	201.40
	5667	2/25/2011 xxxxxxxx9144	WORLDWIDE EXPRESS	Freight	14,129.91
	5668	2/25/2011 xxxxxxxx9144	DIANE ZAHURANEC	Educator	508.60
	5669	2/25/2011 xxxxxxxx9144	AGNES ZEBROWSKA	Educator	200.00
	5670	2/25/2011 xxxxxxxx9144	Z STUDIOS PHOTOGRAPHY	Photo	7,050.00
	5671	2/25/2011 xxxxxxxx9144	CORONET PRINTING	trade	17,834.24
WT020120116880	2/1/2011 xxxxxxxx9144		Golden Orchid	trade	33,898.50
WT020120116881	2/1/2011 xxxxxxxx9144		DAHLHOUSE PRODUCTIONS	Trade	8,070.00
WT020120116885	2/1/2011 xxxxxxxx9144		Blue Balls - Rent	Rent	69,836.21
WT020120116887	2/1/2011 xxxxxxxx9144		Administaff	Payroll advance	125,000.00
WT020320116200	2/3/2011 xxxxxxxx9144		220 Labs	Trade	64,550.00
WT020320116201	2/3/2011 xxxxxxxx9144		STEFANO GRILLINI	Trade	7,977.00



Sexy Hair Concepts  
Cash Disbursements Feb 2011

<u>Paid</u>	<u>check #</u>	<u>Act Number</u>	<u>name</u>	<u>External Document No.</u>	<u>Amount</u>
WT020320116203	2/3/2011	xxxxxxxx9144	REACH CHEMICAL CONSULTING LTD	trade	621.28
WT020320116204	2/3/2011	xxxxxxxx9144	PUBLIMATIC	Trade	4,380.00
WT020420116656	2/4/2011	xxxxxxxx9144	JOAR Labs	Trade	29,303.72
WT020420116657	2/4/2011	xxxxxxxx9144	Kurtzman	BK Registry	49,029.47
WT020720114719	2/7/2011	xxxxxxxx9144	Administaff	Payroll advance	125,000.00
WT020820118678	2/8/2011	xxxxxxxx9144	220 Labs	Trade	8,900.00
WT021020115689	2/10/2011	xxxxxxxx9144	Aware	Trade	14,805.12
WT021120111544	2/11/2011	xxxxxxxx9144	KIK	Trade	183,200.00
WT021120118489	2/11/2011	xxxxxxxx9144	JOAR LABS ,INC	Trade	26,252.89
WT021120118490	2/11/2011	xxxxxxxx9144	220 Labs	Trade	16,821.36
WT021520112199	2/15/2011	xxxxxxxx9144	Condensa	trade	23,241.60
WT021520112200	2/15/2011	xxxxxxxx9144	CAB PLASTICS	Trade	595.00
WT021520112201	2/15/2011	xxxxxxxx9144	Administaff	Payroll advance	125,000.00
WT02152011474	2/15/2011	xxxxxxxx9144	T Rowe Price	401k contributions	16,839.14
WT02152011696	2/15/2011	xxxxxxxx9144	T Rowe Price	401k contributions	16,782.98
WT021620115378	2/16/2011	xxxxxxxx9144	220 Labs	Trade	14,766.80
WT021720114336	2/17/2011	xxxxxxxx9144	Aware	Trade	31,931.04
WT021720119615	2/17/2011	xxxxxxxx9144	KIK	Trade	432,550.00
WT021820119910	2/18/2011	xxxxxxxx9144	JOAR LABS ,INC	Trade	35,637.56
WT021820119911	2/18/2011	xxxxxxxx9144	220 Labs	Trade	77,173.56
WT022220116122	2/22/2011	xxxxxxxx9144	KIK	Trade	673,900.00
WT022220116124	2/22/2011	xxxxxxxx9144	Administaff	Payroll advance	125,000.00
WT022220117070	2/22/2011	xxxxxxxx9144	AMERICAN FAST FREIGHT, INC.	Freight	687.05
WT022320114384	2/23/2011	xxxxxxxx9144	CRG Partners	legal consulting	61,492.50
WT022320114385	2/23/2011	xxxxxxxx9144	CH Robinson	Freight	23,173.38
WT022520110991	2/25/2011	xxxxxxxx9144	JOAR LABS ,INC	Trade	39,846.10
WT022520110992	2/25/2011	xxxxxxxx9144	KIK	Trade	247,000.00
WT022520110993	2/25/2011	xxxxxxxx9144	Con Way Freight	Freight	4,199.59
<b>Grand Total</b>					<b>3,838,597.93</b>

Bank statement Date: 2/28/2011 Balance on Statement: SEE ATTACHED

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL DEPOSITS IN TRANSIT 0.00

Less Outstanding Checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL OUTSTANDING CHECKS: 0.00

Bank statement Adjustments:

Explanation of Adjustments-

ADJUSTED BANK BALANCE: \$5,653,665.12

\* It is acceptable to replace this form with a similar form  
 \*\* Please attach a detailed explanation of any bank statement adjustment

	<b>Bank</b>
<b>Balance per bank 2/28/2011</b>	<b><u>6,060,692.24</u></b>
Less: Outstanding Checks	(407,027.12)
<b>Adjusted Bank Balance 2/28/11</b>	<b><u><u>\$ 5,653,665.12</u></u></b>

1. TOTAL RECEIPTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	<u>0.00</u>
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS	<u>0.00</u>
3. BEGINNING BALANCE:	<u>0.00</u>
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	<u>0.00</u>
5. BALANCE:	<u>0.00</u>
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	<u>0.00</u>
7. ENDING BALANCE:	<u>0.00</u>
8. PAYROLL Account Number(s):	<u>N/A</u>
Depository Name & Location:	<u></u>
	<u></u>
	<u></u>

Pursuant to the Court order entered on December 28, 2010, all payroll is processed by Administaff Inc, the Debtor's payroll processing company



BANK RECONCILIATION

NO PAYROLL ACCOUNT USED

Bank statement Date: \_\_\_\_\_ 0 \_\_\_\_\_

Plus deposits in transit (a): \_\_\_\_\_ 0 \_\_\_\_\_

<u>Deposit Date</u>	<u>Deposit Amount</u>
_____	_____
_____	_____
_____	_____
_____	0.00
_____	_____
_____	_____

TOTAL DEPOSITS IN TRANSIT 0.00

Less Outstanding Checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	N/A
_____	_____	_____
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TOTAL OUTSTANDING CHECKS: 0.00

Bank statement Adjustments:  
Explanation of Adjustments-

ADJUSTED BANK BALANCE: \$0.00

\* It is acceptable to replace this form with a similar form  
\*\* Please attach a detailed explanation of any bank statement adjustment

I. CASH RECEIPTS AND DISBURSEMENTS  
Main Document Page 15 of 27  
C. (TAX ACCOUNT)

NO ACTIVITY

1. TOTAL RECEIPTS PER ALL PRIOR TAX ACCOUNT REPORTS	0.00
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR TAX ACCOUNT REPORTS	0.00
3. BEGINNING BALANCE:	0
4. RECEIPTS DURING CURRENT PERIOD: (Transferred from General Account)	0.00
5. BALANCE:	0.00
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD TOTAL DISBURSEMENTS THIS PERIOD:***	0.00
7. ENDING BALANCE:	0.00

8. TAX Account Number(s): Tax Account - 9136

Depository Name & Location: US Bank  
PO Box 1800, Saint Paul, MN 55101-0800





Bank statement Date: 2/28/2011 \$0.00

Plus deposits in transit (a):

Deposit Date	Deposit Amount
_____	_____
_____	_____
_____	0.00
_____	_____
_____	_____

**TOTAL DEPOSITS IN TRANSIT** 0.00

Less Outstanding Checks (a):

Check Number	Check Date	Check Amount
_____	_____	_____
_____	No activity	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**TOTAL OUTSTANDING CHECKS:** 0.00

Bank statement Adjustments: \_\_\_\_\_

Explanation of Adjustments-

**ADJUSTED BANK BALANCE:** \$0.00

\* It is acceptable to replace this form with a similar form  
 \*\* Please attach a detailed explanation of any bank statement adjustment

**ENDING BALANCES FOR THE PERIOD:**

(Provide a copy of monthly account statements for each of the below)

General Account:	6,060,692.24
Payroll Account:	N/A
Tax Account:	0.00

\*Other Accounts:

_____	_____
_____	_____
_____	0.00

\*Other Monies:

_____	_____
***Petty Cash (from below):	391.71

**TOTAL CASH AVAILABLE:**

6,061,083.95
--------------

**Petty Cash Transactions:**

Date	Purpose	Amount
1/4/2011	Wood for Intl shipments	150.00
1/11/2011	KHP Lunch	13.12
1/11/2011	Cake for Wed lunch	30.99
1/21/2011	H Rojas - gas for truck	40.00
1/21/2011	Oil for Truck lift gate	11.16
1/28/2011	Employee lunch	5.00
1/31/2011	Universal parking	10.00
2/15/2011	Cake for Wed lunch	30.99
2/25/2011	H Rojas - gas for truck	38.00
2/25/2011	Warehouse supplies	62.45

**TOTAL PETTY CASH TRANSACTIONS:**

391.71
--------

\* Specify the Type of holding (e.g. CD, Savings Account, Investment Security), and the depository name, location & account#  
\*\* Attach Exhibit Itemizing all petty cash transactions

Creditor, Lessor, Etc.	Frequency of Payments (Mo/Qtr)	Amount of Payment	Post-Petition payments not made (Number)	Total Due
			No Payments Made	
			<b>TOTAL DUE:</b>	<b>0.00</b>

III. TAX LIABILITIES

FOR THE REPORTING PERIOD:

Gross Sales Subject to Sales Tax:           N/A            
 Total Wages Paid:   

	Total Post-Petition Amounts Owing	Amount Delinquent	Date Delinquent Amount Due
Federal Withholding			
State Withholding			
FICA- Employer's Share			
FICA- Employee's Share			
Federal Unemployment			
Sales and Use			
Real Property			
Other:			
<b>TOTAL:</b>	<b>0.00</b>	<b>0.00</b>	

	*Accounts Payable	Accounts Receivable	
	Post-Petition	Pre-petition	Post Petition
30 days or less	81,811.50	510,518.83	6,717,573.20
31 - 60 days	3,945.25	12,170.00	(27,722.50)
61 - 90 days		34,352.40	(1,365.51)
91 - 120 days			
Over 120 days			
<b>TOTAL:</b>	<b>85,756.75</b>	<b>557,041.23</b>	<b>6,688,485.19</b>

V. INSURANCE COVERAGE

	Name of Carrier	Amount of Coverage	Policy Expiration Date	Premium Paid Through (Date)
General Liability				
Worker's Compensation				
Casualty				
Vehicle		<b>SEE ATTACHED</b>		
Others:				

VI. UNITED STATES TRUSTEE QUARTERLY FEES  
 (TOTAL PAYMENTS)

Quarterly Period Ending (Date)	Total Disbursements	Quarterly Fees	Date Paid	Amount Paid	Quarterly Fees Still Owing
31-Dec-2010	325.00	325.00	25-Jan-2011	325.00	0.00
					0.00
					0.00
					0.00
					0.00
					0.00
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					0.00
					0.00
					0.00
		<b>325.00</b>		<b>325.00</b>	<b>0.00</b>

\* Post-Petition Accounts Payable SHOULD NOT include professionals' fees and expenses which have been incurred but not yet awarded by the court. Post-Petition Accounts Payable SHOULD include professionals' fees and expenses authorized by Court Order but which remain unpaid as of the close of the period report

V. INSURANCE COVERAGE

TYPE OF INSURANCE	Name of Carrier	Amount of coverage	Policy Expiration Date	Premium Paid through March 1, 2011				
GENERAL LIABILITY	One Beacon Insurance	Each occurrence limit - \$ 1,000,000.00	March 11, 2011	34,887.48				
		Personal/Advertising Injury Limit - \$ 1,000,000.00						
		General Aggregate Limit - \$ 2,000,000.00						
		Products / Completed Operations Aggregate Limit - \$ 2,000,000.00						
		Deductible - Each occurrence \$ 0.00						
		Employee Benefit Liability Limit Each Offense - \$ 1,000,000.00						
		Deductible - Each Claim - \$ 1,000.00						
		Each occurrence/Each offense limit - \$ 4,000,000.00						
		General Aggregate Limit - \$ 4,000,000.00						
		Products / Completed Operations Aggregate Limit - \$ 4,000,000.00						
UMBRELLA LIABILITY	One Beacon Insurance	Number of vehicles covered - 2	March 11, 2011	12,131.20				
		Medical Payments Limit - \$ 5,000.00						
		Compensation & Collision Deductible - Heavy Truck - \$ 1,000.00						
		Business Interruption Limit Provided - \$ 4,948,000.00						
		Contingent Business Interruption - \$ 100,000.00						
		Extra Expense Included in Bus. Interruption Limit						
		Inventory & equipment Values Insured - \$ 6,785,000.00						
		Sudden Incident Pollution Legal Liability Limit - \$ 1,000,000.00						
		Deductible - \$ 25,000.00						
		Total coverage limit - \$ 5,000,000.00						
COMMERCIAL AUTOMOBILE	One Beacon Insurance	Aggregate Loss Limit - \$ 5,000,000.00	March 11, 2011	6,479.09				
		Per Occurrence Loss Limit - \$ 5,000,000.00						
		Earthquake Deductible - 10% per unit subject to a min of \$ 50,000.00						
		1. General Liability while on travel:						
		- General Aggregate Liability - \$ 2,000,000.00						
		- Each occurrence limit - \$ 1,000,000.00						
		2. Business Auto for Hired or Non-owned vehicles:						
		- General Aggregate Liability - \$ 1,000,000.00						
		- Medical Payments Each Person - \$ 10,000.00						
		3. Employee Benefits Plan:						
- Each wrongful deed - \$ 1,000,000.00								
- Deductible - \$ 1,000.00 each occurrence								
- AD & D - \$ 100,000 benefit per employee								
4. Workers' Compensation while on travel:								
- Employers' liab. Each accident - \$ 1,000,000.00								
- Disease Limit each employee - \$ 1,000,000.00								
Policy Aggregate Limit of Liability - \$ 10,000,000.00								
Deductible - \$ 25,000.00								
Crisis Management Fund for Dir & Ofcr - \$ 25,000.00								
Punitive Damages Sublimit for Dir & Ofcr and/or EPL - Full limit								
INVENTORY, EQUIPMENT & INTERRUPTION	One Beacon Insurance	- E L EACH ACCIDENT - \$ 1,000,000.00	March 11, 2011	15,287.53				
		- E L DISEASE -EA EMPLOYEE - \$ 1,000,000.00						
		- E L DISEASE -POLICY LIMIT - \$ 1,000,000.00						
		POLLUTION LIABILITY			Illinois Union Insurance (paid thru Hartford Insurance)	Each occurrence limit - \$ 5,000,000.00	March 11, 2011	13,403.84
						Aggregate Loss Limit - \$ 5,000,000.00		
						Per Occurrence Loss Limit - \$ 5,000,000.00		
						Earthquake Deductible - 10% per unit subject to a min of \$ 50,000.00		
						1. General Liability while on travel:		
						- General Aggregate Liability - \$ 2,000,000.00		
						- Each occurrence limit - \$ 1,000,000.00		
2. Business Auto for Hired or Non-owned vehicles:								
- General Aggregate Liability - \$ 1,000,000.00								
- Medical Payments Each Person - \$ 10,000.00								
3. Employee Benefits Plan:								
- Each wrongful deed - \$ 1,000,000.00								
- Deductible - \$ 1,000.00 each occurrence								
- AD & D - \$ 100,000 benefit per employee								
4. Workers' Compensation while on travel:								
- Employers' liab. Each accident - \$ 1,000,000.00								
- Disease Limit each employee - \$ 1,000,000.00								
Policy Aggregate Limit of Liability - \$ 10,000,000.00								
Deductible - \$ 25,000.00								
Crisis Management Fund for Dir & Ofcr - \$ 25,000.00								
Punitive Damages Sublimit for Dir & Ofcr and/or EPL - Full limit								
EARTHQUAKE COMMERCIAL INSURANCE	Mt. Hawley Insurance Co. (paid thru AFS/IBEX Finl Svc)	- E L EACH ACCIDENT - \$ 1,000,000.00	March 11, 2011	57,775.82				
		- E L DISEASE -EA EMPLOYEE - \$ 1,000,000.00						
		- E L DISEASE -POLICY LIMIT - \$ 1,000,000.00						
		FOREIGN LIABILITY INSURANCE			St. Paul Travelers Insurance	Each occurrence limit - \$ 1,000,000.00	March 11, 2011	4,561.00
						Aggregate Loss Limit - \$ 5,000,000.00		
						Per Occurrence Loss Limit - \$ 5,000,000.00		
						Earthquake Deductible - 10% per unit subject to a min of \$ 50,000.00		
						1. General Liability while on travel:		
						- General Aggregate Liability - \$ 2,000,000.00		
						- Each occurrence limit - \$ 1,000,000.00		
2. Business Auto for Hired or Non-owned vehicles:								
- General Aggregate Liability - \$ 1,000,000.00								
- Medical Payments Each Person - \$ 10,000.00								
3. Employee Benefits Plan:								
- Each wrongful deed - \$ 1,000,000.00								
- Deductible - \$ 1,000.00 each occurrence								
- AD & D - \$ 100,000 benefit per employee								
4. Workers' Compensation while on travel:								
- Employers' liab. Each accident - \$ 1,000,000.00								
- Disease Limit each employee - \$ 1,000,000.00								
Policy Aggregate Limit of Liability - \$ 10,000,000.00								
Deductible - \$ 25,000.00								
Crisis Management Fund for Dir & Ofcr - \$ 25,000.00								
Punitive Damages Sublimit for Dir & Ofcr and/or EPL - Full limit								
DIRECTORS & OFFICERS LIABILITY	Chartis Specialty Ins Co. (paid thru Willis Insurance)	- E L EACH ACCIDENT - \$ 1,000,000.00	June 17, 2011	27,877.50				
		- E L DISEASE -EA EMPLOYEE - \$ 1,000,000.00						
		- E L DISEASE -POLICY LIMIT - \$ 1,000,000.00						
		WORKERS COMPENSATION			LOCKTON COMPANIES, LLC (ACE AMERICAN INSURANCE COMPANY) INSURED PARTY: Insperity (prev ADMINISTAFF, INC. )	Each occurrence limit - \$ 1,000,000.00	October 1, 2011	Paid by Insperity (formerly Administaff)
						Aggregate Loss Limit - \$ 5,000,000.00		
						Per Occurrence Loss Limit - \$ 5,000,000.00		
						Earthquake Deductible - 10% per unit subject to a min of \$ 50,000.00		
						1. General Liability while on travel:		
						- General Aggregate Liability - \$ 2,000,000.00		
						- Each occurrence limit - \$ 1,000,000.00		
2. Business Auto for Hired or Non-owned vehicles:								
- General Aggregate Liability - \$ 1,000,000.00								
- Medical Payments Each Person - \$ 10,000.00								
3. Employee Benefits Plan:								
- Each wrongful deed - \$ 1,000,000.00								
- Deductible - \$ 1,000.00 each occurrence								
- AD & D - \$ 100,000 benefit per employee								
4. Workers' Compensation while on travel:								
- Employers' liab. Each accident - \$ 1,000,000.00								
- Disease Limit each employee - \$ 1,000,000.00								
Policy Aggregate Limit of Liability - \$ 10,000,000.00								
Deductible - \$ 25,000.00								
Crisis Management Fund for Dir & Ofcr - \$ 25,000.00								
Punitive Damages Sublimit for Dir & Ofcr and/or EPL - Full limit								

Name of Insider	Date of Order Authorizing Compensation	*Authorized Gross Compensation	Gross Compensation Paid During Period
Karl Heinz Pitsch		\$400,000/yr	30,769.20
Mark Milner		\$275,000/yr	21,153.84
Scott Avila		Paid by Hour	61,492.50
John (Pete) Ball		\$12,500/qtr	12,500.00
MARILYN S. SYLVESTRE		\$12,500/qtr	12,500.00
MICHAEL FROW		\$12,500/qtr	12,500.00
Notice of Insider Compensation submitted on Dec 23, 2010			

VIII. SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

Name of Insider	Date of Order Authorizing Compensation	Description	Amount Paid During the Period
Karl Heinz Pitsch		Car allowance	923.06
Mark Milner		Car allowance	923.06

\* Please indicate how compensation was identified in the order (e.g. \$1,000/week, \$2,500/month)

IX. PROFIT AND LOSS STATEMENT  
Main Document Page 23 of 27  
(ACCRUAL BASIS ONLY)

**SEE ATTACHED**

	Current Month	0
<b>Sales/Revenue:</b>		
Gross Sales/Revenue		0.00
Less: Returns/Discounts		
Net Sales/Revenue	0.00	0.00
<b>Cost of Goods Sold:</b>		
Beginning Inventory at cost		0.00
Purchases		
Less: Ending Inventory at cost		
Cost of Goods Sold (COGS)	0.00	0.00
Gross Profit	0.00	0.00
Other Operating Income (Itemize)		
<b>Operating Expenses:</b>		
Payroll - Insiders		
Payroll - Other Employees		
Payroll Taxes		
Other Taxes (Itemize)		
Depreciation and Amortization		
Rent Expense - Real Property		
Lease Expense - Personal Property		
Insurance		
Real Property Taxes		
Telephone and Utilities		
Repairs and Maintenance		
Travel and Entertainment (Itemize)		
Miscellaneous Operating Expenses (Itemize)		
Total Operating Expenses	0.00	0.00
Net Gain/(Loss) from Operations	0.00	0.00
<b>Non-Operating Income:</b>		
Interest Income		
Net Gain on Sale of Assets (Itemize)		
Other (Itemize)		
Total Non-Operating income	0.00	0.00
<b>Non-Operating Expenses:</b>		
Interest Expense		
Legal and Professional (Itemize)		
Other (Itemize)		
Total Non-Operating Expenses	0.00	0.00
<b>NET INCOME/(LOSS)</b>	<b>0.00</b>	<b>0.00</b>

(Attach exhibit listing all itemizations required above)

Sexy Hair		
Monthly Income Statements		
Period Ending 2/28/2011		
	Feb	Cumm To Date
Net Sales	6,323,185	12,914,146
Cost of Goods	2,776,668	5,272,051
Gross Profit	3,546,499	7,642,095
<b>Selling Expense</b>		
Commissions	17,224	47,235
Co-op Expenses	74,888	279,451
Detailing	12,479	24,466
Education - Distributors	62,069	203,748
Freight Out	160,326	293,820
Postage and Supplies	8,081	14,680
Sales Incentives	23,879	250,241
Sales Literature - Printing	78,294	81,048
Sales Meetings	51,755	119,895
Payroll	213,432	543,994
Sales-Pension	4,127	8,676
Sales Samples	43,247	143,275
Telephone	6,476	9,932
Tradeshows - Distributor	9,024	62,869
Total Sales Expense	765,299	2,083,328
<b>Marketing</b>		
Advertising Media		15,450
Artwork - production/supplies	\$10,484	26,002
Travel & Auto	\$575	629
Dues and Subscriptions		
Education Corporate	\$154,366	595,595
Education Corporate / Print		
Entertainment		-
Independent Contractors	\$5,257	12,548
Salary-Service Fee	\$133,844	316,483
Mktrg Salaries - Pension	\$1,265	2,746
POP Materials and Displays		
Promotions/Samples/Contest	\$23,965	74,787
Publicity Expenses	\$27,393	156,758
Publicity Fees	\$2	
Research & Development	\$7,961	25,879
Tradeshows - Major	\$3,154	
Academy	\$14,694	33,155
Website		
Total Marketing Expense	382,959	1,260,032
<b>Total Marketing &amp; Sales Expenses</b>	<b>1,148,259</b>	<b>3,343,361</b>
<b>Profit Contribution</b>	<b>2,398,240</b>	<b>4,298,734</b>
<b>General &amp; Administrative</b>		
Bad Debts	-	-
Bank Charges	3,588	4,466
Computer	1,667	13,361
Depreciation	29,527	69,477
Dues and Subscriptions	50	139
Equipment Rental/Lease	12,935	25,762
Independent Contractors	96	174
Insurance	16,952	40,205
Janitorial	1,495	2,990
Professional Fees	514,672	1,081,814
Licenses and Taxes	3,558	3,558
Meals and Entertainment	2,612	3,819
Miscellaneous	-	-
Office and Warehouse Supplies	12,872	22,710
Payroll Service	-	-
Pension Administration	-	634
Printing and Postage	1,260	3,651
Recruiting	225	308
Rent - Office/Warehouse	79,538	164,372
Repairs and Maintenance	3,060	9,549
Payroll	305,907	705,096
Salaries - Pension Match	5,055	10,602
Staff Expenses	3,139	5,578
Telephone	7,921	10,564
Travel & Auto	2,165	(16,431)
Utilities	5,498	10,258
Total Gen & Administrative	1,013,791	2,172,656
<b>Operating Expenses</b>	<b>2,162,050</b>	<b>5,516,016</b>
<b>Income from Operations</b>	<b>1,384,449</b>	<b>2,126,078</b>
<b>Other Expenses (Income)</b>		
Interest (Income)	-	-
Interest Expense	710,254	1,781,976
Amortization Expense	4,923	33,835
Other / Transaction Costs	-	-
Total Other Expenses (Income)	715,176	1,815,811
<b>Net Income before Taxes</b>	<b>669,272</b>	<b>310,268</b>
Deferred Tax	-	-
Current Tax	1,000	2,323
<b>Net Income after taxes</b>	<b>668,272</b>	<b>307,945</b>



**SEE ATTACHED**

<b>ASSETS</b>	<b>Current Month End</b>	<b>0</b>
Current Assets:		
Unrestricted Cash	_____	0.00
Restricted Cash	_____	
Accounts Receivable	_____	
Inventory	_____	
Notes Receivable	_____	
Prepaid Expenses	_____	0.00
Other (Itemize)	_____	
<b>Total Current Assets</b>	_____	<b>0.00</b>
Property, Plant, and Equipment	_____	
Accumulated Depreciation/Depletion	_____	
<b>Net Property, Plant, and Equipment</b>	_____	<b>0.00</b>
Other Assets (Net of Amortization):		
Due from Insiders	_____	
Other (Itemize)	_____	
<b>Total Other Assets</b>	_____	<b>0.00</b>
<b>TOTAL ASSETS</b>	_____	<b>0.00</b>
<b>LIABILITIES</b>		
Post-petition Liabilities:		
Accounts Payable	_____	
Taxes Payable	_____	
Notes Payable	_____	
Professional fees	_____	
Secured Debt	_____	
Other (Itemize)	_____	
<b>Total Post-petition Liabilities</b>	_____	<b>0.00</b>
Pre-petition Liabilities:		
Secured Liabilities	_____	
Priority Liabilities	_____	
Unsecured Liabilities	_____	
Other (Itemize)	_____	
<b>Total Pre-petition Liabilities</b>	_____	<b>0.00</b>
<b>TOTAL LIABILITIES</b>	_____	<b>0.00</b>
<b>EQUITY:</b>		
Pre-petition Owners' Equity	_____	
Post-petition Profit/(Loss)	_____	
Direct Charges to Equity	_____	
<b>TOTAL EQUITY</b>	_____	<b>0.00</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	_____	<b>0.00</b>

## BALANCE SHEET @ 2-28-11

\*NOTE THAT THIS BALANCE SHEET REFLECTS HISTORICAL "BOOK VALUE," AND THE AMOUNTS SET FORTH HEREIN MAY OR MAY NOT REFLECT FAIR MARKET VALUE"

**ASSETS**

Cash	\$5,654,313
Accounts Receivable Net	\$6,983,009
Inventory	\$6,343,827
Prepaid Expenses and Other Current Assets	\$3,536,340
Intercompany - Ecoly	\$3,064,698
Intercompany - Luxe	\$10,960
<b>TOTAL CURRENT ASSETS</b>	<u>25,593,147</u>

**PROPERTY AND EQUIPMENT**

Furniture, Equipment, Staging Accesories	\$2,527,417
Less: Accumulated Depreciation	(\$1,882,135)
<b>NET PROPERTY AND EQUIPMENT</b>	<u>\$645,282</u>

**OTHER ASSETS**

Trademarks (Net)	\$267,644
Deposits	\$1,085,940
<b>TOTAL OTHER ASSETS</b>	<u>1,353,584</u>
<b>TOTAL ASSETS</b>	<u><u>27,592,013</u></u>

**LIABILITIES****CURRENT LIABILITIES**

Accounts Payable - Post	\$2,001,956
Accounts Payable - Pre	\$3,556,213
Accrued Interest (BMO & NML)	\$11,783,920
Accrued Expenses	\$1,887,947
Line of Credit BMO	6,575,000
Current Portion of Long Term Debt BMO	3,370,000
<b>TOTAL CURRENT LIABILITIES</b>	<u>29,175,035</u>

**LONG TERM LIABILITIES**

Term Loan - BMO	47,210,344
Term Loan - North Western Bank	20,183,487
<b>TOTAL LONG TERM LIABILITIES</b>	<u>67,393,832</u>

**TOTAL LIABILITIES**

96,568,867

**STOCKHOLDERS EQUITY**

Members Equity	(\$15,508,942)
Income to Date (Loss)	\$307,945
Retained Earnings	(\$53,775,856)
<b>TOTAL STOCKHOLDERS EQUITY</b>	<u>(68,976,854)</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS EQUITY</b>	<u><u>27,592,013</u></u>

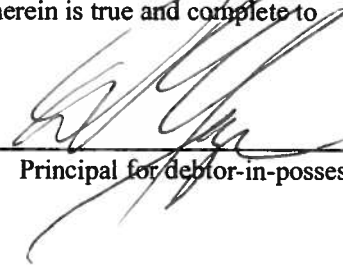
XI. QUESTIONNAIRE

- |   | No       | Yes   |
|---|----------|-------|
| 1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below:   | <u>X</u> | _____ |
| <hr/>   |          |       |
| 2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below:  | <u>X</u> | _____ |
| <hr/>   |          |       |
| 3. State what progress was made during the reporting period toward filing a plan of reorganization<br>Disclosure Statement approved by Court on February 25, 2011. Hearing on Confirmation of Plan of Reorganization set for April 4, 2011.   |          |       |
| <hr/>   |          |       |
| 4. Describe potential future developments which may have a significant impact on the case:<br>*Investigation into outstanding accounts receivable amounts<br>*Discussions with vendors<br>*Confirmation of the Plan<br>*Investigation, reconciliation and objections to proofs of claims filed by creditors |          |       |
| <hr/>   |          |       |
| 5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period.   |          |       |
| <hr/>   |          |       |
| 6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below.  | <u>X</u> | _____ |

I, David A Yaeger, Vice President of Finance,

declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge.

3/22/11  
Date

  
Principal for debtor-in-possession