

B1 (Official Form 1)(1/08)

**United States Bankruptcy Court
Western District of Tennessee**

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): Kay Furniture Co., Inc.	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) No./Complete EIN (if more than one, state all) 71-0477219	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)
Street Address of Debtor (No. and Street, City, and State): 500 West Broadway West Memphis, AR <div style="text-align: right; font-size: small;">ZIP Code 72301</div>	Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right; font-size: small;">ZIP Code</div>
County of Residence or of the Principal Place of Business: Crittenden	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): POB 1626 West Memphis, AR <div style="text-align: right; font-size: small;">ZIP Code 72303</div>	Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right; font-size: small;">ZIP Code</div>

Location of Principal Assets of Business Debtor (if different from street address above):

<p>Type of Debtor (Form of Organization) (Check one box)</p> <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.)	<p>Nature of Business (Check one box)</p> <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other <hr/> <p>Tax-Exempt Entity (Check box, if applicable)</p> <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	<p>Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box)</p> <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 <hr/> <p>Nature of Debts (Check one box)</p> <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.
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<p>Filing Fee (Check one box)</p> <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.	<p>Chapter 11 Debtors</p> <p>Check one box:</p> <input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 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 type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. <hr/> 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).
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Statistical/Administrative Information

Debtor estimates that funds will be available for distribution to unsecured creditors.
 Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors										
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	100,001-500,000	OVER 500,000

Estimated Assets										
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	\$1 billion to \$5 billion	More than \$5 billion

Estimated Liabilities										
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	\$1 billion to \$5 billion	More than \$5 billion

THIS SPACE IS FOR COURT USE ONLY

<p>Voluntary Petition</p> <p><i>(This page must be completed and filed in every case)</i></p>	<p>Name of Debtor(s): Kay Furniture Co., Inc.</p>
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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:

<p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>	<p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p>
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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?

Yes, and Exhibit C is attached and made a part of this petition.

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.)

Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

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)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

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 court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property

(Check all applicable boxes)

Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

(Name of landlord that obtained judgment)

(Address of landlord)

Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

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):
Kay Furniture Co., Inc.

Signature(s) of Debtor(s) (Individual/Joint)
I declare under penalty of perjury that the information provided in this petition is true and correct.
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).
I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.
X _____
Signature of Debtor
X _____
Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Signatures
Signature of a Foreign Representative
I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.
(Check only one box.)
 I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.
 Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.
X _____
Signature of Foreign Representative

Printed Name of Foreign Representative

Date

Signature of Attorney*
X /s/ Jonathan E. Scharff
Signature of Attorney for Debtor(s)
Jonathan E. Scharff 16890
Printed Name of Attorney for Debtor(s)
Harris Shelton Hanover Walsh, PLLC
Firm Name
2700 One Commerce Square
Memphis, TN 38103-2555

Address
(901) 525-1455 Fax: (901) 526-4084
Telephone Number
May 26, 2009
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.)

Address
X _____
Date

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.
X /s/ Steve Kaplan
Signature of Authorized Individual
Steve Kaplan
Printed Name of Authorized Individual
President
Title of Authorized Individual
May 26, 2009
Date

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.

B4 (Official Form 4) (12/07)

**United States Bankruptcy Court
Western District of Tennessee**

In re **Kay Furniture Co., Inc.**

Debtor(s)

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)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Arkansas Dept. of Revenue POB 8054 Little Rock, AR 72203-8054	Arkansas Dept. of Revenue POB 8054 Little Rock, AR 72203-8054			80,000.00
Britelite 11901 Santa Monica Blvd., #413 Los Angeles, CA 90025	Britelite 11901 Santa Monica Blvd., #413 Los Angeles, CA 90025			2,319.60
C&L Supply, Inc. POB 578 Vinita, OK 74301	C&L Supply, Inc. POB 578 Vinita, OK 74301			9,016.47
Designs Unlimited 733 Glendale Rd. Scottdale, GA 30079	Designs Unlimited 733 Glendale Rd. Scottdale, GA 30079			2,311.92
Fouts & Morgan CPA's 5100 Sanderlin, Suite 2001 Memphis, TN 38117	Fouts & Morgan CPA's 5100 Sanderlin, Suite 2001 Memphis, TN 38117			3,382.00
Fraenkel Co. POB 88 Olive Branch, MS 38654	Fraenkel Co. POB 88 Olive Branch, MS 38654			26,756.56
Furniture Options 5804 Babcock, #84 San Antonio, TX 78240	Furniture Options 5804 Babcock, #84 San Antonio, TX 78240			11,250.00
Marshall & Owens, P.A. POB 4034 Jonesboro, AR 72403-4039	Marshall & Owens, P.A. POB 4034 Jonesboro, AR 72403-4039			2,750.00
Meadowbrook Square POB 1509 Collierville, TN 38027	Meadowbrook Square POB 1509 Collierville, TN 38027			21,516.00
Medallion Financial Services POB 18691 Memphis, TN 38181-0691	Medallion Financial Services POB 18691 Memphis, TN 38181-0691			12,162.18
Member Service/Credit Insurance POB 38569 Germantown, TN 38183	Member Service/Credit Insurance POB 38569 Germantown, TN 38183			10,052.99

B4 (Official Form 4) (12/07) - Cont.

In re Kay Furniture Co., Inc.

Case No. _____

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
(Continuation Sheet)

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Montgomery Insurance Co. POB 2051 Keene, NH 03431-7051	Montgomery Insurance Co. POB 2051 Keene, NH 03431-7051			3,648.52
Orleans Furniture, Inc. PO Drawer 867 Columbia, MS 39429	Orleans Furniture, Inc. PO Drawer 867 Columbia, MS 39429			7,656.42
Poulon Pro. 1030 Stevens Creek Road Augusta, GA 30907	Poulon Pro. 1030 Stevens Creek Road Augusta, GA 30907			10,400.00
Sam's Club POB 530970 Atlanta, GA 30353-0971	Sam's Club POB 530970 Atlanta, GA 30353-0971			13,421.91
Serta Mattress 260 Highway 35 North Batesville, MS 38606	Serta Mattress 260 Highway 35 North Batesville, MS 38606			16,391.00
Southern Pioneer Life Insurance Co. POB 119 Cincinnati, OH 45201	Southern Pioneer Life Insurance Co. POB 119 Cincinnati, OH 45201			17,012.47
Spears Mattress Co. POB 513 Rome, GA 30162	Spears Mattress Co. POB 513 Rome, GA 30162			3,233.00
The Evening Times POB 459 West Memphis, AR 72303	The Evening Times POB 459 West Memphis, AR 72303			9,417.43
W. L. Roberts, Inc. POB 1000 Dept. 477 Memphis, TN 38148	W. L. Roberts, Inc. POB 1000 Dept. 477 Memphis, TN 38148			2,810.00

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

I, the President 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 May 26, 2009

Signature /s/ Steve Kaplan
Steve Kaplan
President

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

Arkansas Dept. of Revenue
POB 8054
Little Rock, AR 72203-8054

AT&T Yellow
PO Box 630052
Dallas, TX 75263-0052

Britelite
11901 Santa Monica Blvd., #413
Los Angeles, CA 90025

C&L Supply, Inc.
POB 578
Vinita, OK 74301

Capital Solutions
POB 74697
Chicago, IL 60675-4697

Cintas Corp.
5425 Mineral Wells Road
Memphis, TN 38141

Comcast Spotlight
POB 198122
Atlanta, GA 30384

Creative Bedding Tech.
18 No. state St.
Elgin, IL 60123

Dell Marketing, L.P.
POB 676021
Dallas, TX 75267-6021

Deny Lamp Co.
POB 455
Smithville, TN 37166

Designs Unlimited
733 Glendale Rd.
Scottsdale, GA 30079

Equifax Information Service
POB 105835
Atlanta, GA 30348

Express Imports
6902 East 11th Street
Tulsa, OK 74112

Fouts & Morgan CPA's
5100 Sanderlin, Suite 2001
Memphis, TN 38117

Fraenkel Co.
POB 88
Olive Branch, MS 38654

Furniture Options
5804 Babcock, #84
San Antonio, TX 78240

Guiltner-Steele Tire Center
100 No. Missouri
West Memphis, AR 72303

Hardin Manufacturing Corp.
7155 State Highway 13
Haleyville, AL 35565

Jandy Chemicals, Inc.
POB 3230
West Somerset, KY 42564

Marshall & Owens, P.A.
POB 4034
Jonesboro, AR 72403-4039

Meadowbrook Square
POB 1509
Collierville, TN 38027

Medallion Financial Services
POB 18691
Memphis, TN 38181-0691

Member Service/Credit Insurance
POB 38569
Germantown, TN 38183

Montgomery Insurance Co.
POB 2051
Keene, NH 03431-7051

Orleans Furniture, Inc.
PO Drawer 867
Columbia, MS 39429

Poulon Pro.
1030 Stevens Creek Road
Augusta, GA 30907

Regions Bank
c/o E. Franklin Childers
165 Madison Avenue, Suite 2000
Memphis, TN 38103

Sam's Club
POB 530970
Atlanta, GA 30353-0971

Serta Mattress
260 Highway 35 North
Batesville, MS 38606

Southern Motion, Inc.
298 Henry Southern Drive
Pontotoc, MS 38863

Southern Pioneer Life Insurance Co.
POB 119
Cincinnati, OH 45201

Spears Mattress Co.
POB 513
Rome, GA 30162

Style Craft Lamps
4325 Executive Drive, Suite 100
Southaven, MS 38672

The Berkline Corp.
Lockbox
POB 7517403
Charlotte, NC 28262

The Evening Times
POB 459
West Memphis, AR 72303

W. L. Roberts, Inc.
POB 1000
Dept. 477
Memphis, TN 38148