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

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File No. 000-26408

Programmer's Paradise, Inc.
(Name of issuer in its charter)

Delaware	13-3136104
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1157 Shrewsbury Avenue, Shrewsbury, New Jersey	07702
(Address of principal executive offices)	(Zip Code)

Issuer's Telephone Number (732) 389-8950

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

There were 5,210,125 outstanding shares of Common Stock, par value $.01 per share, as of August 8, 2000.

PROGRAMMER'S PARADISE, INC.

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PART I - FINANCIAL INFORMATION

PROGRAMMER'S PARADISE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

ASSETS

	June 30, 2000 (Unaudited)	December 31, 1999 (Audited)
Current Assets		
Cash and cash equivalents	$ 8,655	$ 17,597
Accounts receivable, net	34,779	46,316
Inventory - finished goods	5,943	5,620
Prepaid expenses and other current assets	3,204	4,468
Deferred income taxes	1,553	1,713
Total current assets	54,134	75,714
Equipment and leasehold improvements, net	1,896	2,135
Goodwill, net	14,092	14,543
Other assets	1,337	1,505
Deferred income taxes	2,322	1,860
	$ 73,781	$ 95,757

LIABILITIES AND STOCKHOLDERS' EQUITY

	June 30, 2000 (Unaudited)	December 31, 1999 (Audited)
Current Liabilities		
Notes payable to banks	$ 1,328	$ 2,628
Accounts payable and accrued expenses	36,182	50,383
Other current liabilities	3,337	7,897
Total current liabilities	40,847	60,908
Stockholders' equity		
Common stock	52	53
Additional paid-in capital	35,841	35,872
Retained earnings	713	2,457
Treasury stock	(1,325)	(1,356)
Accumulated other comprehensive loss	(2,347)	(2,177)
Total stockholders' equity	32,934	34,849
	$ 73,781	$ 95,757

The accompanying notes are an integral part of these consolidated financial statements.

PROGRAMMER'S PARADISE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(In thousands, except per share data)

	Six months ended June 30, 2000	Six months ended June 30, 1999	Three months ended June 30, 2000	Three months ended June 30, 1999
Net sales	$104,635	$118,139	$ 51,949	$ 60,770
Cost of sales	94,243	103,918	46,892	53,311
Gross profit	10,392	14,221	5,057	7,459
Selling, general and administrative expenses	11,969	10,752	5,929	5,594
Amortization expense	733	595	402	310
Income (loss) from operations	(2,310)	2,874	(1,274)	1,555
Interest income (expense), net	(11)	39	(11)	(25)
Realized foreign exchange gain	20	201	33	220
Unrealized foreign exchange gain (loss)	(236)	285	(177)	58
Income (loss) before income taxes	(2,537)	3,399	(1,429)	1,808
Provision (benefit) for taxes	(793)	1,448	(385)	845
Net income (loss)	$ (1,744)	$ 1,951	$ (1,044)	$ 963
Net income (loss) per common share-Basic	$ (0.35)	$ .38	$ (0.21)	$ .19
Net income (loss) per common share-Diluted	$ (0.35)	$ .36	$ (0.21)	$ .17
Weighted average common shares outstanding-Basic	4,982	5,083	4,984	

				5,174
Weighted average common shares outstanding-Diluted	4,982	5,483	4,984	5,555
Reconciliation of Net Income (Loss) to Comprehensive Income (Loss):				
Net income (loss)	$ (1,744)	$ 1,951	$ (1,044)	$ 963
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	(172)	(762)	(70)	(325)
Comprehensive income (loss)	$ (1,916)	$ 1,189	$ (1,114)	$ 638

The accompanying notes are an integral part of these condensed consolidated financial statements.

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PROGRAMMER'S PARADISE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)

<TABLE>
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	Six months ended June 30, 2000	Six months ended June 30, 1999
<S>	<C>	<C>
Cash used for		
Operations:		
Net income (loss)	$ (1,744)	$ 1,951
Adjustments for non cash charges	1,518	1,212
Changes in assets and liabilities	(6,979)	(13,046)
Net cash used for operations	(7,205)	(9,883)
Investing:		
Capital expenditures	(437)	(602)
Net cash used for investing activities	(437)	(602)
Financing:		
Net proceeds from issuance of common stock/ increase in additional paid in capital	(30)	1,862
Other	(1)	(62)
Sale of treasury stock	31	202
Repayments under lines of credit	(1,300)	(2,435)
Net cash used for financing activities	(1,300)	(433)
Net decrease in cash and cash equivalents	$ (8,942)	$ (10,918)
Cash and cash equivalents at beginning of period	17,597	21,167
Cash and cash equivalents at end of period	$ 8,655	$ 10,249

The accompanying notes are an integral part of these condensed consolidated financial statements.

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PROGRAMMER'S PARADISE, INC.
NOTES TO CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
June 30, 2000

1. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six months ended June 30, 2000 are not necessarily indicative of the results that may be expected for the year ended December 31, 2000. For further information, refer to the consolidated financial statements and notes thereto included in the Company's annual report on Form 10-K for the year-ended December 31, 1999.

2. Assets and liabilities of the foreign subsidiaries, all of which are located in Europe, have been translated at current exchange rates, and related revenues and expenses have been translated at average rates of exchange in effect during the year. Cumulative translation adjustments have been classified within other comprehensive income (loss), which is a separate component of stockholders' equity in accordance with FASB Statement No. 130, "Reporting Comprehensive Income".

3. In June 1998, the FASB issued SFAS 133, "Accounting for Derivative Instruments and Hedging Activities." This Statement requires companies to record derivatives on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of those derivatives would be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. SFAS 133 will be effective for the Company's fiscal year ending December 31, 2001. Management believes that this Statement will not have a significant impact on the Company.

4. The following table sets forth the computation of basic and diluted net income (loss) per share:

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	Six months ended June 30,		Three months ended June 30,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Numerator:				
Net income (loss) for basic and diluted net income (loss) per share	(1,744)	1,951	(1,044)	963
Denominator:				
Denominator for basic net income (loss) per share-weighted average common shares	4,982	5,083	4,984	5,174
Denominator for diluted net income (loss) per share-adjusted weighted average common shares and assumed conversion	4,982	5,483	4,984	5,555
Basic net income (loss) per common share	(0.35)	0.38	(0.21)	0.19
Diluted net income (loss) per common share	(0.35)	0.36	(0.21)	0.17

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5. Subsequent Events

On August 2, 2000, the Company and PC-Ware Information Technologies AG ("PC-Ware") of Leipzig, Germany executed a letter of intent, which contemplates the purchase by PC-Ware of 100% of the stock of the Company's European subsidiaries for 14.5 million Euros, of which approximately 70% will be paid in cash at the time of closing and the remainder in shares of PC-Ware. Under the terms of the letter of intent, a definitive purchase agreement must be executed by October 23, 2000.

On August 10, 2000, the Company and PNC Bank, National Association (the "Lender") entered into a forbearance agreement ("Forbearance Agreement") whereby (i) the Lender has agreed to forbear from exercising its rights and remedies arising as a result of defaults then outstanding until December 31, 2000 (unless certain other events of default occur prior to such date), (ii) the amount the Company can borrow has been reduced from $7.5 million to the lesser of (x) $2 million and (y) 60% of certain of the Company's accounts receivable, (iii) the expiration date has been extended to December 31, 2000 and (iv) the Company paid a fee of $40,000 to the Lender and a field audit cost of about $9,000.

Under the Forbearance Agreement the amount borrowed bears interest at PNC's Prime Rate (8.5% at August 10, 2000) plus 1%. As of August 10, 2000, the Company had outstanding borrowings of approximately $328,000 under the Letter Agreement.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

Programmer's Paradise, Inc. is a recognized international marketer of software targeting the software development and Information Technology professionals within enterprise organizations. The Company operates principally through five distribution channels in North America and Europe - Internet, catalog, direct sales, telemarketing, and wholesale distribution. Internet sales encompass the Company's domestic and international web sites. Catalog operations include worldwide catalog sales, advertising and publishing. Direct sales operations include Programmer's Paradise Corporate Sales in the United States, Programmer's Paradise Canada in Ontario, Canada, ISP*D International Software Partners GmbH ("ISP*D"), a wholly owned subsidiary in Munich, Germany, ISP*F International Software Partners France SA ("ISP*F"), a wholly owned subsidiary in Paris, France, and Logicsoft Holding BV ("Logicsoft"), a wholly owned subsidiary located in Amsterdam, The Netherlands. Telemarketing operations are presently conducted in the United States, Germany and the United Kingdom. Wholesale operations include distribution to dealers and large resellers through Lifeboat Distribution Inc. in the United States and Lifeboat Associates Italia Srl ("Lifeboat Italy") in Milan, Italy, also subsidiaries of the Company. The United States website addresses are www.programmersparadise.com and www.supershops.com. Information contained on our web sites is not, and should not be deemed to be, a part of this report.

Letter of Intent to sell European Operations

On August 2, 2000, the Company and PC-Ware Information Technologies AG ("PC-Ware") of Leipzig, Germany executed a letter of intent, which contemplates the purchase by PC-Ware of 100% of the stock of the Company's European subsidiaries for 14.5 million Euros, of which approximately 70% will be paid in cash at the time of closing and the remainder in shares of PC-Ware. Under the terms of the letter of intent, a definitive purchase agreement must be executed by October 23, 2000.

The purchase will require the approval of the stockholders of the Company and is subject to execution of a definitive agreement containing customary representatives and conditions. The purchase is expected to close in December 2000.

PC-Ware is a specialist service provider and developer for information technology with a focus on software and associated services. PC-Ware's full service concept includes not only procurement and license management for software, but also customized consulting and support services. PC-Ware is one of the three largest Microsoft Select partners in Germany.

Results of Operations

The following table sets forth for the periods indicated certain financial information derived from the Company's consolidated statement of operations expressed as a percentage of net sales.

	Six months ended June 30, 2000	Six months ended June 30, 1999	Three months ended June 30, 2000	Three months ended June 30, 1999
Net Sales	100.0%	100.0%	100.0%	100.0%
Cost of Sales	90.1	88.0	90.3	87.7
Gross Profit	9.9	12.0	9.7	12.3
Selling, general and administrative expenses	11.4	9.1	11.4	9.2
Amortization expense	0.7	0.5	0.8	0.5
Income (loss) from operations	(2.2)	2.4	(2.5)	2.6
Interest income (expense), net	0.0	0.0	0.0	0.0
Realized foreign exchange gain	0.0	0.2	0.0	0.4
Unrealized foreign exchange gain (loss)	(0.2)	0.3	(0.3)	0.0
Income (loss) before income taxes	(2.4)	2.9	(2.8)	3.0
Income taxes	0.7	(1.2)	0.8	(1.4)
Net income (loss)	(1.7)%	1.7%	(2.0)%	1.6%

Net Sales

Net sales of the Company represents the gross consolidated revenue of the Company less returns. Although net sales consist primarily of sales of software, revenue from marketing services and advertising is also included within net sales. Net sales for the quarter ended June 30, 2000 decreased by $8.8 million or 15%, to $51.9 million, over the same period in 1999. For the six months ended June 30, 2000, net sales decreased by $13.5 million or 11% over the six months ended June 30, 1999. The decline in revenue for both periods is primarily attributed to a change in the buying patterns of our larger European customers and a new sales directive to increase our non-Microsoft publisher base of products.

Direct sales revenues decreased by 24% or $9.0 million for the three months ended June 30, 2000 compared to the same period in 1999. Sales increased by 8% or $0.3 million in the United States, while sales decreased in Europe by 27% or $9.3 million. For the six months ended June 30, 2000, Direct sales decreased by 21% or $15.4 million for the comparable period in 1999. The decline in revenue is attributable to the change in the buying patterns of our larger European customers.

Consolidated Catalog and Telemarketing revenues slightly decreased 3% or $0.6 million for the three months ended June 30, 2000. Catalog sales in the United States decreased by 10% or $1.4 million, while Canadian Catalog sales increased by 19% or $0.3 million. European Catalog sales grew by 15% or $0.6 million. For the six months ended June 30, 2000, Catalog revenues slightly increased by 1% or $0.4 million for the comparable period in 1999.

Revenues for the Distribution channel increased 18% or $0.8 million for the three months ended June 30, 2000. For the six months ended June 30, 2000, Distribution revenues increased by 16% or $1.4 million for the comparable period in 1999. The increase in revenues resulted from new publisher distribution agreements signed in the United States and Europe.

Consolidated Internet sales revenues increased by 18% or $0.7 million for the three months ended June 30, 2000 compared to the same period in 1999. For the six months ended June 30, 2000, Internet revenues increased 31% year over year. This increase in revenue is primarily attributable to increased product offerings on the Company's website, as well as the increased number of titles available for download.

Geographically, approximately 58% and 64% of the revenues were derived from the European operations for the three months ended June 30, 2000 and 1999, respectively. For the six months ended June 30, 2000 and 1999 these percentages amount to approximately 59% and 65%, respectively.

Gross Profit

Gross profit represents the difference between net sales and costs of sales. Cost of sales is composed primarily of amounts paid by the Company to publishers and vendors plus catalog printing and mailing costs. Publisher and vendor rebates are credited against cost of sales. For the three-month period ended June 30, 2000, gross profit as a percentage of sales decreased from 12.3 % to 9.7% over the same period in 1999. Gross profit in absolute dollars for the three-month period ended June 30, 2000 decreased by $2.4 million over the same period of the previous year. For the six months ended June 30, 2000, the gross profit decreased by $3.8 million or 27% for the same comparable period in 1999. These decreases are mainly attributable to a shift in sales mix through the Company's distribution channels as a result of additional competitive pressures within the direct sales channel.

The mix of products sold and the mix of distribution channels have affected gross margins. Historically, the gross margins attained in the catalog channel have been higher than either the direct sales or distribution channels. Margins within the direct sales channel are also subject to mix variations as Microsoft Select License sales typically produce lower gross margin results. The emergence of the Internet as a viable commerce channel has provided the Company another competitive means to reach its customer base and compete more effectively in the market place.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses include all corporate personnel costs (including salaries and health benefits), depreciation and amortization, non-personnel-related marketing and administrative costs and the provision for doubtful accounts. Depreciation and amortization consists primarily of equipment depreciation and leasehold improvements amortization.

SG&A expenses increased by 6% for the three months ended June 30, 2000 compared to the same period in 1999. SG&A expenses in absolute dollars for the three-month period ended June 30, 2000 increased by $0.3 million when compared to the same period in 1999. For the six months ended June 30, 2000, SG&A expenses increased by $1.2 million or 11% for the comparable period in 1999. This increase mainly reflects additional compensation expense and related recruiting fees associated with Corporate sales, Catalog marketing and Internet teams.

Geographically, the North America operation of the Company accounted for approximately 49% and 47% of total SG&A expenditure for the three months ended June 30, 2000 and 1999, respectively. For the six months ended June 30, 2000 and 1999, these percentages are approximately 52% and 43%, respectively.

Amortization Expense

Amortization expense includes the systematic write-off of goodwill. Amortization expense for the three months ended June 30, 2000 increased by $92,000 as compared to the same period in 1999. For the six months ended June 30, 2000, amortization expense increased by $138,000 as compared to the same period in 1999. This increase reflects the amortization of the additional capitalized software purchased toward the end of 1999 in the United States, as well as a one time write off of the goodwill associated with a customer database in France of $71,000.

Interest, net

Net interest expense for the three months ended June 30, 2000 decreased to $11,000 compared to $25,000 for the same period in 1999. For the six months ended June 30, 2000, net interest expense was $11,000 compared to interest income of $39,000 for the comparable period in 1999. The increase for the six month period ended June 30, 2000 is attributable to the costs associated with the borrowings under the line of credit.

Realized foreign exchange gain (loss)

Realized foreign exchange gain for the three months ended June 30, 2000 was $33,000 compared to $220,000 in the same period in 1999. The realized gain during 1999 was due to the repayment of the Dutch Guilder loan. This repayment resulted in a realized foreign exchange gain of approximately $185,000. For the six months ended June 30, 2000, the realized foreign exchange gain was $20,000 as compared to $201,000 for the same comparable period in 1999.

Unrealized foreign exchange gain (loss)

Unrealized foreign exchange loss for the three months ended June 30, 2000 was $177,000 compared to a unrealized foreign exchange gain of $58,000 in the same period in 1999. For the six months ended June 30, 2000, the unrealized foreign exchange loss was $236,000 as compared to a gain of $285,000 for the comparable period in 1999. The Company does not hedge its net asset exposure to fluctuations in the US Dollar against any such local currency exchange rates. Although the Company does maintain bank accounts in local currencies to reduce currency exchange fluctuations, the Company is, nevertheless, subject to risks associated with such fluctuations.

Income Taxes

The Company recorded a benefit for income taxes of $385,000 for the three months ended June 30, 2000, compared to a provision for income taxes of $845,000 for the same period in 1999. As a percentage of income before taxes the effective tax rate for income tax decreased from 47% in 1999 to 27% in 2000. For the six months ended June 30, 2000, the Company recorded a benefit for income taxes of $793,000 as compared to a provision for income taxes of $1,448,000 for the comparable period in 1999. For the six months, effective tax rate decreased from 43% in 1999 to 31% in 2000. The fluctuations in the Company's effective tax rate reflect the negative impact of certain unprofitable international subsidiaries whose current period losses had no offsetting tax benefits.

Net Income (Loss)

Net loss for the quarter ended June 30, 2000 was $1,044,000 or $.21 per share on a diluted basis with approximately 4,984,000 weighted average common shares outstanding compared to net income of $963,000 or $.17 per share on a diluted basis with approximately 5,555,000 weighted average common shares outstanding for the same period of the previous year. For the six months ended June 30, 2000, net loss was $1,744,000 or $.35 per share on a diluted basis with approximately 4,982,000 weighted average common shares outstanding compared to net income of $1,951,000 or $.36 per share on a diluted basis with approximately 5,483,000 weighted average common shares outstanding for the same comparable period in 1999.

Liquidity and Capital Resources

The Company's primary capital needs have been to fund the working capital requirements created by its continued expansion and enhancement of its sales distribution channels. The Company had cash and cash equivalents of $8.7 million and net working capital of $13.3 million at June 30, 2000.

Net cash used for operations was $7.2 million for the six months ended June 30, 2000 compared with $9.8 million of cash used for operating activities in the same period of the previous year. Cash was primarily used for a reduction in accounts payable and accrued liabilities (approximately $14.2 million) and other current liabilities (approximately $4.6 million) and offset by the decrease in accounts receivable (approximately $11.5 million).

Net cash used for financing was $1.3 million for the six months ended June 30, 2000 compared to $0.4 million in the same period of the previous year. The current years activity reflects the repayments under the Company's line of credit.

Net cash used for investing activities remained flat at $0.4 million for the six months ended June 30, 2000 compared with $0.6 million for the same period in 1999. Cash was primarily used to purchase fixed assets and capitalized software.

The Company and PNC Bank, National Association (the "Lender") entered into a letter agreement, dated February 24, 1998 (the "Letter Agreement"), providing for a line of credit of up to $7.5 million. The Company and the Lender executed amendment no. 1 to the Letter Agreement, dated June 30, 1999, which extended the expiration date to March 31, 2000. The Company and the Lender executed a second amendment, dated March 31, 2000, which extended the expiration date to June 30, 2000.

On August 10, 2000, the Company and the Lender entered into a forbearance agreement ("Forbearance Agreement") whereby (i) the Lender has agreed to forbear from exercising its rights and remedies arising as a result of defaults then outstanding until December 31, 2000 (unless certain other events of default occur prior to such date), (ii) the amount the Company can borrow has been reduced from $7.5 million to the lesser of (x) $2 million and (y) 60% of certain of the Company's accounts receivable, (iii) the expiration date has been extended to December 31, 2000 and (iv) the Company paid a fee of $40,000 to the Lender and a field audit cost of about $9,000.

Under the Forbearance Agreement the amount borrowed bears interest at PNC's Prime Rate (8.5% at August 10, 2000) plus 1%. As of August 10, 2000, the Company had outstanding borrowings of approximately $328,000 under the Letter Agreement.

Forward-Looking Statements

This report includes "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Statements in this report regarding future events or conditions, including statements regarding industry prospects and the Company's expected financial position, business and financing plans, are forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in this report as well as the Company's most recent annual report on Form 10-K, and include risks and uncertainties related to the continued acceptance of the Company's distribution channel by vendors and customers, the timely availability and acceptance of new products, and contribution of key vendor relationships and support programs, as well as factors that affect the software industry generally.

The Company operates in a rapidly changing business, and new risk factors emerge from time to time. Management cannot predict every risk factor, nor can it assess the impact, if any, of all such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results and readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Foreign Operations

In addition to its activities in the United States, 58% of the Company's sales for the three month period ended June 30, 2000 were generated internationally. Foreign operations are subject to general risks attendant to the conduct of business in each foreign country, including economic uncertainties and each foreign government's regulations. In addition, the Company's international business may be affected by changes in demand or pricing resulting from fluctuations in currency exchange rates or other factors.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is subject to certain legal proceedings and claims which have arisen in the ordinary course of business and which have not been fully adjudicated. The results of legal proceedings cannot be predicted with certainty; however, in the opinion of management, the Company does not have a potential liability related to any legal proceedings and claims that would have a material adverse effect on its financial condition or results of operations.

Item 4. Submission of Matters to a Vote of Security Holders

The Company held its Annual Meeting of Stockholders (the "Meeting") during the fiscal quarter ended June 30, 2000.

(a) The date of the Meeting was June 13, 2000.

(b) At the meeting, the following persons were elected as directors of the Company, each receiving the number of votes set forth opposite their names below:

	For	Against	Abstain
William Willett	4,162,123	403,815	-
F. Duffield Meyercord	4,206,923	359,015	-
Edwin H. Morgens	4,206,923	359,015	-
Allan D. Weingarten	4,206,923	359,015	-

(c) The Stockholders also ratified the selection of Ernst & Young LLP as the independent auditors of the Company. Such ratification was approved as follows:

For	Against	Abstain
4,557,288	5,800	2,850

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

10.41 Forbearance Agreement, dated as of August 10, 2000, by and among the Company, Corsoft, Inc., Lifeboat Distribution, Inc. and Programmer's Paradise Catalogs, Inc., as Obligors and PNC Bank, National Association, as Lender.

27. Financial Data Schedule.

(b) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the three months ended June 30, 2000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PROGRAMMER'S PARADISE, INC.

August 14, 2000 By: /s/William H. Sheehy

Date William H. Sheehy, Chief Financial Officer, Vice President of Finance

EXHIBIT INDEX

Exhibit Number	Description of Exhibits
10.41	Forbearance Agreement, dated as of August 10, 2000, by and among the Company, Corsoft, Inc., Lifeboat Distribution, Inc. and Programmer's Paradise Catalogs, Inc., as Obligors and PNC Bank, National Association, as Lender.
27.	Financial Data Schedule.

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (the "Agreement"), is made as of the 10th day of August 2000 by and among PROGRAMMER'S PARADISE, INC., CORSOFT, INC., LIFEBOAT DISTRIBUTION, INC. and PROGRAMMER'S PARADISE CATALOGS, INC. (collectively the "Obligors"), and PNC BANK, NATIONAL ASSOCIATION, a national banking association (the "Lender").

WITNESSETH:

WHEREAS, the Obligors and the Lender entered into a certain Letter Agreement dated February 24, 1998 (the "Letter Agreement") providing for the terms and conditions of a Line of Credit Loan up to the maximum amount of $7,500,000 (the "Loan") to the Obligors;

WHEREAS, the Obligors executed a Committed Line of Credit Note dated February 28, 1998 (the "Note") in favor of the Lender for repayment of the Loan under the terms and conditions set forth in the Letter Agreement, which was incorporated into the Note;

WHEREAS, the Note provided for interest to accrue on the basis of either the Lender's Prime Rate or the Euro Rate, as defined therein, at the Obligors' option, and for all sums outstanding under the Note to be repaid on or before June 30, 1999 (the "Expiration Date");

WHEREAS, repayment of the Loan was secured by the Obligors' pledge of a security interest in the personalty of each of the Obligors (the "Collateral"), as more fully set forth in certain Security Agreements dated December 31, 1997 and executed by each of the Obligors (the "Security Agreements");

WHEREAS, to further secure repayment of the Loan, Programmer's Paradise, Inc. ("PPI") executed a Pledge Agreement dated December 31, 1997 (the "Pledge Agreement") pledging to the Lender all or a portion of its stock in the other Obligors and in other related entities (the "Stock");

WHEREAS, the Obligors and the Lender executed an Amendment No.1 to Letter Agreement dated June 30, 1999, which modified certain terms of the Loan including extending the Expiration Date to March 31, 2000 (the "Extended Expiration Date");

WHEREAS, the Obligors and the Lender executed a Second Amendment to Loan Documents dated March 31, 2000, which modified certain terms of the Loan, including extending the Extended Expiration Date to June 30, 2000 (the "Final Expiration Date");

WHEREAS, the principal balance due under the Loan as of August 1, 2000 is $328,086.56, without defense, offset or counterclaim;

Request for Forbearance:

WHEREAS, the Obligors are in default of their obligations under the Loan and the documents executed in connection therewith (the "Loan Documents") as a result of their failure

to pay all sums due upon the Final Expiration Date, the Obligors' failure to maintain certain of the financial covenants set forth in the Loan Documents and PPI's failure to deliver the Stock to the Lender in accordance with the Pledge Agreement;

WHEREAS, all amounts outstanding under the Loan are now due and payable;

WHEREAS, the Obligors have requested that the Lender forbear from pursuing its rights and remedies under the Loan Documents to permit the Obligors an opportunity to refinance their obligations thereunder; and

WHEREAS, the Lender has agreed to forbear under the terms and conditions set forth herein.

AGREEMENT

NOW THEREFORE, for and in consideration of the premises (which are deemed herein contained) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. RECITALS INCORPORATED.

The Recitals set forth above are true and correct and are hereby incorporated into this Forbearance Agreement as if set forth at length herein.

2. PRINCIPAL AMOUNTS OUTSTANDING.

The Obligors and the Lender acknowledge that as of July 31, 2000, the amount due under the Loan is $328,086.56 (the "Indebtedness"), consisting of $328,000 in outstanding principal and $86.56 in accrued and unpaid interest. The Obligors and the Lender hereby represent, warrant and confirm that there are no set-off rights, claims or causes of action of any nature whatsoever which the Obligors have or may assert against the Lender with respect to the Loan and Loan Documents as of the date hereof.

3. FORBEARANCE TERMS.

The Obligors have requested and the Lender has agreed to forbear from pursuing its rights and remedies under the Loan until December 31, 2000 (the "Forbearance Period") under the following terms and conditions:

(a) Lender agrees to continue to extend funds under the Loan up to the maximum aggregate principal amount of the lesser of $2,000,000 (the "New Loan Amount")or 60% of the Obligors' Qualified Accounts Receivable, defined as those accounts receivable which are less than ninety (90) days past due from date of sale, are due from domestic and unrelated companies and are approved by Lender;

(b) The Obligors shall make timely payments under the Loan as if there had been no defaults thereunder, with payments made thereunder to be applied in accordance with the terms of the Loan Documents as long as there is no Event of Default, as defined herein, with all outstanding principal and accrued and unpaid interest due on or before December 31, 2000;

(c) The Obligors are no longer permitted to utilize the Loan for stand-by letters of credit and funds extended under the Loan shall only be made in the lawful currency of the United States;

(d) The Obligors shall deliver to the Lender borrowing base certificates, in the form previously delivered to the Lender, bi-monthly, on or before the 10th and 25th days of each month for the previous month, beginning in August 2000;

(e) During the Forbearance Period, interest shall accrue under the Loan at the Lender's Prime Rate plus one percent (1%);

(f) Upon the Obligors' execution of this Agreement, payment by the Obligors to the Lender, of a fee of 2% of the New Loan Amount, or $40,000, in immediately available funds;

(g) On or before execution of this Agreement, payment to the Lender in immediately available funds of all expenses related to this Agreement, including but not limited to the field audit fees of $8,795.10 and attorney's fees and costs estimated not to exceed $3,500;

(h) Within five (5) days of a written request from Lender, payment in immediately available funds of any additional costs and fees incurred in connection with this Agreement, including without limitation, fees for a second field audit, such fees not to exceed $9,000, to occur prior to October 31, 2000, which reimbursement obligation shall survive the termination of this Agreement and any Loan Document;

(i) The Obligors' consolidated net loss, for the six-month period ending June 30, 2000, shall not exceed $2,000,000 and, for the nine-month period ending September 30, 2000, shall not exceed $2,250,000;

(j) In addition to the financial reporting contained in the Loan Documents, the Obligors shall deliver to the Lender monthly unaudited financial statements and accounts receivable aging reports, which shall include current lists of all account debtors, including the address and contact person for each;

(k) The following financial covenants are hereby waived during the Forbearance Period: the Current Ratio, Domestic Leverage (Total Liabilities/Total Net Worth) and Consolidated Total Liabilities/Total Net Worth;

(l) Within five (5) days of a request from Lender, the Obligors shall execute UCC-1 Financing Statements to perfect Lender's interests in any of the collateral pledged as security for repayment of the Loan;

(m) There shall be no defaults under the Loan Documents other than the existing defaults set forth in the Recitals above, and no Event of Default under this Agreement.

4. NO WAIVER; FORBEARANCE; CUMULATIVE REMEDIES.

The execution of this Forbearance Agreement and the consummation of the forbearance transaction contemplated in this Forbearance Agreement are not, and shall not be deemed to constitute, a waiver, except as expressly set forth herein, or cure of any default arising prior or subsequent to the date of this Forbearance Agreement, nor shall it constitute a reinstatement of the terms described in the Loan Documents. The Obligors acknowledge that (i) the events of default which exist as of the date of execution of this Agreement are material defaults under the Loan Documents, (ii) they are unable to cure the existing defaults and have requested that the Lender forbear from exercising their rights to proceed against them in respect of the defaults. In consideration of the Obligors entering into and fully performing their obligations under this Forbearance Agreement, the Lender has agreed to such forbearance. In the event that an Event of Default occurs and continues hereunder, the Lender shall not be bound by its agreement to forbear and may immediately exercise its rights and remedies under the Loan Documents and under applicable law. The Obligors agree that no delay on the part of Lender in exercising any power or right shall operate as a waiver of any such power or right or preclude the further exercise of any other power or right. The remedies herein are cumulative and not exclusive of any remedies provided by law. Notice to or demand in circumstances under which the terms of this Agreement do not require such demand or notice shall not entitle the Obligors to further notice or demand nor constitute a waiver of the rights of Lender to take any other or further action without notice or demand.

5. RELEASE OF LENDER.

As additional consideration for the forbearance as set forth herein, Obligors hereby remise, release, waive and forever discharge Lender and its predecessors, successors and assigns, their parents, subsidiaries, officers, directors, members, shareholders, agents, employees, representatives, attorneys and any affiliated companies, their parents, subsidiaries, officers, directors, shareholders, agents, employees, representatives and attorneys (collectively, the "Released Parties") from, any and all claims, demands, damages, actions or causes of action whatsoever, known or unknown, from the beginning of time through the date of this Forbearance Agreement, related to the Loan Documents or the administration of any of the above.

6. FORBEARANCE AGREEMENT CONTROLS.

In the event of a conflict betwee n the terms and conditions of this Forbearance Agreement and the terms and conditions of the Loan Documents, the terms and conditions of this Forbearance Agreement shall control.

7. INDEMNIFICATION.

(a) The Obligors hereby indemnify and agree to protect, defend and hold harmless the Lender, any entity which "controls" the Lender within the meaning of Section 15 of the Securities Act of 1933, as amended, or is under common control with the Lender, and any member, officer, director, official, agent, employee or attorney of the Lender, and their respective heirs, administrators, executors, successors and assigns (collectively, the "Indemnified Parties"), from and against any and all losses, damages, expenses or liabilities of any kind or nature and from any suits, claims or demands, including reasonable attorneys' fees incurred

defending such claim, suffered by any of them and caused by, relating to, arising out of, resulting from, or in any way connected with the Loan Documents, this Forbearance Agreement or the transactions contemplated therein or herein including, without limitation: (i) any untrue statement of a material fact contained in information submitted to Lender by the Obligors or the omission of any material fact necessary to be stated therein in order to make such statement not misleading or incomplete; and (ii) the failure of any Obligor to perform any obligations herein required to be performed by the Obligors, except that the Obligors shall not be required to indemnify the Lender for its gross negligence or willful misconduct. In case any action shall be brought against Lender, or any other Indemnified Party in respect to which indemnity may be sought against the Obligors, Lender, or such other Indemnified Party shall promptly notify the Obligors and the Obligors shall assume the defense thereof, and the payment of all costs and expenses. Lender may select and employ counsel, provided that the Obligors shall pay all of such counsel's fees, expenses and disbursements and the Obligors shall indemnify Lender for any loss associated with or resulting from such representation. The failure of Lender to so notify any Obligor shall not relieve the Obligors of any liability they may have under the foregoing indemnification provisions or from any liability which they may otherwise have to Lender, or any of the other Indemnified Parties, except to the extent such failure to notify results in unreasonable prejudice to the Obligors. Lender shall not be liable for any settlement of any such action effected without their written consent, but if settled with the Obligors' consent, or if there be a final judgment for the claimant in any such action, the Obligors agree to indemnify and save harmless Lender from and against any loss or liability by reason of such settlement or judgment.

(b) The provisions of this Section shall survive the term of this Agreement and the repayment or other satisfaction of the Loan.

8. NO NOVATION.

It is the intention of the parties hereto that this Forbearance Agreement shall not constitute a novation and shall in no way adversely affect or impair the lien priority of any of the Loan Documents.

9. SURVIVAL PROVISIONS.

The covenants, representations and obligations contained in this Forbearance Agreement shall survive the execution of all transactions contemplated by this Forbearance Agreement, and this Forbearance Agreement shall bind and benefit the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

10. ENTIRE AGREEMENT.

(a) This Forbearance Agreement, and any document executed in connection herewith, contains all of the covenants, representations, warranties and agreements between the parties with respect to the subject matters contained herein, and supercedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. The parties to this Forbearance Agreement acknowledge that all the terms of this Forbearance Agreement were negotiated at arm's length and after adequate and independent investigation on their respective parts and that this Forbearance Agreement and all documents executed in connection therewith were prepared and executed without duress, undue influence or coercion of any kind exerted by any party upon the other.

(b) Each party acknowledges and confirms that it has not relied upon Lender or any officer, director or employee of the Lender, or upon the advice of any but its own accountants or

counsel, concerning any aspect of the transactions contemplated by this Forbearance Agreement including, without limitation, the tax implications thereof and the representations herein made.

11. FURTHER ASSURANCES.

The parties hereto agree to execute all such further instruments and take all such further action that may be reasonably required by any party to fully effectuate the terms and provisions of this Forbearance Agreement and the transaction contemplated herein.

12. PARTICIPATIONS.

Lender expressly retains and reserves its rights to sell and assign its interests under the Loan Documents and this Forbearance Agreement and fully disclose its files in connection with the Loan Documents, and/or any collateral pledged in connection therewith, to potential purchasers of the Lender's interests under the Loan Documents.

13. NO MODIFICATION OF FORBEARANCE AGREEMENT EXCEPT IN WRITING.

The within Forbearance Agreement encompasses all the forbearance terms between the parties, notwithstanding any verbal communications between the parties. No further forbearance terms shall be deemed effective, unless in writing, executed by both parties. The parties hereto acknowledge the provisions of N.J.S.A. 25:1-5, which precludes enforcement, inter alia, of any oral promises relating to extensions of credit and agree that its provisions are fully applicable to this Forbearance Agreement.

14. WAIVER OF JURY TRIAL.

THE OBLIGORS AND THE LENDER HEREBY WAIVE ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO ANY ASPECT OF THIS AGREEMENT OR THE LOAN DOCUMENTS. THE OBLIGORS ACKNOWLEDGE THAT THEY HAVE HAD THE OPPORTUNITY TO CONSULT WITH INDEPENDENT COUNSEL WITH RESPECT TO THIS WAIVER.

15. GOVERNING LAW.

This Agreement shall be construed and enforced in accordance with the laws of New Jersey without regard to principles of conflicts of law.

16. EVENTS OF DEFAULT.

The following shall constitute an Event of Default under this Agreement:

(a) An Event of Default under any of the Loan Documents, including without limitation the filing of any petition, voluntary or involuntary, by or against any of the Obligors, except those defaults set forth in the Recitals to this Agreement; or

(b) The failure of the Obligors to comply with this Agreement.

The Events of Default defined in this Section 16 are the enumerated Events of Default for purposes of this Agreement. Except as specifically set forth in Section 3 of this Agreement, nothing herein shall be construed as altering, eliminating, curing or modifying any of the express Events of Default set forth in the Loan Documents, nor shall anything contained herein be deemed a waiver, cure or modification of any other non-specified defaults which have occurred or may occur during the Forbearance Period except as to which Lender is specifically forbearing hereunder.

Upon the occurrence of an Event of Default hereunder, Lender's agreement to forebear shall immediately terminate and Lender shall be free to pursue all of its legal and equitable rights and remedies including, but not limited to, all of its remedies under the Loan Documents, this Forbearance Agreement and any documents executed in connection herewith.

17. CONSTRUCTION.

The parties hereto agree that the terms and language of this Forbearance Agreement were the result of negotiations between the parties and, as a result, there shall be no presumption that any ambiguities in this Forbearance Agreement shall be resolved against either party. Any controversy over the construction of this Forbearance Agreement shall be decided neutrally, in light of its conciliatory purposes, and without regard to events of authorship or negotiation. All terms and words used in this Forbearance Agreement, regardless of the number and gender in which used, shall be deemed to include any other number or gender as the context or use thereof may require. If more than one person or entity is named as the Obligor, each such person or entity shall be jointly and severally liable for the representations, warranties, covenants and obligations of the Loan Documents and this Forbearance Agreement. The captions contained in this Forbearance Agreement are used for convenience of reference only and in no way define limit or describe the scope or intent of this Forbearance Agreement or any particular paragraph or section hereof or the proper construction hereof.

18. ADMISSIBILITY.

The terms of this Forbearance Agreement, when executed, shall be fully admissible in any court of law. The parties hereto waive any objection that may be interposed under any state or federal rules of evidence as to the admissibility of this document.

19. NO THIRD PARTY BENEFICIARIES.

It is not the intent of the parties who are signatories to this Agreement to grant any rights whatsoever to parties who are not signatories to this Forbearance Agreement and no provision of this Forbearance Agreement should be construed to grant any rights to any party who is not a signatory herein.

20. ASSIGNMENT.

This Forbearance Agreement shall be binding upon and inure to the benefit of Lender, the Obligors and their respective permitted heirs, successors and assigns. The Obligors shall not assign this Forbearance Agreement without the prior written consent of the Lender.

THE OBLIGORS DECLARE THAT EACH HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Forbearance Agreement as of the date first above written.

ATTEST: PROGRAMMER'S PARADISE, INC.

/s/ Tracy G. Higgins

By: /s/ William H. Sheehy

Name: William H. Sheehy
Title: V.P. Finance and Secretary

ATTEST: CORSOFT, INC.

/s/ Tracy G. Higgins

By: /s/ William H. Sheehy

Name: William H. Sheehy
Title: V.P. Finance and Secretary

ATTEST: LIFEBOAT DISTRIBUTION, INC.

/s/ Tracy G. Higgins

By: /s/ William H. Sheehy

Name: William H. Sheehy
Title: V.P. Finance and Secretary

ATTEST: PROGRAMMER'S PARADISE CATALOGS, INC.

/s/ Tracy G. Higgins

By: /s/ William H. Sheehy

Name: William H. Sheehy
Title: V.P. Finance and Secretary

ATTEST: PNC BANK, N.A.

/s/ Ralph W. Karken

By: /s/ Donald Irwin

Name: Donald Irwin
Title: Vice President

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Programmer's Paradise Inc.
Exhibit 27
Financial Data Schedule
(Dollars in thousands, except per share amounts)

This schedule contains summary financial information extracted from the Company's Consolidated Balance Sheet at June 30, 2000 and 1999 and Consolidated Statement of Income and Comprehensive Income for the six months ended June 30, 2000 and is qualified in its entirety by reference to such financial statements.

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