

claims have been resolved. If applicable, a claims analysis, explaining why payment on any claim is not being made, is attached as **Exhibit C**.

7. The Trustee's proposed distribution is attached as **Exhibit D**.

8. Pursuant to 11 U.S.C. § 326(a), the maximum compensation allowable to the trustee is \$. To the extent that additional interest is earned before case closing, the maximum compensation may increase.

The trustee has received \$ as interim compensation and now requests a sum of \$, for a total compensation of \$. In addition, the trustee received reimbursement for reasonable and necessary expenses in the amount of \$, and now requests reimbursement for expenses of \$, for total expenses of \$.

Pursuant to Fed R Bank P 5009, I hereby certify, under penalty of perjury, that the foregoing report is true and correct.

Date: _____ By: /s/Michelle H. Chow, Trustee
Trustee

STATEMENT: This Uniform Form is associated with an open bankruptcy case, therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES

Case No: 06-40693 BTR Judge: BRENDA T. RHOADES
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Date Filed (f) or Converted (c): 05/15/06 (f)
341(a) Meeting Date: 09/01/06
Claims Bar Date: 11/20/06

For Period Ending: 11/02/09

1	2	3	4	5	6
Asset Description (Scheduled and Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs)	Property Abandoned OA=554(a) Abandon DA=554(c) Abandon	Sale/Funds Received by the Estate	Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1. FINANCIAL ACCOUNTS Checking Acct.; First State Bank; PO Box 10;Gainesville TX 76241 See Adversary/Motion/Settlement with First State bank. Described in notes at end of Form 1.	4,387.43	18,000.00		18,278.00	FA
2. SECURITY DEPOSITS Scott Brown Property Trustee abandons. None remaining.	550.00	0.00	DA	0.00	FA
3. SECURITY DEPOSITS A.S.H. Property Trustee abandons. None remaining.	1,380.00	0.00	DA	0.00	FA
4. SECURITY DEPOSITS Mike & Linda Thaten Trustee abandons. None remaining.	6,416.66	0.00	DA	0.00	FA
5. SECURITY DEPOSITS City of Denton Trustee abandons. None remaining.	250.00	0.00	DA	0.00	FA
6. STOCK Capital Stock in Avid Distributors, Inc. Trustee abandons any interest in defunct company.	1,000.00	0.00	DA	0.00	FA
7. N/R HCA INDUSTRIES \$2,548.22 PER MO Note Receivable/HCA Industries Settlement payout arrangement: 18 months no interest beginning 1/15/07 and monthly until paid. Last payment made in June 2008; remaining 2 cents written off.	45,867.94	45,867.94		45,867.92	FA
8. A/R EMERTS INDIV \$2,540.81 PER MO Note Receivable from Stockholders Brian & Angela Emert Settlement Agreement filed 11/29/06. Terms are for 18 months, 0	45,734.51	45,734.51		45,734.58	FA

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1	2	3	4	5	6
Asset Description (Scheduled and Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs)	Property Abandoned OA=554(a) Abandon DA=554(c) Abandon	Sale/Funds Received by the Estate	Asset Fully Administered (FA)/ Gross Value of Remaining Assets
interest, equal monthly payments					
9. EQUITABLE OR FUTURE INTERESTS Note Receivable/Mav Aircraft Trustee abandons.	34,000.00	0.00	DA	0.00	FA
10. EQUITABLE OR FUTURE INTERESTS Accounts Receivable (see exhibit - Accounts Receivable Aging Report) Trustee does not believe any are collectible. The larger collections are from the larger creditors on schedule F.	73,388.46	0.00	DA	0.00	FA
11. VEHICLES 2005 Hummer 2 with trailer - Vehicle has lien and no equity. But debtor's principals wanted to keep the car so they agreed to pay \$500 for the vehicle and retain the lien.	40,000.00	500.00		500.00	FA
12. OFFICE EQUIPMENT Computers, office furniture & telephone system - Debtors agreed to pay \$6,000 for all assets. This includes assets #12, 14, and 15. All administered under this asset, except Hummer (asset #11).	11,000.00	6,000.00		6,000.00	FA
13. OFFICE EQUIPMENT Computer software - Administered above under #12.	26,000.00	0.00	DA	0.00	FA
14. MACHINERY AND SUPPLIES CNC Machine (Engraver) To be administered as part of settlement with First State Bank. Terms per the Order were for estate to receive the first \$5,000 of any sale proceeds, then the bank to receive proceeds up to its lien, then the estate would receive any remainder after that. Trustee's initial value is for the \$5,000.00 only. No payment was made on this. After numerous attempts, trustee abandons this amount.	25,000.00	0.00	DA	0.00	FA
15. INVENTORY	172,782.79	0.00	DA	0.00	FA

**FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES**

Case No: 06-40693 BTR Judge: BRENDA T. RHOADES
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Date Filed (f) or Converted (c): 05/15/06 (f)
341(a) Meeting Date: 09/01/06
Claims Bar Date: 11/20/06

1	2	3	4	5	6
Asset Description (Scheduled and Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs)	Property Abandoned OA=554(a) Abandon DA=554(c) Abandon	Sale/Funds Received by the Estate	Asset Fully Administered (FA)/ Gross Value of Remaining Assets
Aircraft parts & equipment Location 1 - Storage Depot, 1201 SR 288 Loop, Denton TX 76205 Location 2 - 1111 Shady Oaks Dr., Denton TX 76205 Administered under asset #12.					
16. OTHER UNSCHEDULED B ASSETS (u) Miscellaneous Receipts - unscheduled and unexpected.	0.00	1,500.00		1,987.24	FA
17. OTHER UNSCHEDULED B ASSETS (u) Unscheduled and unexpected refund from vendor of prepaid amounts.	0.00	4,400.00		4,400.00	FA
18. PREFERENCE PAYMENTS (u) Possible preference payments Trustee held group meeting with forensic accountant, who identified payments made with the 90 days of the petition date. Settlements made with various parties: 1. Amex - Order 07/29/08 #86 \$50,000.00 2. Schleuniger - Order 08/06/08 #88 \$18,340.41 3. WaMu - Order 08/20/08 #91 \$4,500.00 4. UPS - Order 09/17/08 #94 \$2,150.00	0.00	50,000.00		74,990.41	FA
INT. Post-Petition Interest Deposits (u)	Unknown	N/A		748.94	FA

				Gross Value of Remaining Assets
TOTALS (Excluding Unknown Values)	\$487,757.79	\$172,002.45	\$198,507.09	\$0.00
				(Total Dollar Amount in Column 6)

Major activities affecting case closing which are not reflected above, and matters pending, date of hearing or sale, and other action:

As of date TFR submitted to UST 11/02/09: Avid Distributors was a company that sold aircraft parts and equipment. At the time of filing, the main assets the trustee intended to administer were:

FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES

Page: 4
Exhibit A

Case No: 06-40693 BTR Judge: BRENDA T. RHOADES
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Date Filed (f) or Converted (c): 05/15/06 (f)
341(a) Meeting Date: 09/01/06
Claims Bar Date: 11/20/06

1. Bank balances remaining on the date of petition;
2. Note receivable (from their new company, HCA Industries);
3. Accounts receivable (from the Emerts, individually);
4. Miscellaneous fixtures and equipment.
5. Possible preference payments (collected in 2008)

Discussion of bank balances: At the 341 meeting on 09/03/06, the debtors brought a check for \$36,557.95 representing the bank balance remaining in the First State Bank checking account. The trustee attempted to deposit these funds to the estate bank account on 09/05/06. This check was ultimately charged back, since First State Bank had taken the funds (see Form 2). The trustee attorney filed an adversary, #06-04227, for turnover of the funds. After many discussions with First State Bank's attorney, an agreement reached and the motion to compromise was filed 12/19/06 (docket #40). The Order was granted 01/19/07 (docket #45). An agreed Order dismissing the adversary was granted, and the adversary was dismissed 01/11/07. Terms of the settlement: Trustee would immediately receive 1/2 of remaining bank balance (approximately \$18,000). The engraver would be sold by the bank; the estate would receive the first \$5,000 (which was never received after numerous attempts to collect), the bank would receive all proceeds thereafter up to the amount of its claim, any remainder would revert back to the trustee. If proceeds from the sale would not cover the bank's lien, the remainder of their claim would be a general unsecured claim.

Discussion of N/R and A/R: The debtor's individuals and new company agreed to repay the loans. A settlement agreement were filed 11/09/06 (docket #36) and the Orders were granted on 12/20/06 (docket #41). Terms were for equal monthly installment payments for 18 months, ending around 6/15/08. As of 03/31/08, the payees are current with their monthly settlement payments. See individual line items above for dollar amounts.

Discussion of Miscellaneous office furniture/fixtures/equipment: The Debtor's individuals expressed an interest in retaining various non-exempt remaining physical assets. A motion to sell back to them including the Hummer was filed 11/09/06 (docket #35). Order was granted 12/12/06 (docket #38). Proceeds deposited to estate bank account.

Attorney for Trustee: Mark Ian Agee
Accountant for Trustee: Sheldon Levy
Attorney for First State Bank: Byron Berry
Forensic Accountants for Trustee: Litzler, Segner, Shaw, and McKenney LLP, Milo Segner, Jana Hicks (assistant)

Initial Projected Date of Final Report (TFR): 12/31/12 Current Projected Date of Final Report (TFR): 12/31/12

/s/ Michelle H. Chow, Trustee

FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES

Page: 5
Exhibit A

Case No: 06-40693 BTR Judge: BRENDA T. RHOADES
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Date Filed (f) or Converted (c): 05/15/06 (f)
341(a) Meeting Date: 09/01/06
Claims Bar Date: 11/20/06

Date: 11/02/09

MICHELLE H. CHOW, TRUSTEE

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 06-40693 -BTR
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
			BALANCE FORWARD				0.00
* 09/05/06		AVID Distributors Inc. 1111 Shady Oaks Dr. Denton TX 76205	remaining bank balance	1229-003	36,557.95		36,557.95
* 09/27/06		AVID Distributors Inc. 1111 Shady Oaks Dr. Denton TX 76205	Charged back/Voided Deposit would not clear with BOA. See letter from First State Bank. They kept funds and closed the account. As of this date they are not releasing funds to the estate. See hardcopy of emails and letter from First State Bank.	1229-003	-36,557.95		0.00
09/29/06	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	2.00		2.00
11/07/06	16	City of Denton Texas Operating Account 215 E. McKinney St. Denton TX 76201-4290	misc. deposit	1290-000	1,350.07		1,352.07
11/07/06	16	Elliott Aviation Quad City Airport PO Box 100 Moline IL 61266-0100	misc. deposit	1290-000	131.48		1,483.55
11/30/06	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	0.89		1,484.44
12/29/06	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	1.26		1,485.70
01/09/07	11	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	sale of hummer	1129-000	500.00		1,985.70
01/09/07	16	ADT Security Services 14200 East Exposition Ave. Aurora CO 80012	misc deposit	1290-000	83.42		2,069.12
01/09/07	12	HCA Industries Inc. 1111 Shady oaks Dr.	sale of biz property	1129-000	6,000.00		8,069.12

Page Subtotals 8,069.12 0.00

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 06-40693 -BTR
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
01/09/07	16	Denton TX 76205 Premium Financing Specialists PO Box 90819 austin TX 78709	misc. deposit	1290-000	422.27		8,491.39
01/18/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		11,032.20
01/18/07	7	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		13,580.42
01/31/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	6.63		13,587.05
02/21/07	7	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		16,135.27
02/21/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		18,676.08
02/28/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	11.26		18,687.34
03/06/07	1	FSB for Avid Distributors PO Box 10 Gainesville X 76241	Per settlement, 1/2 of BB on DOP	1129-000	18,278.00		36,965.34
03/20/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		39,506.15
03/20/07	7	HCA Industries Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		42,054.37

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FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 06-40693 -BTR
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
03/30/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	28.78		42,083.15
04/16/07	000101	US BANKRUPTCY COURT - EDTX 660 NORTH CENTRAL EXPRESSWAY SUITE 300B PLANO, TX 75074	Per Order dated 10/24/06 Previously deferred filing fee of adversary proceeding	2700-000		250.00	41,833.15
04/18/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		44,373.96
04/18/07	7	HCA Industries Inc. 11112 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		46,922.18
04/27/07	17	National Business Aviation Assoc. 1200 Eighteenth St. NW Ste. 400 Washington DC 20036-2527	refund of prepaid amounts	1229-000	4,400.00		51,322.18
04/30/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	36.16		51,358.34
05/22/07	7	HC Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		53,906.56
05/22/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		56,447.37
05/31/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	44.73		56,492.10
06/13/07	000102	FIRST STATE BANK OF GAINESVILLE C/O BYRON R. BERRY HAYES, BERRY, WHITE & VANZANT, LLP 512 W. HICKORY SUITE 100 PO BOX 50149 DENTON, TX 76206	PER ORDER 01/19/07 PER ORDER GRANTING MOTION TO APPROVE SETTLEMENT OF BANK CLAIMS. THIS IS THE \$6,000 PORTION AS SPECIFIED IN THE MOTION	4210-000		6,000.00	50,492.10
06/29/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	44.29		50,536.39

Page Subtotals 14,732.02 6,250.00

FORM 2

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Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
07/03/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		53,077.20
07/03/07	7	HCA Industries, Inc. 1111 Shady oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		55,625.42
07/19/07	7	HCA Industries Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		58,173.64
07/19/07	8	Angela W. Emert Brian Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		60,714.45
07/31/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	47.80		60,762.25
08/22/07	7	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		63,310.47
08/22/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		65,851.28
08/31/07	INT	BANK OF AMERICA, N.A.	Interest Rate 1.000	1270-000	52.72		65,904.00
09/26/07	7	HCA Industries Inc. 1111 Shady oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		68,452.22
09/26/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		70,993.03

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FORM 2

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Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
09/28/07	INT	BANK OF AMERICA, N.A.	Interest Rate 0.750	1270-000	42.29		71,035.32
10/31/07	INT	BANK OF AMERICA, N.A.	Interest Rate 0.750	1270-000	45.26		71,080.58
11/01/07	7	HCA Industries Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		73,628.80
11/01/07	8	Angela Emert Brian Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		76,169.61
11/26/07	7	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		78,717.83
11/26/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		81,258.64
11/30/07	INT	BANK OF AMERICA, N.A.	Interest Rate 0.650	1270-000	40.60		81,299.24
12/18/07	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		83,840.05
12/18/07	7	HCA Industries Inc. 1111 Shady Oak Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		86,388.27
12/31/07	INT	BANK OF AMERICA, N.A.	Interest Rate 0.500	1270-000	39.63		86,427.90
01/23/08	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		88,968.71
01/23/08	7	HCA Industries Inc.	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		91,516.93

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FORM 2

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Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
01/31/08	INT	1111 Shady Oaks Dr. Denton TX 76205	Interest Rate 0.400	1270-000	34.63		91,551.56
02/20/08	8	BANK OF AMERICA, N.A.	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		94,092.37
02/20/08	7	Amgela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		96,640.59
02/29/08	INT	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	Interest Rate 0.300	1270-000	22.10		96,662.69
03/20/08	7	BANK OF AMERICA, N.A.	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		99,210.91
03/20/08	8	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		101,751.72
03/31/08	INT	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	Interest Rate 0.250	1270-000	23.12		101,774.84
04/22/08	8	BANK OF AMERICA, N.A.	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		104,315.65
04/22/08	7	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.22		106,863.87
04/30/08	INT	HCA Industries Inc. 1111 Shady Oaks Dr. Denton TX 76205	Interest Rate 0.250	1270-000	21.10		106,884.97
05/16/08	7	BANK OF AMERICA, N.A.	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.20		109,433.17
		HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205					

Page Subtotals 17,916.24 0.00

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
05/16/08	8	Angela W. Emert Brian D. Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		111,973.98
05/30/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.150	1270-000	13.82		111,987.80
06/19/08	8	Angela W. Emert Brian David Emert 29 Highpoint Ln. Valley View TX 76272	EMERT MONTHLY SETTLEMENT	1121-000	2,540.81		114,528.61
06/19/08	7	HCA Industries, Inc. 1111 Shady Oaks Dr. Denton TX 76205	HCA MONTHLY SETTLEMENT PYMT	1129-000	2,548.20		117,076.81
06/30/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.150	1270-000	13.94		117,090.75
07/08/08	18	American Express 20002 N. 19th Ave. A-06 Phoenix AZ 85027	AMEX preference settlement	1241-000	50,000.00		167,090.75
07/09/08	18	Schleuniger Inc. 87 Colin Dr. Manchester NH 03103	preference settlement	1241-000	18,340.41		185,431.16
07/31/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.150	1270-000	20.42		185,451.58
08/29/08	18	WaMu PO Box 91194 Seattle WA 98111	PREFERENCE SETTLEMENT	1241-000	4,500.00		189,951.58
08/29/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.150	1270-000	23.56		189,975.14
09/25/08	18	UPS 1335 Northmeadow Pkwy. Ste. 119 Roswell GA 30076-4949	Preference settlement	1241-000	2,150.00		192,125.14
09/30/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.150	1270-000	23.30		192,148.44
10/31/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.100	1270-000	18.64		192,167.08

Page Subtotals 82,733.91 0.00

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 06-40693 -BTR
 Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
 Bank Name: BANK OF AMERICA, N.A.
 Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
 For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
11/28/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.100	1270-000	15.75		192,182.83
12/31/08	INT	BANK OF AMERICA, N.A.	Interest Rate 0.020	1270-000	10.40		192,193.23
01/30/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.020	1270-000	3.26		192,196.49
02/27/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.020	1270-000	2.95		192,199.44
03/31/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.020	1270-000	3.27		192,202.71
04/30/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	7.90		192,210.61
05/29/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	8.16		192,218.77
06/30/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	7.91		192,226.68
07/28/09	000103	SHELDON E LEVY, CPA 6320 SOUTHWEST BLVD SUITE 204 FORT WORTH, TX 76109	Per order 07/13/09 Trustee accountant fees and expenses	3410-000		3,420.00	188,806.68
07/28/09	000104	SHELDON E LEVY, CPA 6320 SOUTHWEST BLVD SUITE 204 FORT WORTH, TX 76109	Per order 7/13/09 Trustee accountant fees and expenses	3420-000		96.00	188,710.68
07/31/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	8.15		188,718.83
08/31/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	8.01		188,726.84
09/30/09	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	7.76		188,734.60
10/15/09	000105	LITZLER, SEGNER, SHAW, & MCKENNEY LLP C/O MILO SEGNER 1412 MAIN STREET SUITE 2400 DALLAS, TX 75202	Per order dated 10/14/09 Final fee application - fees and expenses	3991-000		6,978.00	181,756.60
10/15/09	000106	LITZLER, SEGNER, SHAW, & MCKENNEY LLP C/O MILO SEGNER 1412 MAIN STREET SUITE 2400 DALLAS, TX 75202	Per order dated 10/14/09 Final fee application - fees and expenses 48.82	3992-000		48.82	181,707.78
10/15/09	000107	MARK IAN AGEE 5401 N. CENTRAL EXPRESSWAY SUITE 220 DALLAS, TX 75205	Per order 10/14/09 Trustee general counsel fee & expenses	3110-000		24,119.50	157,588.28
10/15/09	000108	MARK IAN AGEE	Per order 10/14/09	3120-000		561.94	157,026.34

Page Subtotals 83.52 35,224.26

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 06-40693 -BTR
Case Name: AVID DISTRIBUTORS, INC.

Trustee Name: Michelle H. Chow, Trustee
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****0315 BofA - Money Market Account

Taxpayer ID No: *****4836
For Period Ending: 11/02/09

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
10/28/09	INT	5401 N. CENTRAL EXPRESSWAY SUITE 220 DALLAS, TX 75205	Trustee general counsel fees and expenses				
10/28/09		BANK OF AMERICA, N.A. Transfer to Acct #*****2613	INTEREST REC'D FROM BANK	1270-000	6.49		157,032.83
			Final Posting Transfer	9999-000		157,032.83	0.00

COLUMN TOTALS	198,507.09	198,507.09	0.00
Less: Bank Transfers/CD's	0.00	<u>157,032.83</u>	
Subtotal	198,507.09	41,474.26	
Less: Payments to Debtors		<u>0.00</u>	
Net	198,507.09	41,474.26	

Page Subtotals 6.49 157,032.83

EXHIBIT A
ANALYSIS OF CLAIMS REGISTER

Case Number: 06-40693 Page 1 Date: November 02, 2009
Debtor Name: AVID DISTRIBUTORS, INC. Claim Type Sequence

Code #	Creditor Name & Address	Claim Class	Notes	Scheduled	Claimed	Allowed
001 2700-00	US BANKRUPTCY COURT - EDTX 660 NORTH CENTRAL EXPRESSWAY SUITE 300B PLANO, TX 75074	Administrative	for adversary: TO from FSB	\$0.00	\$250.00	\$250.00
			4428360315	04/16/07 101	250.00	
001 3110-00	MARK IAN AGEE 5401 N. CENTRAL EXPRESSWAY SUITE 220 DALLAS, TX 75205	Administrative		\$0.00	\$24,119.50	\$24,119.50
			4428360315	10/15/09 107	24,119.50	
001 3120-00	MARK IAN AGEE 5401 N. CENTRAL EXPRESSWAY SUITE 220 DALLAS, TX 75205	Administrative		\$0.00	\$561.94	\$561.94
			4428360315	10/15/09 108	561.94	
001 3410-00	SHELDON E LEVY, CPA 6320 SOUTHWEST BLVD SUITE 204 FORT WORTH, TX 76109	Administrative	Per order 07/13/09	\$0.00	\$3,420.00	\$3,420.00
			4428360315	07/28/09 103	3,420.00	
001 3420-00	SHELDON E LEVY, CPA 6320 SOUTHWEST BLVD SUITE 204 FORT WORTH, TX 76109	Administrative	Per order 07/13/09	\$0.00	\$96.00	\$96.00
			4428360315	07/28/09 104	96.00	
001 3991-00	LITZLER, SEGNER, SHAW, & MCKENNEY LLP C/O MILO SEGNER 1412 MAIN STREET SUITE 2400 DALLAS, TX 75202	Administrative		\$0.00	\$6,978.00	\$6,978.00
			4428360315	10/15/09 105	6,978.00	
001 3992-00	LITZLER, SEGNER, SHAW, & MCKENNEY LLP C/O MILO SEGNER 1412 MAIN STREET SUITE 2400 DALLAS, TX 75202	Administrative		\$0.00	\$48.82	\$48.82
			4428360315	10/15/09 106	48.82	
050 4210-00	FIRST STATE BANK OF GAINESVILLE C/O BYRON R. BERRY HAYES, BERRY, WHITE & VANZANT, LLP 512 W. HICKORY SUITE 100 PO BOX 50149 DENTON, TX 76206	Secured	SETTLEMENT AGREEMENT WITH BANK. \$6000 PLUS PROCEEDS FROM SALE	\$0.00	\$6,000.00	\$6,000.00
			4428360315	06/13/07 102	6,000.00	

EXHIBIT A
ANALYSIS OF CLAIMS REGISTER

Case Number: 06-40693 Page 2 Date: November 02, 2009
Debtor Name: AVID DISTRIBUTORS, INC. Claim Type Sequence

Code #	Creditor Name & Address	Claim Class	Notes	Scheduled	Claimed	Allowed
000002 050 4210-00	First State Bank P. O. Box 10 Gainesville, TX 76241	Secured	Filed 10/02/06 Order 05/14/09 #109 Disallow in entirety	\$0.00	\$36,557.95	\$0.00
000003 050 4210-00	First State Bank P. O. Box 10 Gainesville, TX 76241	Secured	Filed 10/02/06 Order 05/14/09 #110 Disallow in entirety	\$0.00	\$36,557.95	\$0.00
000013 050 4800-00	Denton County co Michael Reed P.O. Box 1269 Round Rock, TX 78680	Secured	Filed 09/03/08 Order 05/14/09 Disallow in entirety	\$0.00	\$16,246.12	\$0.00
000005 040 5800-00	City of Denton Mark Burroughs Attorney for Creditor 1100 Dallas Drive, Ste 100 Denton, Texas 76205	Priority	Filed 11/02/06 Agreed Order 06/08/09 #119 Allow \$6,570.37 as priority	\$0.00	\$6,570.37	\$6,570.37
000006 040 5800-00	Denton Independent School District Mark Burroughs Attorney for Creditor 1100 Dallas Drive, Ste 100 Denton, Texas 76205	Priority	Filed 11/02/06 Agreed Order 06/08/09 #120 Allow \$91,423.19 as priority	\$0.00	\$19,423.19	\$19,423.19
000011 040 5800-00	Denton County c/o Michael Reed P O Box 1269 Round Rock, TX 78680	Priority	Filed 12/05/06 Order granted 05/14/09 Allow \$2,297.11 as priority	\$0.00	\$2,297.11	\$2,297.11
000014B 040 5800-00	Internal Revenue Service Department of the Treasury PO Box 21126 Philadelphia, PA 19114	Priority	Filed 07/22/09 Governmental claim filed before case commences distribution allowed.	\$0.00	\$26,550.59	\$26,550.59
000001 070 7100-00	Corporate Express Office Products, Inc. Attn: Legal Department One Environmental Way Broomfield, CO 80021	Unsecured	Filed 05/22/06	\$0.00	\$531.06	\$531.06
000004 070 7100-00	North Texas Mailing Sawko & Burroughs, L.L.P. 1100 Dallas Drive, Suite 100 Denton, Texas 76205	Unsecured	Filed 10/26/06 Order 05/14/09 #111 Allow \$562.10 as unsecured	\$0.00	\$562.10	\$562.10
000007 070 7100-00	Trade A Plane c/o Szabo Associates, Inc. 3355 Lenox Road, 9th Floor Atlanta, Georgia 30326	Unsecured	Filed 11/03/06	\$0.00	\$1,866.60	\$1,866.60

EXHIBIT A
ANALYSIS OF CLAIMS REGISTER

Case Number: 06-40693 Page 3
 Debtor Name: AVID DISTRIBUTORS, INC. Date: November 02, 2009
Claim Type Sequence

Code #	Creditor Name & Address	Claim Class	Notes	Scheduled	Claimed	Allowed
000008 070 7100-00	navAero, Inc. Attn: Christine Andersson 9 W. Hubbard St. 5th Floor Chicago, IL 60610	Unsecured	Filed 11/17/06	\$0.00	\$117,068.25	\$117,068.25
000009 070 7100-00	Alan Hauf 950 E. Oak Shore Dr. Crossroads, TX 76227	Unsecured	Filed 11/17/06	\$0.00	\$83,305.57	\$83,305.57
000010 070 7100-00	International Communications Group, Inc. 4570 Westgrove Rd. Suite 270 Addison, TX 75001	Unsecured	Filed 11/20/06	\$0.00	\$744,641.97	\$744,641.97
000014A 070 7100-00	Internal Revenue Service Department of the Treasury PO Box 21126 Philadelphia, PA 19114	Unsecured	Filed 07/22/09 Governmental claims filed before case commences distribution.	\$0.00	\$21,940.80	\$21,940.80
000012 080 7200-00	Trans-Cal Industries Van Nuys Airport 16141 Cohasset Street Van Nuys, CA 91406-2959	Unsecured	Filed 12/15/06	\$0.00	\$4,619.00	\$4,619.00
Case Totals:				\$0.00	\$1,160,212.89	\$1,070,850.87

Code #: Trustee's Claim Number, Priority Code, Claim Type

TRUSTEE'S PROPOSED DISTRIBUTION

Exhibit D

Case No.: 06-40693
Case Name: AVID DISTRIBUTORS, INC.
Trustee Name: Michelle H. Chow, Trustee

Claims of secured creditors will be paid as follows:

<i>Claimant</i>	<i>Proposed Payment</i>
_____	\$ _____
_____	\$ _____
_____	\$ _____

Applications for chapter 7 fees and administrative expenses have been filed as follows:

<i>Reason/Applicant</i>	<i>Fees</i>	<i>Expenses</i>
<i>Trustee: Michelle H. Chow, Trustee</i>	\$ _____	\$ _____
<i>Attorney for trustee:</i>	\$ _____	\$ _____
<i>Appraiser:</i>	\$ _____	\$ _____
<i>Auctioneer:</i>	\$ _____	\$ _____
<i>Accountant:</i>	\$ _____	\$ _____
<i>Special Attorney for trustee:</i>	\$ _____	\$ _____
<i>Charges:</i>	\$ _____	\$ _____
<i>Fees:</i>	\$ _____	\$ _____
<i>Other:</i>	\$ _____	\$ _____
<i>Other:</i>	\$ _____	\$ _____

Applications for prior chapter fees and administrative expenses have been filed as follows:

<i>Reason/Applicant</i>	<i>Fees</i>	<i>Expenses</i>
<u>Attorney for debtor:</u>	\$ _____	\$ _____
<u>Attorney for:</u>	\$ _____	\$ _____
<u>Accountant for:</u>	\$ _____	\$ _____
<u>Appraiser for:</u>	\$ _____	\$ _____
<u>Other:</u>	\$ _____	\$ _____

In addition to the expenses of administration listed above as may be allowed by the Court, priority claims totaling \$ _____ must be paid in advance of any dividend to general (unsecured) creditors.

Allowed priority claims are:

<i>Claim Number</i>	<i>Claimant</i>	<i>Allowed Amt. of Claim</i>	<i>Proposed Payment</i>
<u>000005</u>	<u>City of Denton</u> <u>Denton Independent School</u>	\$ _____	\$ _____
<u>000006</u>	<u>District</u>	\$ _____	\$ _____
<u>000011</u>	<u>Denton County</u>	\$ _____	\$ _____
<u>000014B</u>	<u>Internal Revenue Service</u>	\$ _____	\$ _____

The actual distribution to wage claimants included above, if any, will be the proposed payment less applicable withholding taxes (which will be remitted to the appropriate taxing authorities).

Timely claims of general (unsecured) creditors totaling \$ _____ have been allowed and will be paid *pro rata* only after all allowed administrative and priority claims have been paid in full. The timely allowed general (unsecured) dividend is anticipated to be _____ percent.

Timely allowed general (unsecured) claims are as follows:

<i>Claim Number</i>	<i>Claimant</i>	<i>Allowed Amt. of Claim</i>	<i>Proposed Payment</i>
	<u>Corporate Express Office</u>		
<u>000001</u>	<u>Products, Inc.</u>	\$ _____	\$ _____

<i>Claim Number</i>	<i>Claimant</i>	<i>Allowed Amt. of Claim</i>	<i>Proposed Payment</i>
<u>000004</u>	<u>North Texas Mailing</u>	\$ <u> </u>	\$ <u> </u>
<u>000007</u>	<u>Trade A Plane</u>	\$ <u> </u>	\$ <u> </u>
<u>000008</u>	<u>navAero, Inc.</u>	\$ <u> </u>	\$ <u> </u>
<u>000009</u>	<u>Alan Hauf</u>	\$ <u> </u>	\$ <u> </u>
	<i>International Communications</i>		
<u>000010</u>	<u>Group, Inc.</u>	\$ <u> </u>	\$ <u> </u>
<u>000014A</u>	<u>Internal Revenue Service</u>	\$ <u> </u>	\$ <u> </u>

Tardily filed claims of general (unsecured) creditors totaling \$ _____ have been allowed and will be paid *pro rata* only after all allowed administrative, priority and timely filed general (unsecured) claims have been paid in full. The tardily filed claim dividend is anticipated to be _____ percent.

Tardily filed general (unsecured) claims are as follows:

<i>Claim Number</i>	<i>Claimant</i>	<i>Allowed Amt. of Claim</i>	<i>Proposed Payment</i>
<u>000012</u>	<u>Trans-Cal Industries</u>	\$ <u> </u>	\$ <u> </u>
<u> </u>	<u> </u>	\$ <u> </u>	\$ <u> </u>
<u> </u>	<u> </u>	\$ <u> </u>	\$ <u> </u>

Subordinated unsecured claims for fines, penalties, forfeitures, or damages and claims ordered subordinated by the Court totaling \$ _____ have been allowed and will be paid *pro rata* only after all allowed administrative, priority and general (unsecured) claims have been paid in full. The dividend for subordinated unsecured claims is anticipated to be _____ percent.

Subordinated unsecured claims for fines, penalties, forfeitures or damages and claims ordered subordinated by the Court are as follows:

<i>Claim Number</i>	<i>Claimant</i>	<i>Allowed Amt. of Claim</i>	<i>Proposed Payment</i>
<u> </u>	<u> </u>	\$ <u> </u>	\$ <u> </u>

<i>Claim Number</i>	<i>Claimant</i>	<i>Allowed Amt. of Claim</i>	<i>Proposed Payment</i>
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____

The amount of surplus returned to the debtor after payment of all claims and interest is
 \$.