

ENTERTAINMENT DISTRIBUTION CO INC  
Form 4  
August 02, 2007

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Chapman Capital L.L.C.

2. Issuer Name and Ticker or Trading Symbol  
ENTERTAINMENT DISTRIBUTION CO INC [EDCI]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)  
222 N. SEPULVEDA BLVD.  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
07/31/2007

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
 10% Owner  
\_\_\_\_ Other (specify below)

EL SEGUNDO, CA 90245

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_\_ Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3)          | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|  |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price                             |
| Common Stock, par value \$0.02 per share | 07/31/2007                           |  | P                              |   | 13,960  | A  | \$ 1.71                           |
|  |                                      |  |                                |   |   |  | 7,905,745                         |
|  |                                      |  |                                |   |   |  | I                                 |
|  |                                      |  |                                |   |   |  | See footnote <sup>(1)</sup>       |
| Common Stock, par value \$0.02 per share | 08/01/2007                           |  | P                              |   | 24,800  | A  | \$ 1.74                           |
|  |                                      |  |                                |   |   |  | 7,930,545                         |
|  |                                      |  |                                |   |   |  | I                                 |
|  |                                      |  |                                |   |   |  | See footnote <sup>(1)</sup>       |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Transaction (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares  |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |              |
|---|---------------|-----------|---------|--------------|
|   | Director      | 10% Owner | Officer | Other        |
| Chapman Capital L.L.C.<br>222 N. SEPULVEDA BLVD.<br>EL SEGUNDO, CA 90245                    |               | X         |         |              |
| Chap Cap Activist Partners Master Fund Ltd<br>222 N. SEPULVEDA BLVD<br>EL SEGUNDO, CA 90245 |               |           |         | See footnote |
| Chap Cap Partners II Master Fund Ltd<br>222 N. SEPULVEDA BLVD<br>EL SEGUNDO, CA 90245       |               |           |         | See footnote |

## Signatures

Robert L.  
Chapman, Jr. 08/02/2007

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This Form 4 is being filed on behalf of Chap-Cap Partners II Master Fund, Ltd., and Chap-Cap Activist Partners Master Fund, Ltd., Cayman Islands exempted companies (collectively, "the Funds"), Chapman Capital L.L.C., a Delaware limited liability company ("Chapman Capital"), and Robert L. Chapman, Jr., an individual ("Mr. Chapman" and, together with the Funds and Chapman Capital, the "Reporting Persons"). All securities disclosed in this Form 4 are owned by the Funds managed by Chapman Capital. Robert L.

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Chapman, Jr. is the Managing Member of Chapman Capital. By reason of the provisions of Rule 16a-1 under the Securities Exchange Act of 1934, as amended (the "Act"), Chapman Capital and Mr. Chapman may be deemed to be the beneficial owners of the securities held by the Funds. Chapman Capital and Mr. Chapman hereby disclaim any beneficial ownership of all such securities for purposes of Section 16 of the Act, except to the extent of their indirect pecuniary interest therein.

### **Remarks:**

May be deemed to be a member of Section 13(d) "group" owning more than 10% of the issuer's common stock; disclaims ben

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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