

B1 (Official Form 1) (12/11)

United States Bankruptcy Court WESTERN DISTRICT OF OKLAHOMA OKLAHOMA CITY DIVISION		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): Quality Home Medical Equipment, LLC		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):		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)/Complete EIN (if more than one, state all): xxx-xx-4674		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all):
Street Address of Debtor (No. and Street, City, and State): 524 E. Main Street Stroud, OK		Street Address of Joint Debtor (No. and Street, City, and State):
ZIP CODE 74079		ZIP CODE
County of Residence or of the Principal Place of Business: Lincoln		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):
ZIP CODE		ZIP CODE
Location of Principal Assets of Business Debtor (if different from street address above):		
ZIP CODE		
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.)	Nature of Business (Check one box.) <input checked="" 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	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
Chapter 15 Debtors Country of debtor's center of main interests: Each country in which a foreign proceeding by, regarding, or against debtor is pending:	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).	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.
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.		Check one box: Chapter 11 Debtors <input checked="" type="checkbox"/> Debtor is a small business debtor as defined by 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input checked="" type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). 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).
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.		THIS SPACE IS FOR COURT USE ONLY
Estimated Number of Creditors <input type="checkbox"/> 1-49 <input checked="" 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 checked="" type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input 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 checked="" type="checkbox"/> \$500,001 to \$1 million <input 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		

B1 (Official Form 1) (12/11)**Page 2**

Voluntary Petition <i>(This page must be completed and filed in every case.)</i>		Name of Debtor(s): Quality Home Medical Equipment, LLC	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed: None	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor: None	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
Exhibit A <small>(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.)</small> <input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.		Exhibit B <small>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</small> 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). <div style="text-align: right;"> X _____ Date </div>	
Exhibit C 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? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D (To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D, completed and signed by the debtor, is attached and made a 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.			
Information Regarding the Debtor - Venue (Check any applicable box.)			
<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			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<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 or proceeding [in a federal or state			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.) <div style="text-align: right;"> _____ (Name of landlord that obtained judgment) </div> <div style="text-align: right;"> _____ (Address of landlord) </div>			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire			
<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			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

Voluntary Petition*(This page must be completed and filed in every case)*Name of Debtor(s): **Quality Home Medical Equipment, LLC****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 _____**X** __________
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.)

☐ 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)_____
Date**Signature of Attorney*****X** /s/ Gary D. Hammond
Gary D. Hammond Bar No. **13825****Mitchell & Hammond**
512 N.W. 12th Street
Oklahoma City, OK 73103Phone No. **(405) 216-0007** Fax **(405) 232-6358**2/25/2013

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(b), 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.)

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

Quality Home Medical Equipment, LLC**X** /s/ Jack Stafford
Signature of Authorized IndividualJack Stafford

Printed Name of Authorized Individual

Member

Title of Authorized Individual

2/25/2013

Date

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.

B6A (Official Form 6A) (12/07)

In re Quality Home Medical Equipment, LLC

Case No. _____
(if known)**SCHEDULE A - REAL PROPERTY**

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
None				
Total:			\$0.00	

(Report also on Summary of Schedules)

B6B (Official Form 6B) (12/07)

In re Quality Home Medical Equipment, LLC

Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY**

Type of Property	None	Description and Location of Property	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 home-stead associations, or credit unions, brokerage houses, or cooperatives.		Checking account	\$2,000.00
		Savings account	\$200.00
3. Security deposits with public utilities, telephone companies, landlords, and others.		Warehouse deposit	\$500.00
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		
10. Annuities. Itemize and name each issuer.	X		

B6B (Official Form 6B) (12/07) -- Cont.

In re Quality Home Medical Equipment, LLC

Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY***Continuation Sheet No. 1*

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
11. Interests 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.	X		
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.		Accounts receivable	\$43,500.00
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		

B6B (Official Form 6B) (12/07) -- Cont.

In re Quality Home Medical Equipment, LLC

Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY***Continuation Sheet No. 2*

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X		
20. Contingent and noncontingent 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		
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 defined 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.		2010 Transit Connect	\$8,000.00
		2010 Transit Connect	\$8,000.00

B6B (Official Form 6B) (12/07) -- Cont.

In re Quality Home Medical Equipment, LLC

Case No. _____
(if known)**SCHEDULE B - PERSONAL PROPERTY***Continuation Sheet No. 3*

Type of Property	None	Description and Location of Property	Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption
		2002 GMC Yukon Denali	\$8,100.00
26. Boats, motors, and accessories.	X		
27. Aircraft and accessories.	X		
28. Office equipment, furnishings, and supplies.		7 Dell computers, 7 desks, 7 chairs, 1 conference table with 4 chairs	\$2,575.00
		Fax/copier, 5 copiers	\$200.00
29. Machinery, fixtures, equipment, and supplies used in business.	X		
30. Inventory.		See attached "Exhibit A"	\$72,765.00
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.	X		
<div style="text-align: right;">3 continuation sheets attached</div> <div>(Include amounts from any continuation sheets attached. Report total also on Summary of Schedules.)</div>			Total > \$145,840.00

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INVENTORY 10/22/2012

CATEGORY
CONCENTRATORS
E TANKS
M6 TANKS
D TANKS
CPM MACHINES
HOYER LIFTS
GERI CHAIRS
LAL MATTRESSES
HOSPITAL BEDS
BARIATRIC BEDS
POWER CHAIR
SCOOTER
MANUAL WHEEL CHAIRS
WHEELCHAIR LIFTS
O2 SUPPLIES
BATHROOM SAFETY
ROLLATERS
WALKERS
CPAPS
CPAP MASKS AND SUPPLIES
PORTABLE CONCENTRATORS

"Exhibit A"

B6C (Official Form 6C) (4/10)

In re Quality Home Medical Equipment, LLC

Case No. _____
(If known)**SCHEDULE C - PROPERTY CLAIMED AS EXEMPT**

Debtor claims the exemptions to which debtor is entitled under: ☐ Check if debtor claims a homestead exemption that exceeds \$146,450.*
(Check one box)

☐ 11 U.S.C. § 522(b)(2)☐ 11 U.S.C. § 522(b)(3)

Description of Property	Specify Law Providing Each Exemption	Value of Claimed Exemption	Current Value of Property Without Deducting Exemption
Not Applicable			
<i>* Amount subject to adjustment on 4/1/13 and every three years thereafter with respect to commenced on or after the date of adjustment.</i>		\$0.00	\$0.00

B6D (Official Form 6D) (12/07)

In re **Quality Home Medical Equipment, LLC**Case No. _____
(if known)**SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS**☐ 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 AN ACCOUNT NUMBER (See Instructions Above.)	CODEBTOR	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCT #: Ford Motor Credit P.O. Box 650575 Dallas, TX 75265-0575	X	DATE INCURRED: NATURE OF LIEN: Purchase Money COLLATERAL: 2 Transits REMARKS: VALUE: \$16,000.00				\$1,241.64	
ACCT #: Stroud National Bank 830 N. Main Perkins, OK 74059	X	DATE INCURRED: May 15, 2012 NATURE OF LIEN: Purchase Money COLLATERAL: Secured by vehicle owned by Jack Stafford REMARKS: The vehicle is owned by Jack Stafford, the majority owner of Debtor. This loan was created in May, 2012. The terms of the loan require monthly payments for 24				\$6,202.02	
		months. The monthly payments are \$361.34 per month. All payments are due on the 15th of the month. The final payment is due May 15, 2014. VALUE: \$8,100.00					
ACCT #: Stroud National Bank 830 N. Main Perkins, OK 74059	X	DATE INCURRED: NATURE OF LIEN: Line of Credit COLLATERAL: See attachment to Schedule B REMARKS: This loan was renewed May 17, 2012. The loan is an interest only loan and matures May 15, 2013. The loan is secured by equipment and inventory. The monthly payment is \$480.				\$128,839.03	\$56,074.03
Subtotal (Total of this Page) > Total (Use only on last page) >						\$136,282.69	\$56,074.03

1 continuation sheets attached

(Report also on Summary of Schedules.)

(If applicable, report also on Statistical Summary of Certain Liabilities)

(Report also on Summary of Schedules.)	(If applicable, report also on Statistical Summary of Certain Liabilities
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B6E (Official Form 6E) (04/10)

In re **Quality Home Medical Equipment, LLC**Case No. _____
(If Known)**SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS**☐ 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 sheet)☐ **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

☐ **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

☐ **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 \$11,725* per person earned within 180 days immediately preceding the

☐ **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

☐ **Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. §

☐ **Deposits by individuals**

Claims of individuals up to \$2,600* for deposits for the purchase, lease or rental of property or services for personal, family, or household use,

☒ **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)

☐ **Commitments to Maintain the Capital of an Insured Depository Institution**

Claims based on commitments to the 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

☐ **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

☐ **Administrative allowances under 11 U.S.C. Sec. 330**

Claims based on services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed

** Amounts are subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of*1 continuation sheets attached

B6E (Official Form 6E) (04/10) - Cont.

In re Quality Home Medical Equipment, LLC

Case No. _____
(If Known)**SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS**

TYPE OF PRIORITY

Taxes and Certain Other Debts Owed to Governmental Units

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM	AMOUNT ENTITLED TO	AMOUNT NOT ENTITLED TO PRIORITY,
ACCT #: Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346	X	DATE INCURRED: 2011 CONSIDERATION: Taxes REMARKS:				\$64,000.00	\$64,000.00	\$0.00
ACCT #: Jeff Sparks, Creek County Treasurer 317 E. Lee, Room 201 Sapulpa, OK 74066-4342	X	DATE INCURRED: CONSIDERATION: Taxes REMARKS:				\$84.00	\$84.00	\$0.00
ACCT #: Lisa Turpin, Seminole County Treasurer P.O. Box 1340 Wewoka, OK 74884	X	DATE INCURRED: CONSIDERATION: Taxes REMARKS:				\$3,064.46	\$0.00	\$3,064.46
ACCT #: Oklahoma Employment Security Commission P.O. Box 52003 Oklahoma City, OK 73152-2003	X	DATE INCURRED: CONSIDERATION: Taxes REMARKS:				\$501.03	\$501.03	\$0.00
Sheet no. <u>1</u> of <u>1</u> continuation of Schedule E attached to Schedule of Creditors Holding Priority Claims						\$67,649.49	\$64,585.03	\$3,064.46
Subtotals (Totals of this page) >						\$67,649.49		
Total >								
(Use only on last page of the completed Schedule E.)								
Totals >							\$64,585.03	\$3,064.46
(Use only on last page of the completed Schedule E.)								
If applicable, report also on the Statistical								

B6F (Official Form 6F) (12/07)

In re **Quality Home Medical Equipment, LLC**Case No. _____
(if known)**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**☐ 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.)	CODEBTR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: A&T Installation P.O. Box 625 Stroud, OK 74079		DATE INCURRED: CONSIDERATION: Collection REMARKS:				\$1,364.00
ACCT #: Andrews Davis 100 N. Broadway, Ste. 3300 Oklahoma City, OK 73102-8812		DATE INCURRED: CONSIDERATION: Attorney Fees REMARKS:				\$1,629.00
ACCT #: Aqua Pleasures 221 N. Cleveland Ave. Cushing, OK 74023-3231		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$262.69
ACCT #: Brightree 123 Commerce Circle Sacramento, CA 95815		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$2,752.00
ACCT #: BSN Medical 5825 Carnegie Blvd. Charlotte, NC 28209-4633		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$598.41
ACCT #: Capital One P.O. Box 60599 City of Industry, CA 91716-0599		DATE INCURRED: CONSIDERATION: Credit Card REMARKS:				\$3,200.00
Subtotal >						\$9,806.10
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.)

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
Representing: Capital One		Firstsource Advantage, LLC P.O. Box 628 Buffalo, NY 14240-0628				Notice Only
Representing: Capital One		NCO Financial Systems, Inc. P.O. Box 17218 Dept. 64 Wilmington, DE 19850				Notice Only
ACCT #: City of Seminole P.O. Box 1218 Main at Evans Seminole, OK 74818-1218		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$344.31
ACCT #: Connections Inc. 5332 S. Memorial Tulsa, OK 74145		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$1,142.76
ACCT #: Dedicated Distribution 640 Miami Avenue Kansas City, KS 66105-2140		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$3,484.07
ACCT #: Deluxe for Business P.O. Box 88042 Chicago, IL 60680-1042		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$336.75
Sheet no. <u>1</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal >
						\$5,307.89
						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.)

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBITOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Drive P.O. Box 798019 St. Louis, MO 63179-8000		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$2,110.21
ACCT #: Gears Towing and Auto Repair P.O. Box 650575 Dallas, TX 72265-0575		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$488.22
ACCT #: Gulf South Medical Supply P.O. Box 841968 Dallas, TX 75284-1968		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$77,442.24
Representing: Gulf South Medical Supply		Jimerson and Cobb, PA Riverside Center 701 Riverside Park Place, Ste. 302 Jacksonville, FL 32204				Notice Only
ACCT #: Health Care Service Corp./BCBS Box 731428 14800 Frye Road, 2nd Floor Ft. Worth, TX 76155		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$2,723.04
ACCT #: Invacare P.O. Box 824056 Philadelphia, PA 19182-4056		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$1,741.72
Sheet no. <u>2</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal > \$84,505.43
(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.)						Total >

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137		DATE INCURRED: CONSIDERATION: Loan REMARKS:				\$100,778.92
ACCT #: Jireh Medical, LLC P.O. Box 308 Mounds, OK 74047		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$57,341.85
Representing: Jireh Medical, LLC		H.L. Holtmann H.L. Holtmann Law Office Garden Oaks 5232 E. 69th Place Tulsa, OK 74136				Notice Only
ACCT #: JM Publishing Co. P.O. Box 54621 Oklahoma City, OK 73154		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$815.48
ACCT #: Lifegas 575 Mountain Ave. New Providence, NJ 07974-2097		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$33,686.90
ACCT #: Lowes P.O. Box 530970 Atlanta, GA 30353-0970		DATE INCURRED: CONSIDERATION: Credit Card REMARKS:				\$1,800.00
Sheet no. <u>3</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal > \$194,423.15
(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.)						Total >

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Mallinckrodt, LLC P.O. Box 730356 Dallas, TX 75373-0356		DATE INCURRED: CONSIDERATION: Collection REMARKS:				\$405.56
ACCT #: Medical Billing Solutions 4236 NW 120 Avenue Coral Springs, FL 33065		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$3,611.28
ACCT #: xxx9188 Medline Industries, Inc. Dept. 1080 P.O. Box 121080 Dallas, TX 75312-1080		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$3,114.82
Representing: Medline Industries, Inc.		Cain & Werner 1699 E. Woodfield Rd. Ste. 360 Schaumburg, IL 60173				Notice Only
ACCT #: Merits Health Products 730 NE 19th Place Cape Coral, FL 33909		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$657.99
ACCT #: MHM Resources, Inc. P.O. Box 870725 Kansas City, MO 64187-0725		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$425.00
Sheet no. <u>4</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal > \$8,214.65
(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.)						Total >

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: ONG P.O. Box 21019 Tulsa, OK 74121-1019		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$900.00
ACCT #: Oreilly Auto Parts P.O. Box 790098 St. Louis, MO 63179-0098		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$268.00
ACCT #: Ozarka Water and Coffee Service P.O. Box 26730 Oklahoma City, OK 73126		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$69.12
ACCT #: Palliative Hospice Center, LLC c/o Doug Gould, PLC 6303 Waterford Blvd., Ste. 260 Oklahoma City, OK 73118		DATE INCURRED: CONSIDERATION: Other REMARKS:				\$4,975.00
ACCT #: Patterson Medical 1000 Remington Blvd., Ste. 210 Bolingbrook, IL 60440-5117		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$132.56
ACCT #: Phillips Respiroics P.O. Box 405740 Atlanta, GA 30384-5740		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$6,547.44
Sheet no. <u>5</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal > \$12,892.12
(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.)						Total >

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Pitney-Bowes P.O. Box 371887 Pittsburgh, PA 15250-7887		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$577.02
ACCT #: Poskey Auto Repair P.O. Box 589 Stroud, OK 74079		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$1,040.10
ACCT #: Prairie View Industries, Inc. P.O. Box 575 2620 Industrial Drive Fairbury, NE 68352-0575		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$102.99
ACCT #: Pride Mobility 182 Susquehanna Ave. Exeter, PA 18643-2694		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$58,000.00
ACCT #: Pride Mobility 182 Susquehanna Ave. Exeter, PA 18643-2694		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$4,161.01
ACCT #: Rauch-Miliken International, Inc. P.O. Box 8390 Metairie, LA 70011-8390		DATE INCURRED: CONSIDERATION: Notice Only REMARKS:				Notice Only
Sheet no. <u>6</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal > \$63,881.12
(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.)						Total >

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: Rauch-Milliken International, Inc. P.O. Box 8390 Metairie, LA 70011-8390		DATE INCURRED: CONSIDERATION: Collecting for Drive Medical Design and Manu REMARKS:				\$2,482.60
ACCT #: Reynolds, Ridings, Vogt, and McCart 2200 First National Center 120 N. Robinson Oklahoma City, OK 73102		DATE INCURRED: CONSIDERATION: Collecting for American Express REMARKS:				\$23,000.00
ACCT #: Richard T. Avis & Assoc. P.O. Box 1008 Arlington Heights, IL 60006		DATE INCURRED: CONSIDERATION: Collecting for Phillips Respironics REMARKS:				\$13,646.77
ACCT #: Roscoe Medical P.O. Box 73743 Cleveland, OH 44193		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$3,806.06
ACCT #: Salter Labs 5900 Sepulveda Blvd. Ste. 104 Sherman Oaks, CA 91411		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$1,405.49
ACCT #: Security Bank Card P.O. Box 22116 Tulsa, OK 74121-2116		DATE INCURRED: CONSIDERATION: Credit Card REMARKS:				\$20,000.00
Sheet no. <u>7</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal >
						\$64,340.92
						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.)

B6F (Official Form 6F) (12/07) - Cont.
In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTOR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
Representing: Security Bank Card		Hood & Stacey 216 N. Main St. Bentonville, AR 72712				Notice Only
ACCT #: Shawnee News Star P.O. Box 1688 Shawnee, OK 74801-1688		DATE INCURRED: CONSIDERATION: Services REMARKS:				\$85.17
ACCT #: Staples c/o Estate Information Services, LLC P.O. Box 1730 Reynoldsburg, OH 43068-8730		DATE INCURRED: CONSIDERATION: Credit Card REMARKS:				\$3,500.00
Representing: Staples		P.O. Box 689020 Des Moines, IA 50368-9020				Notice Only
ACCT #: Stroud Rent-A-Tool 422 West Main Stroud, OK 74079		DATE INCURRED: CONSIDERATION: Other REMARKS:				\$690.39
ACCT #: Sunrise Medical P.O. Box 933056 Atlanta, GA 31193-3056		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$1,400.00
Sheet no. <u>8</u> of <u>9</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal > \$5,675.56
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.)						

B6F (Official Form 6F) (12/07) - Cont.
 In re **Quality Home Medical Equipment, LLC**

Case No. _____
 (if known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTR	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCT #: VGM Financial P.O. Box 77077 Minneapolis, MN 55480-7777		DATE INCURRED: CONSIDERATION: Purchases REMARKS:				\$6,700.00
Sheet no. 9 of 9 continuation sheets attached to		Subtotal >			\$6,700.00	
Schedule of Creditors Holding Unsecured Nonpriority Claims		Total >			\$455,746.94	
		(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.)				

B6G (Official Form 6G) (12/07)

In re Quality Home Medical Equipment, LLC

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 nature of debtor's interest 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 of 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 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.

B6H (Official Form 6H) (12/07)

In re Quality Home Medical Equipment, LLC

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 debtor's spouse and of any former spouse who resides or

☐ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Ford Motor Credit P.O. Box 650575 Dallas, TX 75265-0575
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Stroud National Bank 830 N. Main Perkins, OK 74059
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Stroud National Bank 830 N. Main Perkins, OK 74059
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Jeff Sparks, Creek County Treasurer 317 E. Lee, Room 201 Sapulpa, OK 74066-4342
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Lisa Turpin, Seminole County Treasurer P.O. Box 1340 Wewoka, OK 74884
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137	Oklahoma Employment Security Commission P.O. Box 52003 Oklahoma City, OK 73152-2003

B6 Summary (Official Form 6 - Summary) (12/07)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re **Quality Home Medical Equipment, LLC**

Case No.

Chapter **11**

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 also must 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	\$0.00			
B - Personal Property	Yes	5	\$145,840.00			
C - Property Claimed as Exempt	No					
D - Creditors Holding Secured Claims	Yes	2				\$136,282.69
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	2				\$67,649.49
F - Creditors Holding Unsecured Nonpriority Claims	Yes	10				\$455,746.94
G - Executory Contracts and Unexpired Leases	Yes	1				
H - Codebtors	Yes	1				
I - Current Income of Individual Debtor(s)	No					
J - Current Expenditures of Individual Debtor(s)	No					
TOTAL		22	\$145,840.00	\$659,679.12		

B6 Declaration (Official Form 6 - Declaration) (12/07)

In re **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, the Member 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
24 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

(Total shown on summary page plus 1.)

Date 2/25/2013

Signature /s/ Jack Stafford

Jack Stafford

Member

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

B7 (Official Form 7) (12/12)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re: **Quality Home Medical Equipment, LLC**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS

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. State also the gross amounts received during the TWO YEARS immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income.

AMOUNT	SOURCE
\$730,542	2012 Business income
\$1,232,367	2011 Business income
\$2,117,339	2010 Business income

2. Income other than from employment or operation of business

None

☒

State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the TWO YEARS immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse

3. Payments to creditors**Complete a. or b., as appropriate, and c.**

None

☐

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

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT PAID	AMOUNT STILL OWING
See attached "Exhibit B"			

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 the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,850*. 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 credit counseling agency.

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

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
See Exhibit C			

B7 (Official Form 7) (12/12) - Cont.

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re: **Quality Home Medical Equipment, LLC**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS

Continuation Sheet No. 1

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

**CAPTION OF SUIT AND
CASE NUMBER**

**Quality Home Medical
Equipment v Life's Journey
Hospice, LLC, Case No. CJ-
2010-00241**

NATURE OF PROCEEDING

Indebtedness

**COURT OR AGENCY
AND LOCATION**

**District Court of Lincoln
County, State of
Oklahoma**

**STATUS OR
DISPOSITION**

Dismissed

**Gulf South Medical Supply v.
Quality Home Medical
Equipment, LLC, Case no. 16-
2012-CA-008813**

Indebtedness

**In the Circuit Court,
Fourth Judicial Circuit,
Duval County, Florida**

Pending

**American Express Bank v. Jack
Stafford, Case No. CJ-2012-
0073**

Indebtedness

**District Court of Lincoln
County, State of
Oklahoma**

Pending

**Arvest Bank v. Jack Stafford,
Case No. CJ-2012-00136**

Indebtedness

**District Court of Lincoln
County, State of
Oklahoma**

Pending

**Pallitive Hospice Center, LLC v.
Quality Home Medical
Equipment, LLC, Adversary
case no. 09-01122-SAH**

Indebtedness

**United States
Bankruptcy Court For
The Western District of
Oklahoma**

Judgment entered

Tinker Federal Credit Union

**Andrews Davis v. Quality Home
Medical Equipment, LLC, Case
No. SC-2012-193**

Indebtedness

**District Court of Lincoln
County, State of
Oklahoma**

Pending

**Jireh Medical, LLC v. Quality
Home Medical Equipment, LLC,
Case No. CJ-2012-530**

Indebtedness

**District Court of Creek
County, State of
Oklahoma**

Pending

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

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

B7 (Official Form 7) (12/12) - Cont.

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re: **Quality Home Medical Equipment, LLC**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 2

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

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

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

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

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

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYER IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
Mitchell & Hammond 512 NW 12th Street Oklahoma City, OK 73103	Various	\$10,531.71

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

NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
Gorolen Bro.	8/26/2011	2005 Sprinter; \$12,000 received and paid note off in the amount of \$5,623.78
Gorolen Bro.	2/6/11	Forklift; \$2,600 received and paid note off in the amount of \$2,600
Auction	10/4/12	2007 Tundra; \$9,750 received and paid off note in the amount of \$7,410.50

B7 (Official Form 7) (12/12) - Cont.

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re: **Quality Home Medical Equipment, LLC**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 3

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

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,

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

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

14. Property held for another person

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

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

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

B7 (Official Form 7) (12/12) - Cont.

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re: **Quality Home Medical Equipment, LLC**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 4

17. Environmental Information

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.

- None ☐ 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

- 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.

- None ☒ c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is

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

- 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. §

B7 (Official Form 7) (12/12) - Cont.

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

In re: **Quality Home Medical Equipment, LLC**Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 5

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.

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

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

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

None



d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by

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

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

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

None



b. If the debtor is a corporation, list all officers or directors whose relationship with the corporation terminated within ONE YEAR immediately

B7 (Official Form 7) (12/12) - Cont.

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION

In re: **Quality Home Medical Equipment, LLC**

Case No. _____
(if known)

STATEMENT OF FINANCIAL AFFAIRS
Continuation Sheet No. 6

23. Withdrawals from a partnership or distributions 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

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

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,

[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 2/25/2013

Signature /s/ Jack Stafford
Jack Stafford
Member

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

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

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10:50 AM
10/25/12
Accrual Basis

pg 13

QUALITY HOME MEDICAL EQUIPMENT
Transactions by Account
As of October 25, 2012

Type	Date	Num	Class	Split	Amount	Balance
2741 - NIP- JACK L STAFFORD						
Check	4/30/2012	9		1010 - Undeposited Fund...	-7,410.50	32,229.06
General Journal	5/1/2012			1500 - FIXED ASSETS	8,000.00	24,818.56
Deposit	5/3/2012			1000 - A-SNB CHECKING	4,000.00	32,818.56
Check	5/18/2012	38858		1000 - A-SNB CHECKING	-8,000.00	36,818.56
General Journal	5/23/2012	JE14		2488 - LINE OF CREDIT	61,438.00	28,818.56
Deposit	5/30/2012			1000 - A-SNB CHECKING	950.00	90,256.56
Deposit	5/30/2012			1000 - A-SNB CHECKING	650.00	91,906.56
Deposit	6/6/2012			1000 - A-SNB CHECKING	650.00	92,556.56
Deposit	6/6/2012			1000 - A-SNB CHECKING	1,000.00	93,206.56
Deposit	6/27/2012			1000 - A-SNB CHECKING	650.00	93,856.56
Deposit	7/3/2012			1000 - A-SNB CHECKING	650.00	94,556.56
Check	7/5/2012	39101		1000 - A-SNB CHECKING	700.00	94,556.56
General Journal	8/1/2012	JE15A		-SPLIT-	-674.16	93,882.40
Check	8/7/2012	39249		1000 - A-SNB CHECKING	857.87	94,740.07
					-1,000.00	93,740.07
Total 2741 - NIP- JACK L STAFFORD					61,511.01	93,740.07
TOTAL					61,511.01	93,740.07

W/p to Jack - where Jack put funds into & out of Quality

1. Exhibit C

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Last 90 Days Nov 2012 - Feb 5 2013

Type	Num	Date	Name	Item	Account	Original Amount
Check	D	11/07/2012	AT&T WIRELESS		1000 - A-SNB CHECKING	-713.46
Check	D	11/29/2012	AT&T WIRELESS		1000 - A-SNB CHECKING	-627.94
Check	D	12/27/2012	AT&T WIRELESS		1000 - A-SNB CHECKING	-940.28
Bill Pmt -Check	T39764	11/28/2012	BLUE CROSS AND BLUE SHIELD		1000 - A-SNB CHECKING	-1,681.33
Bill Pmt -Check	39854	12/27/2012	BLUE CROSS AND BLUE SHIELD		1000 - A-SNB CHECKING	-861.19
Bill Pmt -Check	39855	12/31/2012	BLUE CROSS AND BLUE SHIELD		1000 - A-SNB CHECKING	-1,727.38
Check	39743	11/21/2012	CENTRAL CELLULAR		1000 - A-SNB CHECKING	-650.00
Bill Pmt -Check	39769	12/05/2012	CITY OF STROUD		1000 - A-SNB CHECKING	-869.74
Check	39908	01/09/2013	CITY OF STROUD		1000 - A-SNB CHECKING	-697.00
Check	39691	11/15/2012	DAVENPORT		1000 - A-SNB CHECKING	-612.98
Bill Pmt -Check	D	11/28/2012	FORD CREDIT		1000 - A-SNB CHECKING	-1,241.64
Bill Pmt -Check	D	01/16/2013	FORD CREDIT		1000 - A-SNB CHECKING	-1,241.64
Bill Pmt -Check	39853	12/31/2012	KIDS #5		1000 - A-SNB CHECKING	-1,837.47
Check	39746	11/16/2012	MITCHELL AND HAMMOND ATTY		1010 - Undeposited Funds/Cash	-7,500.00
Check	39696	11/08/2012	PALLIATIVE HOSPICE CENTER		1000 - A-SNB CHECKING	-650.00
Bill Pmt -Check	T39752	11/21/2012	PINNACLE		1000 - A-SNB CHECKING	-701.05
Bill Pmt -Check	39701	11/08/2012	PINNACLE		1000 - A-SNB CHECKING	-701.05
Bill Pmt -Check	39734	11/21/2012	PREFERRED MEDICAL		1000 - A-SNB CHECKING	-1,797.84
Bill Pmt -Check	39774	12/06/2012	PREFERRED MEDICAL		1000 - A-SNB CHECKING	-1,400.99
Bill Pmt -Check	39775	12/06/2012	PREFERRED MEDICAL		1000 - A-SNB CHECKING	-1,920.59
Bill Pmt -Check	39795	12/12/2012	PREFERRED MEDICAL		1000 - A-SNB CHECKING	-1,672.89
Bill Pmt -Check	39910	01/09/2013	PREFERRED MEDICAL		1000 - A-SNB CHECKING	-2,514.35
Bill Pmt -Check	39957	01/30/2013	PREFERRED MEDICAL		1000 - A-SNB CHECKING	-2,228.35
Check	39803	12/14/2012	RESMED		1000 - A-SNB CHECKING	-2,360.00
Check		12/18/2012	RSB WORLDPAY		1000 - A-SNB CHECKING	-1,642.89
Check	39794	12/12/2012	STATE FARM INSURANCE		1000 - A-SNB CHECKING	-777.77
Check	D	11/15/2012	STROUD NATL' BANK		1000 - A-SNB CHECKING	-615.02
Check	D	12/14/2012	STROUD NATL' BANK		1000 - A-SNB CHECKING	-670.00
Check	D	01/15/2013	STROUD NATL' BANK		1000 - A-SNB CHECKING	-844.13
Check	39778	12/03/2012	STROUD NATL' BANK		1000 - A-SNB CHECKING	-665.67
Liability Check	AA	12/05/2012	UNITED STATES TREASURY		1000 - A-SNB CHECKING	-1,228.22
Liability Check	AA	12/05/2012	UNITED STATES TREASURY		1000 - A-SNB CHECKING	-711.86
Liability Check	AA	12/05/2012	UNITED STATES TREASURY		1000 - A-SNB CHECKING	-682.73
Check	39786	12/12/2012	VGM INSURANCE		1000 - A-SNB CHECKING	-728.41
Bill Pmt -Check	39685	11/07/2012	VGM WHOLESALE		1000 - A-SNB CHECKING	-1,076.75
Bill Pmt -Check	39767	12/05/2012	VGM WHOLESALE		1000 - A-SNB CHECKING	-697.00
Bill Pmt -Check					1000 - A-SNB CHECKING	-697.00

Exhibit B

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

IN RE: **Quality Home Medical Equipment, LLC**

CASE NO

CHAPTER **11**

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

1. Pursuant to 11 U.S.C. § 329(a) and Fed. Bankr. P. 2016(b), I certify that I am the attorney for the above-named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept:	\$10,531.71
Prior to the filing of this statement I have received:	\$10,531.71
Balance Due:	\$0.00

2. The source of the compensation paid to me was:

☒ Debtor ☐ Other (specify)

3. The source of compensation to be paid to me is:

☒ Debtor ☐ Other (specify)

4. ☒ I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

☐ I have agreed to share the above-disclosed compensation with another person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statements of affairs and plan which may be required;

6. By agreement with the debtor(s), the above-disclosed fee does not include the following services:

Debtor's counsel received \$10,531.71 prior to Debtor filing bankruptcy. Post Petition services will be billed at \$300 per hour for attorney fees and \$80 per hour for paralegal fees. Debtor currently has \$768.38 in its counsel's trust account.

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

2/25/2013

Date

/s/ Gary D. Hammond

Gary D. Hammond
Mitchell & Hammond

512 N.W. 12th Street
Oklahoma City, OK 73103

Phone: (405) 216-0007 / Fax: (405) 232-6358

Bar No. 13825

/s/ Jack Stafford

Jack Stafford
Member

B4 (Official Form 4) (12/07)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

IN RE: **Quality Home Medical Equipment, LLC**

Case No.

Chapter **11**

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; Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address, including	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar	Nature of claim (trade debt, bank loan,	Indicate if claim is contingent, unliquidated, disputed, or subject to	Amount of claim [if secured also state value of security]
Jack Stafford 2805 E. 97th Ct. Tulsa, OK 74137		Loan		\$100,778.92
Gulf South Medical Supply P.O. Box 841968 Dallas, TX 75284-1968		Purchases		\$77,442.24
Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346		Taxes		\$64,000.00
Pride Mobility 182 Susquehanna Ave. Exeter, PA 18643-2694		Purchases		\$58,000.00
Jireh Medical, LLC P.O. Box 308 Mounds, OK 74047		Purchases		\$57,341.85
Stroud National Bank 830 N. Main Perkins, OK 74059		Line of Credit		\$128,839.00 Value: \$72,765.00

B4 (Official Form 4) (12/07)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

IN RE: **Quality Home Medical Equipment, LLC**

Case No.

Chapter **11****LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS***Continuation Sheet No. 1*

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address, including	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar	Nature of claim (trade debt, bank loan,	Indicate if claim is contingent, unliquidated, disputed, or subject to	Amount of claim [if secured also state value of security]
Lifegas 575 Mountain Ave. New Providence, NJ 07974-2097		Purchases		\$33,686.90
Reynolds, Ridings, Vogt, and McCart 2200 First National Center 120 N. Robinson Oklahoma City, OK 73102		Collecting for American Express		\$23,000.00
Security Bank Card P.O. Box 22116 Tulsa, OK 74121-2116		Credit Card		\$20,000.00
Richard T. Avis & Assoc. P.O. Box 1008 Arlington Heights, IL 60006		Collecting for Phillips Respironics		\$13,646.77
VGM Financial P.O. Box 77077 Minneapolis, MN 55480-7777		Purchases		\$6,700.00
Phillips Respironics P.O. Box 405740 Atlanta, GA 30384-5740		Purchases		\$6,547.44
Palliative Hospice Center, LLC c/o Doug Gould, PLC 6303 Waterford Blvd., Ste. 260 Oklahoma City, OK 73118		Other		\$4,975.00

B4 (Official Form 4) (12/07)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

IN RE: **Quality Home Medical Equipment, LLC**

Case No.

Chapter **11****LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS***Continuation Sheet No. 2*

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address, including	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar	Nature of claim (trade debt, bank loan,	Indicate if claim is contingent, unliquidated, disputed, or subject to	Amount of claim [if secured also state value of security]
Pride Mobility 182 Susquehanna Ave. Exeter, PA 18643-2694		Purchases		\$4,161.01
Roscoe Medical P.O. Box 73743 Cleveland, OH 44193		Purchases		\$3,806.06
Medical Billing Solutions 4236 NW 120 Avenue Coral Springs, FL 33065		Purchases		\$3,611.28
Staples c/o Estate Information Services, LLC P.O. Box 1730 Reynoldsburg, OH 43068-8730		Credit Card		\$3,500.00
Dedicated Distribution 640 Miami Avenue Kansas City, KS 66105-2140		Purchases		\$3,484.07
Capital One P.O. Box 60599 City of Industry, CA 91716-0599		Credit Card		\$3,200.00
Medline Industries, Inc. Dept. 1080 P.O. Box 121080 Dallas, TX 75312-1080		Purchases		\$3,114.82

B4 (Official Form 4) (12/07)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION**

IN RE: **Quality Home Medical Equipment, LLC**

Case No.

Chapter **11**

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Continuation Sheet No. 3

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Member of the Corporation
named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the
best of my information and belief.

Date: 2/25/2013

Signature: /s/ Jack Stafford
Jack Stafford
Member

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION

IN RE: Quality Home Medical Equipment, LLC

CASE NO

CHAPTER 11

VERIFICATION OF CREDITOR MATRIX

The above named Debtor hereby verifies that the attached list of creditors is true and correct to the best of his/her knowledge.

Date 2/25/2013

Signature /s/ Jack Stafford
Jack Stafford
Member

Date _____

Signature _____

A&T Installation
P.O. Box 625
Stroud, OK 74079

Andrews Davis
100 N. Broadway, Ste. 3300
Oklahoma City, OK 73102-8812

Aqua Pleasures
221 N. Cleveland Ave.
Cushing, OK 74023-3231

Brightree
123 Commerce Circle
Sacramento, CA 95815

BSN Medical
5825 Carnegie Blvd.
Charlotte, NC 28209-4633

Cain & Werner
1699 E. Woodfield Rd. Ste. 360
Schaumburg, IL 60173

Capital One
P.O. Box 60599
City of Industry, CA 91716-0599

City of Seminole
P.O. Box 1218
Main at Evans
Seminole, OK 74818-1218

Connections Inc.
5332 S. Memorial
Tulsa, OK 74145

Dedicated Distribution
640 Miami Avenue
Kansas City, KS 66105-2140

Deluxe for Business
P.O. Box 88042
Chicago, IL 60680-1042

Drive
P.O. Box 798019
St. Louis, MO 63179-8000

Firstsource Advantage, LLC
P.O. Box 628
Buffalo, NY 14240-0628

Ford Motor Credit
P.O. Box 650575
Dallas, TX 75265-0575

Gears Towing and Auto Repair
P.O. Box 650575
Dallas, TX 75265-0575

Gulf South Medical Supply
P.O. Box 841968
Dallas, TX 75284-1968

H.L. Holtmann
H.L. Holtmann Law Office
Garden Oaks
5232 E. 69th Place

Health Care Service Corp./BCBS
Box 731428
14800 Frye Road, 2nd Floor
Ft. Worth, TX 76155

Hood & Stacey
216 N. Main St.
Bentonville, AR 72712

Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101-7346

Invacare
P.O. Box 824056
Philadelphia, PA 19182-4056

Jack Stafford
2805 E. 97th Ct.
Tulsa, OK 74137

Jeff Sparks, Creek County Treasurer
317 E. Lee, Room 201
Sapulpa, OK 74066-4342

Jimerson and Cobb, PA
Riverside Center
701 Riverside Park Place, Ste. 302
Jacksonville, FL 32204

Jireh Medical, LLC
P.O. Box 308
Mounds, OK 74047

JM Publishing Co.
P.O. Box 54621
Oklahoma City, OK 73154

Lifegas
575 Mountain Ave.
New Providence, NJ 07974-2097

Lisa Turpin, Seminole County Treasurer
P.O. Box 1340
Wewoka, OK 74884

Lowe's
P.O. Box 530970
Atlanta, GA 30353-0970

Mallinckrodt, LLC
P.O. Box 730356
Dallas, TX 75373-0356

Medical Billing Solutions
4236 NW 120 Avenue
Coral Springs, FL 33065

Medline Industries, Inc.
Dept. 1080
P.O. Box 121080
Dallas, TX 75312-1080

Merits Health Products
730 NE 19th Place
Cape Coral, FL 33909

MHM Resources, Inc.
P.O. Box 870725
Kansas City, MO 64187-0725

NCO Financial Systems, Inc.
P.O. Box 17218
Dept. 64
Wilmington, DE 19850

Oklahoma Employment Security Commission
P.O. Box 52003
Oklahoma City, OK 73152-2003

ONG
P.O. Box 21019
Tulsa, OK 74121-1019

Oreilly Auto Parts
P.O. Box 790098
St. Louis, MO 63179-0098

Ozarka Water and Coffee Service
P.O. Box 26730
Oklahoma City, OK 73126

P.O. Box 689020
Des Moines, IA 50368-9020

Palliative Hospice Center, LLC
c/o Doug Gould, PLC
6303 Waterford Blvd., Ste. 260
Oklahoma City, OK 73118

Patterson Medical
1000 Remington Blvd., Ste. 210
Bolingbrook, IL 60440-5117

Phillips Respironics
P.O. Box 405740
Atlanta, GA 30384-5740

Pitney-Bowes
P.O. Box 371887
Pittsburgh, PA 15250-7887

Poskey Auto Repair
P.O. Box 589
Stroud, OK 74079

Prairie View Industries, Inc.
P.O. Box 575
2620 Industrial Drive
Fairbury, NE 68352-0575

Pride Mobility
182 Susquehanna Ave.
Exeter, PA 18643-2694

Pride Mobility
182 Susquehanna Ave.
Exeter, PA 18643-2694

Rauch-Miliken International, Inc.
P.O. Box 8390
Metairie, LA 70011-8390

Rauch-Miliken International, Inc.
P.O. Box 8390
Metairie, LA 70011-8390

Reynolds, Ridings, Vogt, and McCart
2200 First National Center
120 N. Robinson
Oklahoma City, OK 73102

Richard T. Avis & Assoc.
P.O. Box 1008
Arlington Heights, IL 60006

Roscoe Medical
P.O. Box 73743
Cleveland, OH 44193

Salter Labs
5900 Sepulveda Blvd. Ste. 104
Sherman Oaks, CA 91411

Security Bank Card
P.O. Box 22116
Tulsa, OK 74121-2116

Shawnee News Star
P.O. Box 1688
Shawnee, OK 74801-1688

Staples
c/o Estate Information Services, LLC
P.O. Box 1730
Reynoldsburg, OH 43068-8730

Stroud National Bank
830 N. Main
Perkins, OK 74059

Stroud Rent-A-Tool
422 West Main
Stroud, OK 74079

Sunrise Medical
P.O. Box 933056
Atlanta, GA 31193-3056

VGM Financial
P.O. Box 77077
Minneapolis, MN 55480-7777

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
OKLAHOMA CITY DIVISION

IN RE:
Quality Home Medical Equipment, LLC

CHAPTER 11

DEBTOR(S)

CASE NO

LIST OF EQUITY SECURITY HOLDERS

Registered Name of Holder of Security Last Known Address or Place of Business	Class of Security	Number Registered	Kind of Interest Registered
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**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

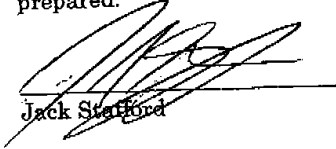
I, the Member of the Corporation
named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the
best of my information and belief.

Date: 2/25/2013

Signature: /s/ Jack Stafford
Jack Stafford
Member

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I declare under penalty of perjury that the attached documents are all of the documents maintained by Quality Home Medical Equipment, LLC in its normal course of business and if documents are required by 11 U.S.C. § 1116(1) and are not attached hereto that such documents are not kept in the ordinary course of business by Quality Home Medical Equipment, LLC and no such documents have been prepared.


Jack Stafford

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02/21/13
Accrual Basis

QUALITY HOME MEDICAL EQUIPMENT
Balance Sheet
As of January 31, 2013

	Jan 31, 13
ASSETS	
Current Assets	
Checking/Savings	808.56
1000 · A-SNB CHECKING	28.62
1021 · BancFirst checking - Shawnee	201.16
1040 · Savings - Stroud Nat'l Bank	1,036.33
Total Checking/Savings	
Accounts Receivable	50,335.71
1200 · Accounts Receivable	50,335.71
Total Accounts Receivable	
Other Current Assets	1,196.75
PRE-PAID INSURANCE	376,310.61
1205 · INVENTORY	640.00
1400 · N/R-EMPLOYEE	4,308.22
1410 · EMPLOYEE LOAN	4,500.00
1411 · Jackie Stafford / House Loan	2,960.97
1415 · PRE-PAID PROFESSIONAL FEES	500.00
1420 · SECURITY DEPOSITS	390,918.05
Total Other Current Assets	
Total Current Assets	442,290.09
Fixed Assets	
1500 · FIXED ASSETS	290,875.76
1505 · OFFICE EQUIPMENT	33,580.10
1520 · Vehicles	81,787.04
1590 · Land	2,000.00
1700 · Accumulated depreciation	-676,851.36
Total Fixed Assets	-268,608.46
Other Assets	
1423 · N/R- MUD STOMP	225,687.28
1424 · N/R- A NEW LEVEL TATTOO	23,078.71
1425 · N/R-POSITIVE POWER PRODUCTIONS	15,918.64
1426 · N/R- TRU TEMP/Reamy Mechanical	10,527.70
Total Other Assets	275,192.33
TOTAL ASSETS	<u>448,373.86</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	182,694.41
2000 · Accounts Payable	182,694.41
Total Accounts Payable	
Credit Cards	
2750 · AMERICAN EXPRESS	23,012.86
2751 · SECURITY BANKCARD CENTER	19,500.00
Total Credit Cards	42,512.86
Other Current Liabilities	
2335 · Employee- Health Ins. Payable	1,765.78
2336 · Employee Dental Ins. Payable	26.46
2340 · Payroll Liabilities	73,258.00

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Accrual Basis

QUALITY HOME MEDICAL EQUIPMENT
Balance Sheet
As of January 31, 2013

	Jan 31, 13
2481 - INTEREST PAYABLE	1,079.35
2488 - LINE OF CREDIT-137197 INVENTORY	128,339.03
2705 - N/P PRIDE MOBILITY	58,632.22
2708 - N/P-2002 GMC	5,410.04
2710 - N/P-VGM LEASE RESPIRONICS	4,931.23
2711 - N/P-VGM LEASE PAYABLE/PACWARE	259.36
Total Other Current Liabilities	274,201.47
Total Current Liabilities	499,408.74
Long Term Liabilities	4,975.00
2480 - LEGAL JUDGEMENT LIABILITY	20,069.00
2700 - NOTES PAYABLE-LONG TERM	633.50
2706 - N/P #0962 '10 TRANSIT CONNECT	608.14
2707 - N/P #6472 '10 TRANSIT CONNECT	59,874.57
2740 - N/P - Mercedes	90,878.47
2741 - N/P- JACK L STAFFORD	187,038.68
Total Long Term Liabilities	686,447.42
Total Liabilities	-144,570.74
Equity	-18.00
3010 - CAPITAL-JACK STAFFORD	-17.00
3011 - CAPITAL-JACKIE 111	-55,051.84
3012 - CAPITAL-RACHEL	-42,909.03
3015 - JACK STAFFORD DRAW	4,993.15
3030 - Retained Earnings	-237,573.46
Total Equity	446,873.96
TOTAL LIABILITIES & EQUITY	

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Accrual Basis

QUALITY HOME MEDICAL EQUIPMENT
Profit & Loss
 January through December 2012

Jan - Dec 12

Ordinary Income/Expense	
Income	
4000 · Patient Fees	0.00
4001 · DEPOSIT CORRECTION	809,697.64
4000 · Patient Fees - Other	
Total 4000 · Patient Fees	809,697.64
Total Income	809,697.64
Cost of Goods Sold	
5000 · Cost of Goods Sold	
5001 · C-PAP & ACCESSORIES	14,659.71
5002 · DME	30,983.41
5003 · Soft Goods	179,913.43
Total 5000 · Cost of Goods Sold	225,556.55
Total COGS	225,556.55
Gross Profit	584,141.09
Expense	
6010 · ADVERTISING	1,133.52
6031 · LIFT CHAIR	2,836.49
6100 · Automobile Expense	
6101 · FUEL EXPENSE	34,053.39
6100 · Automobile Expense - Other	7,340.70
Total 6100 · Automobile Expense	41,394.09
6120 · Bank Service Charges	249.61
6140 · Charitable Contributions	675.00
6144 · CREDIT CARD ACCOUNT FEES	1,207.68
6160 · Dues and Subscriptions	3,557.00
6162 · EQUIPMENT LEASING	2,315.21
6165 · FREIGHT/SHIPPING	187.65
6167 · INTERNET EXPENSE	4,758.19
6180 · Insurance	
Surety Bond-Medicare/Medicaid	500.00
6181 · BUSINESS OWNERS	2,185.98
6182 · COMMERCIAL AUTO	7,030.10
6184 · Liability Insurance	4,722.45
6185 · Work Comp	7,248.70
6188 · HEALTH INSURANCE-COMPANY PAID	19,455.35
6189 · LIFE INSURANCE-COMPANY PAID	122.85
Total 6180 · Insurance	41,265.43
6200 · Interest Expense	
6201 · Interest-LOC# 77214	6,798.51
6200 · Interest Expense - Other	8,081.02
Total 6200 · Interest Expense	14,879.53
6230 · Licenses and Permits	2,579.00
6235 · Mini-storage	3,500.00
6245 · OXYGEN SUPPLIES	
OXYGEN	3,419.23
6245 · OXYGEN SUPPLIES - Other	22,127.03
Total 6245 · OXYGEN SUPPLIES	25,546.26
6250 · Postage and Delivery	1,394.73
6270 · Professional Fees	
MEDICAL BILLING	22,021.19
6650 · Accounting	6,250.00
6655 · Consulting/Legal	17,043.53
6270 · Professional Fees - Other	3,150.00
Total 6270 · Professional Fees	48,464.72

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Accrual Basis

QUALITY HOME MEDICAL EQUIPMENT

Profit & Loss

January through December 2012

Jan - Dec 12

6290 · Rent	
STROUD RENT/BLDG	19,097.15
WAREHOUSE	2,675.00
Total 6290 · Rent	21,772.15
6300 · Repairs	
MAINTENANCE	2,125.58
6310 · Building Repairs	129.97
6330 · Equipment Repairs	1,295.30
Total 6300 · Repairs	3,551.85
6340 · Telephone	20,402.18
6345 · TRAINING & EDUCATION	2,990.00
6350 · Travel & Ent	
6360 · Entertainment	
EMPLOYEE CHRISTMAS PARTY	1,250.00
6360 · Entertainment - Other	350.00
Total 6360 · Entertainment	1,600.00
6370 · Meals	161.81
Total 6350 · Travel & Ent	1,761.81
6390 · Utilities	
6391 · Gas and Electric	6,091.64
6390 · Utilities - Other	8,018.65
Total 6390 · Utilities	14,110.29
6450 · Contract Labor	120,457.94
6550 · Office Supplies	
OFFICE EXPENSE	9,112.51
Total 6550 · Office Supplies	9,112.51
6560 · Payroll Expenses	
6561 · GUARANTEED PAYMENT-J. STAFFORD	70,334.08
6562 · Guaranteed pmts - Jackie	19,325.09
6560 · Payroll Expenses - Other	146,095.68
Total 6560 · Payroll Expenses	235,754.85
6565 · PAYROLL TAX EXPENSE	10,482.25
6566 · Payroll Penalty	93.78
6589 · RAMP SYSTEMS	4,118.40
66900 · Reconciliation Discrepancies	0.48
6770 · Supplies	
Equipment cleaning supplies	313.02
Total 6770 · Supplies	313.02
6820 · Taxes	
ESTIMATED TAX	0.00
SUTA	3,540.10
6850 · Property	1,250.63
Total 6820 · Taxes	4,790.73
6910 · WHEELCHAIRS & ACCESSORIES	
6911 · BATTERIES	981.38
6910 · WHEELCHAIRS & ACCESSORIES - Other	3,330.75
Total 6910 · WHEELCHAIRS & ACCESSORIES	4,312.13
Total Expense	649,968.48
Net Ordinary Income	-65,327.39

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Accrual Basis

QUALITY HOME MEDICAL EQUIPMENT
Profit & Loss
 January through December 2012

Jan - Dec 12

Other Income/Expense	
Other Income	
7030 Other Income	20,687.74
7040 Interest income	0.36
7099 Gain-loss - sale of assets	\$,203.50
Total Other Income	20,891.60
Other Expense	
8005 WRITE OFF-N/R	940.87
8011 RECOUPMENT PAYMENTS	674.46
Total Other Expense	1,615.33
Net Other Income	28,276.27
Net Income	<u>-37,551.12</u>

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Form 1065 Department of the Treasury Internal Revenue Service	U.S. Return of Partnership Income For calendar year 2011, or tax year beginning _____, 2011, ending _____, 20____. ▶ See separate instructions.	OMB No. 1545-0099 <div style="font-size: 24pt; font-weight: bold;">2011</div>
A Principal business activity B Principal product or service C Business code number	Print or type. QUALITY HOME MEDICAL EQUIPMENT 524 EAST MAIN ST STROUD, OK 74079	D Employer identification number 73-1554674 E Date business started 4/01/1999 F Total assets (see instrs) \$ 489,301.
G Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return (6) <input type="checkbox"/> Technical termination — also check (1) or (2)		
H Check accounting method: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____		
I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year. 3		
J Check if Schedules C and M-3 are attached. <input type="checkbox"/>		
Caution. Include <u>only</u> trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.		
I N C O M E	1a Merchant card and third-party payments (including amounts reported on Form(s) 1099-K). For 2011, enter -0- 1a 0.	
	b Gross receipts or sales not reported on line 1a (see instructions) 1b 1,217,367.	
	c Total. Add lines 1a and 1b. 1c 1,217,367.	
	d Returns and allowances plus any other adjustments to line 1a (see inst) 1d	
	e Subtract line 1d from line 1c. 1e 1,217,367.	
	2 Cost of goods sold (attach Form 1125-A) 2 363,808.	
	3 Gross profit. Subtract line 2 from line 1e. 3 853,559.	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement). 4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040)). 5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797). 6 13,967.	
D E D U C T I O N S S E E I N S T R U C T I O N S F O R L I M I T A T I O N S	7 Other income (loss) (attach statement). See Statement 1 7 29,073.	
	8 Total income (loss). Combine lines 3 through 7. 8 896,599.	
	9 Salaries and wages (other than to partners) (less employment credits). 9 313,869.	
	10 Guaranteed payments to partners. 10 82,839.	
	11 Repairs and maintenance. 11 30,232.	
	12 Bad debts. 12	
	13 Rent. 13 40,860.	
	14 Taxes and licenses. 14 41,775.	
	15 Interest. 15 30,430.	
	16a Depreciation (if required, attach Form 4562). 16a 30,786.	
	b Less depreciation reported on Form 1125-A and elsewhere on return. 16b	
	16c 30,786.	
17 Depletion (Do not deduct oil and gas depletion.) 17		
18 Retirement plans, etc. 18		
19 Employee benefit programs. 19		
20 Other deductions (attach statement). See Statement 2 20 324,519.		
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20. 21 895,310.		
22 Ordinary business income (loss). Subtract line 21 from line 8. 22 1,289.		
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.		
Sign Here	Signature of general partner or limited liability company member manager _____ Date _____	
Paid Preparer Use Only	Print/Type preparer's name _____ Preparer's signature _____ Date _____	
	Firm's name ▶ Judith K. Ballard, CPA, PC Firm's EIN ▶ 33-1153515	
	Firm's address ▶ 220 W. Main - P.O. Box 746 Stroud, OK 74079	
	Phone no. (918) 968-3511	
May the IRS discuss this return with the preparer shown below (see instrs)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

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Form 1065 (2011) QUALITY HOME MEDICAL EQUIPMENT 73-1554674

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Schedule B Other Information

		Yes	No
1 What type of entity is filing this return? Check the applicable box:			
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership		
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership		
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other..... ▶		
2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?			X
3 At the end of the tax year:			
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.			X
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.		X	
4 At the end of the tax year, did the partnership:			
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (iv) below.			X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below.					X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital	

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Form 1065 (2011) QUALITY HOME MEDICAL EQUIPMENT 73-1554674		Page 3	
		Yes	No
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(i) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details.		<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Does this partnership satisfy all four of the following conditions?			
a The partnership's total receipts for the tax year were less than \$250,000.			
b The partnership's total assets at the end of the tax year were less than \$1 million.			
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.			
d The partnership is not filing and is not required to file Schedule M-3.		<input checked="" type="checkbox"/>	
If 'Yes,' the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.			
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?			<input checked="" type="checkbox"/>
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?			<input checked="" type="checkbox"/>
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?			<input checked="" type="checkbox"/>
10 At any time during calendar year 2011, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If 'Yes,' enter the name of the foreign country.			<input checked="" type="checkbox"/>
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions.			<input checked="" type="checkbox"/>
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding section 754 election.		<input checked="" type="checkbox"/>	
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions.			<input checked="" type="checkbox"/>
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions.			<input checked="" type="checkbox"/>
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly-owned by the partnership throughout the tax year).		<input type="checkbox"/>	
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in a partnership property?			<input checked="" type="checkbox"/>
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions.			
16 Does the partnership have any foreign partners? If 'Yes,' enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership.			<input checked="" type="checkbox"/>
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return.			
18a Did you make any payments in 2011 that would require you to file Form(s) 1099? See instructions.		<input checked="" type="checkbox"/>	
b If 'Yes,' did you or will you file all required Form(s) 1099?		<input checked="" type="checkbox"/>	
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return.			
Designation of Tax Matters Partner (see the instructions) Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:			
Name of designated TMP	JACK L. STAFFORD	Identifying number of TMP	429-31-3115
If the TMP is an entity, name of TMP representative		Phone number of TMP	918-290-9516
Address of designated TMP	524 E MAIN STROUD, OK 74079		

Form 1065 (2011)

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Form 1065 (2011)		QUALITY HOME MEDICAL EQUIPMENT 73-1554674		Page 4
Schedule K Partners' Distributive Share Items		Total amount		
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1		1,289.
	2 Net rental real estate income (loss) (attach Form 8825)	2		
	3a Other gross rental income (loss)	3a		
	b Expenses from other rental activities (attach stmt)	3b		
	c Other net rental income (loss). Subtract line 3b from line 3a	3c		
	4 Guaranteed payments	4		82,839.
	5 Interest income	5		
	6 Dividends: a Ordinary dividends	6a		
	b Qualified dividends	6b		
	7 Royalties	7		
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a			
b Collectibles (28%) gain (loss)	9b			
c Unrecaptured section 1250 gain (attach statement)	9c			
10 Net section 1231 gain (loss) (attach Form 4797)	10		400.	
11 Other income (loss) (see instructions) Type ▶	11			
Deductions	12 Section 179 deduction (attach Form 4562)	12		
	13a Contributions. See Statement 3	13a		448.
	b Investment interest expense	13b		
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount. ▶	13c (2)		
d Other deductions (see instructions) Type ▶	13d			
Self-Employment	14a Net earnings (loss) from self-employment	14a		70,289.
	b Gross farming or fishing income	14b		
	c Gross nonfarm income	14c		
Credits	15a Low-income housing credit (section 42(j)(5))	15a		
	b Low-income housing credit (other)	15b		
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c		
	d Other rental real estate credits (see instructions) Type ▶	15d		
	e Other rental credits (see instructions) Type ▶	15e		
	f Other credits (see instructions) Type ▶ See Statement 4	15f		4,000.
Foreign Transactions	16a Name of country or U.S. possession ▶			
	b Gross income from all sources	16b		
	c Gross income sourced at partner level	16c		
	Foreign gross income sourced at partnership level			
	d Passive category ▶ e General category ▶ f Other. ▶	16f		
	Deductions allocated and apportioned at partner level			
	g Interest expense ▶ h Other. ▶	16h		
	Deductions allocated and apportioned at partnership level to foreign source income			
	i Passive category ▶ j General category ▶ k Other. ▶	16k		
	l Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/> k Other. ▶	16l		
m Reduction in taxes available for credit (attach statement)	16m			
n Other foreign tax information (attach statement)				
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a		-3,483.
	b Adjusted gain or loss	17b		-27,704.
	c Depletion (other than oil and gas)	17c		
	d Oil, gas, and geothermal properties — gross income	17d		
	e Oil, gas, and geothermal properties — deductions	17e		
	f Other AMT items (attach stmt)	17f		
Other Information	18a Tax-exempt interest income	18a		
	b Other tax-exempt income	18b		
	c Nondeductible expenses	18c		4,520.
	19a Distributions of cash and marketable securities	19a		107,195.
	b Distributions of other property	19b		
	20a Investment income	20a		
b Investment expenses	20b			
c Other items and amounts (attach stmt) See Statement 5				

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Form 1065 (2011)

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Form 1065 (2011) QUALITY HOME MEDICAL EQUIPMENT 73-1554674

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Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16i.						1	84,080.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners							
b Limited partners		84,080.					

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1 Cash			2,416.		
2a Trade notes and accounts receivable		113,348.		98,336.	
b Less allowance for bad debts			113,348.		98,336.
3 Inventories			120,639.		85,251.
4 U.S. government obligations					
5 Tax-exempt securities					
6 Other current assets (attach stmt)	See St. 6.		4,577.		10,110.
7a Loans to partners (or persons related to partners)					
b Mortgage and real estate loans					
8 Other investments (attach stmt)					
9a Buildings and other depreciable assets		1,113,142.		715,638.	
b Less accumulated depreciation		1,049,624.	63,518.	701,661.	13,977.
10a Depletable assets					
b Less accumulated depletion					
11 Land (net of any amortization)			2,000.		2,000.
12a Intangible assets (amortizable only)					
b Less accumulated amortization					
13 Other assets (attach stmt)	See St. 7.		168,684.		279,627.
14 Total assets			475,182.		489,301.
Liabilities and Capital					
15 Accounts payable			215,190.		144,059.
16 Mortgages, notes, bonds payable in less than 1 year			148,450.		147,261.
17 Other current liabilities (attach stmt)	See St. 8.		5,111.		114,166.
18 All nonrecourse loans					
19a Loans from partners (or persons related to partners)					
b Mortgages, notes, bonds payable in 1 year or more			172,609.		233,266.
20 Other liabilities (attach stmt)	See St. 9.				1.
21 Partners' capital accounts			-66,178.		-149,452.
22 Total liabilities and capital			475,182.		489,301.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books	23,921.	6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest	\$
		Statement 11	27,200.
3 Guaranteed prmts (other than health insurance)	82,839.	7 Deductions included on Schedule K, lines 1 through 13d, and 16i, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16i (itemize):		a Depreciation	\$
a Depreciation	\$		
b Travel and entertainment	\$ 310.	8 Add lines 6 and 7	27,200.
Statement 10	4,210.	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	84,080.
5 Add lines 1 through 4	111,280.		

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	-66,178.	6 Distributions: a Cash	107,195.
2 Capital contributed: a Cash		b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	23,921.		
4 Other increases (itemize):		8 Add lines 6 and 7	107,195.
5 Add lines 1 through 4	-42,257.	9 Balance at end of year. Subtract line 8 from line 5	-149,452.

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SCHEDULE B-1
(Form 1065)(December 2011)
Department of the Treasury
Internal Revenue Service**Information on Partners Owning 50% or
More of the Partnership**

▶ Attach to Form 1065. See instructions.

OMB No. 1545-0099

Name of partnership

QUALITY HOME MEDICAL EQUIPMENT

Employer identification number (EIN)

73-1554674

Part I **Entities Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country or Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

Part II **Individuals or Estates Owning 50% or More of the Partnership** (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
JACK L STAFFORD	429-31-3115	United States	99.947

BAA For Paperwork Reduction Act Notice, see the instructions for Form 1065.

Schedule B-1 (Form 1065) (12-2011)

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Schedule K-1
(Form 1065)Department of the Treasury
Internal Revenue Service

2011

For calendar year 2011, or tax
year beginning _____, 2011
ending _____,Partner's Share of Income, Deductions,
Credits, etc.

▶ See separate instructions.

Part I Information About the Partnership**A** Partnership's employer identification number
73-1554674**B** Partnership's name, address, city, state, and ZIP codeQUALITY HOME MEDICAL EQUIPMENT
524 EAST MAIN ST
STROUD, OK 74079**C** IRS Center where partnership filed return
e-file**D** ☐ Check if this is a publicly traded partnership (PTP)**Part II** Information About the Partner**E** Partner's identifying number
429-31-3115**F** Partner's name, address, city, state, and ZIP codeJACK L STAFFORD
524 E MAIN
STROUD, OK 74079**G** ☒ General partner or LLC member-manager ☐ Limited partner or other LLC member**H** ☒ Domestic partner ☐ Foreign partner**I** What type of entity is this partner? Individual**J** Partner's share of profit, loss, and capital (see instructions):

	Beginning	Ending
Profit	99 %	99 %
Loss	99 %	99 %
Capital	%	99.947112 %

K Partner's share of liabilities at year end:

Nonrecourse	\$
Qualified nonrecourse financing	\$
Recourse	\$

L Partner's capital account analysis:

Beginning capital account	\$ -66,143.
Capital contributed during the year	\$
Current year increase (decrease)	\$ 23,683.
Withdrawals and distributions	\$ (107,195.)
Ending capital account	\$ -149,655.

☒ Tax basis ☐ GAAP ☐ Section 704(b) book
☐ Other (explain)
M Did the partner contribute property with a built-in gain or loss?☐ Yes ☒ No

If "Yes", attach statement (see instructions)

☐ Final K-1☐ Amended K-1

OMB No. 1545-0099

Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
	1,277.	P*	3,960.
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
	62,054.		
5	Interest income		
6a	Ordinary dividends		
6b	Qualified dividends		
7	Royalties		
8	Net short-term capital gain (loss)		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
		A	-3,449.
9b	Collectibles (28%) gain (loss)		
		B	-27,426.
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
	396.		
11	Other income (loss)		
		C	4,474.
12	Section 179 deduction	19	Distributions
		A	107,195.
13	Other deductions		
	444.	20	Other information
		L*	STMT
14	Self-employment earnings (loss)		
	49,504.		

*See attached statement for additional information.

FOR
IRS
USE
ONLYBAA For Paperwork Reduction Act Notice, see Instructions for Form 1065.
Partner 1

Schedule K-1 (Form 1065) 2011

PTPA0312L 08/18/11

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QUALITY HOME MEDICAL EQUIPMENT 73-1554674

Schedule K-1 (Form 1065) 2011

Supplemental Information

Page 3

Box 15
Credits*** Descriptive Information**

P Indian Employment Credit..... \$ 3,960.

Box 20, Code L
Disposition of Assets with Prior Section 179 Expense

Asset Description.....	DIXIE CHOPPER	
Tax Year(s) Passed Through.....	2004	
Date Acquired.....		5/31/2004
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		6,326.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		6,326.

Asset Description.....	DELL COMPUTER SYSTEM	
Tax Year(s) Passed Through.....	2004	
Date Acquired.....		12/31/2004
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		2,764.
Depreciation allowed or allowable.....		435.
Section 179 expense deduction previously reported.....		2,329.

Asset Description.....	OXYGEN CONCENTRATORS	
Tax Year(s) Passed Through.....	2006	
Date Acquired.....		10/01/2006
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		53,742.
Depreciation allowed or allowable.....		33,942.
Section 179 expense deduction previously reported.....		19,800.

Asset Description.....	AC UNIT	
Tax Year(s) Passed Through.....	2007	
Date Acquired.....		6/20/2007
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		1,188.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		1,188.

Asset Description.....	WASHER/DRYER	
Tax Year(s) Passed Through.....	2007	
Date Acquired.....		7/08/2007
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		693.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		693.

Partner 1: JACK L STAFFORD 429-31-3115

SPSL1201L 05/04/11

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QUALITY HOME MEDICAL EQUIPMENT 73-1554674

Schedule K-1 (Form 1065) 2011

Supplemental Information

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Box 20, Code L (continued)**Disposition of Assets with Prior Section 179 Expense**

Asset Description.....	15 STOR-A-BEDS	
Tax Year(s) Passed Through.....	2007	
Date Acquired.....		10/23/2007
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		421.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		421.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through.....	2008	
Date Acquired.....		6/15/2008
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		33,407.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		33,407.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through.....	2009	
Date Acquired.....		3/16/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		6,638.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		6,638.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through.....	2009	
Date Acquired.....		4/30/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		1,832.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		1,832.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through.....	2009	
Date Acquired.....		10/16/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		3,668.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		3,668.

Asset Description.....	REFRIGERATOR	
Tax Year(s) Passed Through.....	2009	
Date Acquired.....		1/21/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		301.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		301.

Partner 1: JACK L STAFFORD 429-31-3115

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QUALITY HOME MEDICAL EQUIPMENT 73-1554674

Schedule K-1 (Form 1065) 2011

Supplemental Information

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Box 20, Code L (continued)**Disposition of Assets with Prior Section 179 Expense**

Asset Description.....	2007 TUNDRA	
Tax Year(s) Passed Through.....	2007	
Date Acquired.....		4/11/2007
Date Sold.....		4/19/2011
Sales Price.....		16,830.
Cost or other basis plus expense of sale.....		33,026.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		33,026.

Asset Description.....	2005 GRAND AM	
Tax Year(s) Passed Through.....	2008	
Date Acquired.....		6/12/2008
Date Sold.....		3/02/2011
Sales Price.....		2,673.
Cost or other basis plus expense of sale.....		4,950.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		4,950.

Asset Description.....	CHEVY HHR	
Tax Year(s) Passed Through.....	2010	
Date Acquired.....		1/27/2010
Date Sold.....		12/31/2011
Sales Price.....		7,425.
Cost or other basis plus expense of sale.....		8,415.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		8,415.

Partner 1: JACK L STAFFORD 429-31-3115

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Form 1125-A (December 2011) Department of the Treasury Internal Revenue Service	Cost of Goods Sold ▶ Attach to Form 1120, 1120-C, 1120-F, 1120-S, 1065, and 1065-B.	OMB No. 1545-2225
Name QUALITY HOME MEDICAL EQUIPMENT		Employer identification number 73-1554674
1 Inventory at beginning of year		1 120,639.
2 Purchases		2 328,420.
3 Cost of labor		3
4 Additional section 263A costs (attach schedule)		4
5 Other costs (attach schedule)		5
6 Total. Add lines 1 through 5		6 449,059.
7 Inventory at end of year		7 85,251.
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions)		8 363,808.
9a Check all methods used for valuing closing inventory:		
(i) <input checked="" type="checkbox"/> Cost		
(ii) <input type="checkbox"/> Lower of cost or market		
(iii) <input type="checkbox"/> Other (Specify method used and att. expl.)		
b Check if there was a writedown of subnormal goods		
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)		
d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO 9d		
e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
BAA For Paperwork Reduction Act Notice, see separate instructions.		
Form 1125-A (12-2011)		

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Form 4797 Department of the Treasury Internal Revenue Service (99)	Sales of Business Property (Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2)) ▶ Attach to your tax return. ▶ See separate instructions.	OMB No. 1545-0184 2011 Attachment Sequence No. 27
Name(s) shown on return QUALITY HOME MEDICAL EQUIPMENT		Identifying number 73-1554674
1 Enter the gross proceeds from sales or exchanges reported to you for 2011 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions)		1 2,900.
Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft – Most Property Held More Than 1 Year (see instructions)		
2	(a) Description of property	(b) Date acquired (month, day, year)
	(c) Date sold (month, day, year)	(d) Gross sales price
	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale
	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)	
	See Statement 12	
		0.
3 Gain, if any, from Form 4684, line 39		3
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37		4
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824		5
6 Gain, if any, from line 32, from other than casualty or theft		6 400.
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:		7 400.
Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.		
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.		
8 Nonrecaptured net section 1231 losses from prior years (see instructions)		8
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)		9
Part II Ordinary Gains and Losses (see instructions)		
10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):		
11 Loss, if any, from line 7		11
12 Gain, if any, from line 7 or amount from line 8, if applicable		12
13 Gain, if any, from line 31		13 13,967.
14 Net gain or (loss) from Form 4684, lines 31 and 38a		14
15 Ordinary gain from installment sales from Form 6252, line 25 or 36		15
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824		16
17 Combine lines 10 through 16		17 13,967.
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:		
a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from 'Form 4797, line 18a.' See instructions.		
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14.		18b

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Form 4797 (2011)

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Form 4797 (2011) QUALITY HOME MEDICAL EQUIPMENT

73-1554674

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Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)
A 2004 SUNFIRE	2/01/06	2/23/11
B 2005 SPRINTER	3/19/08	1/01/11
C		
D		

These columns relate to the properties on lines 19A through 19D		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing.)	20	2,900.	12,000.	
21	Cost or other basis plus expense of sale	21	2,500.	28,770.	
22	Depreciation (or depletion) allowed or allowable	22	2,500.	28,237.	
23	Adjusted basis. Subtract line 22 from line 21	23		533.	
24	Total gain. Subtract line 23 from line 20	24	2,900.	11,467.	
25	If section 1245 property:				
a	Depreciation allowed or allowable from line 22	25a	2,500.	28,237.	
b	Enter the smaller of line 24 or 25a	25b	2,500.	11,467.	
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.				
a	Additional depreciation after 1975 (see instrs)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 & before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Section 291 amount (corporations only)	26f			
g	Add lines 26b, 26e, and 26f	26g			
27	If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).				
a	Soil, water, and land clearing expenses	27a			
b	Line 27a multiplied by applicable percentage (see instructions)	27b			
c	Enter the smaller of line 24 or 27b	27c			
28	If section 1254 property:				
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
29	If section 1255 property:				
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instrs)	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties. Add property columns A through D, line 24	30	14,367.
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13.	31	13,967.
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6.	32	400.

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years	33
34	Recomputed depreciation (see instructions)	34
35	Recapture amount. Subtract line 34 from line 33. See the instructions for where to report.	35

BAA

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Form 4797 (2011)

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Form 8845		Indian Employment Credit		OMB No. 1545-1417	
Department of the Treasury Internal Revenue Service		▶ Attach to your tax return.		2011 Attachment Sequence No. 113	
Name(s) as shown on return				Identifying number	
QUALITY HOME MEDICAL EQUIPMENT				73-1554674	
1 Total of qualified wages and qualified employee health insurance costs paid or incurred during the tax year.....				1	20,000.
2 Calendar year 1993 qualified wages and qualified employee health insurance costs (see instructions). If none, enter -0-.....				2	0.
3 Incremental increase. Subtract line 2 from line 1. If zero or less, enter -0-.....				3	20,000.
4 Multiply line 3 by 20% (.20). See instructions for the adjustment you must make to salaries and wages.....				4	4,000.
5 Indian employment credit from partnerships, S corporations, cooperatives, estates, and trusts.....				5	
6 Add lines 4 and 5. Cooperatives, estates, and trusts, go to line 7. Partnerships and S corporations, stop here and report this amount on Schedule K. All others, stop here and report this amount on Form 3800, line 1g....				6	4,000.
7 Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust (see instructions).....				7	
8 Cooperatives, estates and trusts, subtract line 7 from line 6. Report this amount on Form 3800, line 1g.....				8	

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2011	Federal Statements	Page 1																																																									
Client QUALITYH	QUALITY HOME MEDICAL EQUIPMENT	73-1554674																																																									
2/05/13		10:25AM																																																									
Statement 1 Form 1065, Line 7 Other Income (Loss)																																																											
<table style="width: 100%;"> <tr> <td style="width: 80%;">EARNINGS/CR.....</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 10%; text-align: right;">12,069.</td> </tr> <tr> <td>OTHER INCOME.....</td> <td></td> <td style="text-align: right;">17,004.</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><u>29,073.</u></td> </tr> </table>			EARNINGS/CR.....	\$	12,069.	OTHER INCOME.....		17,004.	Total	\$	<u>29,073.</u>																																																
EARNINGS/CR.....	\$	12,069.																																																									
OTHER INCOME.....		17,004.																																																									
Total	\$	<u>29,073.</u>																																																									
Statement 2 Form 1065, Line 20 Other Deductions																																																											
<table style="width: 100%;"> <tr> <td style="width: 80%;">Accounting.....</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 10%; text-align: right;">3,693.</td> </tr> <tr> <td>Auto and Truck Expense.....</td> <td></td> <td style="text-align: right;">70,071.</td> </tr> <tr> <td>Bank Charges.....</td> <td></td> <td style="text-align: right;">397.</td> </tr> <tr> <td>CREDIT CARD FEES.....</td> <td></td> <td style="text-align: right;">3,159.</td> </tr> <tr> <td>Delivery and Freight.....</td> <td></td> <td style="text-align: right;">3,500.</td> </tr> <tr> <td>Dues and Subscriptions.....</td> <td></td> <td style="text-align: right;">5,590.</td> </tr> <tr> <td>Insurance.....</td> <td></td> <td style="text-align: right;">69,051.</td> </tr> <tr> <td>INTERNET.....</td> <td></td> <td style="text-align: right;">6,241.</td> </tr> <tr> <td>Legal and Professional.....</td> <td></td> <td style="text-align: right;">47,757.</td> </tr> <tr> <td>Meals and Entertainment.....</td> <td></td> <td style="text-align: right;">310.</td> </tr> <tr> <td>Miscellaneous.....</td> <td></td> <td style="text-align: right;">5,031.</td> </tr> <tr> <td>Office Expense.....</td> <td></td> <td style="text-align: right;">13,913.</td> </tr> <tr> <td>Outside Services.....</td> <td></td> <td style="text-align: right;">24,090.</td> </tr> <tr> <td>STORAGE.....</td> <td></td> <td style="text-align: right;">1,116.</td> </tr> <tr> <td>Supplies.....</td> <td></td> <td style="text-align: right;">27,265.</td> </tr> <tr> <td>Telephone.....</td> <td></td> <td style="text-align: right;">23,054.</td> </tr> <tr> <td>Travel.....</td> <td></td> <td style="text-align: right;">415.</td> </tr> <tr> <td>Utilities.....</td> <td></td> <td style="text-align: right;">19,866.</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><u>324,519.</u></td> </tr> </table>			Accounting.....	\$	3,693.	Auto and Truck Expense.....		70,071.	Bank Charges.....		397.	CREDIT CARD FEES.....		3,159.	Delivery and Freight.....		3,500.	Dues and Subscriptions.....		5,590.	Insurance.....		69,051.	INTERNET.....		6,241.	Legal and Professional.....		47,757.	Meals and Entertainment.....		310.	Miscellaneous.....		5,031.	Office Expense.....		13,913.	Outside Services.....		24,090.	STORAGE.....		1,116.	Supplies.....		27,265.	Telephone.....		23,054.	Travel.....		415.	Utilities.....		19,866.	Total	\$	<u>324,519.</u>
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Statement 3 Form 1065, Schedule K, Line 13a Charitable Contributions																																																											
<table style="width: 100%;"> <tr> <td style="width: 80%;">Cash Contributions - 50% Limitation.....</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 10%; text-align: right;">448.</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><u>448.</u></td> </tr> </table>			Cash Contributions - 50% Limitation.....	\$	448.	Total	\$	<u>448.</u>																																																			
Cash Contributions - 50% Limitation.....	\$	448.																																																									
Total	\$	<u>448.</u>																																																									
Statement 4 Form 1065, Schedule K, Line 15f Other Credits																																																											
<table style="width: 100%;"> <tr> <td style="width: 80%;">Form 8845 - Indian Employment Credit.....</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 10%; text-align: right;">4,000.</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><u>4,000.</u></td> </tr> </table>			Form 8845 - Indian Employment Credit.....	\$	4,000.	Total	\$	<u>4,000.</u>																																																			
Form 8845 - Indian Employment Credit.....	\$	4,000.																																																									
Total	\$	<u>4,000.</u>																																																									

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Client QUALITYH	QUALITY HOME MEDICAL EQUIPMENT	73-1554674
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Statement 5
Form 1065, Schedule K, Line 20c
Other Reportable Items

Disposition of Assets with Prior Section 179 Expense

Asset Description..... DIXIE CHOPPER	
Tax Year(s) Passed Through....	2004
Date Acquired.....	5/31/2004
Date Sold.....	1/01/2011
Sales Price.....	0.
Cost or other basis plus expense of sale.....	6,390.
Depreciation allowed or allowable.....	0.
Section 179 expense deduction previously reported.....	6,390.

Asset Description..... DELL COMPUTER SYSTEM	
Tax Year(s) Passed Through....	2004
Date Acquired.....	12/31/2004
Date Sold.....	1/01/2011
Sales Price.....	0.
Cost or other basis plus expense of sale.....	2,792.
Depreciation allowed or allowable.....	439.
Section 179 expense deduction previously reported.....	2,353.

Asset Description..... OXYGEN CONCENTRATORS	
Tax Year(s) Passed Through....	2006
Date Acquired.....	10/01/2006
Date Sold.....	1/01/2011
Sales Price.....	0.
Cost or other basis plus expense of sale.....	54,285.
Depreciation allowed or allowable.....	34,285.
Section 179 expense deduction previously reported.....	20,000.

Asset Description..... AC UNIT	
Tax Year(s) Passed Through....	2007
Date Acquired.....	6/20/2007
Date Sold.....	1/01/2011
Sales Price.....	0.
Cost or other basis plus expense of sale.....	1,200.
Depreciation allowed or allowable.....	0.
Section 179 expense deduction previously reported.....	1,200.

Asset Description..... WASHER/DRYER	
Tax Year(s) Passed Through....	2007
Date Acquired.....	7/08/2007
Date Sold.....	1/01/2011
Sales Price.....	0.
Cost or other basis plus expense of sale.....	700.
Depreciation allowed or allowable.....	0.
Section 179 expense deduction previously reported.....	700.

Asset Description..... 15 STOR-A-BEDS	
Tax Year(s) Passed Through....	2007
Date Acquired.....	10/23/2007
Date Sold.....	1/01/2011
Sales Price.....	0.
Cost or other basis plus expense of sale.....	425.
Depreciation allowed or allowable.....	0.
Section 179 expense deduction previously reported.....	425.

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Statement 5 (continued)
Form 1065, Schedule K, Line 20c
Other Reportable Items

Disposition of Assets with Prior Section 179 Expense (continued)

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through....	2008	
Date Acquired.....		6/15/2008
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		33,744.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		33,744.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through....	2009	
Date Acquired.....		3/16/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		6,705.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		6,705.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through....	2009	
Date Acquired.....		4/30/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		1,850.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		1,850.

Asset Description.....	LOW AIR LOSS	
Tax Year(s) Passed Through....	2009	
Date Acquired.....		10/16/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		3,705.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		3,705.

Asset Description.....	REFRIGERATOR	
Tax Year(s) Passed Through....	2009	
Date Acquired.....		1/21/2009
Date Sold.....		1/01/2011
Sales Price.....		0.
Cost or other basis plus expense of sale.....		304.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		304.

Asset Description.....	2007 TUNDRA	
Tax Year(s) Passed Through....	2007	
Date Acquired.....		4/11/2007
Date Sold.....		4/19/2011
Sales Price.....		17,000.
Cost or other basis plus expense of sale.....		33,360.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		33,360.

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Statement 5 (continued)
Form 1065, Schedule K, Line 20c
Other Reportable Items

Disposition of Assets with Prior Section 179 Expense (continued)

Asset Description.....	2005 GRAND AM	
Tax Year(s) Passed Through....	2008	
Date Acquired.....		6/12/2008
Date Sold.....		3/02/2011
Sales Price.....		2,700.
Cost or other basis plus expense of sale.....		5,000.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		5,000.

Asset Description.....	CHEVY HHR	
Tax Year(s) Passed Through....	2010	
Date Acquired.....		1/27/2010
Date Sold.....		12/31/2011
Sales Price.....		7,500.
Cost or other basis plus expense of sale.....		8,500.
Depreciation allowed or allowable.....		0.
Section 179 expense deduction previously reported.....		8,500.

Statement 6
Form 1065, Schedule L, Line 6
Other Current Assets

	<u>Beginning</u>	<u>Ending</u>
EMPLOYEE ADVANCES.....	\$ 4,577.	\$ 10,110.
Total	<u>\$ 4,577.</u>	<u>\$ 10,110.</u>

Statement 7
Form 1065, Schedule L, Line 13
Other Assets

	<u>Beginning</u>	<u>Ending</u>
NOTES RECEIVABLE.....	\$ 168,684.	\$ 279,352.
SECURITY DEPOSITS.....	0.	275.
Total	<u>\$ 168,684.</u>	<u>\$ 279,627.</u>

Statement 8
Form 1065, Schedule L, Line 17
Other Current Liabilities

	<u>Beginning</u>	<u>Ending</u>
ACCRUED PAYROLL LIABILITIES.....	\$ 5,111.	\$ 69,987.
CREDIT CARD PAYABLE.....	0.	42,882.
INTEREST PAYABLE.....	0.	1,252.
SALES TAX PAYABLE.....	0.	45.
Total	<u>\$ 5,111.</u>	<u>\$ 114,166.</u>

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Statement 9
Form 1065, Schedule L, Line 20
Other Liabilities

	<u>Beginning</u>	<u>Ending</u>
Rounding.....	\$ 0.	\$ 1.
Total	<u>\$ 0.</u>	<u>\$ 1.</u>

Statement 10
Form 1065, Schedule M-1, Line 4
Expenses on Books Not on Schedule K

PAYROLL PENALTIES.....	\$ 210.
Wages for Employment Credits.....	4,000.
Total	<u>\$ 4,210.</u>

Statement 11
Form 1065, Schedule M-1, Line 6
Income on Books Not on Schedule K

Gain (Loss) on Disposition of Section 179 Assets.....	\$ 27,200.
Total	<u>\$ 27,200.</u>

Statement 12
Form 4797, Page 1, Part I
Sales or Exchanges of Certain Property Held Over One Year

Description of Property	Date Acquired	Date Sold	Sales Price	Depreciation Allowed	Cost or Basis	Gain or Loss
10 WHEELCHAIRS	3/01/97	1/01/11		3,000.	3,000.	\$ 0.
1 ELECTRIC WHEELCHAIR	3/01/97	1/01/11		1,000.	1,000.	0.
1 PULSE OX	3/01/97	1/01/11		1,450.	1,450.	0.
CABINET	8/01/97	1/01/11		120.	120.	0.
PHONE	9/01/97	1/01/11		150.	150.	0.
01 FORD PICK UP	10/01/01	1/01/11	3,550.	27,935.	31,485.	0.
FORKLIFT	6/30/03	1/01/11		1,034.	1,034.	0.
6 PURITAN BENNET 590	6/30/03	1/01/11		1,500.	1,500.	0.
3 PB COMP 590	6/30/03	1/01/11		750.	750.	0.
4 PB COMP 590	6/30/03	1/01/11		1,000.	1,000.	0.
PRINTER	1/31/04	1/01/11		500.	500.	0.
					Total	<u>\$ 0.</u>

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12/31/11		2011 Federal Summary Depreciation Schedule						Page 1		
Client QUALITYH		QUALITY HOME MEDICAL EQUIPMENT						73-1554674		
2/05/13								10:26AM		
No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
Form 1065										
Auto / Transport Equipment										
101	97 CHEVY ASTRO	6/01/01	1/01/11	6,750			6,750	200DB HY	3	0
102	00 CHEVY ASTRO	2/01/02	1/01/11	10,700			10,193	200DB HY	3	0
103	98 DODGE CARAVAN	4/01/02	1/01/11	5,334			5,334	200DB HY	3	0
104	99 DODGE CARAVAN	6/30/99	1/01/11	30,000			17,963	200DB HY	5	0
105	00 DODGE CARAVAN	6/30/03	1/01/11	5,250			5,250	200DB HY	5	0
106	VAN	6/30/03	1/01/11	4,500			4,500	200DB HY	5	0
107	00 BLUE DODGE	6/30/03	1/01/11	6,150			6,150	200DB HY	5	0
108	BANCFIRST VANS	8/26/04	1/01/11	8,000			8,000	200DB HY	3	0
109	2002 ASTROVAN	9/17/04	1/01/11	4,000			4,000	200DB HY	3	0
110	2002 ASTROVAN	9/30/04	1/01/11	4,550			4,550	200DB HY	3	0
111	2000 GMC SAFARI	12/31/04	1/01/11	8,300			8,300	200DB HY	3	0
112	2000 CHEVY ASTRO	12/31/04	1/01/11	6,995			6,995	200DB HY	3	0
113	FORD WINDSTAR	4/30/05	1/01/11	4,395			4,108	200DB HY	5	0
114	0F PT CRUISER	8/31/05	1/01/11	9,500			8,192	200DB HY	5	0
115	CIRRUS	8/31/05	1/01/11	620			620	200DB HY	5	0
116	PROPANE CONVERSION	6/01/06	1/01/11	12,195			12,195	200DB HY	3	0
117	2001 GMC BOX TRUCK	6/01/06		25,900			25,900	200DB HY	3	0
118	2007 TUNDRA	4/11/07	4/19/11	33,360			33,360	200DB HY	3	0
119	2001 DODGE CARAVAN	8/22/07	1/01/11	8,375			8,375	200DB HY	3	0
120	2003 SPRINTER	12/31/07		10,000			10,000	200DB HY	3	0
121	2005 GRAND AM	6/12/08	3/02/11	5,000			5,000	200DB HY	3	0
122	2006 CHEVY HHR	2/27/08	3/15/11	10,100			10,100	200DB HY	3	0
123	2003 DODGE SPRINTER	1/10/08		13,500			13,000	200DB HY	3	500
124	2003 SPRINTER	3/19/08	1/01/11	20,071			20,071	200DB HY	3	0
125	2005 SPRINTER	3/19/08	1/01/11	28,770			27,704	200DB HY	3	533
126	2007 TOYOTA TUNDRA	8/01/08		24,810			24,810	200DB HY	3	0
127	10' TRANSIT CONNECT	9/23/09		21,893			21,893	200DB HY	3	0
128	10' TRANSIT CONNECT	9/23/09		22,806			22,806	200DB HY	3	0
129	CHEVY HHR	1/27/10	12/31/11	8,500			8,500	200DB HY	3	0
130	96 DODGE VAN AND 92 FORD	8/27/10	1/01/11	2,000			2,000	200DB HY	3	0
131	2002 DODGE CARAVAN	8/22/07		8,375			8,375	200DB HY	3	0
132	2003 SPRINTER	3/19/08		20,071			20,071	200DB HY	5	0
Total Auto / Transport Equipment				390,770		0	375,065			1,033

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12/31/11		2011 Federal Summary Depreciation Schedule							Page 2	
Client QUALITYH		QUALITY HOME MEDICAL EQUIPMENT							73-1554674	
2/05/13									10:26AM	
No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
Machinery and Equipment										
2	10 WHEELCHAIRS	3/01/97	1/01/11	3,000			3,000	S/L	7	0
3	1 ELECTRIC WHEELCHAIR	3/01/97	1/01/11	1,000			1,000	S/L	7	0
4	1 PULSE OX	3/01/97	1/01/11	1,450			1,450	S/L	7	0
5	1 OXYGEN ANALYZER	3/01/97		1,000			1,000	S/L	7	0
6	CABINET	8/01/97	1/01/11	120			120	S/L	5	0
7	WHEELCHAIR & LIFT	9/01/97		689			689	S/L	5	0
8	PHONE	9/01/97	1/01/11	150			150	S/L	5	0
9	EQUIPMENT	9/01/97		581			581	S/L	5	0
10	HOSPITAL BED & EQUIPMENT	8/01/97		1,100			1,100	S/L	5	0
11	01 FORD PICK UP	10/01/01	1/01/11	31,485			27,935	200DB HY	3	0
12	OFFICE EQUIPMENT	9/30/03		1,017			1,017	200DB HY	7	0
13	OFFICE EQUIPMENT	11/21/03		1,175			1,175	200DB HY	7	0
14	EQUIPMENT	11/26/03		4,657			4,657	200DB HY	7	0
15	COMPUTER EQUIPMENT	6/30/03		1,256			1,256	200DB HY	5	0
16	SPIROMETRY SYSTEM	6/30/03		1,350			1,350	200DB HY	7	0
17	FORKLIFT	6/30/03	1/01/11	1,034			1,034	200DB HY	7	0
18	3 COMPRESSION TESTERS	6/30/03		1,580			1,580	200DB HY	7	0
19	6 PURITAN BENNET 590	6/30/03	1/01/11	1,500			1,500	200DB HY	7	0
20	3 PB COMP 590	6/30/03	1/01/11	750			750	200DB HY	7	0
21	4 PB COMP 590	6/30/03	1/01/11	1,000			1,000	200DB HY	7	0
22	DELL COMPUTER	1/31/04		1,340			1,340	200DB HY	3	0
23	PRINTER	1/31/04	1/01/11	500			500	200DB HY	3	0
24	DELL COMPUTER	4/30/04		895			895	200DB HY	3	0
25	SCOTTS TRAILER	5/31/04		1,226			1,226	200DB HY	4	0
26	DIXIE CHOPPER	5/31/04	1/01/11	6,390			6,390	200DB HY	4	0
27	STAPLES COMPUTER	6/30/04		1,493			1,493	200DB HY	3	0
28	OFFICE DEPOT-COMPUTER	7/08/04		1,082			1,082	200DB HY	3	0
29	LOWES OFFICE EQUIPMENT	7/09/04		1,210			1,210	200DB HY	4	0
30	COMP USE COMPUTER	8/23/04		914			914	200DB HY	3	0
31	RT 66 TRAILER	11/10/04		866			866	200DB HY	4	0
32	DELL COMPUTER SYSTEM	12/31/04	1/01/11	2,792			2,792	200DB HY	3	0
33	COMPUTER	12/31/04		543			543	200DB HY	3	0
34	PALM PILOT	12/31/04		615			615	200DB HY	3	0
35	OFFICE EQUIPMENT	3/31/05		1,523			1,523	200DB HY	7	0
36	OFFICE EQUIPMENT	3/31/05		1,340			1,340	200DB HY	7	0
37	DESK	6/30/05		1,865			1,865	200DB HY	7	0
38	OFFICE	7/31/05		3,225			3,225	200DB HY	7	0

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12/31/11		2011 Federal Summary Depreciation Schedule							Page 3	
Client QUALITYH		QUALITY HOME MEDICAL EQUIPMENT							73-1554674	
2/05/13									10:26AM	
No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
39	OFFICE	8/31/05		591			591	200DB HY	7	0
40	OFFICE	8/31/05		300			300	200DB HY	7	0
41	EQUIPMENT	9/30/05		3,450			3,450	200DB HY	7	0
42	OFFICE	12/31/05		1,514			1,514	200DB HY	5	0
43	2 MOBILAIRE V 501	6/30/03		500			500	200DB HY	7	0
44	OXYGEN CONCENTRATORS	10/01/06	1/01/11	54,285			54,285	200DB HY	4	0
45	OXYGEN CYLINDERS	1/15/07		5,566			5,520	200DB HY	4	46
46	KNEE MACHINES	2/09/07		3,100			3,100	200DB HY	4	0
47	MATTRESS	2/20/07		574			574	200DB HY	4	0
48	20 UNITS RESPIRONICS	3/29/07		10,335			10,335	200DB HY	4	0
49	40 TANKS	4/12/07		3,273			3,273	200DB HY	4	0
50	ROUTE 66 TRAILER	5/30/07		1,800			1,800	200DB HY	4	0
51	WAREHOUSE SHELVES	5/30/07		2,260			2,260	200DB HY	4	0
52	AC UNIT	6/20/07	1/01/11	1,200			1,200	200DB HY	4	0
53	KANGAROO PUMPS	6/26/07		1,092			1,092	200DB HY	4	0
54	WASHER/DRYER	7/08/07	1/01/11	700			700	200DB HY	4	0
55	EQUIPMENT	7/27/07		3,109			3,109	200DB HY	4	0
56	OXYGEN CYLINDERS	8/14/07		4,504			4,504	200DB HY	4	0
57	EQUIPMENT	8/17/07		997			997	200DB HY	4	0
58	15 STOR-A-BEDS	10/23/07	1/01/11	425			425	200DB HY	4	0
59	BARIATRIC BED 48IN	10/24/07		1,699			1,699	200DB HY	4	0
60	EQUIPMENT	10/24/07		4,209			4,209	200DB HY	4	0
61	LOW BED FULL ELECTRIC	11/02/07		1,100			1,100	200DB HY	4	0
62	2 KANGAROO EPUMPS	11/06/07		819			819	200DB HY	4	0
63	3 M60 TANKS	11/08/07		453			453	200DB HY	4	0
64	E TANKS	11/15/07		6,759			6,759	200DB HY	4	0
65	BAR BED 48" FULL ELECT	11/26/07		1,999			1,999	200DB HY	4	0
66	2 LAL-BARIATRIC	11/28/07		2,500			2,500	200DB HY	4	0
67	EQUIPMENT	12/11/07		1,765			1,765	200DB HY	4	0
68	EQUIPMENT	12/26/07		11,314			11,314	200DB HY	4	0
69	CPM KNEE MACHINE	10/15/08		6,935			6,935	200DB HY	3	0
70	FORKLIFT	1/11/08		3,147			3,147	200DB HY	4	0
71	LOW AIR LOSS	6/15/08	1/01/11	33,744			33,744	200DB HY	3	0
72	OXYGEN CYLINDERS	6/15/08		22,501			21,786	200DB HY	3	715
73	ROCKY MTN TRACKER	3/27/08		3,984			3,984	200DB HY	3	0
74	34 HOSPITAL BEDS	6/15/08		27,854			27,854	200DB HY	3	0
75	OXYGEN CONCENTRATORS	6/15/08		48,050			48,050	200DB HY	3	0
76	KANGAROO PUMPS	11/13/09		1,078			1,078	200DB HY	4	0
77	LOW AIR LOSS	3/16/09	1/01/11	6,705			6,705	200DB HY	3	0

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12/31/11		2011 Federal Summary Depreciation Schedule							Page 4	
Client QUALITYH		QUALITY HOME MEDICAL EQUIPMENT							73-1554674	
2/05/13									10:26AM	
No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
78	LOW AIR LOSS	4/30/09	1/01/11	1,850			1,850	200DB HY	3	0
79	LOW AIR LOSS	10/16/09	1/01/11	3,705			3,705	200DB HY	3	0
80	OXYGEN CYLINERS	6/25/09		3,952			3,952	200DB HY	3	0
81	BILLING SOFTWARE	3/16/09		62,346			62,346	200DB HY	3	0
82	KNEE CMP MACHINES	2/19/09		5,345			5,345	200DB HY	3	0
83	WAREHOUSE SHELVES	5/11/10		780			780	200DB HY	4	0
84	OXYGEN CONCENTRATORS	6/15/10		37,191			37,191	200DB HY	4	0
Total Machinery and Equipment				485,072		0	480,761			761
Miscellaneous										
1	SECTION 754 ADJUSTMENT	5/14/09		195,762			152,260	200DB HY	3	28,992
Total Miscellaneous				195,762		0	152,260			28,992
OFFICE EQUIPMENT										
85	SOFTWARE	6/01/06		554			554	S/L	3	0
86	COMPUTER	6/01/06		666			666	200DB HY	3	0
87	FURNITURE	3/21/07		721			721	200DB HY	4	0
88	WINDOW SERVER	4/04/07		3,250			3,250	200DB HY	3	0
89	COMPUTER EQUIPMENT	6/30/07		2,307			2,307	200DB HY	3	0
90	COMPUTER EQUIPMENT	6/15/08		14,602			14,602	200DB HY	3	0
91	REFRIGERATOR	1/21/09	1/01/11	304			304	200DB HY	4	0
92	COMPUTER	2/01/09		1,777			1,777	200DB HY	3	0
93	BAR CODE SCANNER	5/08/09		1,800			1,800	200DB HY	3	0
94	BAR CODE SCANNER	5/22/09		1,800			1,800	200DB HY	3	0
95	LAPTOP	7/01/09		1,140			1,140	200DB HY	3	0
96	OFFICE EQUIPMENT	11/01/09		427			427	200DB HY	4	0
97	PRINTER/FAX	8/01/09		260			260	200DB HY	3	0
98	PHONE JACK	9/01/09		250			250	200DB HY	4	0
99	OXYGEN CONCENTRATORS	4/23/09		8,762			8,762	200DB HY	3	0
100	POS SOFTWARE	3/15/10		2,918			2,918	200DB HY	2	0
Total OFFICE EQUIPMENT				41,538		0	41,538			0
Total Depreciation				1,113,142		0	1,049,624			30,786
Grand Total Depreciation				1,113,142		0	1,049,624			30,786

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12/31/11		2011 Federal Summary Depreciation Schedule							Page 5	
Client QUALITYH		QUALITY HOME MEDICAL EQUIPMENT							73-1554674	
2/05/13									10:26AM	
No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179/ SDA	Prior 179/ SDA/ Depr.	Method	Life	Current Depr.
	Depreciation Assets Sold			397,504		0	378,749			533
	Depr Remaining Assets			<u>715,638</u>		<u>0</u>	<u>670,875</u>			<u>30,253</u>