

**United States Bankruptcy Court
DISTRICT OF ARIZONA**

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): Teledraft, Inc., a Delaware Corporation	Name of Joint Debtor (Spouse)(Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): NONE	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): 84-1618288	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
Street Address of Debtor (No. & Street, City, and State): PO Box 11672 Tempe AZ	Street Address of Joint Debtor (No. & Street, City, and State):
County of Residence or of the Principal Place of Business: Maricopa	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): SAME	Mailing Address of Joint Debtor (if different from street address):
Location of Principal Assets of Business Debtor (if different from street address above): SAME	Location of Principal Assets of Business Debtor (if different from street address above):

Type of Debtor (Form of organization) (Check one box.) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (if debtor is not one of the above entities, check this box and state type of entity below <hr/>	Nature of Business (Check one box.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose" <input checked="" type="checkbox"/> Debts are primarily business debts. Chapter 11 Debtors: Check one box: <input type="checkbox"/> Debtor is a small business as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. ----- Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		

Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors. Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000 Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion	THIS SPACE IS FOR COURT USE ONLY
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<p>Voluntary Petition <i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): Teledraft, Inc., a Arizona Corporation</p>	
<p>All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)</p>		
<p>Location Where Filed: NONE</p>	<p>Case Number:</p>	<p>Date Filed:</p>
<p>Location Where Filed:</p>	<p>Case Number:</p>	<p>Date Filed:</p>
<p>Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet)</p>		
<p>Name of Debtor: NONE</p>	<p>Case Number:</p>	<p>Date Filed:</p>
<p>District:</p>	<p>Relationship:</p>	<p>Judge:</p>
<p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under Chapter 11)</p> <p><input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition</p>	<p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p>X _____ 12/11/2012 Signature of Attorney for Debtor(s) Date</p>	
<p>Exhibit C</p> <p>Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?</p> <p><input type="checkbox"/> Yes, and exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No</p>		
<p>Exhibit D</p> <p>(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)</p> <p><input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.</p>		
<p>Information Regarding the Debtor - Venue (Check any applicable box)</p> <p><input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.</p> <p><input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.</p> <p><input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.</p>		
<p>Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)</p> <p><input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)</p> <p style="text-align: right;">_____ (Name of landlord that obtained judgment)</p> <p style="text-align: right;">_____ (Address of landlord)</p> <p><input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and</p> <p><input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.</p> <p><input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).</p>		

Voluntary Petition
(This page must be completed and filed in every case)

Name of Debtor(s):
Teledraft, Inc.,
a Arizona Corporation

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b)

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (if not represented by attorney)

Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
(Signature of Foreign Representative)

(Printed name of Foreign Representative)

12/11/2012

(Date)

Signature of Attorney*

X /s/ **Jon S. Musial** _____
Signature of Attorney for Debtor(s)

Jon S. Musial 012828
Printed Name of Attorney for Debtor(s)

Law Office of Jon S. Musial
Firm Name

8230 E. Gray road
Address

Scottsdale AZ 85260

480-951-0669
Telephone Number

12/11/2012
Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(h), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

Address

X _____
Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X /s/ **Al Slaten** 
Signature of Authorized Individual

Al Slaten
Printed Name of Authorized Individual

President
Title of Authorized Individual

12/11/2012
Date

UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA

In re Teledraft, Inc., a Delaware Corporation

Case No.
Chapter 11

Attorney for Debtor: Jon S. Musial / Debtor

STATEMENT PURSUANT TO RULE 2016(B)

The undersigned, pursuant to Rule 2016(b), Bankruptcy Rules, states that:

- 1. The undersigned is the attorney for the debtor(s) in this case.
2. The compensation paid or agreed to be paid by the debtor(s), to the undersigned is:
a) For legal services rendered or to be rendered in contemplation of and in connection with this case ... \$ hourly
b) Prior to the filing of this statement, debtor(s) have paid ... \$ 5,000.00
c) The unpaid balance due and payable is ... \$ 0.00
3. \$ 1,213.00 of the filing fee in this case has been paid.
4. The Services rendered or to be rendered include the following:
a) Analysis of the financial situation, and rendering advice and assistance to the debtor(s) in determining whether to file a petition under title 11 of the United States Code.
b) Preparation and filing of the petition, schedules, statement of financial affairs and other documents required by the court.
c) Representation of the debtor(s) at the meeting of creditors.
5. The source of payments made by the debtor(s) to the undersigned was from earnings, wages and compensation for services performed, and None other
6. The source of payments to be made by the debtor(s) to the undersigned for the unpaid balance remaining, if any, will be from earnings, wages and compensation for services performed, and additional retainer to be provided and/or sale of real property
7. The undersigned has received no transfer, assignment or pledge of property from debtor(s) except the following for the value stated: Pre-petition retainer (\$15,000)
8. The undersigned has not shared or agreed to share with any other entity, other than with members of undersigned's law firm, any compensation paid or to be paid except as follows: None

Dated: 12/11/2012

Respectfully submitted,

X /s/ Jon S. Musial
Attorney for Petitioner: Jon S. Musial
Law Office of Jon S. Musial
8230 E. Gray road
Scottsdale AZ 85260
480-951-0669
jon.musial@azbar.org

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

In re *Teledraft, Inc., a Delaware Corporation*

Case No.
Chapter 11

_____/ Debtor

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	Attached (Yes/No)	No. of Sheets	ASSETS	LIABILITIES	OTHER
A-Real Property	Yes	1	\$ 3,900,000.00		
B-Personal Property	Yes	3	\$ 5,164.06		
C-Property Claimed as Exempt	No	0			
D-Creditors Holding Secured Claims	Yes	2		\$ 1,497,766.00	
E-Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	1		\$ 0.00	
F-Creditors Holding Unsecured Nonpriority Claims	Yes	4		\$ 826,996.15	
G-Executory Contracts and Unexpired Leases	Yes	2			
H-Codebtors	Yes	1			
I-Current Income of Individual Debtor(s)	No	0			\$ 0.00
J-Current Expenditures of Individual Debtor(s)	No	0			\$ 0.00
TOTAL		14	\$ 3,905,164.06	\$ 2,324,762.15	

In re Teledraft, Inc., a Delaware Corporation
Debtor

Case No. _____
(if known)

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY ON BEHALF OF A CORPORATION

I, Al Slaten, President of the Corporation
named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 15 sheets,
and that they are true and correct to the best of my knowledge, information, and belief.

Date: 12/11/2012

Signature /s/ Al Slaten
Name: Al Slaten
Title: President

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.

In re Teledraft, Inc.,
Debtor(s)

Case No. _____
(if known)

SCHEDULE A-REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G-Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption	Amount of Secured Claim
<i>Lots 3, 4 and 5 and the Southeast quarter of the Northwest quarter of Section 6, Township 11 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona and more fully described on Attached Exhibit A</i>	<i>Fee Simple</i>	<i>\$ 3,900,000.00</i>	<i>\$ 1,497,766.00</i>
TOTAL \$		3,900,000.00	

(Report also on Summary of Schedules.)

No continuation sheets attached

Exhibit "A"

All of Lots 3, 4 and 5 and the Southeast quarter of the Northwest quarter of Section 6, Township 11 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona;

EXCEPT that part described as follows:

BEGINNING at a point on the Northerly section line of said Section 6, which point is a distance of 346.18 feet East of the Northwest corner of said Section 6;

THENCE South 61 degrees 32 minutes East, a distance of 558.26 feet;

THENCE North 85 degrees 42 minutes 34 seconds East, a distance of 134.09 feet;

THENCE North 48 degrees 36 minutes 47 seconds East, a distance of 182.34 feet;

THENCE North 69 degrees 54 minutes 50 seconds East, a distance of 61.23 feet;

THENCE South 84 degrees 39 minutes 20 seconds East, a distance of 227.61 feet;

THENCE South 58 degrees 32 minutes 40 seconds East, a distance of 280.61 feet;

THENCE South 13 degrees 28 minutes 11 seconds East, a distance of 92.47 feet;

THENCE South 88 degrees 52 minutes East, a distance of 140.40 feet;

THENCE North 30 degrees 21 minutes East, a distance of 163.3 feet;

THENCE North 61 degrees 20 minutes 05 seconds East, a distance of 274.57 feet;

THENCE South 80 degrees 52 minutes East, a distance of 132.1 feet;

THENCE North 03 degrees 40 minutes West, a distance of 89.00 feet;

THENCE North 24 degrees 03 minutes 30 seconds East, a distance of 52.26 feet to a point on the North line of said Section;

THENCE West along said section line a distance of 1916.19 feet to the POINT OF BEGINNING; and

EXCEPT any part lying within State Highway 77; and

EXCEPT that part of Section 6, Township 11 North, Range 22 East and Section 31, Township 12 North, Range 22 East of the Gila and Salt River Base and Meridian, Navajo County, Arizona, described as follows:

BEGINNING at the North quarter corner of said Section 6;

THENCE South 00 degrees 32 minutes 05 seconds West along the mid-section line 681.59 feet;

THENCE North 40 degrees 05 minutes 30 seconds West, 289.14 feet;

THENCE North 43 degrees 47 minutes 35 seconds West, 247.85 feet;

THENCE North 03 degrees 40 minutes 00 seconds West, 231.72 feet;

THENCE North 24 degrees 03 minutes 30 seconds East, 52.26 feet to the Section line;

THENCE North 89 degrees 36 minutes 00 seconds East, 357.62 feet to the TRUE POINT OF BEGINNING; and

EXCEPT that part of Section 6 described as follows:

COMMENCING at the North quarter corner of said Section 6;

THENCE South 00 degrees 32 minutes 05 seconds West along the mid-section line, 821.59 feet to the TRUE POINT OF BEGINNING;

THENCE continuing South 00 degrees 32 minutes 05 seconds West along mid-section line 895.00 feet;

THENCE North 17 degrees 58 minutes 20 seconds West, 441.01 feet;

THENCE North 16 degrees 53 minutes 53 seconds East, 496.93 feet to the TRUE POINT OF BEGINNING.

In re Teledraft, Inc.,
Debtor(s)

Case No. _____
(if known)

SCHEDULE B-PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "X" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G-Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Type of Property	None	Description and Location of Property	Husband--H Wife--W Joint--J Community--C	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
1. Cash on hand.	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		<i>First State Bank Operating #321564 Location: In debtor's possession</i>		\$ 650.66
		<i>First State Bank Sabings #710260 Location: In debtor's possession</i>		\$ 100.00
		<i>Metro Phoenix Bank #0120002605 Location: In debtor's possession</i>		\$ 1,843.37
		<i>Metro Phoenix Bank SKS reserve #3769 Location: In debtor's possession</i>		\$ 2,570.03
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			

In re Teledraft, Inc.

Case No. _____ (if known)

Debtor(s)

SCHEDULE B-PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N o n e	Description and Location of Property	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption
10. Annuities. Itemize and name each issuer.	X		
11. Interest in an education IRA as defined in 26 U.S.C. 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. 521(c).)	X		
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X		
13. Stock and interests in incorporated and unincorporated businesses. Itemize.		<p><i>Regal Financial Bank stock</i> <i>Location: In possession of DAD Holdings, LLC</i></p>	<p><i>Unknown</i></p>
14. Interests in partnerships or joint ventures. Itemize.	X		
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X		
16. Accounts Receivable.		<p><i>Earnout Payments due under Asset Purchase Agreement</i></p>	<p><i>Unknown</i></p>
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X		
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X		
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule of Real Property.	X		
20. Contingent and non-contingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X		
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X	<p><i>Claims against Merchant Services, Inc.; National Payment Processing; Universal Merchant Services LLC; Universal Card, Inc., Jason Moore; Nathan Jurczyk, Robert Parisi, Eric Madura, Fiona Walshe, Alicyn Roy; MBF Leasing LLC; Northern Funding LLC; Northern Leasing Systems, Inc.; Jay Cohen; Leonard Mezei; Sara Krieger; Sam Buono; And SKS Associates, LLC, including claims arising from allegations asserted against such individuals/entities in CV 10-01993 CW, U.S.D.C., Northern District of California, Oakland Division</i> <i>Location: In debtor's possession</i></p>	<p><i>Unknown</i></p>

In re Teledraft, Inc., Debtor(s)

Case No. _____ (if known)

SCHEDULE B-PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest, in Property Without Deducting any Secured Claim or Exemption	
			Husband--H Wife--W Joint--J Community--C	
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.	X			
24. Customer lists or other compilations containing personally identifiable information (as described in 11 U.S.C. 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			
25. Automobiles, trucks, trailers and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.		<i>First State Bank credit card commission income</i>		<i>Unknown</i>

Total → \$ 5,164.06

In re Teledraft, Inc.
 Debtor(s)

Case No. _____
 (if known)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is the creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H – Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim Without Deducting Value of Collateral" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion, if Any" on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

Creditor's Name and Mailing Address Including ZIP Code and Account Number <i>(See Instructions Above.)</i>	Date Claim was Incurred, Nature of Lien, and Description and Market Value of Property Subject to Lien	Co-Debtor H--Husband W--Wife J--Joint C--Community	Contingent	Unliquidated	Disputed	Amount of Claim Without Deducting Value of Collateral	Unsecured Portion, If Any
Account No: Creditor # : 1 All of Our Butts Sports-N-More Seneca Nation Indians Business 719 Broad Street Salamanca NY 14779	03-29-2012 Deed of Trust Value: \$ 3,900,000.00					\$ 740,000.00	\$ 0.00
Account No: Representing: All of Our Butts Sports-N-More	First American Title Insurance 2425 E. Camelback Rd., #300 Phoenix AZ 85016 Value:						
Account No: Representing: All of Our Butts Sports-N-More	Gallagher & Kennedy, P.A. Attn Patrick McGroder III 2575 E. Camelback Road Phoenix AZ 85016 Value:						
Subtotal \$ (Total of this page)						\$ 740,000.00	\$ 0.00
Total \$ (Use only on last page)							

1 continuation sheets attached

(Report also on Summary of Schedules.)
 (If applicable, report also on Statistical Summary of Certain Liabilities and Related Data)

In re Teledraft, Inc.
Debtor(s)

Case No. _____
(if known)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

(Continuation Sheet)

Creditor's Name and Mailing Address Including ZIP Code and Account Number <i>(See Instructions Above.)</i>	Date Claim was Incurred, Nature of Lien, and Description and Market Value of Property Subject to Lien	Co-Debtor H--Husband W--Wife J--Joint C--Community	Contingent	Unliquidated	Disputed	Amount of Claim Without Deducting Value of Collateral	Unsecured Portion, If Any
Account No: Creditor # : 2 Snell & Wilmer LLP Attn: Matt Fischer One Arizona Center Phoenix AZ 85004	07-12-2012 Deed of Trust Value: \$ 3,900,000.00					\$ 537,166.00	\$ 0.00
Account No: Creditor # : 3 Tobacco Outlet LLC c/o Underberg & Kessler 300 Bausch & Lomb Place Rochester NY 14604	07/12/2012 Deed of Trust Value: \$ 3,900,000.00					\$ 90,000.00	\$ 0.00
Account No: Representing: Tobacco Outlet LLC	First American Title Ins Co 2425 E. Camelback Rd., #300 Phoenix AZ 85016 Value:						
Account No: Creditor # : 4 Walnut Legal Service Inc. 19689 E. Valley Blvd., #D Walnut CA 91789	07-12-2012 Deed of Trust Value: \$ 3,900,000.00					\$ 130,600.00	\$ 0.00
Account No: Representing: Walnut Legal Service Inc.	First American Title Insurance 2425 E. Camelback Rd., #300 Phoenix AZ 85016 Value:						
Account No: Representing: Walnut Legal Service Inc.	Steptoe & Johnson LLP P. Bruce Converse 201 E. Washington St., #1600 Phoenix AZ 85004 Value:						
<p>Sheet no. <u>1</u> of <u>1</u> continuation sheets attached to Schedule of Creditors</p> <p>Holding Secured Claims</p>						<p>Subtotal \$ \$ 757,766.00</p> <p>(Total of this page)</p> <p>Total \$ \$ 1,497,766.00</p> <p>(Use only on last page)</p>	<p>\$ 0.00</p> <p>\$ 0.00</p>

In re Teledraft, Inc.,

Case No. _____

Debtor(s)

(if known)

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts NOT entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

Domestic Support Obligations

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$10,950* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

Contributions to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

Certain farmers and fishermen

Claims of certain farmers and fishermen, up to \$5,400* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

Deposits by individuals

Claims of individuals up to \$2,425* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

Taxes and Certain Other Debts Owed to Governmental Units

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

Commitments to Maintain the Capital of an Insured Depository Institution

Claims based on commitments to FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

Claims for Death or Personal Injury While Debtor Was Intoxicated

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

*Amounts are subject to adjustment on April 1, 2010, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

No continuation sheets attached

In re Teledraft, Inc., Debtor(s)

Case No. _____ (if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedules. Report this total also on the Summary of Schedules, and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

Creditor's Name, Mailing Address including Zip Code, And Account Number (See instructions above.)	Co-Debtor H--Husband W--Wife J--Joint C--Community	Date Claim was Incurred, and Consideration for Claim. If Claim is Subject to Setoff, so State.	Contingent	Unliquidated	Disputed	Amount of Claim
Account No: Creditor # : 1 Al Slaten 5425 S. Compass Rd. Tempe AZ 85283		Shareholder Loan				\$ 201,503.38
Account No: Creditor # : 2 Dan Wolfe 3102 E. Fairbrooke Circle Mesa AZ 85213		Shareholder Loan				\$ 94,380.38
Account No: Creditor # : 3 Dennis Reis 2201 Broadway, Ste 701 Oakland CA 94612						\$ 2,000.00
Account No: Creditor # : 4 Don Charles 3834 E. Nighthawk Way Phoenix AZ 85048		Shareholder Loan				\$ 45,397.38
Subtotal \$						\$ 343,281.14
Total \$						

(Use only on last page of the completed Schedule F. Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data)

3 continuation sheets attached

In re Teledraft, Inc., Debtor(s)

Case No. _____ (if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

Creditor's Name, Mailing Address including Zip Code, And Account Number (See instructions above.)	Co-Debtor H--Husband W--Wife J--Joint C--Community	Date Claim was Incurred, and Consideration for Claim. If Claim is Subject to Setoff, so State.	Contingent	Unliquidated	Disputed	Amount of Claim
Account No: Creditor # : 5 Drinker Biddle & Reath LLP Attn: Alfred W. Putman, Jr. One Logan Square, Ste 2000 Philadelphia PA 19103-6996		Legal Services				\$ 56,131.79
Account No: Creditor # : 6 Education Assistance Attn: Stacey Keller 3500 Wadley Pl., C-301 Austin TX 78728-1279						\$ 4,500.00
Account No: Creditor # : 7 First National Services Attn: Vincent Ventriglia 333 Naamans Rd. Claymont DE 19703						\$ 10,000.00
Account No: Creditor # : 8 Kwik Cash Attn: Todd Getz 9150 Irvine Center Dr. Irvine CA 92618						\$ 15,000.00
Account No: Creditor # : 9 Martin Accounting Attn: Daniel Beiler 719 E. Lincoln Ave. Myerstown PA 17067						\$ 125,000.00
Account No: Creditor # : 10 Matthews Law Firm, Inc. co Law Office of William Black One E. Camelback Rd., #550 Phoenix AZ 85012		Maricopa County Superior Court, CV2012-010629				\$ 88,083.22

Sheet No. 1 of 3 continuation sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal \$ \$ 298,715.01

Total \$

(Use only on last page of the completed Schedule F. Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data)

In re Teledraft, Inc., Debtor(s)

Case No. _____ (if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

Creditor's Name, Mailing Address including Zip Code, And Account Number (See instructions above.)	Co-Debtor H--Husband W--Wife J--Joint C--Community	Date Claim was Incurred, and Consideration for Claim. If Claim is Subject to Setoff, so State.	Contingent	Unliquidated	Disputed	Amount of Claim
Account No: Creditor # : 11 Northern Leasing Systems Inc c/o Osborn Maledon 2929 N. Central Ave., #2100 Phoenix AZ 85012		Litigation U.S.D.C., D. Ariz. CIV 12-00356-PHX-DGC	X	X	X	\$ 0.00
Account No: Creditor # : 12 Phoenix, Payments, LLC 15215 S. 48th St., Ste 145 Phoenix AZ 85044		10/01/2011 (Notice only)				\$ 0.00
Account No: Representing: Phoenix, Payments, LLC		Fennemore Craig, P.C. Attn: Andrea Marconi 3003 N. Central Ave., #2600 Phoenix AZ 85012				
Account No: Creditor # : 13 Post Smokes, Inc. c/o Timothy H. Barnes, PC 428 E. Thunderbird Rd., #150 Phoenix AZ 85022		Litigation U.S.D.C., D.Ariz. 2:12-cv-01311-NVW	X	X	X	\$ 0.00
Account No: Creditor # : 14 Regal Financial Bank 925 Fourth Ave., #100 Seattle WA 98104		08-07-2008 Notice only due to improper and inactive UCC filing				\$ 0.00
Account No: Creditor # : 15 Renaldo Reyes, class plaintiff c/o Langer Grogan & Diver PC 1717 Arch Street, #4130 Philadelphia PA 19103		Litigation U.S.D.C., E.D.Pa., 2:10-cv-00345-JS	X	X	X	\$ 0.00

Sheet No. 2 of 3 continuation sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal \$ **\$ 0.00**

Total \$

(Use only on last page of the completed Schedule F. Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data)

In re Teledraft, Inc., Debtor(s)

Case No. _____ (if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

Creditor's Name, Mailing Address including Zip Code, And Account Number (See instructions above.)	Co-Debtor H--Husband W--Wife J--Joint C--Community	Date Claim was Incurred, and Consideration for Claim. If Claim is Subject to Setoff, so State.	Contingent	Unliquidated	Disputed	Amount of Claim
Account No: Creditor # : 16 Wayne D. Geisser, Receiver Smart Devine 1600 Market St., 32nd Floor Philadelphia PA 19103		<i>Settlement agreement</i> <i>Settlement to be submitted to court</i> <i>for approval</i>				\$ 185,000.00
Account No: Representing: Wayne D. Geisser, Receiver		Patricia M. Hamill Conrad O'Brien PC 1500 Market St., W.T., #3900 Philadelphia PA 19102				
Account No:						
Account No:						
Account No:						
Account No:						

Sheet No. 3 of 3 continuation sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal \$ \$ 185,000.00

Total \$ \$ 826,996.15

(Use only on last page of the completed Schedule F. Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data)

In re Teledraft, Inc.

/ Debtor

Case No. _____

(if known)

SCHEDULE G-EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State the nature of debtor's interests in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if the debtor has no executory contracts or unexpired leases.

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract.	Description of Contract or Lease and Nature of Debtor's Interest. State whether Lease is for Nonresidential Real Property. State Contract Number of any Government Contract.
<p>ADP Total Source Attn: Suzanne.Pantoja@adp.com 7474 W. Chandler Blvd. Chandler AZ 85226</p>	<p>Contract Type: Service contract Terms: Beginning date: Debtor's Interest: Description: payroll service contract Buyout Option:</p>
<p>All of Our Butts Sports-N-More 719 Broad Street Salamanca NY 14779</p>	<p>Contract Type: Settlement Agreement and General Release Terms: Beginning date: Debtor's Interest: Description: Buyout Option:</p>
<p>Phoenix Payments, LLC 15215 S. 48th St., Ste 145 Phoenix AZ 85044</p>	<p>Contract Type: Asset Purchase Agreement Terms: Beginning date: Debtor's Interest: Description: Asset Purchase Agreement (with integrated Consulting Agreements and earnout payments) Buyout Option:</p>
<p>Tobacco Outlet, LLC c/o Underberg & Kessler 300 Bausch & Lomb Place Rochester NY 14604</p>	<p>Contract Type: Settlement Agreement and General Release Terms: Beginning date: Debtor's Interest: Description: Buyout Option:</p>
<p>Walnut Legal Service, Inc 19689 E. Valley Blvd., #D Walnut CA 91789</p>	<p>Contract Type: Settlement Agreement and General Release Terms: Beginning date: Debtor's Interest: Description: Buyout Option:</p>

In re Teledraft, Inc. / Debtor Case No. _____
 (if known)

SCHEDULE G-EXECUTORY CONTRACTS AND UNEXPIRED LEASES

<p>Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract.</p>	<p>Description of Contract or Lease and Nature of Debtor's Interest. State whether Lease is for Nonresidential Real Property. State Contract Number of any Government Contract.</p>
<p><i>Wayne D. Geisser, Receiver Smart Devine 1600 Market St., 32nd Floor Philadelphia PA 19103</i></p>	<p>Contract Type: <i>General Release and Settlement Agreement</i> Terms: Beginning date: Debtor's Interest: Description: Buyout Option:</p>

In re Teledraft, Inc. / Debtor

Case No. _____
(if known)

SCHEDULE H-CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by the debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtors spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if the debtor has no codebtors.

Name and Address of Codebtor	Name and Address of Creditor

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

In re *Teledraft, Inc.*
a Delaware Corporation

Case No.
Chapter 11

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Name of Creditor and Complete Mailing Address Including Zip Code	Name, Telephone Number and Complete Mailing Address, Including Zip Code, of Employee, Agent, or Department of Creditor Familiar with Claim Who May Be Contacted	Nature of Claim (Trade Debt, Bank Loan, Government Contract, etc.)	Indicate if Claim is Contingent, Unliquidated, Disputed, or Subject to Setoff	Amount of Claim (If Secured Also State Value of Security)
1 <i>Al Slaten</i> 5425 S. Compass Rd. Tempe AZ 85283	Phone: <i>Al Slaten</i> 5425 S. Compass Rd. Tempe AZ 85283			\$ 201,503.38
2 <i>Wayne D. Geisser, Receiver</i> <i>Smart Devine</i> 1600 Market St., 32nd Floor Philadelphia PA 19103	Phone: <i>Wayne D. Geisser, Receiver</i> <i>Smart Devine</i> 1600 Market St., 32nd Floor Philadelphia PA 19103	Settlement agreement		\$ 185,000.00
3 <i>Martin Accounting</i> Attn: Daniel Beiler 719 E. Lincoln Ave. Myerstown PA 17067	Phone: <i>Martin Accounting</i> Attn: Daniel Beiler 719 E. Lincoln Ave. Myerstown PA 17067			\$ 125,000.00
4 <i>Dan Wolfe</i> 3102 E. Fairbrooke Circle Mesa AZ 85213	Phone: <i>Dan Wolfe</i> 3102 E. Fairbrooke Circle Mesa AZ 85213			\$ 94,380.38
5 <i>Matthews Law Firm, Inc.</i> <i>co Law Office of William Black</i> One E. Camelback Rd., #550 Phoenix AZ 85012	Phone: <i>Matthews Law Firm, Inc.</i> <i>co Law Office of William Black</i> One E. Camelback Rd., #550 Phoenix AZ 85012			\$ 88,083.22

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Name of Creditor and Complete Mailing Address Including Zip Code	Name, Telephone Number and Complete Mailing Address, Including Zip Code, of Employee, Agent, or Department of Creditor Familiar with Claim Who May Be Contacted	Nature of Claim (Trade Debt, Bank Loan, Government Contract, etc.)	Indicate if Claim is Contingent, Unliquidated, Disputed, or Subject to Setoff	Amount of Claim (If Secured Also State Value of Security)
6 <i>Drinker Biddle & Reath LLP Attn: Alfred W. Putman, Jr. One Logan Square, Ste 2000 Philadelphia PA 19103-6996</i>	Phone: <i>Drinker Biddle & Reath LLP Attn: Alfred W. Putman, Jr. One Logan Square, Ste 2000 Philadelphia PA 19103-6996</i>	<i>Legal Services</i>		\$ 56,131.79
7 <i>Don Charles 3834 E. Nighthawk Way Phoenix AZ 85048</i>	Phone: <i>Don Charles 3834 E. Nighthawk Way Phoenix AZ 85048</i>			\$ 45,397.38
8 <i>Kwik Cash Attn: Todd Getz 9150 Irvine Center Dr. Irvine CA 92618</i>	Phone: <i>Kwik Cash Attn: Todd Getz 9150 Irvine Center Dr. Irvine CA 92618</i>			\$ 15,000.00
9 <i>First National Services Attn: Vincent Ventriglia 333 Naamans Rd. Claymont DE 19703</i>	Phone: <i>First National Services Attn: Vincent Ventriglia 333 Naamans Rd. Claymont DE 19703</i>			\$ 10,000.00
10 <i>Education Assistance Attn: Stacey Keller 3500 Wadley Pl., C-301 Austin TX 78728-1279</i>	Phone: <i>Education Assistance Attn: Stacey Keller 3500 Wadley Pl., C-301 Austin TX 78728-1279</i>			\$ 4,500.00
11 <i>Dennis Reis 2201 Broadway, Ste 701 Oakland CA 94612</i>	Phone: <i>Dennis Reis 2201 Broadway, Ste 701 Oakland CA 94612</i>			\$ 2,000.00

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION

I, Al Slaten, President of the Corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing List of Creditors Holding Twenty Largest Unsecured Claims and that they are true and correct to the best of my knowledge, information and belief.

Date: 12/11/2012

Signature /s/ Al Slaten



Name: Al Slaten

Title: President

UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA

In re: Teledraft, Inc., a Delaware Corporation

Case No.

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined.

Questions 1-18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19-25.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within the six years immediately preceding the filing of this bankruptcy case, any of the following:

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporation debtor and their relatives;

1. Income from employment or operation of business

None [] State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced.

AMOUNT

SOURCE

Year to date: \$67,183.73 (gross); -\$542,389.69 (net)

Last Year: \$2,606,963.25 (gross); -\$91,222.05 (net)

Year before: \$3,068,615.21 (gross); -\$366,088.12 (net)

2. Income other than from employment or operation of business

None [x] State the amount of income received by the debtor other than from employment, trade, profession, operation of the debtor's business during the two years immediately preceding the commencement of this case.

3. Payments to creditors

None Complete a. or b., as appropriate, and c.



a. Individual or joint debtor(s) with primarily consumer debts: List all payments on loans, installment purchases of goods or services, and other debts to any creditor, made within 90 days immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and creditor counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

None



b. Debtor whose debts are not primarily consumer debts: List each payment or other transfer to any creditor made within 90 days immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,475. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and creditor counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

None



c. All debtors: List all payments made within one year immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

4. Suits and administrative proceedings, executions, garnishments and attachments

None a. List all suits and administrative proceedings to which the debtor is or was a party within one year immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
<i>Renaldo Reyes v. Zions First National Bank, Netdeposit, LLC, MP Technologies d/b/a Modern Payments, Teledraft, Inc., National Penn Bank, N.A., and Wachovia Bank, N.A., Civil Action No. 10-00345</i>		<i>United States District Court for the Eastern District of Pennsylvania</i>	
<i>Northern Leasing Systems, Inc. v. Teledraft, Inc., No. CV-12-00356-PHX-DGC</i>		<i>United States District Court for the District of Arizona</i>	
<i>Post Smokes, Inc. v. Teledraft, Inc., No. CV-12-01311-PHX-NVW</i>		<i>United States District Court for the District of Arizona</i>	

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
<i>Matthews Law Firm, Inc. v. Teledraft, Inc.; Don Charles; Al Slaten; Dan Wolfe, et al., No. CV2012-010629</i>		<i>Superior Court of the State of Arizona for the County of Maricopa</i>	
<i>Tobacco Outlet, LLC; T.O. New York, LLC v. Teledraft, Inc., et al., CV2011-002533</i>		<i>Superior Court of Arizona, Maricopa County</i>	<i>Dismissed with Prejudice: 8/7/2012, pursuant to Settlement Agreement</i>
<i>Robert Gordon d/b/a All of Our Butts v. Teledraft, Inc.; Al Slaten, et al., CV2011-011193</i>		<i>Superior Court of Arizona, Maricopa County</i>	<i>Dismissed with Prejudice: 4/27/2012, pursuant to settlement agreement</i>
<i>Walnut Legal Service, Inc. v. Teledraft, Inc., CV2011-009825</i>		<i>Superior Court of Arizona, Maricopa County</i>	<i>Dismissed with Prejudice: 7/23/2012, pursuant to settlement agreement</i>
<i>In re NHS Systems, Inc., Civil Action No. 11-cv-7804</i>	<i>Receivership proceedings</i>	<i>United States District Court for the Eastern District of Pennsylvania</i>	<i>Turnover order appealed to the Third Circuit Court of Appeals, Docket No. 12-3267, subject to settlement agreement</i>

None b. Describe all property that has been attached, garnished or seized under any legal or equitable process within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

5. Repossessions, foreclosures and returns

None List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

6. Assignments and receiverships

None a. Describe any assignment of property for the benefit of creditors made within 120 days immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

None b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

7. Gifts

None List all gifts or charitable contributions made within one year immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

8. Losses

None List all losses from fire, theft, other casualty or gambling within one year immediately preceding the commencement of this case or since the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

9. Payments related to debt counseling or bankruptcy

None List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of a petition in bankruptcy within one year immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYER IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
<i>Payee: Jon S. Musial Address: 8230 E. Gray road Scottsdale, AZ 85260</i>	<i>Date of Payment: 12-03-2012 Payor: Teledraft, Inc</i>	<i>\$5,000.00 flat fee pre-petition, plus retainer of \$15,000.00.</i>

10. Other transfers

None a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within two years immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFeree, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
<i>Transferee: All of Our Butts Sports-N-More Address: Relationship: Creditor</i>	<i>11-15-2011</i>	<i>Property: Deed of Trust on 147 acres in Taylor Arizona to secure \$740,000 settlement obligation Value:</i>
<i>Transferee: Walnut Legal Service Inc Address: Relationship: Creditor</i>	<i>7-13-2012</i>	<i>Property: Deed of Trust on 147 acres in Taylor Arizona to secure \$90,000 settlement obligation Value:</i>

NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
<i>Transferee: Tobacco Outlet LLC Address: Relationship: Creditor</i>	<i>07-13-2012</i>	<i>Property: Deed of Trust on 147 acres in Taylor Arizona to secure \$130,600 settlement obligation Value:</i>

<i>Transferee: Snell & Wilmer LLP Address: Relationship: counsel</i>	<i>07-13-2012</i>	<i>Property: Deed of Trust on 147 acres in Taylor Arizona to secure \$537,052 legal bills Value:</i>
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None b. List all property transferred by the debtor within ten years immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

11. Closed financial accounts

None List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within one year immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

12. Safe deposit boxes

None List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within one year immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

13. Setoffs

None List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within 90 days preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

14. Property held for another person

None List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY
<i>Owner: Susan L Charles Address:</i>	<i>Description: \$750.00 deposited for payment of medical insurance obtained through spouse Value: \$750.00</i>	<i>In Debtor's bank account</i>

15. Prior address of debtor

None If the debtor has moved within three years immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS

NAME USED

DATES OF OCCUPANCY

*Debtor: Teledraft, Inc.
Address: 4625 S WENDLER DR STE
204, TEMPE, AZ 85282-6309*

Name (s) :

16. Spouses and Former Spouses

None If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within eight years immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

17. Environmental Information

None For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to disposal sites.

"Hazardous Material" means anything defined as hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law:

a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

None b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

None c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law, with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

18. Nature, location and name of business

None a. If the debtor is an individual, list the names, addresses, taxpayer-identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within six years immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within six years immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within six years immediately preceding the commencement of this case.

None b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within six years immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

(An individual or joint debtor should complete this portion of the statement only if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)

19. Books, records and financial statements

None a. List all bookkeepers and accountants who within two years immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS DATES SERVICES RENDERED

Name: *Rhonda Mamola* **Dates:** *2008-2011*
Address: *P.O. Box 31205, Mesa, AZ 85275-1205*

Name: *Lynn Fox Slaten* **Dates:** *2011-2012*
Address: *P.O. Box 11672, Tempe, AZ 85284-0028*

None b. List all firms or individuals who within two years immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

None c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME ADDRESS

Name: *Lynn Fox Slaten* **Address:** *P.O. Box 11672, Tempe, AZ 85284-0028*

None d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within two years immediately preceding the commencement of this case.

NAME ADDRESS DATES ISSUED

All of Our Butts **Dates:** *03/2012*
Sports-N-More

Walnut Legal Services, **Dates:** *07/2012*

NAME ADDRESS DATES ISSUED

Inc.

Phoenix Payments, LLC

Dates: 09/2011

20. Inventories

None a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

None b. List the name and address of the person having possession of the records of each of the inventories reported in a., above.

21. Current Partners, Officers, Directors and Shareholders

None a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

None b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
<i>Name: Al Slaten Address: 5425 S. Compass Rd., Tempe, AZ 85283</i>	<i>President</i>	<i>460 shares common stock</i>
<i>Name: Don Charles Address: 3834 E. Nighthawk Way, Phoenix, AZ 85048</i>	<i>Vice President</i>	<i>460 shares common stock</i>
<i>Name: Dan Wolfe Address: 3102 E. Fairbrooke Circle, Mesa, AZ 85213</i>	<i>CEO</i>	<i>460 shares common stock</i>
<i>Name: John Hughes Address: 6455 E. Rustic Dr., Mesa, AZ 85215</i>		<i>75 shares common stock</i>

22. Former partners, officers, directors and shareholders

None a. If the debtor is a partnership, list each member who withdrew from the partnership within one year immediately preceding the commencement of this case.

None b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within one year immediately preceding the commencement of this case.

23. Withdrawals from a partnership or distribution by a corporation

None If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during one year immediately preceding the commencement of this case.

24. Tax Consolidation Group.

None If the debtor is a corporation, list the name and federal taxpayer-identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within six years immediately preceding the commencement of the case.

25. Pension Funds.

None If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within six years immediately preceding the commencement of the case.

[If completed on behalf of a partnership or corporation]

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information, and belief.

Date 12/11/2012

Signature /s/ Al Slaten



Al Slaten

President

Print Name and Title

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

____ continuation sheets attached

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

In re *Teledraft, Inc., a Delaware Corporation*

Case No.
Chapter *11*

_____/ Debtor
Attorney for Debtor: *Jon S. Musial*

I, *Jon S. Musial*, do hereby certify, under penalty of perjury, that the Mailing List, consisting of 5 sheet(s) is complete, correct and consistent with the debtor(s)' schedules.

Date of execution: *12/11/2012*

/s/ Al Slaten
Debtor

/s/ Jon S. Musial
Attorney (if applicable)

Spouse

Teledraft, Inc.

ADP TOTAL SOURCE
ATTN SUZANNE PANTOJA@ADP COM
7474 W CHANDLER BLVD
CHANDLER AZ 85226

AL SLATEN
5425 S COMPASS RD
TEMPE AZ 85283

ALL OF OUR BUTTS SPORTS-N-MORE
SENECA NATION INDIANS BUSINESS
719 BROAD STREET
SALAMANCA NY 14779

ALL OF OUR BUTTS SPORTS-N-MORE
719 BROAD STREET
SALAMANCA NY 14779

DAN WOLFE
3102 E FAIRBROOKE CIRCLE
MESA AZ 85213

DENNIS REIS
2201 BROADWAY STE 701
OAKLAND CA 94612

DON CHARLES
3834 E NIGHTHAWK WAY
PHOENIX AZ 85048

DRINKER BIDDLE & REATH LLP
ATTN ALFRED W PUTMAN JR
ONE LOGAN SQUARE STE 2000
PHILADELPHIA PA 19103-6996

EDUCATION ASSISTANCE
ATTN STACEY KELLER
3500 WADLEY PL C-301
AUSTIN TX 78728-1279

Teledraft, Inc.

FENNEMORE CRAIG P C
ATTN ANDREA MARCONI
3003 N CENTRAL AVE #2600
PHOENIX AZ 85012

FIRST AMERICAN TITLE INS CO
2425 E CAMELBACK RD #300
PHOENIX AZ 85016

FIRST AMERICAN TITLE INSURANCE
2425 E CAMELBACK RD #300
PHOENIX AZ 85016

FIRST NATIONAL SERVICES
ATTN VINCENT VENTRIGLIA
333 NAAMANS RD
CLAYMONT DE 19703

GALLAGHER & KENNEDY P A
ATTN PATRICK MCGRODER III
2575 E CAMELBACK ROAD
PHOENIX AZ 85016

KWIK CASH
ATTN TODD GETZ
9150 IRVINE CENTER DR
IRVINE CA 92618

MARTIN ACCOUNTING
ATTN DANIEL BEILER
719 E LINCOLN AVE
MYERSTOWN PA 17067

MATTHEWS LAW FIRM INC
CO LAW OFFICE OF WILLIAM BLACK
ONE E CAMELBACK RD #550
PHOENIX AZ 85012

Teledraft, Inc.

NORTHERN LEASING SYSTEMS INC
C/O OSBORN MALEDON
2929 N CENTRAL AVE #2100
PHOENIX AZ 85012

PATRICIA M HAMILL
CONRAD O'BRIEN PC
1500 MARKET ST W T #3900
PHILADELPHIA PA 19102

PHOENIX PAYMENTS LLC
15215 S 48TH ST STE 145
PHOENIX AZ 85044

PHOENIX PAYMENTS LLC
15215 S 48TH ST STE 145
PHOENIX AZ 85044

POST SMOKES INC
C/O TIMOTHY H BARNES PC
428 E THUNDERBIRD RD #150
PHOENIX AZ 85022

REGAL FINANCIAL BANK
925 FOURTH AVE #100
SEATTLE WA 98104

RENALDO REYES CLASS PLAINTIFF
C/O LANGER GROGAN & DIVER PC
1717 ARCH STREET #4130
PHILADELPHIA PA 19103

SNELL & WILMER LLP
ATTN MATT FISCHER
ONE ARIZONA CENTER
PHOENIX AZ 85004

STEPTOE & JOHNSON LLP
P BRUCE CONVERSE
201 E WASHINGTON ST #1600
PHOENIX AZ 85004

Teledraft, Inc.

TOBACCO OUTLET LLC
C/O UNDERBERG & KESSLER
300 BAUSCH & LOMB PLACE
ROCHESTER NY 14604

TOBACCO OUTLET LLC
C/O UNDERBERG & KESSLER
300 BAUSCH & LOMB PLACE
ROCHESTER NY 14604

WALNUT LEGAL SERVICE INC
19689 E VALLEY BLVD #D
WALNUT CA 91789

WALNUT LEGAL SERVICE INC
19689 E VALLEY BLVD #D
WALNUT CA 91789

WAYNE D GEISSER RECEIVER
SMART DEVINE
1600 MARKET ST 32ND FLOOR
PHILADELPHIA PA 19103

Teledraft, Inc.

AL SLATEN
P O BOX 11672`
TEMPE AZ 85284

DAN WOLFE
P O BOX 11672
TEMPE AZ 85284

DON CHARLES
P O BOX 11672
TEMPE AZ 85284

JOHN HUGHES
6455 E RUSTIC DR
MESA AZ 85215

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

In re: **Teledraft, Inc.**

Case No.
Chapter **11**

BUSINESS INCOME AND EXPENSES

FINANCIAL REVIEW OF THE DEBTOR'S BUSINESS (NOTE: ONLY INCLUDE information directly related to the business operation.)

PART A - GROSS BUSINESS INCOME FOR PREVIOUS 12 MONTHS:		
1. Gross Income For 12 Months Prior to Filing:		\$ 67,183.73
PART B - ESTIMATED AVERAGE FUTURE <u>GROSS</u> MONTHLY INCOME:		
2. Gross Monthly Income:		\$ 4,100.00
PART C - ESTIMATED FUTURE MONTHLY EXPENSES:		
3. Net Employee Payroll (Other Than Debtor)	\$ 3,140.00	
4. Payroll Taxes	0.00	
5. Unemployment Taxes	0.00	
6. Worker's Compensation	0.00	
7. Other Taxes	0.00	
8. Inventory Purchases (Including raw materials)	0.00	
9. Purchase of Feed/Fertilizer/Seed/Spray	0.00	
10. Rent (Other than debtor's principal residence)	0.00	
11. Utilities	500.00	
12. Office Expenses and Supplies	50.00	
13. Repairs and Maintenance	75.00	
14. Vehicle Expenses	125.00	
15. Travel and Entertainment	0.00	
16. Equipment Rental and Leases	100.00	
17. Legal/Accounting/Other Professional Fees	0.00	
18. Insurance	0.00	
19. Employee Benefits (e.g., pension, medical, etc.)	0.00	
20. Payments to Be Made Directly By Debtor to Secured Creditors For Pre-Petition Business Debts (Specify):	\$ 0.00	
	0.00	
	0.00	
21. Other (Specify) Bank Fees	\$ 20.00	
	0.00	
	0.00	
22. Total Monthly Expenses		\$ 4,010.00
PART D - ESTIMATED AVERAGE <u>NET</u> MONTHLY INCOME:		
23. AVERAGE NET MONTHLY INCOME (Subtract Item 22 from Item 2)		\$ 90.00