THE STATE OF SOUTH CAROLINA
In the Court of Appeals

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SC Court of Appeals

APPEAL FROM ANDERSON COUNTY
Court of Common Pleas

Steven C. Kirven, Master in Equity

Case No. 2016-CP-04-00443
Appellate Case No. 2020-000890

Vicki Littlefield .....Respondent.

v.

Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc… .....Appellant.

RECORD ON APPEAL

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STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Vicki Littlefield, Plaintiff, vs. Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc. Defendants.	IN THE COURT OF COMMON PLEAS CASE NO.: 2016-CP-04-00443 **FINAL ORDER**

The above-entitled matter was referred pursuant to Rule 53 SCRCP and upon agreement of the parties.

A hearing was held September 24, 2019, and testimony was taken, which is reported herewith. From the testimony of all parties and witnesses and evidence presented, I find, conclude and order as follows:

HISTORY AND PROCEDURAL BACKGROUND

1. Plaintiff filed a complaint in this action on February 16, 2016, for collection of principal on a Promissory Note executed on January 1, 2007, an accounting and collection of interest owed pursuant to the terms of the Note, breach of trust with fraudulent intent, fraud and deceit, and an award of attorney's fees and costs.

2. Defendants filed a counterclaim on March 25, 2016, seeking judgment against the Plaintiff for overpayment of the Promissory Note.

3. Plaintiff filed an Amended Reply on August 30, 2017, inserting a defense of statute of limitations.

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4. The parties consented to this matter being referred and Plaintiff dismissed her breach of contract with fraudulent intent and fraud and deceit causes of action (Fourth and Fifth) by Order of Reference filed December 10, 2018.

5. Plaintiff is the holder and owner of a Promissory Note executed by the Defendants, Paul Cromer individually and as Paul Cromer, Inc. on January 1, 2007, in favor of Plaintiff's father Charles Whitfield. The Defendants and Charles Whitfield executed the Note to guarantee repayment of funds loaned by Charles Whitfield to Defendants for the purpose of financing inventory for used car dealers.

6. Mr. Whitfield died on March 24, 2008, and devised the Note to Plaintiff's mother, Helen Whitfield.

7. Mrs. Whitfield died on February 25, 2012, devising the Note to her daughter and sole heir, the Plaintiff in this action.

8. The principal amount of the Promissory Note was $800,000. Interest on the $800,000 was to be paid as follows as set forth on the face of the Note:

> a) Principal. Maker shall pay the Holder the principal sum in full one hundred eighty (180) days after demand.
>
> b) Interest: Interest accruing on the principal sum shall be paid semi-annually on the 15th day of July and January, beginning July 15, 2007.
>
> c) Interest Rate: The interest rate which the Maker agrees to pay on the principal sum is a sum that is equal to fifty percent (50%) of the profits on car loans during each calendar year, minus fifty percent (50%) of the bad debts on car loans.

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FINDINGS OF THE COURT

9. Defendants paid $450,000.00 on the principal of the Note prior to the institution of this lawsuit. Some sixteen months after the lawsuit was commenced the Defendants produced and demanded credit for a cancelled check in the amount of $258,856.00 which Defendants turned over to Plaintiff's mother, Helen Whitfield in July of 2009 after the execution of the Promissory Note and the death of Plaintiff's father, Charles Whitfield. Defendant Cromer testified that the $258,856.00 was from a joint account with the right of survivorship in the names of Charles Whitfield and Paul Cromer which Cromer withdrew after the death of Mr. Whitfield. Due to the age of the account, Plaintiff's attorneys were unable to obtain the bank's file regarding the account. Defendant Cromer testified that all funds in the joint account had been deposited by Charles Whitfield.

10. A specific procedure and normal course of dealing was followed by the parties to protect their investments as set forth in the Complaint filed by Paul Cromer, Inc. against Darrell and Brandon Massey (2008-CP-04-4470) and identified at trial as Plaintiff's Exhibit #2.

> "3. The normal course of business between the Plaintiff and Defendants was for the Masseys to find a vehicle to purchase (usually at auction), the Plaintiff would pay for the vehicles and hold onto the title for said vehicle until it was sold. Upon the sale of the vehicle, the Plaintiff would deliver the title to the Masseys either directly or through one of their agents/employees, and then receive payment for the vehicle in accordance with the parties agreement." (¶ 3 of Complaint).

11. From February through November of 2008, and in violation of the normal course of business, the Defendants, without the knowledge or consent of the Plaintiff, delivered more than twelve titles to the Masseys without receiving payment for the vehicles. Defendants filed suit against the Masseys in December 31, 2008 and obtained a

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judgement in the amount of $282,142.00 on April 9, 2009. Neither the Plaintiff nor any member of her family was a party to that lawsuit and the Defendants are the sole owners of the judgement.

12. Defendants continued to pay interest on the Promissory Note until 2013. Plaintiff filed this action after contacting Defendants and demanding payment pursuant to the terms of the Note.

13. In their Answer and Counterclaim, Defendants allege, among other things, that the money owed to Defendants by Darrell and Brandon Massey are bad debts on car loans and the Plaintiff is responsible for one-half of the Massey loss. Defendants also allege that they satisfied the principal of the Note, overpaid the Plaintiff, and are therefore entitled to a judgement against the Plaintiff in the amount of $227,495.80.

14. The court finds Kline Iron & Steel Co. v. Superior Trucking Co., Inc., 261 S.C. 542, 201 SE2d 388 (S.C. 1973) controlling in this matter. The Defendants did not follow the normal course of dealing in allowing the Masseys to hold the titles to vehicles for which Defendants had not been paid. The court bases this finding on Defendant Cromer's own testimony. Further, the court is not making a finding of fraud or tortious conduct on the part of the Defendants for the Massey losses, but rather finds Defendants' failure to follow the normal course of business was not reasonably contemplated by the parties executing the Promissory Note. In the case at bar, the Plaintiff seeks only an accounting and payment of monies contractually owed pursuant to a Promissory Note. The court finds that damages in this matter follow as a material consequence of the breach of contract. The court further finds that the language of the Note or contract executed in

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January 2007 does not allow for recovery as alleged by the Defendants in their counterclaim, nor does it allow them to reduce the Plaintiff's recovery to zero.

15. The Defendant Paul Cromer acknowledged that prior to 2008, he had problems with Massey but Massey had "made all that straight." Defendant further agreed that despite the prior problems, he had given Massey another bite at the apple and that "he was a friend." Defendant Cromer admitted that he had no proof of checking the inventory on a regular basis and that when he gave the titles to Massey, Massey did not pay him.

16. As this is a significant deviation from ordinary and reasonable business practice, any losses as a result of Defendants' actions in handing over titles to cars for which no payment had been received would not have been anticipated as a bad debt by Mr. Whitfield at the time he entered into the contact for repayment of the Promissory Note. It would be an absurd interpretation of the Note to believe that Mr. Whitfield would loan $800,000 to Defendants and anticipate that they would effectively give away over $280,000 of inventory by handing over titles to cars for which they admittedly received no payment. Therefore, pursuant to Kline, the court finds that the Defendants are not entitled to deduct from the principal of the Note the losses ultimately created by Defendants. Further, the court finds that disallowing the Defendants' claim for an offset does not give the Plaintiff "double redress" as set forth in Brown v. Felkel, 320 S.C. 292, 465 SE2d 93 (S.C. App. 1995). The Plaintiff elected to proceed on breach of contract and this court finds that the Defendants have breached the terms of the Promissory Note executed on January 1, 2007.

17. Further, the court finds that Defendants' claim of an offset for the Massey losses is barred by the statute of limitations. The interpretation and application of the Note

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is subject to the 1976 S.C. Code of Laws, §15-3-530 et. seq. barring claims more than three (3) years old. The Plaintiff's Complaint seeks an accounting and payment of the moneys owed pursuant to the terms of the Note. Although the Defendants allege that the Plaintiff waived the statute of limitations by requesting an accounting, the court finds that there is a considerable difference between determination or calculation of the amount due and a finding that the Defendants are liable for tortious conduct. It is undisputed that the Massey loss was known to Defendants in 2008 well after the execution of the Promissory Note; however, the Defendants asserted no claims against the estates of either of Plaintiff's parents or any claim against the Plaintiff until 2016 when it was self-serving to do so. Also, Defendants continued to make interest payments until 2013.

18. The court finds both the Defendant and his expert, Darrell Hardy, to be lacking in credibility. The Master In Equity as trier of fact may accept or reject any of a witness's testimony, including that of an expert witness. Dixon v. Besco Engineering, Inc. 320 S.C. 174, 463 SE2d 636 (S.C. App. 1995). The fact finder must determine the weight to be accorded the testimony of the witnesses, and accept or reject their valuations. Bray v. Head 311 S.C. 490, 429 SE2d 842 (S.C. App. 1993). Neither the Defendants nor their expert provided definitive proof of the losses they claimed should be deducted from the amount due on the Note and reimbursed by Plaintiff as overpayment thereof. Defendants produced many pieces of paper which appeared to be from an adding machine; however there was no documentation which credibly linked the papers to losses claimed by the Defendants or to the Promissory Note itself. Mr. Hardy, a former CPA who prepared the Defendants' taxes both before and after surrendering his license, was hesitant, disjointed, vague, and confusing. Mr. Hardy produced several different account statements prior to

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and during the course of this litigation which purported to establish the amounts Defendants owed on the Promissory Note. On April 28, 2015, Mr. Hardy produced a statement in response to Plaintiff's demand for payment on the Note, indicating that Defendants owed $31,359.95. Later, he amended the statement to indicate that Defendants owed Plaintiff $11,726.55. After the commencement of this litigation, Mr. Hardy prepared yet another statement which indicated that Defendants no longer owed anything to Plaintiff but in fact Plaintiff owed $227,495.80 to Defendants. Mr. Hardy stated on direct examination, "Well, somewhere along the line, either I or Mr. Cromer dropped the ball and we weren't -- we didn't, we didn't keep up with the actual computation of the Note, you know, and we should have." His delivery coupled with his admitting on cross examination that he had impersonated an IRS agent in an effort to get information for clients significantly undermines his credibility.

19. Conversely, the court finds the testimony of the Plaintiff's expert, who holds a doctorate in economics and business administration, has provided expert testimony from Family Court to United States District Court in six different states, and formerly served as Chairman of the Department of Economics and Business Administration at Furman University to be clear, concise and convincing. The court finds that the document produced by Plaintiff's expert setting forth the principal and interest owed and credits for payments made, provides a credible and accurate accounting of monies paid and owed on the Promissory Note executed on January 1, 2007.

20. According to testimony of Plaintiff's expert, Defendants have not yet satisfied the principal amount on the Note. The Note has a remaining principal balance of $91,145.00 and interest of $165,928.00 has accrued pursuant to the terms of the Promissory

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Note. Dr. Alford reached his conclusion after conducting an extensive investigation of the business dealings between the parties in this case as well as the dealings between the Plaintiff's late father and the Defendants. He examined both individual and corporate tax returns as well as over 10 years of business records.

21. Defendants allege that a partnership existed between Defendants and Plaintiff's father which affects the terms of the Promissory Note. The Plaintiff's expert, Dr. Charles Alford, testified that in his opinion, no partnership existed as it relates to the Note and that there is no provision in the Note for the Massey loss to be "a partial offset" to the $800,000.00. Further, Dr. Alford testified that he had examined the "settlement book" which was provided by Defendants and utilized to calculate the interest due on the Note and Defendants recorded no losses for the Massey debt. The losses claimed by the Defendants appeared only after the commencement of this lawsuit. Based on the evidence presented at trial, the court finds no credible evidence of a partnership as it relates to the terms of the Note.

22. The court further finds that Plaintiff is entitled to attorney's fees as set forth below. The Note itself specifically allows for the award of attorney's fees.

> If default be made in the payment of principal and/or interest when due under this Note, or in the performance of any of the terms, covenants, conditions or warranties contained in the mortgage securing payment hereof, at the option of the Holder of this Note, the entire principal sum evidenced hereby, together with interest accrued thereon, without notice, shall become immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise same in the event of any subsequent default. If any suit or action is instituted or an attorney is employed to collect any amount due on this Note, or any part thereof, or to enforce any remedy of the Holder as contained in the mortgage securing the same, the undersigned promises and agrees to pay all cost of collection, including a reasonable amount as attorney's fees.

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23. Plaintiff employed an expert to assist her in determining the balance due to Plaintiff by the Defendants pursuant to the terms of the Note. Plaintiff also retained attorneys to collect payment due on the Note. I find that based upon careful consideration of the factors set out in Seabrook Island Property v. Berger, 365 S.C. 234, 616 SE2d 431 (S.C. 2005), the Plaintiff is entitled to reimbursement from the Defendant as her attorney fees and expert costs are reasonable and necessary. This case involves years of litigation and extensive discovery to address the complex business of financing and business dealings in the used car industry. The litigation required the review of business records and corporate and individual tax returns spanning well over a decade. Plaintiff's attorneys and her expert witness devoted considerable time and effort in representing Plaintiff's interests. I find that the fees submitted by counsel are fair, reasonable and customary for this locality. Plaintiff's attorneys obtained a favorable result in this matter. Therefore, Defendants shall pay to the Plaintiff's attorneys the amount of $56,868.53 in fees and costs which the court finds reasonable and necessary.

24. The court finds that the Plaintiff shall have judgment in her favor as to Defendants' counterclaims.

CONCLUSIONS OF LAW

1. "Where an agreement is clear and capable of legal construction, the court's only function is to interpret its lawful meaning and the intention of the parties as found within the agreement and give effect to it." Department of Transp. v. M & T Ent., 379 SC 645, 667 SE2d 7 (S.C. App. 2008), "A Court must enforce an unambiguous contract according to its terms regardless of its wisdom or folly, apparent unreasonableness, or the

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parties' failure to guard their rights carefully." Id. It is well settled law that parole evidence is not admissible to vary the terms of a Promissory Note which shows clear terms and conditions as recited in the case of Ray v. S.C. National Bank, Inc., 281 S.C. 170, 314 SE2d 359 S.C. App. 1984). In this matter both the original holder of the Note and the Defendant Paul Cromer went to the office of Harold Threlkeld, Esquire to sign the Promissory Note Mr. Threlkeld prepared based upon the terms of their agreement. The Note explicitly sets out that only the interest due on the principal of the Note is subject to 50% of the profits on car loans for the calendar year minus 50% of the bad debts on car loans."

2. One cardinal rule of contract interpretation is to ascertain and give effect to the intention of the parties. "To determine the intention of the parties, the court 'must first look at the language of the contract'." Department of Transp. v. M & T Ent., 379 SC 645, 667 SE2d 7 (S.C. App. 2008) [citing Chan v. Thompson, 302 S.C. 285, 395 SE2d 731 (Ct. App. 1990)].

3. The standards for determining reasonableness of attorney's fees is set forth in the case of Seabrook Island Property v. Berger, 365 S.C. 234, 616 SE2d 431 (S.C. 2005). There are six factors to consider in determining the award of attorney's fees: (1) nature, extent, and difficulty of the legal services rendered; (2) time and labor devoted to the case; (3) professional standing of counsel; (4) contingency of compensation; (5) fee customarily charged in the locality for similar services; and (6) beneficial results obtained. After careful review of the relevant factors and observing the trial, the court concludes that $56,868.53 is a reasonable amount of attorney fees and costs for Plaintiff's attorneys.

4. Damages recoverable for a breach of contract are those which follow as a natural consequence of the breach or which may reasonably be supposed to have been

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within the contemplation of the parties at the time the contract was entered into. Kline Iron & Steel Co. v. Superior Trucking Co., Inc., 261 S.C. 542, 201 SE2d 388 (S.C. 1973).

5. S.C Code Ann. §15-3-530 bars claims more than three years old and requires a party to commence action before the expiration of the three-year period.

6. The Master In Equity as trier of fact may accept or reject any of a witness's testimony, including that of an expert witness. Dixon v. Besco Engineering, Inc. 320 S.C. 174, 463 SE2d 636 (S.C. App. 1995). The fact finder must determine the weight to be accorded the testimony of the witnesses, and accept or reject their valuations. Bray v. Head 311 S.C. 490, 429 SE2d 842 (S.C. App. 1993).

IT IS THEREFORE ORDERED, ADJUDGED, and DECREED that:

1. The Plaintiff is awarded judgement against the Defendants in the amount of Two Hundred Fifty-seven thousand and 00/100 ($257,073.00) Dollars.

2. The Defendants shall pay Fifty-Six Thousand Eight Hundred Sixty-eight and 53/100 ($56,868.53) Dollars in attorneys' fees and costs to the Plaintiff's attorneys.

3. The Plaintiff shall have judgment in her favor as to Defendants' counterclaims.

IT IS SO ORDERED this _____ day of _____, 20____.

_____
Steven C. Kirven
Master In Equity
Tenth Judicial Circuit

Anderson, South Carolina.

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****** IMPORTANT NOTICE - READ THIS INFORMATION *****

NOTICE OF ELECTRONIC FILING [NEF]

-

A filing has been submitted to the court RE: 2016CP0400443

Official File Stamp:	05-26-2020 09:58:13 AM
Court:	CIRCUIT COURT Common Pleas Anderson
Case Caption:	Vicki Littlefield VS Paul W Cromer Jr , defendant, et al
Document(s) Submitted:	Master/Order/Form 4 Master/Order/Form 4/Defendant's Motion To Reconsider, Alter or Amend Is Denied
Filed by or on behalf of:	Donna Mcclellion

This notice was automatically generated by the Court's auto-notification system.

-

The following people were served electronically:

James Calhoun Pruitt, Jr. for Paul W Cromer, Jr et al

Robert L. Waldrep, Jr. for Vicki Littlefield

Joshua Brent Raffini for Paul W Cromer, Jr et al

The following people have not been served electronically by the Court. Therefore, they must be served by traditional means:

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FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE
CASE NUMBER 2016CP0400443

Vicki Littlefield		Paul W Cromer Jr	Paul Cromer Inc

PLAINTIFF(S) **DEFENDANT(S)**

Submitted by: THE COURT

Attorney for: ☐ Plaintiff ☐ Defendant ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered. ☐ See Page 2 for additional information.

☐ **ACTION DISMISSED (*CHECK REASON*):** ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other: _____

☐ **ACTION STRICKEN (*CHECK REASON*):** ☐ Rule 40(j) SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other: _____

☐ **STAYED DUE TO BANKRUPTCY**

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**
☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other: _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☐ See attached order; (formal order to follow) ☒ Statement of Judgment by the Court: Defendant's Motion to Reconsider, Alter or Amend is denied.

ORDER INFORMATION

This order ☒ ends ☐ does not end the case.

Additional Information for the Clerk:

_____

INFORMATION FOR THE JUDGMENT INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
NA	NA	NA
NA	NA	NA

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk.
Note: Title abstractors and researchers should refer to the official court order for judgment details.
E-Filing Note: In E-Filing counties, the Court will electronically sign this form using a separate electronic signature page.

Master in Equity, Court Judge | **3081** **Judge Code** | 5/22/2020 **Date**

CPFORM4Cm
SCCA SCRCP Form 4C (Revised 2/17)

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For Clerk of Court Office Use Only

This judgment was entered on , and a copy mailed first class or placed in the appropriate attorney's box on , to attorneys of record or to parties (when appearing pro se) as follows:

Robert L. Waldrep Jr. 116 West Whitner Street Anderson, SC 29624

James Calhoun Pruitt Jr. 101 North Murray Ave. Anderson, SC 29625

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Court Reporter

- Clerk of Court

Court Reporter:

E-Filing Note: In E-Filing counties, the date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgement to parties who are not E-Filers or who are appearing pro se. See Rule 77(d), SCRCP.

ADDITIONAL INFORMATION REGARDING DECISION BY THE COURT AS REFERENCED ON PAGE 1.

This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

CPFORM4Cm
SCCA SCRCP Form 4C (Revised 2/17)

ELECTRONICALLY FILED - 2018 Dec 10 3:54 PM - ANDERSON - COMMON PLEAS - CASE#2016CP040443

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Vicki Littlefield, PLAINTIFF, vs. Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc., DEFENDANT.	IN THE COURT OF COMMON PLEAS 2016-CP-04-00443 **ORDER OF REFERENCE**

This matter came to be heard before me this 29th day of November, 2018, pursuant to a Motion filed by the counsel for the Plaintiff seeking to refer this matter to the Master-In-Equity for a final judgment pursuant to Rule 53(b) *SCRCP*.

The attorney for the Defendant had no objection to the matter being referred provided that the Plaintiff agreed to dismiss the Fourth and Fifth Causes of Action of her Complaint. The Plaintiff consented to the dismissal of said causes of action.

IT IS SO ORDERED that the Fourth and Fifth Causes of Action of the Plaintiff's Complaint be dismissed and the above entitled matter be and the same is hereby referred to the Honorable Steven C. Kirven, Master-In-Equity of the Tenth Judicial Circuit to take the testimony and evidence in the matter and with the consent of the parties, the findings of law and of fact and the order of the Master shall constitute the final order in this matter.

Any appeal therefrom shall be to the Supreme Court or the Court of Appeals, as provided by the South Carolina Appellate Court Rules. Rule 53(e) *SCRCP*.

IT IS SO ORDERED this _____ day of _____, 2018.

_____

J. Cordell Maddox
Presiding Circuit Court Judge
Anderson County, SC

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STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Vicki Littlefield, PLAINTIFFS, vs. Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc., DEFENDANTS.	IN THE COURT OF COMMON PLEAS 2016-CP-04-00443 **SUMMONS** (Jury)

TO DEFENDANTS NAMED ABOVE:

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer to the said Complaint on Robert L. Waldrep, Jr., attorney for the Plaintiff, at 116 West Whitner Street, Anderson, South Carolina, 29624, within thirty (30) days after service, and if you fail to answer the Complaint with the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Complaint.

IN THE EVENT THAT YOU ARE AN INFANT UNDER FOURTEEN (14) YEARS OF AGE OR ARE INCOMPETENT OR INSANE, then you and the Guardian or Committee are further summoned and notified to apply for the appointment of a Guardian Ad Litem to represent said infant under fourteen (14) years of age or said incompetent or insane person within thirty (30) days after the service of this Summons and Notice upon you. If you fail to do so, application for such appointment will be made by the Plaintiff herein.

Robert L. Waldrep, Jr.
Elizabeth Waldrep
Robert L. Waldrep, Jr., P.A.
Attorneys At Law
116 West Whitner Street
Anderson, South Carolina 29624
(864) 224-6341

Dated: Feb 15 - 2016
Anderson, South Carolina.

FILED-CLERK'S OFFICE
ANDERSON SC
2016 FEB 16 AM 10:16
COMMON PLEAS AND GENERAL SESSIONS

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Vicki Littlefield, PLAINTIFFS, vs. Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc., DEFENDANTS.	IN THE COURT OF COMMON PLEAS 2016-CP-04-00443 **COMPLAINT** (Jury)

The Plaintiff Vicki Littlefield complaining of the Defendants does show unto the Court:

1. The Plaintiff Vicki Littlefield is a citizen and resident of Anderson County, South Carolina. The Defendant Paul W. Cromer, Jr. is a citizen and resident of Anderson County, South Carolina, and the Defendant Paul Cromer Inc. is a South Carolina corporation doing business and domiciled in Anderson County, South Carolina, and. All matters contained herein are within the jurisdiction of this Court.

FOR A FIRST CAUSE OF ACTION

2. For valuable consideration in the sum of Eight Hundred Thousand and 00/100 ($800,000.00) Dollars given to the Defendants, said Defendants executed and delivered a certain Promissory Note dated January 1, 2007, (hereinafter referred to as "Note"). A copy of said Note is attached hereto as Exhibit "A" and its terms are incorporated herein by reference. The Note was executed in favor of and payable to Charles H. Whitfield as original owner and holder of the Note.

FILED-CLERK'S OFFICE
ANDERSON SC
2016 FEB 16 AM 10:16
COMMON PLEAS AND
GENERAL SESSIONS

3. That Charles H. Whitfield died on March 24, 2008, in Anderson County as evidenced by probate case number 2008ES0400409 and as owner and holder of the Note, devised and bequeathed title and ownership in the Note to Helen D. Whitfield.

4. That Helen D. Whitfield died on February 25, 2012, in Anderson County as evidenced by probate case number 2012ES0400466 and as owner and holder of the Note, devised and bequeathed title and ownership to the Plaintiff.

5. That the Defendant Paul Cromer, Inc. as the obligor of the Note promised to timely make payments of all principal, interest, attorney fees, and Court costs and that the Defendant Paul W. Cromer, Jr. executed a Guaranty as shown on the Note unconditionally guaranteeing to the holder of the Note without proceeding against the obligor (Paul W. Cromer, Inc.) or otherwise making a demand upon the obligor and that the Defendant Paul W. Cromer, Jr. expressly waived (a) notice of acceptance, (b) presentment and demand for payment, (c) protest and notice of dishonor or of default, (e) all other notices Defendant Paul W. Cromer, Jr. might otherwise be entitled, and (e) demand for payment. Further, the Guaranty was a guarantee of payment and not collection as more fully set forth in the Note.

6. That the Defendants made principal payments of Four Hundred Fifty Thousand and 00/100 ($450,000.00) Dollars which have been credited against the Eight Hundred Thousand and 00/100 ($800,000.00) Dollars leaving Three Hundred Fifty Thousand and 00/100 ($350,000.00) Dollars due on the principal. Therefore, the Plaintiff Vicki Littlefield demands that the Defendants both jointly and severally as required by the Note pay this amount of principal plus costs and attorney fees.

FOR A SECOND CAUSE OF ACTION

That the allegations of the First Cause of Action are incorporated herein as if fully set forth.

7. That the Note is divided into two separate provisions: the first provision exclusively relates to the principal due and the second relates to a procedure for the determination and payment of interest.

8. The Note provided that interest be paid semi annually on the 15th day of July and January beginning July 15, 2007, in a sum equal to fifty percent (50%) of the profits on car loans during such calendar year minus fifty percent (50%) of the bad debts on car loans.

9. That following execution of the Note, the Defendants periodically made distributions of profits minus bad debts until 2013 when the Defendants negligently and fraudulently entered into transactions with auto dealers by transferring physical possession of vehicles financed by the note to insolvent auto dealers without consideration, collateral, or security, thereby incurring loss of the vehicles and loss of any profits.

10. That here remains due and payable the interest of fifty percent (50%) to any profits less an honest and legitimate percentage of loss not caused by the Defendants' grossly negligent, fraudulent acts, and omissions which the Defendants caused by manipulating records and accounting to erroneously reflect losses, costs, and expenses not deductible by the Defendants and payable to the Plaintiff.

That as a result of the Defendants' fraudulent, grossly negligent and deceitful acts and omissions the Plaintiff has sustained loss and damages of interest due under the Note.

11. That the Plaintiff alleges that the Note payable by the Defendants of principal and interest is now fully due and that the Defendants are in breach of their agreements to pay as obligor and guarantor.

FOR A THIRD CAUSE OF ACTION
ACCOUNTING

That the allegations of the First and Second Causes of Action are incorporated herein as if fully set forth.

12. That because of the Defendants' fraudulent manipulations of vehicles, funds, and assets, the Plaintiff has been unable to fully and accurately determine and account for the Defendants' alleged deductions and conclude the amounts fully due to Plaintiff.

13. That the Defendants have employed fraudulent practices in order to deduct expenses against the note of Plaintiff and that Defendants have refused to account for or provide related records necessary for an accurate accounting.

14. That as a result of the Defendants' fraud, negligence, and manipulations of costs and expenses, the Plaintiff requires that the Defendants provide the Plaintiff with complete records of any and all transactions of any nature, kind, or description including, but not limited to the Defendants' fines, all transactions and transfers of vehicles to Darrell Massey and/or Massey Motors, and all other dealers or individuals, and notices including all bankruptcy records related to the Defendants and Darrell Massey and Massey Motors.

FOR A FOURTH CAUSE OF ACTION
BREACH OF TRUST WITH FRAUDULENT INTENT

That the allegations of the First, Second, and Third Causes of Action are incorporated herein as if fully set forth.

15. That the Plaintiff alleges that Defendants did take into possession certain profits and assets payable to Plaintiff and that such sums were entrusted to the possession of Defendants while Plaintiff reasonably expected the good faith responsibility of the Defendants to fairly deal with Plaintiff and return a proper amount of interest.

16. That the Defendants fraudulently, negligently, and deceitfully delivered the assets and vehicles to an insolvent dealer without security or collateral and therefore the Plaintiff has sustained a loss.

That as a result of the aforesaid acts of the Defendants, the Plaintiff has sustained actual loss and substantial punitive damages due to the sole gross negligence of the Defendants.

FOR A FIFTH CAUSE OF ACTION
FRAUD AND DECEIT

That the allegations of the First, Second, Third, and Fourth Causes of Action are incorporated herein as if fully set forth.

17. That the Defendants have fraudulently and deceitfully transferred vehicles and assets to an insolvent dealer without consideration, collateral, or security and otherwise entered into fraudulent transactions which caused a loss to the assets and interest due and payable to Plaintiff.

That as a result of such fraudulent and deceitful actions, the Plaintiff has sustained actual and punitive damages.

WHEREFORE, the Plaintiff prays as follows:

ON THE FIRST CAUSE OF ACTION

1. For judgment of Three Hundred Fifty Thousand and 00/100 ($350,000.00) Dollars remaining due on the Note plus costs, expenses, and attorney fees.

ON THE SECOND CAUSE OF ACTION

2. That the amount of interest due be paid to Plaintiff after the Court has determined the amount due after proper accounting.

ON THE THIRD CAUSE OF ACTION

3. That the Defendants be required to provide the Plaintiff and the Court with a properly validated accounting of all profits and losses along with back up records, tax returns, and data related to the Defendant's dealings with other dealers including but not limited to Darrell Massey and Massey Motors along with verifications of any expenses Defendants have charged as deductible from the Note.

ON THE FOURTH CAUSE OF ACTION

4. That the Plaintiff be awarded judgment against the Defendants for the actual damages sustained by Plaintiff plus an amount of punitive damages to be determined by jury.

ON THE FIFTH CAUSE OF ACTION

5. That the Plaintiff be awarded actual damages and punitive damages as determined by jury.

6. For such other relief as this Court deems just and proper.

Robert L. Waldrep

Robert L. Waldrep, Jr.
Elizabeth Waldrep
Robert L. Waldrep, Jr., P.A.
116 West Whitner Street
Anderson, South Carolina 29624
(864) 224-6341

Dated: Feb 15, 2016
Anderson, South Carolina.

STATE OF SOUTH CAROLINA)
)
COUNTY OF ANDERSON)
)
VICKI LITTLEFIELD)
Plaintiff(s))
)
vs.)
)
PAUL W. CROMER, JR., INDIVIDUALLY AND DBA PAUL CROMER, INC.)
Defendant(s))

IN THE COURT OF COMMON PLEAS

CIVIL ACTION COVERSHEET

2016-CP - 04- 00443

Submitted By: ROBERT L. WALDREP, JR.
Address: 116 W. WHITNER STREET
ANDERSON, SC 29624

SC Bar #: 5773
Telephone #: 864-224-6341
Fax #: 864-226-1852
Other:
E-mail: kelli@waldreplaw.com

NOTE: The coversheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this coversheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION *(Check all that apply)*

If Action is Judgment/Settlement do not complete

- ☒ **JURY TRIAL** demanded in complaint. ☐ **NON-JURY TRIAL** demanded in complaint.
- ☐ This case is subject to **ARBITRATION** pursuant to the Court Annexed Alternative Dispute Resolution Rules.
- ☒ This case is subject to **MEDIATION** pursuant to the Court Annexed Alternative Dispute Resolution Rules.
- ☐ This case is exempt from ADR. (Proof of ADR/Exemption Attached)

NATURE OF ACTION *(Check One Box Below)*

Contracts
- ☐ Constructions (100)
- ☐ Debt Collection (110)
- ☐ General (130)
- ☐ Breach of Contract (140)
- ☐ Fraud/Bad Faith (150)
- ☐ Failure to Deliver/ Warranty (160)
- ☐ Employment Discrim (170)
- ☐ Employment (180)
- ☑ Other (199) Breach of Trust With Fraudulent Intent

Torts - Professional Malpractice
- ☐ Dental Malpractice (200)
- ☐ Legal Malpractice (210)
- ☐ Medical Malpractice (220)
- Previous Notice of Intent Case # 20___-NI-_____-_____
- ☐ Notice/ File Med Mal (230)
- ☐ Other (299) _____

Torts – Personal Injury
- ☐ Conversion (310)
- ☐ Motor Vehicle Accident (320)
- ☐ Premises Liability (330)
- ☐ Products Liability (340)
- ☐ Personal Injury (350)
- ☐ Wrongful Death (360)
- ☐ Assault/Battery (370)
- ☐ Slander/Libel (380)
- ☐ Other (399) _____

Real Property
- ☐ Claim & Delivery (400)
- ☐ Condemnation (410)
- ☐ Foreclosure (420)
- ☐ Mechanic's Lien (430)
- ☐ Partition (440)
- ☐ Possession (450)
- ☐ Building Code Violation (460)
- ☐ Other (499) _____

Inmate Petitions
- ☐ PCR (500)
- ☐ Mandamus (520)
- ☐ Habeas Corpus (530)
- ☐ Other (599) _____

Administrative Law/Relief
- ☐ Reinstate Drv. License (800)
- ☐ Judicial Review (810)
- ☐ Relief (820)
- ☐ Permanent Injunction (830)
- ☐ Forfeiture-Petition (840)
- ☐ Forfeiture—Consent Order (850)
- ☐ Other (899) _____

Judgments/Settlements
- ☐ Death Settlement (700)
- ☐ Foreign Judgment (710)
- ☐ Magistrate's Judgment (720)
- ☐ Minor Settlement (730)
- ☐ Transcript Judgment (740)
- ☐ Lis Pendens (750)
- ☐ Transfer of Structured Settlement Payment Rights Application (760)
- ☐ Confession of Judgment (770)
- ☐ Petition for Workers Compensation Settlement Approval (780)
- ☐ Other (799) _____

Appeals
- ☐ Arbitration (900)
- ☐ Magistrate-Civil (910)
- ☐ Magistrate-Criminal (920)
- ☐ Municipal (930)
- ☐ Probate Court (940)
- ☐ SCDOT (950)
- ☐ Worker's Comp (960)
- ☐ Zoning Board (970)
- ☐ Public Service Comm. (990)
- ☐ Employment Security Comm (991)
- ☐ Other (999) _____

Special/Complex /Other
- ☐ Environmental (600)
- ☐ Automobile Arb. (610)
- ☐ Medical (620)
- ☐ Other (699) _____
- ☐ Sexual Predator (510)
- ☐ Pharmaceuticals (630)
- ☐ Unfair Trade Practices (640)
- ☐ Out-of State Depositions (650)
- ☐ Motion to Quash Subpoena in an Out-of-County Action (660)
- ☐ Pre-Suit Discovery (670)

Submitting Party Signature: /s/ Robert L Waldrep **Date:** 02/16/2016

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.

FILED-CLERK'S OFFICE ANDERSON SC
2016 FEB 16 AM 10:
COMMON PLEAS AND GENERAL SESSIONS

Effective January 1, 2016, Alternative Dispute Resolution (ADR) is mandatory in all counties, pursuant to Supreme Court Order dated November 12, 2015.

SUPREME COURT RULES REQUIRE THE SUBMISSION OF ALL CIVIL CASES TO AN ALTERNATIVE DISPUTE RESOLUTION PROCESS, UNLESS OTHERWISE EXEMPT.

Pursuant to the ADR Rules, you are required to take the following action(s):

1. The parties shall select a neutral and file a "Proof of ADR" form on or by the 210th day of the filing of this action. If the parties have not selected a neutral within 210 days, the Clerk of Court shall then appoint a primary and secondary mediator from the current roster on a rotating basis from among those mediators agreeing to accept cases in the county in which the action has been filed.

2. The initial ADR conference must be held within 300 days after the filing of the action.

3. Pre-suit medical malpractice mediations required by S.C. Code §15-79-125 shall be held not later than 120 days after all defendants are served with the "Notice of Intent to File Suit" or as the court directs.

4. Cases are exempt from ADR only upon the following grounds:

    a. Special proceeding, or actions seeking extraordinary relief such as mandamus, habeas corpus, or prohibition;

    b. Requests for temporary relief;

    c. Appeals

    d. Post Conviction relief matters;

    e. Contempt of Court proceedings;

    f. Forfeiture proceedings brought by governmental entities;

    g. Mortgage foreclosures; and

    h. Cases that have been previously subjected to an ADR conference, unless otherwise required by Rule 3 or by statute.

5. In cases not subject to ADR, the Chief Judge for Administrative Purposes, upon the motion of the court or of any party, may order a case to mediation.

6. Motion of a party to be exempt from payment of neutral fees due to indigency should be filed with the Court within ten (10) days after the ADR conference has been concluded.

Please Note: **You must comply with the Supreme Court Rules regarding ADR. Failure to do so may affect your case or may result in sanctions.**

CLERK'S OFFICE
ANDERSON SC
2016 MAR 25 AM 10:11
COMMON PLEAS AND
GENERAL SESSIONS

STATE OF SOUTH CAROLINA)
) IN THE COURT OF COMMON PLEAS
COUNTY OF ANDERSON)

Vicki Littlefield,

Plaintiff,

-vs-

Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc.,

Defendant.

ANSWER AND COUNTERCLAIM
2016-CP-04-00443

The Defendants, in making an answer to the complaint of the Plaintiff would respectfully show and allege as follows:

FOR A FIRST DEFENSE

1. That each and every allegation of the complaint not hereinafter admitted, modified or explained is expressly denied and strict proof demanded thereof.

2. That Paragraphs One (1) and Two (2) are admitted.

3. That Paragraph Three (3) and Four (4) are denied on lack of information and belief.

4. That Paragraph Five (5) is denied except to the extent that the document speaks for itself.

5. That Paragraph Six (6) is denied.

FOR A SECOND DEFENSE

6. That the allegations of the first defense are incorporated herein by reference thereto.

7. That Paragraph Seven (7), Nine (9), Ten (10) and Eleven (11) are expressly denied and strict proof demanded thereof.

8. That as to Paragraph Eight (8) the instrument speaks for itself.

FOR A THIRD DEFENSE

9. That the allegations of the above defenses are incorporated herein by reference thereto.

10. That Paragraphs Twelve (12), Thirteen (13) and Fourteen (14) are denied and strict proof demanded thereof.

FOR A FOURTH DEFENSE

11. That the allegations of the above defenses are incorporated herein by reference thereto.

12. That Paragraphs Fifteen (15) and Sixteen (16) are expressly denied and strict proof demanded thereof.

FOR A FIFTH DEFENSE

13. That the allegations of the above defenses are incorporated herein by reference thereto.

14. That Paragraph Seventeen (17) is denied.

FOR A SIXTH DEFENSE

15. That the allegations of the above defenses are incorporated herein by reference thereto.

16. That the Second, Third, Fourth and Fifth Causes of Action do not constitute causes of action for which relief can be granted.

FOR A SEVENTH DEFENSE

17. That the allegations of the above defenses are incorporated herein by reference thereto.

18. That even if the facts as alleged in the Plaintiff's complaint are true, the Plaintiff has not commenced her action within the applicable statute of limitations.

FOR AN EIGHTH DEFENSE AND BY WAY OF COUNTERCLAIM

19. That the allegations of the above defenses are incorporated herein by reference thereto.

20. That the Defendants and Charlie Whitfield had for many years been in a partnership engaged in the business of buying and selling and providing funds to others for the purpose of buying and selling automobiles. That for many years, each partner took one-half (½) of the profits and losses on their respective tax return. That after Charlie Whitfield died, in approximately 1988, this same relationship continued with Helen Whitfield, his widow, and that losses due to Darrell Massey and the IRS have accumulated and the Plaintiff should be required to contribute to said losses and the Defendants claim same as credits upon the Note.

21. That further the Defendants are informed and believes that the Defendants should have judgment against the Plaintiff because of their overpayment, when the above mentioned losses are factored in and the Defendants have laid claim for this overpayment in an mount of $227,495.80 and the Plaintiff has refused to honor same.

22. That the Defendants are informed and believes that the Defendants should have judgment against the Plaintiff pursuant to the terms of the Note and partnership in an amount of actual damages to be determined by the court and jury.

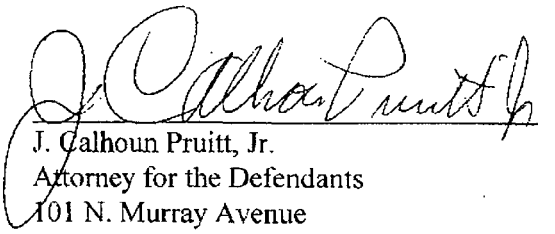
WHEREFORE, having fully answered, the Defendants pray as follows:

1. That the complaint of the Plaintiff be dismissed.

2. For judgment against the Plaintiff on the counterclaim in an amount of actual damages to be determined by the court and jury.

3. For such other and further relief as to the court seems just and proper.

PRUITT & PRUITT



J. Calhoun Pruitt, Jr.
Attorney for the Defendants
101 N. Murray Avenue
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(864)224-3121

Anderson, South Carolina

February 26, 2016

ELECTRONICALLY FILED - 2017 Aug 30 11:08 AM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Vicki Littlefield, PLAINTIFFS, vs. Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc., DEFENDANTS.	IN THE COURT OF COMMON PLEAS 2016-CP-04-00443 **AMENDED REPLY**

The Plaintiff Vicki Littlefield amending her reply to the Counterclaim of the Defendants does show unto the Court:

FOR A FIRST RESPONSE

1. Plaintiff denies each and every allegation not hereinafter admitted, modified, or explained.

2. Plaintiff denies the allegations of paragraphs nineteen (19), twenty (20), twenty-one (21), and twenty-two (22) and demands strict proof thereof.

FOR A SECOND RESPONSE

3. The allegations of the First Response are incorporated herein as if fully set forth.

4. The Plaintiff specifically denies the existence of any partnership between the Plaintiff and the late Charles Whitfield alleged by the Defendant in the Defendant's answer and counterclaim in accord with §33-41-220(1)(2)(3)(4)(a)(b)(c)(d)(e) et. seq. of the 1976 South Carolina Code of Laws, as amended, including the Defendant's Eighth Defense.

5. The Plaintiff denies all such allegations by the Defendant of a partnership, obligations and partnership and alleges that any such debts claimed to be obligations of the Plaintiff are not only not debts of the Plaintiff but are claims for debts more than three (3) years old and are barred by §15-3-530 et. seq. of the 1976 S.C. Code of Laws, as amended, which requires the Defendant to commence an action before the expiration of the three (3) year period.

WHEREFORE, the Plaintiff prays as follows:

1. For the Defendant's Counterclaim be dismissed and barred by §15-3-530 and §33-41-220(1)(2)(3)(4)(a)(b)(c)(d)(e) et. seq. of the 1976 South Carolina Code of Laws, as amended.

2. That the Plaintiff be granted relief as prayed for in the Complaint.

3. For such other relief as this Court deems just and proper.

S/Robert L. Waldrep, Jr.
Robert L. Waldrep, Jr.
Elizabeth Waldrep
Robert L. Waldrep, Jr., P.A.
116 West Whitner Street
Anderson, South Carolina 29624
(864) 224-6341

Dated: August 30, 2017
Anderson, South Carolina.

ELECTRONICALLY FILED - 2017 Aug 30 11:08 AM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

ELECTRONICALLY FILED - 2019 Oct 15 3:35 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Vicki Littlefield, Plaintiff, vs. Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc. Defendants.	IN THE COURT OF COMMON PLEAS CASE NO.: 2016-CP-04-00443 **MEMORANDUM IN SUPPORT OF PLAINTIFF**

The principle issues involved in the action relate to repayment of a Promissory Note and calculating the interest due under the Note.

BACKGROUND

For valuable consideration in the sum of Eight Hundred Thousand and 00/100 ($800,000.00) Dollars, Defendants executed and delivered a Promissory Note dated January 1, 2007 (Plaintiff's Exhibit #1). The Note was executed in favor of and payable to Charles H. Whitfield as original owner and holder of the Note. Charles H. Whitfield died on March 24, 2008, and as owner and holder of the Note, devised and bequeathed title and ownership in the Note to his wife, Helen D. Whitfield. Helen D. Whitfield died on February 25, 2012, and as owner and holder of the Note, devised and bequeathed title and ownership to the Plaintiff as her sole beneficiary.

It is undisputed that prior to the filing of this action the Defendants made payments on the principal in the amount $450,000.00. All payments were credited against the Eight Hundred Thousand and 00/100 ($800,000.00) Dollars leaving Three Hundred Fifty Thousand and 00/100 ($350,000.00) Dollars due on the principal. The Defendants have not paid any interest on the Promissory Note since 2013.

ELECTRONICALLY FILED - 2019 Oct 15 3:35 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

The Plaintiff sent a written demand for payment to the Defendants on July 24, 2015. The Plaintiff filed her complaint February 16, 2016, after her demand to collect payment in full on the Note was denied by the Defendants. Under the First Cause of Action, Plaintiff sought a judgment against the Defendants in the amount of $350,000.00 for the remaining principal amount due on the Note plus costs and attorney fees. Under the Second Cause of Action, Plaintiff sought judgment against the Defendants for interest to be paid as determined by the court. Under the Third Cause of Action, Plaintiff requested an accounting related to the Defendants' dealings with Darrell Massey and Brandon Massey due to Defendants' fraudulent misrepresentations.

Approximately 16 months after this litigation was filed, Defendants produced a cancelled check made out to Helen Whitfield in the amount of $258,855.75 and demanded credit for same against the principal balance of the Note. Defendant testified that the account from which the $258,855.75 was paid was a joint account with right of survivorship in the names of Charles Whitfield and Paul Cromer. Defendant acknowledged that all the money in the account was deposited by Charles Whitfield.

ARGUMENTS

The Plaintiff submits that the language of the Note is clear in that only interest payments due on the Note are affected by "bad debts" on car loans. The principal amount due is not affected or amended. Any other interpretation would create an absurd result in which principal due on a Promissory Note would never be paid.

It is undisputed that the Promissory Note was created to allow the Defendants to provide financing to car dealers. The Note is not amortized and does not provide defined payments under a scheduled formula, but does provide specific language defining a method of paying interest to the holder of the Note. As indicated, the Promissory Note (Plaintiff's

ELECTRONICALLY FILED - 2019 Oct 15 3:35 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

Exhibit #1) provides:

> a) Principal. Maker shall pay the Holder the principal sum in full one hundred eighty (180) days after demand.
>
> b) Interest: Interest accruing on the principal sum shall be paid semi-annually on the 15th day of July and January, beginning July 15, 2007.
>
> c) Interest Rate: The interest rate which the Maker agrees to pay on the principal sum is a sum that is equal to fifty percent (50%) of the profits on car loans during each calendar year, minus fifty percent (50%) of the bad debts on car loans.

Plaintiff requests that this Honorable court reject and dismiss Defendants' interpretations of the interest due as well as the other inequitable theories and allegations set forth by the Defendants as addressed below.

-Massey Losses-

(1) The court should not give the Defendants "credit" for losses on the cars he essentially gave away to Darrell and Brandon Massey. By the Defendant's own admission, the Defendant should have held the vehicle titles as collateral until the debt was paid in full. Following is an excerpt from the verified Complaint filed by the Defendant regarding the normal and appropriate course of business in which he was engaged with the dealers, including Darrell and Brandon Massey:

> "3. The normal course of business between the Plaintiff and Defendants was for the Masseys to find a vehicle to purchase (usually at auction), the Plaintiff would pay for the vehicles and hold onto the title for said vehicle until it was sold. Upon the sale of the vehicle, the Plaintiff would deliver the title to the Masseys either directly or through one of their agents/employees, and then receive payment for the vehicle in accordance with the parties agreement." (¶ 3 of Complaint, Plaintiff's Exhibit #2).

Inexplicably and without the knowledge or consent of the Plaintiff or her mother, the Defendant gave titles to Darrell and Brandon Massey for vehicles without receiving

ELECTRONICALLY FILED - 2019 Oct 15 3:35 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

payment in return. The Defendant admitted that he did not verify the presence of the vehicles before he gave the titles to the Masseys. The Plaintiff submits the acts of the Defendant were grossly negligent and were the proximate cause of any losses associated with Darrell and Brandon Massey. In fact, the Defendant filed the aforementioned lawsuit against Darrell Massey and Brandon Massey and obtained a judgment in the amount $282,142.00 on April 9, 2009. Neither the Plaintiff nor any member of her family was a party to that lawsuit filed by the Defendant in Civil Action Number 2008-CP-04-4470 (Plaintiff's Exhibit #2). Defendant's actions constitute a bad faith breach of duty in delivering unsecured assets to the Masseys who were known by the Defendant to be an unreliable business associate from prior dealings.

The requirement of good faith is an element which the courts have stated to be an inherent element of all contracts and agreements. Adams v. G.J. Creel and Sons, Inc., 465 SE2d 84, 320 SC 274 (S.C. 1994). The Plaintiff submits that it would be unjust and inequitable for the Defendants to receive credit against the Promissory Note for losses the Defendants sustained as a result of their own gross negligence and not in the normal course of dealing.

-Statute of Limitations-

(2) The statute of limitations bars the Defendants' counterclaim alleging "overpayment" and "offset" of the Note. The interpretation and application of the Note provisions are subject to the 1976 S.C. Code of Laws, §15-3-530 et. seq. This section of the code bars claims more than three years old and requires the Defendants to commence action before the expiration of the three-year period. This defense was duly pled by the Plaintiff in her Amended Reply filed August 30, 2017. The aforementioned lawsuit filed by the Defendant against Darrell and Brandon Massey was commenced on December 31,

ELECTRONICALLY FILED - 2019 Oct 15 3:35 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

2008; therefore, the Defendants undisputedly had actual knowledge of the loss incurred. The Defendants, however, made no claim whatsoever that the "loss" should be deducted from the Promissory Note until more than six years later when it became convenient for them to do so. Further, it is undisputed that neither of the Defendants filed a creditor's claim of any kind against the Estate of Charles Whitfield or Helen Whitfield. Accordingly, the Plaintiff submits that the Defendants' claim is barred by the statute of limitations and should not be considered by the court as a "bad debt" or "offset" against money due the Plaintiff.

-Credits/Offsets on Interest-

(3) The Defendants have presented no credible evidence or documentation of the sales of vehicles they are claiming as credits or offsets against the Note. The Defendants seek credit for what they allege to be an overpayment of interest yet have provided no verifiable documentation of descriptions of vehicles, values of the vehicles, or VINs to support their claims. The language of the Note states that interest "shall be paid semi-annually on the 15th day of July and January, beginning July 15, 2007." Clearly the Defendants should have accurately and timely calculated said interest; however, they failed to do so. Defendants have claimed multiple and grossly inconsistent numbers throughout the pendency of this litigation. To illustrate this point, the Plaintiff would call the court's attention to the testimony of Defendants' expert, Darrell Hardy. Mr. Hardy, who acknowledged that he had "surrendered" his CPA license just prior to his indictment for impersonating an IRS agent, produced nonsensical testimony regarding the accounting practices of the Defendants and Defendants' calculations of interest due on the Promissory Note. Mr. Hardy acknowledged that he had produced multiple documents prior to and during the pendency of this action setting forth the amount owed on the Promissory Note

ELECTRONICALLY FILED - 2019 Oct 15 3:35 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

(Plaintiff's Exhibit #1). His figures ranged from an indebtedness to the Plaintiff of $31,359.95 to the Plaintiff owing the Defendant $200,914.05. Mr. Hardy opined at trial that he and the Defendants had "dropped the ball" in properly calculating the interest. Defendants now seek to essentially manufacture figures in an effort to avoid paying interest due on the Note as well as the remaining principal.

-Partnership-

(4) No partnership existed between the Defendant and Charles Whitfield, Helen Whitfield, or the Plaintiff. Further, the language of the Note speaks for itself. The Plaintiff would refer the court to §33-41-210 and §33-41-220 et. seq. of the South Code of Laws, as amended:

> **SECTION 33-41-210. "Partnership" defined; application to limited partnerships.**
>
> A "partnership" is an association of two or more persons to carry on as co-owners a business for profit and includes, for all purposes of the laws of this State, a registered limited liability partnership. However, any association formed under any other statute of this State or any statute adopted by authority, other than the authority of this State, is not a partnership under this chapter unless the association would have been a partnership in this State before the adoption of this chapter on February 13, 1950.
>
> This chapter shall apply to limited partnerships except insofar as the statutes relating to the partnerships are inconsistent with the provisions of this chapter.
>
> HISTORY: 1962 Code Section 52-11; 1952 Code Section 52-11; 1950 (46) 1841; 1994 Act No. 448, Section 4.
>
> **SECTION 33-41-220. Determining existence of partnership.**
>
> In determining whether a partnership exists, these rules shall apply:
>
> (1) Except as provided by Section 33-41-380 persons who are not partners as to each other are not partners as to third persons;
>
> (2) Joint tenancy, tenancy in common, tenancy by the entireties, joint property, common property or part ownership does not of itself establish a partnership, whether such co-owners do or do not share any profit made by

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the use of the property;

(3) The sharing of gross returns does not of itself establish a partnership, whether or not the persons sharing them have a joint or common right or interest in any property from which the returns are derived; and

(4) The receipt by a person of a share of the profits of a business is prima facie evidence that he is a partner in the business, but no such inference shall be drawn if such profits were received in payment

(a) as a debt by installments or otherwise,

(b) as wages of an employee or rent to a landlord,

(c) as an annuity to a widow or representative of a deceased partner,

(d) as interest on a loan, though the amount of payment vary with the profits of the business or

(e) as the consideration for the sale of the good will of a business or other property by installments or otherwise.

HISTORY: 1962 Code Section 52-12; 1952 Code Section 52-12; 1950 (46) 1841.

In particular, §33-41-220 (4)(a-e) excludes the existence of partnership and disallows the Defendant's efforts to create deductible and offsetting expenses which would amend the terms of the Note. Further, if the court considers that there is a 50/50 partnership and that the partnership overrides the terms of the Note, the Plaintiff requests at least a 50/50 division of the joint account with right of survivorship.

It is well settled law that parol evidence is not admissible to vary the terms of a Promissory Note which shows clear terms and conditions as recited in the case of Ray v. S.C. National Bank, 281 S.C. 170, 314 SE2d 359 (Ct. App. 1984). The Plaintiff's expert, Dr. Charles Alford, testified that he had not been provided a single document supporting a partnership or any joint tax return indicating a partnership between Charles Whitfield, Helen Whitfield, or Vicki Littlefield and the Defendants. He further testified that the interest due pursuant to the language of the Note continued to accrue as long as the

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principal had not been satisfied. In his expert opinion, the Note has not been satisfied by the Defendants.

Dr. Alford, who has a PhD in economics and is an experienced expert in forensic accounting, conducted an extensive review of the tax returns and records maintained by the Defendants. Dr. Alford opined that the Defendants owe the Plaintiff on the Promissory Note the sum of $257,073.00 using the following calculation (Plaintiff's Exhibit #4):

Note Principal:	$800,000.00
Unpaid Interest Due:	165,928.00
Sub-total:	$965,928.00
Less Principal Payments:	(450,000.00)
Less Balance from Whitfield/Cromer Account:	(258,856.00)
Balance Due to Plaintiff:	***$257,073.00***

-Attorney Fees and Costs-

(5) The Defendant's failure to abide by the terms of the Note and absolute refusal to satisfy the Note or to pay the interest resulted in the necessity of this litigation which includes mediation costs, depositions, trial preparation, and other expenses which are supported by the Plaintiff's testimony and the attached Attorney Fee Affidavit. The Promissory Note (Plaintiff's Exhibit #1) specifically allows for award of fees.

> i) If default be made in the payment of principal and/or interest when due under this Note, or in the performance of any of the terms, covenants, conditions or warranties contained in the mortgage securing payment hereof, at the option of the Holder of this Note, the entire principal sum evidenced hereby, together with interest accrued thereon, without notice, shall become immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise same in the event of any subsequent default. If any suit or action is instituted or an attorney is employed to collect any amount due on this Note, or any part thereof, or to enforce any remedy of the Holder as contained in the mortgage securing the same, the undersigned promises and agrees to pay all cost of collection, including a reasonable amount as attorney's fees.

For this reason the Plaintiff is requesting an award of attorney fees and costs and

expenses to compensate for said fees and expenses in the sum of $52,305.83.

CONCLUSION

Evidence presented by the Plaintiff and the language of the Promissory Note itself clearly shows that the Plaintiff is entitled to the remainder of the principal due on the Promissory Note, the interest as set forth in the Promissory Note, and the attorney fees and costs required to litigate this matter as also set forth in the Promissory Note. The Plaintiff therefore respectfully requests that the court dismiss the counterclaim of the Defendants and award the Plaintiff the sum of $309,378.83.

Respectfully submitted,

Dated: October 14, 2019
Anderson, South Carolina

/s Robert L. Waldrep, Jr.
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S.C. Bar No. 5773
/s Elizabeth Waldrep
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STATE OF SOUTH CAROLINA COUNTY OF ANDERSON	)	IN THE COURT OF COMMON PLEAS
Vicki Littlefield, Plaintiff, -vs- Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc. Defendant,	)	DEFENDANT'S POST-TRIAL BRIEF 2016-CP-04-00443

The Defendant, by and through his undersigned counsel, submits the within Post-trial Brief in Support of Defendant's position based on the evidence adduced at trial.

FACTUAL/PROCEDURAL BACKGROUND

This is an action for collection of amounts allegedly owned under a promissory note. Defendant executed a promissory note (the "Note") in the principal amount of $800,000.00 in favor of Charles H. Whitfield on or about January 1, 2007. Pursuant to the terms of the Note, Defendant would make payments of principal and interest on said Note with interest payable semi-annually and calculated on the basis of an even (50/50) division of profits on car loans during the year less an equal (50/50) division of any bad debts on such car loans. It was undisputed at trial that the Defendant and Mr. Whitfield, the original holder of the Note, had operated in a business relationship for purposes of making car loans on essentially the same terms as outlined in the Note for many years prior to execution of the Note. Charles Whitfield died on or about March 24, 2008 and apparently devised his interest in the Note to his wife, Helen D. Whitfield. Helen D. Whitfield died on February 25, 2012, and allegedly devised her interest in the Note to her daughter Vicki Littlefield, the Plaintiff in this action.

Plaintiff instituted the present action seeking to collect sums she alleged remained due and owning on the Note. Plaintiff originally brought five (5) causes of action, seeking: 1. repayment of principal she alleged was due an owning, 2. repayment of interest she alleged was due an owning, 3. an

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accounting of all transactions, including but not limited to all expenses associated with Defendant's business dealings with Charles Whitfield and all transactions with Darrell Massey or Massey Motors, 4. damages from alleged breach of trust with fraudulent intent, 5. damages from alleged fraud and deceit. Plaintiff filed a Motion to refer the entire matter to the Master in Equity. Defendant consented to the Order of Reference provided that Plaintiff agreed to dismiss her fourth and fifth causes of action related to fraud. The matter was referred by Order of Reference filed December 10, 2018, which also incorporated the parties' agreement to dismiss Plaintiff's fourth and fifth causes of action.

At trial, the testimony of the parties and witnesses- together with certain stipulations of counsel- demonstrated a number of undisputed facts:

1. Defendant originally owed Charles H. Whitfield the principal sum of $800,000.00 due on the Note.

2. Defendant made total payments of principal in the amount of $450,000.00.

3. Defendant made regular interest payments on the Note as required by the terms of said Note through at least 2013.

4. Defendant made additional payment to Helen Whitfield in the amount of $258,855.75 from proceeds he obtained as the survivor of a joint bank account he held with Charles Whitfield. The parties stipulated that Defendant was entitled to these funds as the surviving account holder.

5. Defendant incurred substantial losses due to loans made to Darrell Massey or his business Massey Motors. Defendant obtained a judgment against Massey in the amount of $282,142.00, no part of which has ever been paid. The losses on loans to Mr. Massey arose out of Defendant's business relationship with Charles Whitfield and the car loan business envisioned by the terms of the Note. The parties did, however, dispute responsibility for the losses incurred due to business dealings with Mr. Massey.

6. Defendant and Charles Whitfield both employed Darrell Hardy as their accountant for many years. Mr. Hardy admitted that during the course of business between the parties he had not reconciled amounts due on the Note until specifically requested to do so.

While the parties were in agreement as to these matters, the parties dispute the amount of principal and interest, if any, still due under the Note as well as whether Defendant is entitled to any credits for bad debts attributable to the so-called "Massey losses." Plaintiff also seeks an additional award of attorney's fees which Defendant disputes in that Defendant contends that he has repaid all

amounts due under the Note such that Plaintiff is not entitled to recover any sums, including attorney's fees, pursuant to the Note.

ARGUMENT

The Defendant, Paul W. Cromer, has paid all amounts due on the Note, including repayment of all principal and interest. Indeed, once interest is calculated to account for deduction of bad debts from the amount due, Defendant Cromer overpaid the amount due pursuant to the Note.[1] Plaintiff seeks to recover based on a Note that has been satisfied. Furthermore, in maintaining this collection action despite satisfaction by payment, Plaintiff seeks to ignore the bad debts for which Defendant is entitled to credit in calculating the amounts due. Unable to ignore the applicable language of the Note, Plaintiff instead couches her argument in the language of fraud or bad faith. However, Plaintiff dismissed causes of action related to fraud. While proof of negligence- gross or otherwise- is lacking, any evidence presented as to that point is wholly irrelevant to this contract cause of action. Finally, any allegations related to the statute of limitations are irrelevant as the Plaintiff waived that defense in pursuing this collection action and demanding an accounting. The Court should enter judgment in favor of the Defendant for the amount of his overpayment or, in the alternative, declare the Note satisfied and dismiss this action.

1. The Only Damages at Issue, if any, are Based on Contract Law Pursuant to the Note.

If Defendant Paul Cromer is entitled to credit for bad debts in calculating interest due under the Note, and more specifically the Massey losses, then the Plaintiff's case fails as the Note has been fully satisfied. Not surprisingly, Plaintiff expended considerable energy at trial devoted to allegations of fault for such losses. Plaintiff's position appears to be that the Defendant is not entitled to credit for these losses based on one of two theories: first, allegations of breach of duty or fault on the part of the

[1] Indeed, the testimony presented by both parties was congruent on this point. Plaintiff's expert admitted that the so-called "Massey losses" were bad debts, as agreed by Defendant's expert and the Defendant. The only remaining question for the Court is whether there is any legal basis for disregarding such bad debts in calculating the amounts allegedly owed on the Note.

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Defendant, referred to alternatively as negligence or gross negligence or, second, breach of the duty of good faith. Neither argument withstands scrutiny and the Defendant is entitled to credit for bad debts under the Note.[2]

a. Allegations of Fraud or Negligence are Irrelevant in this Contract Action.

The Plaintiff, as master of her complaint, chose to pursue recovery based on contract law. The Plaintiff originally pled allegations of fraud and bad faith but voluntarily dismissed those causes of action at the time of the Order of Reference in this matter. While Defendant questions whether Plaintiff would have been able to prove fraud or bad faith, it is beyond dispute that no causes of action remain that would allow recovery based on anything other than contract law. Indeed, the irrelevance of negligence principles to this contract case is axiomatic.

To further illustrate, Defendant would direct the Court to principles of election of remedies. In *Brown v. Felkel*, the Court of Appeals confronted allegations that the Plaintiff in that case had waived any tort-based recovery when he proceeded first on contract theories.[3] In *Brown*, the Plaintiff brought two separate actions arising out of the same background facts seeking to recover for both breach of contract and professional negligence. Brown first obtained judgment based on the contract at issue in the case in a separate lawsuit. Later, Brown sought judgment based on tort theories and the trial court awarded actual and punitive damages over the Defendant's directed verdict motion. In reversing the trial court, the Court of Appeals agreed with Defendant that the election to proceed with a contract case foreclosed subsequent recovery based on tort theories.[4] While that case involved two separate lawsuits, the principle is the same. The Plaintiff here elected to pursue recovery based on contract. Allegations of negligence or other tort-based theories for recovery, or calculation of damages, are irrelevant.

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[2] Pursuant to the Note, admitted as Plaintiff's Exhibit #1, the interest rate on the note was calculated whereby the "Maker [Cromer] agrees to pay on the principal sum...a sum equal to fifty percent (50%) of the profits on car loans during each calendar year, minus fifty percent (50%) of the bad debts on car loans." Neither the Note itself nor other contemporaneous documents between the parties provide any additional definitions or guidance on the business relationship between the parties or calculation of such bad debts.

[3] 320 S.C. 292, 465 S.E.2d 93 (Ct.App. 1995).

[4] *Id.* at 95.

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In this case, the Plaintiff could have elected to pursue recovery- and calculation of damages- based on pleading and proof of fraud. The Plaintiff originally did so but subsequently dismissed causes of action related to fraud and bad faith.[5] Furthermore, the Plaintiff could have elected to attempt proof of breach of contract accompanied by a fraudulent act.[6] While the Defendant maintains that Plaintiff would have been unable to prove such tort claims, or other theories of fraud, the Plaintiff failed to pursue recovery on that basis, failed to prove facts sufficient to allow recovery on that basis, and is precluded from recovery or calculation of damages based on these tort theories.

b. There is no Proof of Bad Faith

Plaintiff is correct in one particular: good faith (and fair dealing) is an implied element of every contract. However, this undisputable point of law has no application absent proof of bad faith. Black's Law Dictionary defines bad faith as "the opposite of 'good faith,' generally implying or involving actual or constructive fraud, or a design to mislead or deceive another, or a neglect or refusal to fulfill some duty or some contractual obligation, not prompted by an honest mistake as to one's rights or duties, but by some interested or sinister motive."[7] As indicated by the very definition, actual bad faith reeks of the same fraud that the Plaintiff dismissed from her pleadings and failed to prove in any event. Even assuming, without admitting, that Cromer was somehow negligent- or even grossly so- the elements of fraud are beyond the most far-reaching and favorable interpretation of Plaintiff's evidence here. Of course, Plaintiff had the burden of proof. As such, allegations of bad faith fail as a matter of law for the same reason that Plaintiff's tort-based recovery fails: the absence of pleading to allow for such relief and the failure of proof to sustain it.

2. The Plaintiff waived any application of the Statute of Limitations to Calculating Amounts Due Pursuant to the Note.

The Plaintiff seeks to recover amounts allegedly due under a Note. As part of her pleadings,

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[5] *See* Order of Reference filed December 10, 2018.
[6] *See, e.g., Perry v. Green*, 313 S.C. 250, 437 S.E.2d 150 (Ct.App. 1993).
[7] Black's Law Dictionary, Revised 4th Ed. (1968).

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Plaintiff requested an accounting of transactions related to the Note. In his initial responsive pleadings, Defendant sought credit for both his payments and losses based on the applicable language of the Note. Plaintiff then interposed the statute of limitations as a defense. Plaintiff cannot have it both ways: either the parties were to account for the transactions related to the Note, and Plaintiff's potential recovery, or not. Regardless, the doctrine at issue is waiver and the Plaintiff's own pleadings demonstrate the basis for waiving any applicable statute of limitations.

By seeking affirmative relief regarding amount allegedly due under the Note, Plaintiff waived her right to assert the statute of limitations regarding calculation of the amounts due. More specifically, the Plaintiff seeks to recover under the Note. In asserting the statute of limitations, the Plaintiff seeks to recover under the Note while concomitantly excluding calculation of proper amount due, if any, under the language of the Note. The Plaintiff seeks to perform calculations of the amount due using only one half of the ledger. Neither law nor equity will afford a party seeking affirmative relief the ability to keep their hand on one side of the scales as they ask the Court to weigh the evidence. That is the essence of waiver, and having requested for the Court to determine amounts due under the Note Plaintiff cannot exclude all consideration of evidence bearing on that question but unfavorable to her position.

The demonstrable application of waiver in this instance is readily apparent by analogy to situations where the statute of limitations would afford a party even greater protection. It is well settled that the government is not amenable to suit based on the doctrine of sovereign immunity except to the extent such immunity has been waived. However, when the government institutes an action for damages the government waives sovereign immunity as to any counterclaims and the applicable statute of limitations- even if any independent action for the counterclaim would be time barred.[8] Similarly, where an action has been instituted the government waives immunity- and the applicable statute of

[8] *See United States v. Capital Transit Co.*, 108 F.Supp. 348 (D.D.C. 1952).

limitations- as to any defenses that would reduce or defeat recovery as well.[9] If the federal government waives application of the statute of limitations, and its sovereign immunity, by instituting an action to recover damages it strains credulity to imagine that a private party does not also waive the statute of limitations.[10]

3. The Note is- at a Minimum- Fully Satisfied.

Plaintiff asserts an unpaid balance on the Note in the amount of $257,073.00. That amount is based on the testimony of Dr. Charles Alford. On cross-examination, Dr. Alford admitted that the "Massey losses" were bad debts.[11] Furthermore, Dr. Alford admitted that if Defendant were afforded credit for the Massey losses then the applicable Note was "paid off at some point" and no further interest payments would be due.[12] Furthermore, Dr. Alford admitted that his calculations did not afford Defendant any credit for the Massey losses. Accordingly, by the testimony of Plaintiff's own expert the Plaintiff is only entitled to further payment if bad debts are excluded. While Dr. Alford did not go so far as to testify as to the legal effect of these bad debts, and in any event such testimony would have been outside the scope of his expertise, the resulting conclusion is obvious: if interest is calculated based on profits and bad debts pursuant to the language of the Note, then Plaintiff is not entitled to further payment.

In contrast to Dr. Alford, Defendant's expert Darrell Hardy was previously familiar with the

[9] *See, e.g., Bull v. United States*, 295 U.S. 247 (1934); *In Re Monogahela Rye Liquors*, 141 F.2d 864 (3rd. Cir. 1944).
[10] In the alternative, even if the Court were to determine that the statute of limitations bars Defendant from seeking an affirmative recovery, he would not be barred from asserting his entitlement to appropriate credits calculated based on the applicable language of the Note. In other words, if the Defendant is not entitled to a judgment against the Plaintiff on the basis of his counterclaim for overpayment then he would still be entitled to assert defenses to payment in the nature of recoupment. *See, e.g., Tuloka Affiliates, Inc.* v. Moore, 275 S.C. 199, 258 S.E.2d 293 (1980) (allowing recoupment as a defense to reduce or defeat recovery even where plead as a counterclaim and where such claim would be barred as an independent action by the applicable statute of limitations).
[11] Black's Law Dictionary defines bad debts as "generally speaking, one which is uncollectible". Revised 4th Ed. (1968). Having pursuant a collection action against Massey to judgment, and having been unable to collect on the judgment, it is difficult to imagine how the Massey losses are not bad debts within the meaning of the Note. Indeed, Dr. Alford apparently agreed with that proposition.
[12] In candor, a transcript of the proceedings has not yet been obtained. Accordingly, quotes attributable to witnesses are based on contemporaneous notes of Defendant's counsel as to the testimony of witnesses and may vary slightly from quotations if lifted from the transcript.

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parties to the Note and the business relationship related thereto.[13] Mr. Hardy noted bad debts under the Note had not been calculated as they should have been, but that he was able to calculate appropriate payments based on both profits and bad debts.[14] In affording Defendant credit for the Massey losses, Mr. Hardy determined that Cromer had overpaid the Note by $120,809.80.[15] That amount afforded Plaintiff credit for bad debts attributable to loans to Darrell Massey or his business. Furthermore, Hardy testified that the losses he characterized as bad debts due to loans for Mr. Massey also appeared on tax returns he repaired for Charles Whitfield or his family members.[16]

The combined effect of the testimony of both experts suggests the result here. In order to reach the conclusion that the Defendant still owes money under the Note, the Court would necessarily have to discount any evidence of, or credit for, bad debts.[17] In applying the language of the Note, as the Court should, the calculation of the balance must include calculation of interest with due credit for both payments made and deductions for bad debts. As a consequence, two possible results remain. If the Court is inclined to afford Mr. Cromer full credit for the bad debts in calculating the balance of the Note, then Mr. Cromer overpaid and is entitled to judgment against the Plaintiff in accordance with Darrell Hardy's calculations that include these losses. In the alternative, if the Court is inclined to reduce the amount owed on the Note by the amount of bad debts but not afford Defendant any

[13] As to this point, Plaintiff spent considerable time at trial arguing that the parties were not engaged in a partnership. Defendant believes that a finding of partnership is appropriate. However, determination of partnership is not necessary to the relief Defendant currently seeks regarding calculation of the amounts due under the Note.

[14] Here, Plaintiff took issue with Hardy's multiple calculations during the pendency of this case. However, Mr. Hardy admitted that he had performed calculations based on whether various categories of payments and losses were properly included based on the continuing receipt of information and requests to change the parameters of his opinion on account of this information. It would be far more unusual if the calculated amounts did NOT change as the case progressed and discovery proceeded, just as Plaintiff's calculations changed in light of acknowledging various payments received.

[15] At the time of trial, the distinction between bad debts and other types of losses was elicited in testimony from various witnesses. However, the final calculation produced by Mr. Hardy is itemized in Defendant's Exhibit #1 such that if the Court were to determine that certain losses are not properly included- such as attorney's fees or receipt of automobiles- then the amounts calculated for these categories could readily be excised from the calculation.

[16] Notably, Plaintiff did not offer any evidence contrary to this point. If the Court is inclined to credit Mr. Hardy's testimony, then calculation of any amount due under the Note without deductions for bad debts would also grant a windfall to the Plaintiff in that Plaintiff or her alleged predecessor in interest already received the tax benefits from losses claimed.

[17] As indicated herein above, the Plaintiff cannot seek to exclude calculation of these losses based on either theory proffered for attributing fault to the Defendant. Similarly, the Plaintiff waived any claim as to the statute of limitations to avoid inclusion of bad debts in the calculation of amounts due under the Note by filing suit to determine the amount due and demanding an accounting.

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affirmative relief, then the bad debts reduce the balance to zero and the Note should be deemed satisfied by payment.[18]

CONCLUSION

For these reasons, the Defendant Paul W. Cromer has paid all amounts due on the Note, including repayment of all principal and interest. Defendant's position was and remains that if he is afforded credit for both his payments and losses due to bad debts, that he has actually overpaid the Note. In contrast, Plaintiff seeks to recover based on a Note that has been satisfied. To avoid this conclusion, Plaintiff invokes language appropriate for tort causes of action or bad faith. However, relief on that basis is not appropriate as Plaintiff dismissed causes of action related to fraud and failed in any event to produce evidence of fraudulent conduct. Finally, any allegations related to the statute of limitations are irrelevant as the Plaintiff waived that defense in pursuing this collection action and demanding an accounting. The Court should enter judgment in favor of the Defendant for the amount of his overpayment or, in the alternative, declare the Note satisfied and dismiss this action.

Respectfully Submitted,

PRUITT & PRUTT

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October 15, 2019

[18] As indicated herein above, even if the Court refuses to allow Defendant to pursue his counterclaim he would still be entitled to have his claim for credit construed as a defense on the grounds of recoupment and reduce or defeat recovery. *See Tuloka Affiliates, Inc. v. Moore*, 275 S.C. 199, 258 S.E.2d 293 (1980).

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465 S.E.2d 93
320 S.C. 292
James L. BROWN, Jr., a/k/a James L. Brown, Respondent,
v.
Dal H. FELKEL and Dal H. Felkel & Associates, Appellants.
No. 2407.
Court of Appeals of South Carolina.
Heard Sept. 12, 1995.
Filed Oct. 30, 1995.
Rehearing Denied Dec. 21, 1995.
Certiorari Granted Sept. 5, 1996.

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[320 S.C. 293] E.N. Zeigler, Florence, for appellants.

Daryl J. Corbin, Florence, and Kenneth R. Young, Jr., Sumter, for respondent.

HOWELL, Chief Judge.

This case arises out of a professional negligence claim. James L. Brown alleged Dal H. Felkel and Dal H. Felkel & Associates (DFA), Brown's accountants, breached their fiduciary duties to Brown, and were grossly negligent in promoting his investment in Southern Agricultural Chemicals, Inc. and failing to warn him of Southern Agricultural's financial problems. A jury awarded Brown $240,625.00 actual damages and $255,000.00 punitive damages. We reverse.

DFA began handling Brown's personal and business accounts in the 1960s. In 1973, DFA advised Brown about certain investments in Southern Agricultural, another of DFA's clients. From 1973 until 1978, DFA arranged a series of loans secured by notes from Brown's business, Kelly Nursing Home, to Southern Agricultural totalling $155,000.00. In 1982, Brown learned Southern Agricultural was going bankrupt. As a result, he called DFA and demanded payment of his notes. Southern Agricultural issued a check to Brown for $172,500.00. However, before Brown could present the check for payment, he was informed Southern Agricultural lacked the funds to satisfy it.

On May 10, 1982, Ralph Tiller, president of Southern Agricultural, gave Brown a note for $192,500.00 secured by a mortgage on Tiller's one-third interest in an 855 acre tract in Charleston County. The Tiller note was due and payable in six months. When Tiller failed to satisfy the note, Brown threatened to foreclose on the mortgage. To prevent foreclosure, Felkel gave Brown a second note for $240,625.00, representing the $192,500.00 debt plus interest to date, secured by Felkel's one-third interest in the same 855 acre tract.

On January 29, 1988, Brown commenced this action (the "Florence action") alleging a breach of contract against Tiller and Felkel, and negligence against DFA. In 1989, the Yaschik Development Company, Inc. began foreclosure proceedings in [320 S.C. 294] Charleston County (the "Charleston action") involving the 855 acre tract. As a result of his interest in the property, Brown was named a defendant in the Charleston action. Brown filed a cross-claim against Tiller and Felkel seeking judgment on the $192,500.00 and $240,625.00 notes. The master found Felkel liable to Brown for the full amount of the second note with compounded interest totalling $712,319.96

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in addition to $25,000.00 in attorney fees.

Brown then pursued the Florence action. Before the Florence action trial, Tiller was dismissed as a defendant, and Brown agreed to strike his breach of contract claim against Felkel, leaving only a professional negligence cause of action. On appeal, DFA and Felkel contend the trial judge erred when he failed

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to grant their motion for a directed verdict on the ground Brown waived any tort claim he had when he took judgment on Felkel's note secured by a mortgage for the amount of his claim against Southern Agricultural in the Charleston action. DFA and Felkel argue Brown elected to proceed to judgment against Felkel in contract, and he cannot make a second recovery in a tort action based on the same facts. We agree.

The doctrine of election of remedies involves a choice between two or more different and coexisting modes of procedure and relief afforded by law for the same injury. Tzouvelekas v. Tzouvelekas, 206 S.C. 90, 33 S.E.2d 73 (1945). Its purpose is to prevent double redress for a single wrong. Use of the doctrine is limited to cases where a double recovery by the plaintiff is threatened. Save Charleston Foundation v. Murray, 286 S.C. 170, 333 S.E.2d 60 (Ct.App.1985). When one set of facts entitles the plaintiff to alternative remedies, he may plead and prove his entitlement to either or both; however, the plaintiff may not recover both. Id. The plaintiff should have a full opportunity to prove his claim to some form of relief, but he should not receive a double recovery. Id. The invocation of one remedy constitutes an election of remedies that will bar another remedy consistent therewith where the suit upon the remedy first invoked reached the stage of final adjudication. Id.

Even though Brown's causes of action in the Charleston and Florence suits were based on different theories of recovery, they nonetheless were consistent. [320 S.C. 295] Brown, therefore, would not have been required to make an election had they been brought in the same suit. He could have pleaded and proved both the negligence cause of action and Felkel's liability on the note, but would have been limited to one recovery. See Robert Harmon and Bore, Inc. v. Jenkins, 282 S.C. 189, 318 S.E.2d 371 (Ct.App.1984).

The issue is not whether Brown would have been required to elect among his causes of action had the matter been tried all in one case, but whether Brown obtained a recovery in the Charleston action arising out of the same facts as those at issue in the Florence action. [1]

In the Florence action, Brown sought actual damages resulting from DFA's and Felkel's negligent promotion and continuous assurances of the security of Southern Agricultural investments, their failure to assess the financial condition of Southern Agricultural, their failure to properly warn Brown of Southern Agricultural's financial problems, and their negligent inducement designed to encourage Brown to maintain his investment in Southern Agricultural. Brown also sought punitive damages due to DFA's and Felkel's gross negligence. However, Brown had already recovered a judgment in the Charleston proceeding against Felkel for his actual damages sustained as a result of his Southern Agricultural investment. The master in the Charleston proceedings awarded Brown actual damages occasioned by his investment in Southern Agricultural as embodied in Felkel's note to respondent for $240,625.00. Additionally, Brown was awarded compound interest and $25,000.00 in attorney's fees

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against Felkel pursuant to the note for a total judgment against Felkel of $737,319.96.

[320 S.C. 296] Clearly, these damages represented the actual damages sustained by Brown as a result of Felkel's negligence. [2] Brown was injured by Felkel once. To allow Brown to recover on a tort claim arising out of the identical facts upon which he has already received a judgment based on contract would result in a double recovery for Brown. [3] Where, as here, Brown obtains a final judgment on one remedy, he has elected that

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remedy, and is barred from recovering under any other consistent remedy.

As a result of the above analysis, we need not reach DFA'a and Felkel's other arguments. Accordingly, the judgment is

REVERSED.

SHAW and CURETON, JJ., concur.

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1 Brown argues he is not barred from obtaining judgment in the Florence action because he is seeking damages in tort from DFA and Felkel, whereas in Charleston he obtained judgment against Felkel individually. Brown contends DFA and Felkel must prove the parties in the two actions were the same or their privies to successfully assert the defense of res judicata. See Owenby v. Owens Corning Fiberglas, 313 S.C. 181, 437 S.E.2d 130 (Ct.App.1993).

However, DFA and Felkel contend Brown is barred from recovery because he has made an election of remedies. The election of remedies doctrine focuses on the prevention of a double recovery based on the same injury. Privity of the parties, in and of itself, is irrelevant to this defense. A review of the record in the Florence action and the master's findings in the Charleston action clearly show these actions were predicated on the identical facts and subsequent injury to Brown.

2 We again note the Florence jury awarded respondent actual damages of $240,625.00, the exact amount of the note awarded by the master in Charleston.

3 Brown originally sought damages against DFA and Felkel in the Florence action based on breach of contract and negligence. However, after the Charleston action ended in a judgment against Felkel on the note, Brown agreed to strike the breach of contract action in the Florence proceedings because "a judgment ha[d] already been obtained on the same fact[s] [sic] in Charleston County." Brown, therefore, admitted he had already elected his remedy by obtaining judgment on his breach of contract cause of action in Charleston. Furthermore, during the Florence action, Brown admitted he would not have pursued this claim if the Charleston judgment could have been satisfied.

fastcase

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268 S.E.2d 293
275 S.C. 199
TULOKA AFFILIATES, INC.,
Respondent,
v.
Albert W. MOORE, and Margaret Moore, Appellants.
No. 21273.
Supreme Court of South Carolina.
July 23, 1980.

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[275 S.C. 200] Nancy C. McCormick, Professor Nathan M. Crystal., Columbia, for appellants.

John B. Butler, Jr., Edward M. Woodward, Jr., Woodward, Butler & Unger, Columbia, for respondent.

HARWELL, Justice:

Albert W. and Margaret Moore appeal the decision of the trial judge granting respondent Tuloka Affiliates, Inc. summary judgment on appellants' counterclaim. We reverse.

[275 S.C. 201] The Moores bought a mobile home under an installment plan and gave a purchase money mortgage to secure the transaction to the seller. The seller then transferred its interests to Tuloka Affiliates, Inc. Tuloka subsequently commenced an action in claim and delivery against the Moores alleging default in payments under the contract.

During the course of pleadings, the Moores filed within their amended answer, a "second defense and counterclaim". The Moores alleged that the contract relied upon by Tuloka violates the Federal Truth in Lending Act (TILA), 15 U.S.C. § 1601, et seq. (1974), and the regulations promulgated thereunder, 12 C.F.R. § 226.8, et seq., by failing to make required disclosures. The Moores then asked for relief in the form of twice the finance charge, up to the statutory ceiling of One Thousand Dollars each, plus costs and attorney's fees. See, 15 U.S.C. § 1640(a). Tuloka moved for summary judgment on the second defense and counterclaim, alleging that the Moores had not timely raised the TILA violations issue. The lower court agreed and granted the motion.

In granting summary judgment, the lower court takes the position that Section 1640(e) of the TILA absolutely bars appellants from raising the issue of disclosure violations in their amended pleadings since

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the action by Tuloka was commenced more than one year after the contract to purchase the mobile home was executed. Section 1640(e) provides:

"Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within one year from the date of the occurrence of the violation."

Unfortunately, Congress has provided no definitive guidance as to its intent in enacting Section 1640(e). As a consequence, the states have taken stances on the issue of whether TILA may be raised in defense beyond the one year period which generally vary according to local law. See, [275 S.C. 202] Annotation, 36 A.L.R. Fed. 657 (1978). As such, we believe it to be proper to resolve the issue before us in accordance with South Carolina practice and case law.

Despite appellants' use of the terms "second defense and counterclaim", we are convinced that what was pled was not a claim for affirmative relief at all but rather was in the nature of a recoupment defense. A recoupment, unlike a counterclaim, only

fastcase

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reduces the plaintiff's claim; it does not allow recovery of an affirmative money judgment for any excess over that claim. Unlike set-off, it must grow out of the identical transaction that gave rise to the plaintiff's claim. Mullins Hospital v. Squires, 233 S.C. 186, 104 S.E.2d 161 (1958).

"Recoupment, therefore, is the right of the defendant to cut down or diminish the claim of the plaintiff in consequence of his failure to comply with some provision of the contract sought to be enforced, or because he has violated some duty imposed upon him by law in the making or performance of that contract. The delinquency or deficiency which will justify the reduction of the plaintiff's claim must arise out of the same transaction, and not out of a different transaction." Mullins Hospital v. Squires, supra, 104 S.E.2d at page 166, citing Burks' Pleading and Practice, 4th Ed., Section 247, page 438. (Emphasis added).

Respondent's argument that the contract executed by the appellants and duties of disclosure imposed by TILA do not form part of the same transaction are unpersuasive. The duties imposed on the lender arise out of the loan transaction itself and effectively become a part of the contract.

While the limitation of Section 1640(e) may be interposed to bar an affirmative counterclaim or set-off, it may not be used to defeat the equitable defense of recoupment. This Court has long held the view that:

"(Recoupment) grows out of the contract itself which is the cause of action, and is not barred by the statute of limitations. [275 S.C. 203] It would be manifestly unjust to permit the vendor to enforce a subsisting contract, and deny to the purchaser, from lapse of time, a defense involving the validity of it at its inception. Evans' Executors v. Yongue, 42 S.C.L. (8 Rich.) 113, 115 (1854).

See also, Bull v. United States, 295 U.S. 247, 55 S.Ct. 695, 79 L.Ed. 1421 (1935); Earle v. Owings, 72 S.C. 362, 51 S.E. 980 (1905).

The purpose of the TILA is "to assure meaningful disclosure of credit terms" so that the consumer can shop for credit on an informed basis. 15 U.S.C. § 1601. The provisions for remedies at Section 1640(a) place enforcement of the TILA in the hands of the consumer. If recoupment claims were barred by the limitation in Section 1640(e), lenders could avoid the consequences of noncompliance simply by waiting a year to bring suit on a default, thereby defeating the purpose of the TILA.

The summary judgment on appellants' recoupment claim is reversed and the matter is remanded. For guidance recoupment is available against the costs and attorney's fees, as well as any other monetary claim awarded to respondent in this action.

LEWIS, C. J., and LITTLEJOHN, NESS and GREGORY, JJ., concur.

fastcase

ELECTRONICALLY FILED - 2020 Apr 21 3:20 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON	)	IN THE COURT OF COMMON PLEAS
Vicki Littlefield, Plaintiff, -vs- Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc. Defendant,	)	**MOTION TO RECONSIDER, ALTER OR AMEND** 2016-CP-04-00443

TO: ROBERT L. WALDREP, JR. AND C. ELIZABETH WALDREP, ATTORNEYS FOR THE PLAINTIFF

PLEASE TAKE NOTICE that the undersigned attorney for the Plaintiff will move before the Honorable Steven C. Kirven in his chambers at 12:00 noon on the 10th day after service hereof, or as soon thereafter as counsel can be heard, for an Order seeking to reconsider, alter or amend his Final Order dated April 17, 2020, filed April 17, 2020 and received by the undersigned on April 17, 2020, in the following particulars:

1. The Court erred in construing the Note by failing to afford Defendants credit for bad debts. In finding that the so-called "Massey losses" should not be included in calculation of the amount due under Plaintiff's Note, the Court relied on pleadings that described the normal course of business between Defendants and Mr. Massey to make a finding about contractual expectations between Plaintiff's predecessor in interest and Defendants. However, the Note at issue clearly anticipated losses due to bad debts and afforded Plaintiff credit for such bad debts in interest payments on the Note. To the extent the Court failed to make a finding as to how the Massey losses were not bad debts, or that bad debts specifically referenced in the Note were not within the contemplation of the parties, the Court

ELECTRONICALLY FILED - 2020 Apr 21 3:20 PM - ANDERSON - COMMON PLEAS - CASE#2016CP0400443

should reconsider its opinion as make a specific finding interpreting this provision of the Note.[1]

2. The Court erred in making inconsistent findings about Defendants' conduct. The Court specifically based its holding on what was described as the "normal course of business" and declined to make a "finding of fraud or tortious conduct on the part of Defendants." However, the Court later found that Defendants effectively gave away inventory, indicative of allegations of tortious conduct. Defendants would respectfully request that the Court reconsider its holding and make a finding as to whether Defendants conduct was a breach of contract within the contemplation of the contracting parties or tortious misconduct.

3. The Court erred in finding that Defendants were not entitled to seek recovery from Plaintiff or reduce the balance owed to Plaintiff to zero in this suit on a Note. The Court's findings set forth that Defendants were prohibited from reducing the balance owed or seeking affirmative recovery but failed to set forth any basis for that finding. Defendants would respectfully request that the Court reconsider that portion of the opinion and make a specific finding as to this issue.

4. The Court erred in finding that Defendants were barred from reducing recovery, defeating recovery, or obtaining an affirmative judgment due to the statute of limitations. The Court found that determination of the amount due on the Note was considerably different than finding Defendants were liable for tortious conduct. The Defendants agree with that limited portion of the Court's findings. However, the Court specifically declined to base its holding on tortious conduct from the Defendant. Respectfully, the Court misapprehended Defendants' waiver argument as to the statute of limitations. Plaintiff's request for a determination of the amount due on the Note ineludibly invited the Court to afford Defendants credit for all payments, bad debts, and other matters necessarily incident to a full accounting for any amount allegedly outstanding. Defendants respectfully request that the

[1] Defendants position on this issue and the other issues set forth herein are more fully set forth in Defendants' Post-Trial Brief. Defendants incorporate their Post-Trial Brief filed October 15, 2019 by reference thereto.

Court make a specific finding as to Plaintiff's waiver of the statute of limitations.[2]

5. The Court erred in applying the holding of *Kline Iron & Steel Co. v. Superior Trucking Co.*, Inc. in this case.[3] In *Kline*, the Court found there was sufficient evidence that the parties intended an exact delivery date to submit the issue to the jury. That Court went on to find that, based on resolution of the conflicting evidence of contractual intent, Plaintiff in that case was entitled to recover consequential damages from the delay. In this case, the parties anticipated that their car loan business for purchase of used vehicles would result in bad debts and set forth their understanding in the written Note. If *Kline* controls, then the expectations of the parties regarding bad debts should be applied as written in the Note. To the extent the Court bases its ruling on Defendants' alleged misconduct not anticipated by the parties, *Kline* has no bearing and the Court should enter judgment consistent with Plaintiff's dismissal of causes of action based on allegations of tortious conduct.

I SO MOVE.

PRUITT & PRUTT

s/ J. Calhoun Pruitt, Jr.
J. Calhoun Pruitt, Jr.
SC Bar No. 4588
101 N. Murray Ave.
Anderson, SC 29625
(864) 224-3121
Attorney for the Defendant

Anderson, South Carolina
April 21, 2020

[2] Defendants would also direct the Court's attention to *Tuloka Affiliates, Inc. v. Moore*, 275 S.C. 199, 258 S.E.2d 293 (1980) (holding that recoupment defense available to reduce recovery even where plead as a counterclaim that would be barred by the applicable statute of limitations). As more fully described in Defendants' Post-Trial Brief, to the extent the Court determines that Defendants are barred from asserting a counterclaim denominated as such Defendants are still entitled to credit for bad debts in the nature of a recoupment defense.

[3] 261 S.C. 542, 201 SE2d 388 (1973).

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THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM ANDERSON COUNTY
Court of Common Pleas

RECEIVED
JUN 19 2020
SC Court of Appeals

Steven C. Kirven, Master in Equity

Case No. 2016-CP-04-00443

Paul W. Cromer, Jr., individually and d/b/a Paul Cromer, Inc. ..... Appellant.

v.

Vicki Littlefield ..... Respondent.

NOTICE OF APPEAL

Paul W. Cromer, individually and d/b/a Paul Cromer, Inc., appeals the Final Order and Order Denying Plaintiff's Motion for Reconsideration, copies of which are attached hereto, of the Honorable Steven C. Kirven, dated April 16, 2020 and May 22, 2020. The Final Order was received by Appellant's counsel on April 17, 2020 and the Order Denying Plaintiff's Motion for Reconsideration was received by the undersigned on May 26, 2020.

June 16, 2020

PRUITT & PRUITT

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Attorney for Appellant

Other Counsel of Record:
Robert L. Waldrep, Jr.
Robert L. Waldrep, Jr. P.A.
116 W. Whitner St.
Anderson, SC 29624

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON	)	IN THE COURT OF COMMON PLEAS
VICKI LITTLEFIELD, PLAINTIFF, VS. PAUL W. CROMER, JR., INDIVIDUALLY AND D/B/A PAUL CROMER, INC., DEFENDANTS.	)	C.A. NO.: 2016-CP-04-00443 **TRANSCRIPT OF RECORD**

HEARING HELD BEFORE THE HONORABLE STEVEN C. KIRVEN, MASTER-IN-EQUITY FOR ANDERSON AND OCONEE COUNTY, ON THE 24TH DAY OF SEPTEMBER, 2019, BEGINNING AT 10:50 A.M. IN THE ANDERSON COUNTY COURTHOUSE, ANDERSON, SOUTH CAROLINA.

ELLEN A. BOWEN, REPORTER

APPEARANCES:

ROBERT L. WALDREP, JR. ESQUIRE)
ELIZABETH WALDREP, ATTORNEY)
116 WEST WHITNER STREET)
ANDERSON, SOUTH CAROLINA 29624)

REPRESENTING THE PLAINTIFF

J. CALHOUN PRUITT, JR., ESQUIRE)
JOSHUA RAFFINI, ESQUIRE)
PRUITT & PRUITT)
101 NORTH MURRAY AVENUE)
ANDERSON, SOUTH CAROLINA 29625)

REPRESENTING THE DEFENDANTS

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PLAINTIFF'S EXHIBITS:

NUMBER	DESCRIPTION	IDENTIFICATION/ADMITTED
"1" -	PROMISSORY NOTE	10/14
"2" -	2008-CP-4470 SUMMONS AND COMPLAINT. .	10/14
"3" -	2008-CP-04-4470 JUDGMENT.	10/14

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PLAINTIFF'S EXHIBITS:

NUMBER	DESCRIPTION	IDENTIFICATION/ADMITTED
*"4" -	DR. ALFORD'S TAX RETURNS AND ANNUAL CROMER RECONCILIATION (2005 - 2012);	
-	DR. ALFORD'S ANNUAL CROMER	
-	RECONCILIATION AND INTEREST PAYMENTS	
-	(2013 - 2011); DR. ALFORD'S BALANCE	
-	DUE TO PLAINTIFF FROM DEFENDANT . . .	10/44
*"5" -	NO EXHIBIT MARKED	
*"6" -	NO EXHIBIT MARKED*"4"-"6" CONSOLIDATED INTO EXHIBIT "4"	44/44
"7" -	SETTLEMENT BOOK	30/30
"8" -	EMAIL FROM DARRELL HARDY TO VICKI LITTLEFIELD AND . . .	75/75
"9" -	18 U.S. CODE 701.	144/144

DEFENDANTS' EXHIBITS:

NUMBER	DESCRIPTION	IDENTIFICATION/ADMITTED
"1" -	PAYMENTS.	7/14
"2" -	PROOF OF PAYMENTS - IRS	7/14

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DEFENDANTS' EXHIBITS:

NUMBER	DESCRIPTION	IDENTIFICATION/ADMITTED
"3" -	BUSINESS RECORDS/PROOF OF PARTNERSHIP 1/15/87 - 7/5/2006.	7/14
"4" -	CONSUMER SIGNATURE CARD	7/14
"5" -	TAX RETURN HIGHLIGHTS	7/14
"6" -	BUSINESS RECORDS 2007 - 2013 WITH TAX RETURN EXCERPTS	7/14
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****ALL EXHIBITS MARKED AND ADMITTED HEREIN WERE RETAINED BY THE CLERK OF COURT FOR ANDERSON COUNTY**

(DEFENDANTS' EXHIBITS "1" - "10" MARKED FOR IDENTIFICATION)

P R O C E E D I N G S:

BY THE COURT: THIS IS CIVIL ACTION NUMBER 2016-CP-04-00443, VICKI LITTLEFIELD VERSUS PAUL W. CROMER, JR., INDIVIDUALLY AND DOING BUSINESS AS PAUL CROMER, INCORPORATED. THIS MATTER WAS REFERRED BY AN ORDER OF REFERENCE FILED ON DECEMBER 10, 2018. I'M GONNA ASK THE ATTORNEYS, IF THEY WOULD, TO GIVE ME THEIR NAMES AND WHO THEY REPRESENT, STARTING WITH THE PLAINTIFF.

BY MR. WALDREP: YOUR HONOR, MY NAME'S ROBERT WALDREP AND I REPRESENT MS. VICKI LITTLEFIELD, ---

BY THE COURT: ALL RIGHT.

BY MR. WALDREP: --- THE PLAINTIFF.

BY THE COURT: ALL RIGHT.

BY ELIZABETH WALDREP: YOUR HONOR, MY NAME'S ELIZABETH WALDREP AND I ALSO REPRESENT VICKI LITTLEFIELD, THE PLAINTIFF.

BY THE COURT: ALL RIGHT, THANK YOU. THANK YOU, MA'AM.

BY MR. PRUITT: I'M CALHOUN PRUITT AND I REPRESENT PAUL CROMER, JR., INDIVIDUALLY AND ALSO PAUL CROMER, INCORPORATED.

BY THE COURT: ALL RIGHT, SIR.

BY MR. RAFFINI: JOSH RAFFINI HERE WITH MR. PRUITT, ALSO REPRESENTING BOTH DEFENDANTS, YOUR HONOR.

BY THE COURT: ALL RIGHT. VERY GOOD. DO WE HAVE ANY PRELIMINARY MATTERS WE NEED TO TAKE UP BEFORE WE GET STARTED?

BY MR. PRUITT: WELL, YOUR HONOR, I HAVE PRE-MARKED SOME EXHIBITS, AND I'VE SHOWN THEM TO THE, THE "DUALING" WALDREPS THERE, AND I, I DON'T KNOW WHETHER WE'RE GONNA STIPULATE ANY ADMISSION OF ANY EXHIBITS AT THIS TIME OR NOT.

BY ELIZABETH WALDREP: YES, WE ARE. WE HAVE -- YOUR HONOR, WE HAVE SEVERAL EXHIBITS THAT MR. PRUITT HAS AGREED TO STIPULATE AND, AND WE WORKED WITH HIM TO STIPULATE A NUMBER OF HIS AS WELL.

BY THE COURT: ALL RIGHT. SO DO YOU EACH HAVE AN EXHIBIT LIST?

BY MR. PRUITT: YES, SIR. I'VE GOT A ---

BY MR. WALDREP: I DON'T KNOW THAT WE HAVE A SPECIFIC LIST. WE ONLY HAVE PROBABLY ABOUT THREE (3) OR FOUR (4) EXHIBITS.

BY THE COURT: WELL, THAT'S FINE. WELL, LET'S DO THIS: LET'S TAKE A FEW MINUTES AND WHY DON'T WE GO AHEAD AND GET THE EXHIBITS MARKED FOR IDENTIFICATION AT THIS TIME. AND THEN Y'ALL CAN

-- MIGHT WANT TO DO A LITTLE SHORT LIST OF YOURS. HE'S GOT A LIST AND THEN YOU CAN PUT ON THE RECORD THE ONES Y'ALL AGREE TO AND IF YOU DON'T AGREE TO THEM, THEN WE CAN TAKE THE OBJECTIONS UP AT THE TIME. WE'LL HAVE KIND OF A PROGRAM TO GO BY.

BY MR. PRUITT: I THINK WE DID; WE JUST GOT THROUGH DOING THAT WHILE WE WERE WAITING, YOUR HONOR.

BY THE COURT: OKAY. WELL, I MEAN I WAS GONNA GIVE YOU SOME MORE TIME IF YOU NEEDED IT. (PAUSE) YOU HAVE THEM MARKED?

BY MR. PRUITT: MINE ARE MARKED.

BY THE COURT: OKAY.

BY MR. PRUITT: AS I UNDERSTAND IT, THEY'VE AGREED TO ---

BY THE COURT: WELL, HOLD ON A MINUTE. LET'S LET HER GET HERS TOGETHER. JUST MAKES THINGS GO A LITTLE SMOOTHER, AS WE GO FORWARD, IF WE CAN DO ALL THIS UP-FRONT I THINK.

(OFF RECORD - GOING THROUGH EXHIBITS)

BY THE COURT: DO YOU NEED TO GET YOURS MARKED WITH A LABEL?

BY ELIZABETH WALDREP: WE DO, YOUR HONOR.

BY THE COURT: IF YOU WANT TO GET ELLEN -- SHE CAN PUT THE -- YOU NEED TO GET ELLEN OVER HERE

TO DO IT.

BY ELIZABETH WALDREP: OH, I'M SORRY.

(DOCUMENTS TENDERED TO REPORTER)

BY THE COURT: THAT'D BE PLAINTIFF'S EXHIBITS.

(PLAINTIFF'S EXHIBITS "1" - "6" MARKED FOR IDENTIFICATION)

BY THE COURT: ALL RIGHT. NOW, WE'VE GOT THESE LISTS. I'M GONNA ASK THE ATTORNEY FOR PLAINTIFF, IF YOU WOULD GO DOWN YOUR LIST OF EXHIBITS AND TELL ME WHICH ONES ARE AGREED TO AND I'LL ASK MR. PRUITT IF HE CONCURS IN THAT.

BY ELIZABETH WALDREP: GO DOWN OUR LIST?

BY THE COURT: YES, MA'AM. AS FAR AS YOU UNDERSTAND THAT Y'ALL HAVE AGREED ON.

BY ELIZABETH WALDREP: WE HAVE, WE HAVE A PROMISSORY NOTE, WE HAVE THE ---

BY THE COURT: WELL, THAT WASN'T EVEN -- HAS, HAS HE STIPULATED TO THAT?

BY ELIZABETH WALDREP: YES, YOUR HONOR, MY UNDERSTANDING IS THAT HE HAS.

BY THE COURT: OKAY. THAT'S ONE (1) AND THE SECOND ONE IS A CIVIL ACTION SUMMONS AND COMPLAINT.

BY ELIZABETH WALDREP: YES, YOUR HONOR.

BY THE COURT: HAS HE STIPULATED TO THAT ONE?

BY ELIZABETH WALDREP: YES, YOUR HONOR.

BY THE COURT: ALL RIGHT. AND THEN THREE (3) IS CIVIL ACTION JUDGMENT. STIPULATED TO THAT?

BY ELIZABETH WALDREP: YES, SIR.

BY THE COURT: ALL RIGHT. AND THEN YOU'VE GOT NUMBER FOUR (4), DR. ALFORD'S TAX RETURNS AND ANNUAL RECONCILIATIONS.

BY ELIZABETH WALDREP: HE HAS NOT STIPULATED TO THAT ONE, YOUR HONOR.

BY THE COURT: OKAY. AND THEN YOU'VE GOT NUMBER FIVE (5), IS ANNUAL -- DR. ALFORD'S ANNUAL RECONCILIATION.

BY ELIZABETH WALDREP: NO, SIR. HE HAS NOT STIPULATED TO THAT ONE.

BY THE COURT: OKAY. FINE. AND SIX (6) IS ALFORD'S BALANCE DUE.

BY ELIZABETH WALDREP: HE HAS NOT STIPULATED TO THAT.

BY THE COURT: OKAY. MR. PRUITT, IS THAT CORRECT? YOU STIPULATED ONE (1) THROUGH THREE (3) OF THEIR EXHIBITS BUT NOT FOUR (4) THROUGH SIX (6)?

BY MR. PRUITT: THAT'S CORRECT, YOUR HONOR.

BY THE COURT: ALL RIGHT. VERY GOOD. THANK

YOU. NOW GOING TO THE DEFENDANTS' EXHIBITS, YOU'VE GOT TEN (10) OF THEM. MR. PRUITT, HOW ABOUT TELLING ME WHICH ONES YOU UNDERSTAND THEY HAVE AGREED TO.

BY MR. PRUITT: YOUR HONOR, I BELIEVE THAT YOU'LL NOTE ON THE, ON THE LIST THAT I'VE GOT THE ONES THAT ARE MARKED WITH A CHECK, BUT I'LL GO AHEAD AND STATE THAT THEY'VE AGREED TO ONE (1), TWO (2), THREE (3), FOUR (4), FIVE (5), SIX (6) AND TEN (10).

BY ELIZABETH WALDREP: YOUR HONOR, IF I MAY, I AM NOT ABLE TO STIPULATE TO EXHIBIT THREE (3) AS IT IS LABELED, "BUSINESS RECORDS/PROOF OF PARTNERSHIP." I DID NOT KNOW THAT -- IT WASN'T LABELED THAT WAY IN THE EXHIBITS. SO WE VEHEMENTLY OBJECT TO ANY "PROOF OF PARTNERSHIP."

BY THE COURT: WELL, I MEAN IT'S NOT -- IT'S WHAT THEY'RE OFFERING AS PROOF, WHETHER IT'S ---BY ELIZABETH WALDREP: WELL, IS IT LABELED THAT WAY?

BY THE COURT: I DON'T KNOW. I'M JUST LOOKING AT THIS LIST.

BY ELIZABETH WALDREP: (CHUCKLE) OKAY.

BY MR. PRUITT: LET ME SEE. (PAUSE - REVIEWING DOCUMENTS)

BY THE COURT: WHAT'S IT SAY ON THE ACTUAL

EXHIBIT, NUMBER THREE (3)? BUT YOU AGREE TO THE REST OF THEM, YOU SAID? I MEAN ALL OF THEM, BUT SEVEN (7), EIGHT (8) AND NINE (9), IN EFFECT?

BY MR. PRUITT: IS THAT NUMBER THREE (3), ELIZABETH?

BY THE COURT: YES.

BY MR. PRUITT: IT JUST SAYS THE -- THE ACTUAL EXHIBIT, I GAVE YOU A COPY OF THE EXHIBIT, IT JUST SAYS "BUSINESS RECORDS."

BY THE COURT: SO, WE'LL JUST STRIKE THROUGH ON THIS LIST "PROOF OF PARTNERSHIP"; HOW ABOUT THAT?

BY ELIZABETH WALDREP: YES, YOUR HONOR. THANK YOU.

BY THE COURT: AND THAT WILL SATISFY YOUR ISSUE. SO, DO YOU AGREE THAT -- YOU, YOU'VE AGREED TO EXHIBITS ONE (1) THROUGH SIX (6) AND NUMBER TEN (10)?

BY ELIZABETH WALDREP: THAT'S CORRECT, YOUR HONOR.

BY THE COURT: AND DID NOT AGREE TO SEVEN (7), EIGHT (8) AND NINE (9)?

BY ELIZABETH WALDREP: THAT'S CORRECT.

BY THE COURT: OKAY. VERY GOOD. THANK YOU. SO WE CAN BASICALLY AGREE THAT PLAINTIFF'S

EXHIBITS ONE (1), TWO (2) AND THREE (3) WILL BE ADMITTED WITHOUT OBJECTION. THE PLAINTIFF'S -- THE DEFENDANTS' EXHIBITS ONE (1) THROUGH SIX (6) AND TEN (10) WILL BE ADMITTED WITHOUT OBJECTION. ANYTHING ELSE?

(PLAINTIFF'S EXHIBITS "1" - "3" ADMITTED)

(DEFENDANTS' EXHIBITS "1" - "6" AND "10" ADMITTED)

BY MR. PRUITT: YES, SIR. I NOTICE DR. ALFORD IS HERE AND I EXPECT THAT HE WILL BE CALLED AS A WITNESS.

BY THE COURT: I DON'T THINK HE CAME JUST TO WATCH. (LAUGHTER)

BY MR. PRUITT: WELL, THAT'S ENTIRELY POSSIBLE, YOUR HONOR, BUT THE WATCHING IS WHAT I'M GONNA ASK. I WANT TO ASK THAT THE WITNESSES BE SEQUESTERED AND, AND BE BROUGHT IN TO TESTIFY WHEN THEY'RE, WHEN THEY'RE NEEDED. AND IF DR. ALFORD IS NOT GOING TO TESTIFY ON THE REPLY, THEN HE, OF COURSE, CAN STAY; BUT IF HE'S GONNA TESTIFY ON THE REPLY, I'D ASK THAT HE REMOVE HIMSELF LIKEWISE.

BY MR. WALDREP: YOUR HONOR, I, I OBJECT. I THINK THAT IS AN UNNECESSARY SEQUES-, SEQUESTRATION I GUESS YOU MIGHT SAY, AND I CAN'T SEE OF ANY PRECEDENT FOR IT IN THIS PARTICULAR CASE.

BY THE COURT: YOU GOT A RULE YOU'RE RELYING ON, MR. PRUITT?

BY MR. PRUITT: NO, YOUR HONOR, IT'S JUST ---

BY THE COURT: ALL RIGHT. I'M -- YEAH, I KNOW THERE'S, THERE'S TIMES WHEN YOU HAVE, YOU HAVE THAT SITUATION. I DON'T KNOW IF THE -- YOU KNOW, WHEN YOU'RE DEALING WITH A -- WHAT WE HAVE, WE'VE GOT MR. -- DR. ALFORD, AN EXPERT WITNESS, I ASSUME WOULD BE OFFERED AS AN EXPERT. IS THAT RIGHT?

BY MR. WALDREP: YES, SIR.

BY THE COURT: AND WHO'S THE OTHER WITNESS YOU'RE TALKING ABOUT?

BY MR. PRUITT: NO, WE -- NO. I DON'T KNOW WHO -- WHAT OTHER WITNESSES THEY HAVE. I MEAN I KNOW THAT THESE ARE, I THINK, CHILDREN OF THE PARTIES AND THEY'VE BEEN IDENTIFIED BEFORE, BUT I DON'T KNOW WHETHER THEY'RE GOING TO TESTIFY OR NOT. IF THEY'RE NOT GONNA TESTIFY, THEN THEY CAN STAY IN HERE ALL THEY WANT.

BY THE COURT: WELL, AT THIS POINT, I DON'T SEE ANY COMPELLING REASON TO REQUIRE DR. ALFORD TO BE SEQUESTERED. HE'S GONNA TESTIFY AND HE'S -- YOU'RE GONNA BE CROSS-EXAMINING HIM AND HE'S GONNA HAVE TO ESTABLISH HIS CREDENTIALS, NUMBER ONE (1);

NUMBER TWO (2), GONNA HAVE TO ESTABLISH HOW HE WENT ABOUT HIS ANALYSIS AND WHAT HIS OPINION IS AND SO ON. SO I'M GONNA -- I DON'T SEE THE NEED TO DO THAT.

BY MR. PRUITT: ALL RIGHT. YOUR HONOR, ONE (1) MORE THING: I UNDERSTAND FROM MY CONVERSATIONS WITH THE PLAINTIFF'S ATTORNEYS EARLIER THAT THEY'RE GONNA STIPULATE OR ADMIT THAT THE TWO HUNDRED AND FIFTY-EIGHT THOUSAND EIGHT FIFTY-FIVE SEVENTY-FIVE ($258,855.75) PAYMENT THAT WAS RECEIVED BY THEIR CLIENT'S MOM AS A PAYMENT TOWARD THIS NOTE.

BY MR. WALDREP: WE'VE AGREED TO STIPULATE THAT, YOUR HONOR.

BY THE COURT: OKAY. WELL, LET THE RECORD SHOW Y'ALL ARE -- PUT THE STIPULATION IN THE RECORD AS YOU WANT IT TO BE. I MEAN, I DON'T, YOU KNOW, I DON'T KNOW NOTHING ABOUT IT.

BY MR. PRUITT: WELL, IT WOULD BE THE -- YOUR HONOR, YOU'LL ---

BY THE COURT: I'M SURE YOU'LL GET TO THAT.

BY MR. PRUITT: YES, SIR.

BY THE COURT: OKAY. WELL, IT WILL BE STIPULATED WHEN WE GET TO THAT POINT I GUESS. ANYTHING ELSE?

BY MR. PRUITT: NO, SIR, YOUR HONOR.

BY THE COURT: ALL RIGHT. WHAT I WOULD LIKE FOR YOU TO DO GENTLEMEN AND LADIES, IS EACH SIDE GIVE ME A BRIEF OPENING STATEMENT, JUST KIND OF SUMMARIZING THE CASE AND WHAT THE ISSUES ARE AS YOU SEE IT. MR. WALDREP.

BY MR. WALDREP: MAY IT PLEASE THE COURT. YOUR HONOR, THIS CASE ARISES FROM A NOTE WHICH WAS SIGNED BY THE DEFENDANT IN TWO (2) CAPACITIES, AS A CORPORATION AND AS A GUARANTOR AS WELL BACK IN JANUARY, I BELIEVE IT WAS THE 7TH OF JANUARY, 2007. THE NOTE IS FOR EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00), AND I DON'T THINK THAT THERE'S ANY QUESTION BETWEEN THE PARTIES THE AUTHENTICITY OF THE NOTE. THE NOTE IS A LITTLE BIT DIFFERENT FROM REGULAR PROMISSORY NOTES BECAUSE IT HAS A PROVISION IN IT THAT DEALS WITH INTEREST AND HOW THE INTEREST WILL BE CALCULATED. AND I THINK THAT'S PROBABLY GONNA BE THE BIGGEST NUB, THE BIGGEST PROBLEM IN THE CASE IS HOW THAT IS INTERPRETED BY THE COURT. OF COURSE, WE HAVE TESTIMONY TO THE EFFECTS, YOU KNOW, AS OF HOW THAT SHOULD LAY AS FAR AS THE AMOUNT OF MONEY DUE IS CONCERNED. WE HAVE ALLEGED, AND I THINK WE WILL ESTABLISH THAT THIS NOTE HAS BEEN IN DEFAULT FOR

SOME TIME AND THAT THE DEFENDANTS HAVE REFUSED TO PAY IT AND IT WAS FURTHER -- IN THE, IN THE NEGOTIATIONS -- NOT NEGOTIATIONS, BUT IN THE ACTIVITIES THAT ENSUED AFTER THE DEFAULT OF THE NOTE AND DURING THE NOTE, THAT THERE WERE ACTIONS THAT WERE TAKEN BY MR. CROMER WHICH WERE ABSOLUTELY IN BAD FAITH AND FRAUDULENT IN THE MANNER IN WHICH HE WAS DISPOSING AND THE HANDLING OF THIS CASE. WE HAVE SEVERAL CAUSES OF ACTION WHICH WE PROVIDED TO THE COURT HAVING TO DO WITH HIS BAD FAITH, FRAUD AND DECEIT AS FAR AS THE HANDLING OF THE MONEY THAT WAS TO BE HELD BY MR. CROMER IN TRUST FOR THE PLAINTIFF IN THIS CASE. NOW THIS, THIS NOTE IN PARTICULAR STARTED OUT WITH A NOTE TO MR. CHARLIE WHITFIELD. MR. WHITFIELD PASSED AWAY AFTER THE NOTE WAS EXECUTED AND IT WENT INTO THE ESTATE OF HIS WIFE. SHORTLY THEREAFTER HIS WIFE PASSED AWAY AND THE NOTE ENDED UP BEING IN POSSESSION OF AND -- ITS HOLDER, THE PLAINTIFF IN THIS CASE, VICKI LITTLE-, LITTLEFIELD. SO, THERE'S GONNA BE A GOOD BIT OF CONFLICTING TESTIMONY WITH REGARD TO WHO WAS SUPPOSED TO DO WHAT AND THIS WAS A CASE THAT REVOLVES AROUND THE USED CAR INDUSTRY, WHICH I BELIEVE YOU KNOW IS SOMEWHAT COMPLICATED. BUT,

NEVERTHELESS, WE THINK THAT THE COURT WILL ---

BY THE COURT: THAT'S AN UNDERSTATEMENT.

BY MR. WALDREP: THE COURT WILL BE ABLE TO DISCERN AND TO DETERMINE, YOU KNOW, WHAT THE FACTS ARE IN THE CASE. WE HAVE REACHED THE FINAL CONCLUSION ABOUT WHAT OUR CLAIM IS FOR. AS FAR AS THE MONEY IS CONCERNED, IT'S TWO HUNDRED AND FIFTY-SEVEN THOUSAND SEVENTY-THREE DOLLARS ($257, 073.00). ORIGINALLY, I THINK WE ASKED FOR, IN, IN THE COMPLAINT, FOR MORE THAN THAT, BUT WHEN THE COMPLAINT WAS DRAWN WE WERE STILL IN THE PROCESS OF GOING THROUGH AND LOOKING AND HAVING THE FIGURES EVALUATED AND FINALLY WE COME TO THAT CONCLUSION AND THAT'S WHAT OUR EXPERT WITNESS WILL TESTIFY TO. WE, YOUR HONOR, WOULD LIKE THE COURT TO KNOW THAT WE'VE BEEN THROUGH A GREAT DEAL OF TRIBULATION. I GUESS I CAN SAY LITIGATION TRIBULATION, DEPOSITIONS AND CLAIMS AND THE DEALINGS WITH THE ESTEEMED DEFENDANTS' ATTORNEY OVER HERE, AND FEEL LIKE THAT WE ARE ENTITLED TO ATTORNEY FEES AS WELL FOR THE AMOUNT OF MONEY THAT SHOULD BE DUE TO THE, TO THE PLAINTIFF. THAT REALLY SUMS IT UP AS FAR AS I CAN TELL, UNLESS THE COURT HAS ANY OTHER QUESTIONS. THAT WILL BE THE CASE FOR, FOR THE PLAINTIFF.

BY THE COURT: ALL RIGHT. THANK YOU, SIR. MR., MR. PRUITT.

BY MR. PRUITT: YOUR HONOR, AT THE OUTSET, I'M SURE MR. WALDREP HAS FORGOTTEN ABOUT THIS, BUT THE BAD FAITH, AND THE FRAUD, AND THE DECEIT CAUSES OF ACTION WERE ELIMINATED AND DISMISSED PURSUANT TO THE ORDER OF REFERENCE AND AS A CONDITION OF THE, THE REFERENCE TO HERE. SO, IF YOUR HONOR WOULD TAKE A LOOK AT THE ORDER OF REFERENCE, YOU'LL SEE THAT THE FOURTH AND FIFTH CAUSES OF ACTION IN THE PLAINTIFF'S COMPLAINT HAVE BEEN DISMISSED. SO THERE WILL BE NO BAD FAITH, FRAUD AND DECEIT COMING INTO THIS CASE TODAY. THE SOLE ISSUE WILL BE, I BELIEVE, THE BALANCE DUE ON THE PROMISSORY NOTE, GIVEN VARIOUS AND SUNDRY PAYMENTS AND IT'S THE DEFENDANTS' POSITION THAT NOT ONLY IS THERE NO MONEY DUE ON THE NOTE, IT'S HIS POSITION HE HAS OVERPAID AND IS DUE MONEY BACK FROM THE PLAINTIFFS BECAUSE OF HIS OVERPAYMENT. NOW, THE, THE BUSINESS OF THE DEFENDANT, PAUL CROMER, AND THE, THE ANCESTOR OF, OF THE PLAINTIFF WAS LOANING MONEY TO CAR DEALERS TO GO BUY CARS. AND THESE PEOPLE WOULD GO THE BUY CARS, FIX THEM UP, RESELL THEM, AND THEY WOULD REPAY THE LOAN PLUS A FEE FOR HAVING MADE THE LOAN. THE FEE, AS

THE TESTIMONY WILL INDICATE, WAS A HUNDRED DOLLARS ($100.00) FOR THIRTY (30) DAYS ON CARS LESS THAN TEN THOUSAND DOLLARS ($10,000.00) AND A HUNDRED AND SEVENTY-FIVE DOLLARS ($175.00) FOR THIRTY (30) DAYS' LOAN ON VEHICLES THAT WERE OVER TEN THOUSAND DOLLARS ($10,000.00). AND SO, THE PROMISSORY NOTE THAT YOUR HONOR WILL BE LOOKING AT SAYS THAT MR. CHARLIE WHITFIELD, WHO PUT UP THE MONEY AND STARTED THE WHOLE DEAL, AFTER THEY PUT THEIR BUSINESS IN WRITING, WAS EIGHT HUNDRED THOUSAND ($800,000.00). AND WHAT THEY WERE GONNA DO IS THEY WERE GONNA SPLIT THE PROFIT, THE FEES, FIFTY/FIFTY (50/50) AFTER ACCOUNTING FOR ANY LOSSES THAT THEY MADE. FOR EXAMPLE: A LOSS WOULD BE AN OCCASION IF THEY -- IF, IF THE PERSON WHO BORROWED THE MONEY DIDN'T REPAY IT, COULDN'T SELL THE CAR OR THEY HAD TO GO REPO THE CAR, GET IT BACK, WHATEVER. NOW THIS, THIS PROMISSORY NOTE, AS YOUR HONOR WILL SEE, DOES NOT HAVE ANY FINAL DUE DATE AND THE TESTIMONY WILL SHOW THAT THESE PEOPLE HAVE BEEN DOING BUSINESS FROM THE SEVENTIES ('70S) FORWARD USING PRETTY MUCH THE SAME MODELS. THAT IT WAS ONLY JANUARY OF 2007 THAT THEY WROTE UP THIS NOTE TO KIND OF MEMORIALIZE THE FINANCIAL ARRANGEMENTS. IT'S OUR POSITION THAT THESE, THESE

INDIVIDUALS WERE A PARTNERSHIP ALL ALONG AND WE INTEND TO PROVE THAT BY THEIR SPLITTING OF PROFITS AND ALSO SPLITTING OF THE, THE INCOME FROM THESE CAR LOANS AND THE -- EACH SIDE TAKING LOSSES WHEN THEY HAD SOME LOSSES THAT OCCURRED DURING THE, I DON'T KNOW, THE 2008 THROUGH I THINK 2012 PERIOD. SO IT'S GONNA BE AN ACCOUNTING OF MONIES PAID BY THE DEFENDANT TO THE PLAINTIFF AND HOW THOSE LOSSES ARE TO BE ACCOUNTED FOR IN THE OVERALL ACCOUNTING AND HOW THE INTEREST THAT HE PAID SHOULD BE CREDITED TOWARD THE, TOWARD THE NOTE. SO WE THINK THAT ALL TOTAL WE WILL HAVE SHOWN, YOUR HONOR, THAT NOT ONLY IS THERE NO MONEY DUE ON THE NOTE, BUT THAT HE HAS OVERPAID AND WE ARE ASKING FOR A JUDGMENT IN THE AMOUNT OF THE OVERPAYMENT.

BY THE COURT: HOW DID THEY ARRIVE AT EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00)?

BY MR. PRUITT: YOUR HONOR, THERE'S NO CHECK THAT WILL BE PRESENTED TO SHOW EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00). IT'LL BE THAT WAS THEIR ESTIMATE OF THE AMOUNT OF MONEY THAT HAD BEEN PREVIOUSLY PROVIDED TO THE BUSINESS BY MR. WHITFIELD. AND THERE'S NO -- AND IT'S A -- IT WOULD INCLUDE BEING AN AGGREGATION OF MONEY OVER A

PERIOD OF TIME. BUT THERE'S, AS FAR AS I KNOW, THERE'S NO RECORD SHOWING HOW THE EIGHT HUNDRED THOUSAND ($800,000.00) PRINCIPAL SUM FIGURE WAS INITIALLY DETERMINED. BUT WE'RE NOT DISPUTING THE -- THAT AMOUNT AND WE SIGNED THE PROMISSORY NOTE THAT SAID EIGHT HUNDRED THOUSAND ($800,000.00) AND THAT REPRESENTS THE MONEY THAT THE PARTNERSHIP OWED ONE (1) OF THE PARTNERS WHO HAD LOANED MONEY. THAT'S IT.

BY THE COURT: ALL RIGHT, MR. WALDREP, HAVE YOU GOT ANYTHING IN REPLY TO HIS CLAIM THAT YOUR CLIENT OWES THEM MONEY?

BY MR. WALDREP: YOUR HONOR, I DO. I THINK THE COURT WILL BE GREATER ADVISED AS THE TESTIMONY GOES ON IN THIS PARTICULAR CASE.

BY THE COURT: WELL, THAT'S THE HOPE, ANYWAY.

BY MR. WALDREP: YES. AND YOU WILL NOTE THAT WE PUT INTO OUR PLEADINGS, WE HAD TO AMEND OUR PLEADINGS TO DEAL WITH THE COUNTERCLAIM IN THIS CASE AND THERE'S SOME STATUTES THAT PARTICULARLY ADDRESS THIS ISSUE ABOUT WHEN IT IS A PARTNERSHIP AND WHEN IT'S NOT A PARTNERSHIP. AND WE ARE, OF COURSE, ANXIOUS TO GET INTO THE FACT THAT NO PARTNERSHIP EXISTED BETWEEN THESE PARTIES, BECAUSE THAT WAS THE REASON THAT THE NOTE WAS PUT TOGETHER

AND THERE'S NO RESEMBLANCE OF ANYTHING OTHER THAN THE FABRICATION, IN OUR PART, THAT THERE WAS A PARTNERSHIP THAT EXISTED. BUT I THINK THAT THE RECORDS WILL SHOW, THE CHECKS WILL SHOW, AND THE MANNER OF DOCUMENTATION AND THE LACK OF DOCUMENTATION WILL SHOW THAT, THAT WE'RE ONLY DEALING HERE WITH A NOTE AND WE'RE NOT DEALING WITH ANY KIND OF PARTNERSHIP. THIS PROBLEM THAT WE HAVE WITH THAT CASE IS THAT THIS NOTE WAS -- I DON'T WANT TO GET INTO TOO MANY PARTICULARS, BUT IT WAS SIGNED ON JULY THE -- JANUARY THE 1ST, 2007, AND THE DEFENDANT HAS SEEN FIT TO GO BACK FOR A DECADE OR SO BEFORE THIS NOTE WAS SIGNED TO CREATE SOME PARTNERSHIP DEBTS, WHICH HAVE NO RELATIONSHIP WITH THIS. AND SO THAT'S WHY WE FEEL LIKE THAT COUNTERCLAIM SHOULD, SHOULD BE DISMISSED ONCE THE EVIDENCE IS BROUGHT INTO THE CASE TO SHOW. BUT I, I WOULD ASK THE COURT'S ATTENTION TO THAT PARTICULAR STATUTE WHICH PARTICULARLY DESCRIBES WHEN A PARTNERSHIP EXISTS, PARTICULARLY WHENEVER THERE'S A, A NOTE OF THE KIND THAT WE'RE DEALING WITH NOW, AND THE STATUTE IS PRETTY PARTICULAR, YOUR HONOR. AND I WON'T ATTEMPT TO RECITE WHAT, WHAT IT SAYS, BUT IF WE LOOK AT THAT CODE SECTION, I THINK THE COURT WOULD AGREE WITH

THAT. SO THAT'S OUR DEFENSE.

BY THE COURT: ALL RIGHT.

BY MR. WALDREP: COUNTER-CLAIMS.

BY THE COURT: ALL RIGHT. WELL, CALL YOUR FIRST WITNESS, PLAINTIFF.

BY MR. WALDREP: WE CALL VICKI LITTLEFIELD.

BY THE COURT: MS. LITTLEFIELD, I WANT YOU TO COME ALL THE WAY AROUND HERE TO THE WITNESS STAND AND BE SWORN IN.

(VICKI LITTLEFIELD TAKES THE STAND)

VICKI LITTLEFIELD, BEING FIRST DULY SWORN AND CAUTIONED TO TELL THE TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH TESTIFIED AS FOLLOWS:

DIRECT EXAMINATION BY MR. WALDREP:

Q. YOUR NAME IS VICKI LITTLEFIELD; IS THAT CORRECT?

A. YES. YES, SIR.

Q. AND WHERE DO YOU LIVE, MS. LITTLEFIELD?

A. I LIVE IN ANDERSON, 2833 WEST WHITNER.

Q. AND YOU -- I THINK YOU HAVE TWO (2) SONS HERE ---

A. YES, SIR.

Q. --- IN THE COURTROOM WITH YOU TODAY? AND YOUR PARENTS WERE -- WHO WERE YOUR PARENTS?

A. CHARLIE WHITFIELD WAS MY FATHER AND HELEN WAS MY MOTHER.

Q. OKAY. SO YOU ARE THE OWNER AND HOLDER OF THE NOTE THAT WE REFERRED TO IN THE COURTROOM HERE TODAY FOR EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00); IS THAT CORRECT?
A. YES, SIR.
Q. OKAY. AND -- LET'S SEE, I'VE GOT A COPY OF THAT NOTE. (LOOKING THROUGH FILE) MS. LITTLEFIELD, WHERE, WHERE DO YOU LIVE?
A. IN ANDERSON.
Q. IN ANDERSON.
A. YES, SIR.
Q. (DOCUMENT HANDED TO WITNESS) HOW LONG HAVE YOU BEEN A RESIDENT OF ANDERSON COUNTY?
A. MY ENTIRE LIFE.
Q. ALL RIGHT. AND ARE YOU EMPLOYED AT THIS TIME?
A. NO, SIR; I'M RETIRED.
Q. AND WHAT, WHAT KIND OF WORK DID YOU PURSUE WHEN YOU WERE WORKING?
A. WELL, THE JOB I HAD WHEN I, WHEN I RETIRED, I WAS IN SALES FOR ALLEN LEE FURNITURE IN NORTH CAROLINA. AND I HAVE MY OWN DECORATING COMPANY "THE FINISHING TOUCH."
Q. OKAY. SO DO YOU KNOW THE DEFENDANT IN THIS CASE?
A. YES, SIR.
Q. PAUL CROMER? HOW LONG HAVE YOU KNOWN HIM?

A. I GUESS SINCE WE WERE TEN (10) OR TWELVE (12) YEARS OLD.
Q. TEN (10) OR TWELVE (12) YEARS OLD?
A. UH-HUH. (AFFIRMATIVE)
Q. OKAY. DID HE LIVE CLOSE TO WHERE YOU LIVED?
A. YES, SIR.
Q. AND YOU KNEW OF HIS RELATIONSHIP WITH YOUR FATHER?
A. YES, SIR.
Q. HOW DID YOU COME INTO POSSESSION OF THIS NOTE?
A. AFTER MY DAD PASSED AWAY, MY MOTHER GOT, I THINK WE GOT THE COPY OF THE NOTE FROM THRELKELD, OUR ATTORNEY, WHEN WE FOUND OUT THERE WAS A NOTE. WE DIDN'T EVEN KNOW THERE WAS A NOTE AT THE TIME.

BY MR. WALDREP: I, I DON'T BELIEVE I'VE DESIGNATED THAT AS AN EXHIBIT. I WOULD MOVE THAT THE NOTE BE PUT INTO -- AS EXHIBIT ONE (1) FOR THE PLAINTIFF, YOUR HONOR. YOU WANT TO MARK THAT?

BY MR. PRUITT: YOUR HONOR, IT'S ALREADY BEEN STIPULATED AS THE PLAINTIFF'S EXHIBIT NUMBER ONE (1).

BY THE COURT: YEAH. THE PLAINTIFF'S EXHIBIT ONE (1) IS THE PROMISSORY NOTE; IT'S ALREADY BEEN ADMITTED.

BY MR. WALDREP: OKAY. ALL RIGHT. IF IT'S STIPULATED, THAT'S FINE.

Q. MS. LITTLEFIELD, ONCE YOU BECAME AWARE OF THE NOTE ITSELF, WHAT CONTACT DID YOU HAVE WITH MR. PAUL CROMER? DID YOU EVER HAVE ANY CONVERSATIONS WITH HIM, OR?
A. ABOUT THE NOTE?
Q. ABOUT THE NOTE.
A. NOT THAT I RECALL. NOT SPECIFICALLY ABOUT IT, NO.
Q. WAS THERE ANY, EVER ANY DISCUSSION OF THE FACT THAT HE WAS INDEBTED TO YOU AS A HOLDER OF THAT NOTE?
A. YES, SIR. WE HAD ALL THOSE FACTS DOWN IN OUR WORKBOOK.
Q. OKAY. AND DO YOU HAVE ANY IDEA OF THE APPROXIMATE DATE THAT YOU BECAME AWARE OF THIS OBLIGATION THAT MR. CROMER HAD TO YOU AND TO YOUR FATHER'S ESTATE?
A. I CAN'T THINK OF THE SPECIFIC DATE, BUT DAD DIED IN '08, IN MARCH, AND WHEN MOTHER SETTLED WITH HIM -- DAD HAD KEPT A, A BOOK, YOU KNOW, THAT HE HAD FIXED FOR HIMSELF ---
Q. UH-HUH. (AFFIRMATIVE)
A. --- TO PUT DOWN HIS BUSINESS PAPERS IN, THAT HIM AND PAUL SETTLED WITH EVERY SIX (6) MONTHS ON THE NOTE OR ---
Q. THIS IS A SETTLEMENT BOOK?
A. YES, I GUESS. THAT'S WHAT I CALL IT. I DON'T

KNOW EXACTLY WHAT IT WAS. IT WAS JUST SOMETHING WE SET UP OURSELVES. BUT, UH (PAUSE) ---

BY MR. WALDREP: (PAUSE - DOCUMENT SHOWN TO MR. PRUITT)

BY MR. PRUITT: NO OBJECTION.

BY MR. WALDREP: NO OBJECTION. I'D LIKE THIS TO BE MARKED AS NUMBER TWO (2).

BY THE COURT: WELL, WE ALREADY HAVE NUMBER TWO (2). YOU'RE GONNA HAVE TO MARK THAT AS NUMBER SEVEN (7).

BY THE COURT REPORTER: THESE ARE YOUR EXHIBITS THAT WERE MARKED. (DOCUMENTS SHOWN TO MR. WALDREP)

BY MR. WALDREP: (PAUSE - REVIEWING EXHIBITS) OKAY. I WASN'T SURE THIS ONE HAD BEEN MARKED.

BY THE COURT: WHAT IS THAT YOU'VE GOT IN YOUR HAND? WHAT IS THAT? WHAT IS IT?

BY MR. WALDREP: IT'S A SETTLEMENT BOOK THAT IS KEPT UP BETWEEN CAR DEALERS WHENEVER THEY ARE TRANSACTING BUSINESS AND THEY SET- ---

BY THE COURT: OKAY. THAT'S NOT ONE OF THE EXHIBITS THAT WE TALKED ABOUT INITIALLY, PLAINTIFF'S EXHIBIT?

BY ELIZABETH WALDREP: IT IS NOT, YOUR HONOR.

BY THE COURT: SO, YOU GONNA PUT THAT AS

EXHIBIT NUMBER SEVEN (7)?

BY MR. WALDREP: YES, SEVEN (7).

BY THE COURT: ALL RIGHT. THEN YOU GO AHEAD AND WE'LL MARK IT FOR IDENTIFICATION. YOU SAY YOU HAVE NO OBJECTION?

BY MR. PRUITT: NO, NO OBJECTION, YOUR HONOR.

BY THE COURT: ALL RIGHT. THAT WILL BE ADMITTED AS PLAINTIFF'S EXHIBIT NUMBER SEVEN (7) WITHOUT OBJECTION. (DOCUMENT TENDERED TO REPORTER)

(PLAINTIFF'S EXHIBIT "7" ADMITTED)

Q. (DOCUMENT HANDED TO WITNESS) ALL RIGHT, I'M HANDING YOU THAT SEVEN (7). MS. LITTLEFIELD, WOULD YOU TELL THE COURT THE PURPOSE OF THAT BOOK AND HOW THAT BOOK PLAYS INTO THE RELATIONSHIP THAT YOU HAVE WITH MR. CROMER AND THE SALE OF AUTOMOBILES?

A. WELL, WHEN DAD RETIRED, HE DIDN'T -- WASN'T A PARTNER, LIKE HE WAS DOWN THERE EVERY DAY AT THE LOT MAINTAINING BUSINESS. AND SO AT THAT TIME IS WHEN -- AFTER DAD DIED -- WE'D NEVER LOOKED AT DADDY'S PERSONAL BUSINESS UNTIL HE DIED, AND THEN WE HAD TO SETTLE WITH PAUL BECAUSE DADDY WASN'T THERE TO DO THAT, AND THAT'S WHEN I GUESS WE FOUND OUT THAT THERE WAS A NOTE AT THAT TIME. IT WAS

AFTER HE DIED, BUT I CAN'T TELL YOU WHAT DATE THAT WAS, 'CAUSE I DON'T KNOW.

Q. WELL, DO YOU HAVE ANY KNOWLEDGE ABOUT THE RELATIONSHIP BETWEEN YOUR FATHER AND -- CHARLIE WHITFIELD AND THE DEFENDANT IN THIS CASE AS FAR AS THIS NOTE IS CONCERNED AND THE SALE OF THESE CARS?

A. ALL I KNOW IS WITH THE NOTE -- THIS SETTLED IT -- WHAT I CALL SETTLED, HE CAME IN WITH DA- -- PAUL COME TO DADDY EVERY SIX (6) MONTHS AND THAT'S WHY WE SET THIS UP TO KEEP TWO (2) PAGES THAT PAUL WAS BRINGING THIS TIME. I JUST KEPT THEM TOGETHER BECAUSE IT WAS TICKING OFF ON THE NOTE -- THE INTEREST, YOU KNOW, WAS GAINING ON THE NOTE. SO ---

Q. WELL, IS THERE ANYTHING TO YOUR KNOWLEDGE THAT REFLECTS FROM DOCUMENTATION OR ANY NOTES AT ALL THAT THERE WAS A PARTNERSHIP THAT EXISTED BETWEEN PAUL ---

A. NO, NO PARTNERSHIP. 'CAUSE DADDY DIDN'T NEVER GO DOWN THERE AND DO ANYTHING AFTER HE DID THE NOTE AND RETIRED. HE WAS -- YOU KNOW, HE JUST HAD HIS INVESTMENT TIED UP IN THAT EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00) AND THEY JUST SETTLED WITH INTEREST TWICE A YEAR.

Q. I SEE. WELL, CAN YOU TELL THE COURT THE

ACTIVITIES THAT OCCURRED BETWEEN YOU AND MR. CROMER INSOFAR AS THE INDEBTEDNESS ON THE NOTE WAS CONCERNED; THAT IS, HOW, HOW WAS HE MAKING PAYMENTS TO YOU?

A. ON THE NOTE?

Q. YES.

A. HE WAS NOT MAKING PAYMENTS TOWARD THE EIGHT HUNDRED THOUSAND ($800,000.00) INVESTMENT. HE WAS JUST -- WHEN THE CAR THAT WAS SOLD BY "X" NUMBER OF CAR DEALERS EVERY SIX (6) MONTHS, THEY WOULD TOTAL UP HOW MANY THEY SAID THEY HAD SOLD, OR PAUL KEPT A -- I GUESS HE KEPT UP WITH A LIST BECAUSE THAT WAS HIS JOB AND, UH -- OR THAT'S WHAT HE DID WITH THE MONEY, I'M ASSUMING. THAT HE SETTLED WITH DADDY ON THE NUMBER OF CARS THAT HAD BEEN SOLD FOR HALF (1/2) THE INTEREST OF IT; THAT WAS HIS INVESTMENT OFF THE EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00) HE HAD INVESTED.

Q. NOW, HE PAID YOUR, YOUR MOTHER BEFORE SHE DIED ---

A. YEAH. AFTER ---

Q. --- HE PAID HER ---

A. --- DADDY DIED, THE EIGHT HUNDRED THOUSAND WAS STILL INVESTED AND HE SETTLED THE RECEIPTS ON THE CARS THAT WERE SOLD FROM EVERY SIX (6) MONTHS, AND

THEN HE SETTLED WITH HER. AND IF HE SOLD, YOU KNOW, FIVE HUNDRED (500) CARS AT A HUNDRED DOLLARS ($100.00), WELL, IT WAS -- YOU KNOW, THAT'S WHAT IT WAS AND THE INTEREST. PAUL GOT HALF (1/2) AND HE'D GIVE DADDY HALF (1/2).

Q. ALL RIGHT.

A. BUT HE RUN THE BUS- -- HE RUN HIS BUSINESS. WE DIDN'T -- WE WEREN'T IN A PARTNERSHIP, NO. MY MOTHER NEVER WENT DOWN AND LOOKED AT CARS OR TALKED TO CAR DEALERS OR ANYTHING. SHE JUST GOT HER INTEREST EVERY SIX (6) MONTHS.

Q. AND, AS FAR AS YOU KNOW, DID YOU CREDIT MR. CROMER WITH ANY PAYMENTS THAT HE MADE TO YOUR MOTHER?

A. YEAH. MOTHER MADE TWO (2) PAYMENTS WITH HIM BEFORE SHE DIED. BOTH OF THEM I THINK WERE IN 2011 AND THAT CAME OFF. AND THEN AFTER SHE DIED, IN 2012, I TOOK ONE (1) PAYMENT IN 2013 OF FIFTY THOUSAND ($50,000.00). SO THE TWO (2) SHE HAD ALREADY RECEIVED MADE IT FOUR HUNDRED AND FIFTY ($450,000.00), AND THAT WAS AGAINST THE PRINCIPAL.

Q. DID YOU HAVE ANY CONTRACT WITH A GENTLEMAN BY THE NAME OF DARRELL HARDY DURING THIS PERIOD OF TIME?

A. DARRELL HARDY WAS MOM AND DAD'S ACCOUNTANT. HIS -- THEIR CPA.

Q. DID HE ALSO WORK FOR MR. CROMER?
A. I THINK HE DID. THEY DID BOTH THEIR TAX -- HE DID BOTH THEIR TAX RETURNS.
Q. OKAY. AND AT ONE TIME, DID MR. HARDY SEND A NOTE TO YOU THAT -- OF HOW MUCH MONEY THAT MR. CROMER OWED YOU? DO YOU REMEMBER? DO YOU RECALL THAT?
A. TALKING ABOUT HOW MUCH MONEY PAUL OWED ME?
Q. YEAH, UH-HUH. (AFFIRMATIVE) DID YOU RECALL RECEIVING A NOTE TO THE, TO THE EFFECT THAT MR., UH, MR. CROMER ---
A. YEAH. IT WAS -- YEAH. IT WAS AFTER DADDY PASSED AWAY. HE DIDN'T GIVE -- I DON'T KNOW IF HE EVER GAVE MAMA ANYTHING. IF HE DID, I DON'T RECALL.
Q. DID HE GIVE ANY KIND OF FIGURE ABOUT HOW MUCH MR. CROMER OWED YOU AT THAT TIME?
A. YEAH. HE HAD EIGHT HUNDRED THOU- ---

BY MR. PRUITT: OBJECTION. THAT WOULD BE HEARSAY.

BY THE COURT: REPEAT THE QUESTION IF ---

A. YEAH.

BY THE COURT: --- YOU CAN IN A NON-HEARSAY MANNER.

Q. DID YOU RECEIVE A LETTER FROM MR. HARDY STATING AN AMOUNT THAT MR. CROMER OWED ON THIS DEBT, ON THIS NOTE?

BY MR. PRUITT: OBJECTION. HEARSAY AGAIN.

BY THE COURT: WELL, I'M GONNA OVERRULE AT THIS TIME. HE JUST ASKED IF SHE RECEIVED A LETTER. HE HASN'T ASK HER WHAT IT SAID YET.

Q. DID YOU RECEIVE A LETTER FROM MR. ---

A. YEAH. WE RECEIVED A PAPER. I DON'T KNOW IF ---

Q. OKAY.

A. --- IT WAS IN THE FORM OF A LETTER OR NOT.

Q. HOW MANY TIMES DID MR. HARDY WRITE YOU, OR DO YOU RECALL, ABOUT THIS RELATIONSHIP?

A. NO. HE'D COME TO SEE MOTHER JUST DURING TAX TIME. YOU KNOW, HE'D BRING HER TAX RETURN. AND WITH ME, HE DIDN'T DO MY TAX RETURN. SO I DIDN'T HAVE TO DEAL WITH HIM WITH MY TAX RETURN.

Q. OKAY. DID ANY OF THE CORRESPONDENCE FROM MR. HARDY INDICATE ANYTHING ELSE ABOUT THE RELATIONSHIP, ABOUT THE DEBT BETWEEN ---

A. NO. ALL I KNOW IS HE JUST DID BOTH OF THEIR TAX RETURNS.

Q. OKAY.

A. BUT I MEAN THERE WAS NO PARTNERSHIP WHERE HE HAD TO COME IN AND DISCUSS CARS WITH MOTHER OR ME, YOU KNOW, I MEAN BECAUSE WE DIDN'T DO ANYTHING LIKE THAT.

Q. OKAY. WELL, AS, AS A RESULT OF THIS RELATIONSHIP

AND THIS DEBT THAT MR. CROMER OWED TO YOU ON THIS NOTE, DID YOU EMPLOY A, AN ACCOUNTANT FOR THE PURPOSE OF REVIEWING THE FIGURES THAT -- THE MONEY THAT WAS PAID TO YOU AND THE MONEY THAT WAS OWED TO YOU ON THIS NOTE?

A. YEAH. AFTER, AFTER WE STARTED THE CASE, WE HAD DR. ALFORD TO COME IN AND LOOK TO SEE EXACTLY WHAT HAD BEEN DONE.

Q. THAT'S DR. CHARLES ALFORD? THE GENTLEMAN ---

A. YES, SIR.

Q. AND DID YOU SUPPLY HIM WITH ALL THE RECORDS THAT WERE AVAILABLE TO YOU WITH REGARD TO THIS DEBT?

A. I SUPPLIED HIM WITH TAX RETURNS THAT WE HAD OF MOTHER'S. AND THEN WE HAD STARTED THE CASE, SO THEN WE GOT -- PAUL HAD BROUGHT HIS RECORDS TO HIS LAWYER'S OFFICE, WHICH WE WERE ABLE TO GO AND LOOK AND MAKE COPIES OF. SO WE HAD ALL THAT PAPERWORK WE HAD MADE FOR (PAUSE) ---

Q. I'M GONNA ASK YOU TO LOOK AT THIS DOCUMENT HERE. I BELIEVE THAT'S (PAUSE - REVIEWING DOCUMENTS) -- I'M LOOKING FOR PLAINTIFF'S EXHIBIT SIX (6). (DOCUMENT HANDED TO WITNESS) AND THAT, THAT DOCUMENT YOU HAVE IN YOUR HAND, CAN YOU TELL ME WHAT THAT IS?

A. (UPON REVIEW) YES, SIR. IT SHOWS THE NOTE OF

EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00) AND THEN IT SHOWS UNPAID INTEREST DUE, WHICH WAS INTEREST ACCRUED FROM THE TIME THAT ---

BY MR. PRUITT: I OBJECT, YOUR HONOR. THAT'S, THAT'S THE -- I BELIEVE THAT'S -- THESE ARE PLAINTIFF'S FOUR (4), FIVE (5) AND SIX (6) WHICH HAVEN'T BEEN STIPULATED TO, AND THAT -- I THINK THAT, EVEN THOUGH DR. ALFORD IS NOT AN ACCOUNTANT, I BELIEVE THAT THOSE ARE HIS EXHIBITS.

BY THE COURT: HAS THAT BEEN MARKED WITH A NUMBER? IT SHOULD HAVE BEEN.

BY MR. PRUITT: YES, SIR. I, I BELIEVE IT'S FOUR (4), NUMBER FOUR (4). I CAN'T SEE FROM HERE.

BY THE COURT: LET'S FIND OUT WHAT NUMBER WE'RE TALKING ABOUT. WHAT HAPPENED TO THE PLAINTIFF'S EXHIBITS?

BY MR. WALDREP: OKAY. (LOOKING THROUGH EXHIBITS)

BY MR. PRUITT: THAT'S PART OF FOUR (4), FIVE (5) OR SIX (6).

BY THE COURT: YOU HAVE THEM MARKED ANYWAY FOR IDENTIFICATION.

BY MR. WALDREP: YEAH, WE'VE GOT IT MARKED. OKAY?

BY THE COURT: I DON'T SEE WHERE IT WAS

MARKED ---

BY ELIZABETH WALDREP: IT WAS MARKED FOR IDENTIFICATION, YOUR HONOR.

BY THE COURT: WELL, WHERE IS IT?

BY MR. PRUITT: IT'S, IT'S PROBABLY OVER THERE, BUT THAT ONE'S NOT -- WHATEVER SHE'S LOOKING AT IS NOT MARKED.

BY THE COURT: ALL -- I BELIEVE WE MARKED SIX (6) EXHIBITS FOR IDENTIFICATION. THE FIRST THREE (3) WERE AGREED TO AND THE FOUR (4), FIVE (5) AND SIX (6) WERE NOT AGREED TO. SO, WE'RE LOOKING AT ONE OF THOSE, WHICHEVER ONE IT IS.

BY ELIZABETH WALDREP: SHE JUST IDENTIFIED THAT.

BY MR. PRUITT: WELL, HOW CAN SHE IDENTIFY IT IF SHE DIDN'T MAKE IT?

BY ELIZABETH WALDREP: SHE RECEIVED IT. THAT'S WHAT SHE GOT FROM THE EXPERT

BY MR. PRUITT: WELL, (PAUSE) -- THE EXPERT HAS TO IDENTIFY IT.

BY MR. WALDREP: OKAY.

BY THE COURT REPORTER: COULD YOU PUT THE NUMBERS? I DIDN'T HEAR SIX (6). WE DON'T HAVE IT MARKED ON THE EXHIBITS LIST.

BY ELIZABETH WALDREP: LET'S SEE. I THINK

THESE ARE SEPARATE ONES. FOUR (4), FIVE (5) AND SIX (6).

BY THE COURT REPORTER: I DON'T THINK YOU ---

BY MR. WALDREP: I THOUGHT THAT WAS, I THOUGHT THAT WAS STIPULATED?

BY MR. PRUITT: IT WASN'T, IT WASN'T STIPULATED, BUT ACTUALLY IT'S A -- ACTUALLY SHE'S GOT THEM ALL MARKED AS FOUR (4).

BY ELIZABETH WALDREP: OKAY. THESE ARE ALL ONE (1) EXHIBIT.

BY THE COURT REPORTER: ALL ONE (1)?

BY ELIZABETH WALDREP: YEAH.

BY THE COURT REPORTER: OKAY.

BY THE COURT: THAT'S ONE (1) EXHIBIT?

BY MR. PRUITT: ONE (1) EXHIBIT OF THREE (3) PAGES, THAT THEY ORIGINALLY LISTED AS, AS FOUR (4), FIVE (5) AND SIX (6).

BY THE COURT: ALL RIGHT. SO, NOW IT'S JUST FOUR (4)?

BY ELIZABETH WALDREP: IT'S JUST FOUR (4). WE'RE GOING TO CONSOLIDATE.

BY THE COURT: SO, THERE IS NO FIVE (5) AND SIX (6)?

BY THE COURT REPORTER: MARK IT ON YOUR SHEET, ON MY SHEET LIST.

BY ELIZABETH WALDREP: OKAY. (WRITES ON LIST)

BY MR. WALDREP: I APOLOGIZE, YOUR HONOR. I THOUGHT THIS WAS PART OF IT, AND SO WE'LL MARK THAT. OKAY.

BY ELIZABETH WALDREP: THAT ONE'S -- THAT'S PART OF NUMBER FOUR (4) THAT -- HE'S OBJECTING THAT. WE'LL HAVE TO LET DR. ALFORD ---

Q. OKAY. WHAT I HANDED YOU BEFORE -- I'M SORRY TO BE SO CONFUSING ABOUT THIS, MS. LITTLEFIELD, BUT THIS IS THE LAST PAGE OF EXHIBIT FOUR (4) ---

A. UH-HUH. (AFFIRMATIVE)

Q. AND I'LL SHOW YOU THIS AGAIN WITHOUT HANDING THAT BACK TO YOU, JUST PAGES -- PLAINTIFF'S EXHIBIT NUMBER FOUR (4), AND THIS IS THE THIRD PAGE. (DOCUMENT HANDED TO WITNESS)

A. UH-HUH. (AFFIRMATIVE)

Q. AFTER MEETING WITH DR. ALFORD AND EMPLOYING DR. ALFORD FOR THE PURPOSE OF REVIEWING THIS DEBT RELATIONSHIP WITH MR. CROMER, CAN YOU TELL THE COURT HOW -- THE BALANCE THAT WAS CONCLUDED AS BEING OWED TO YOU?

BY MR. PRUITT: YOUR HONOR, THAT, THAT, THAT'S, THAT'S HEARSAY. IT'S THE REASON WHY WE DIDN'T STIPULATE THAT THAT COULD COME IN IS

BECAUSE DR. ALFORD, WHO'S NOT AN ACCOUNTANT, BUT IS HERE TO TESTIFY, THOSE ARE HIS EXHIBITS. AND SHE -- WHATEVER'S ON THERE IS -- SHE GOT FROM HIM IT'S HEARSAY.

BY THE COURT: WELL, I THINK SHE, SHE CAN IDENTIFY THE DOCUMENT AND SHE CAN CERTAINLY TESTIFY THAT SHE RECEIVED IT FROM DR. ALFORD; AND ONCE THAT HAPPENS, YOU KNOW, IT SAYS WHAT IT SAYS. AND WHETHER OR NOT DR. ALFORD IS GONNA DISAGREE WITH THAT IN HIS TESTIMONY, I DON'T KNOW. BUT I THINK IT NEEDS TO BE -- AUTHENTICATE THE DOCUMENTS. LAY A FOUNDATION FOR HOW SHE GOT IT AND WHEN SHE GOT IT, AND WHERE IT CAME FROM ---

BY MR. WALDREP: YES, SIR. OKAY.

BY THE COURT: --- AND WHAT IT IS, WITHOUT GOING INTO SPECIFICALLY WHAT IT SAYS, AT THIS POINT.

BY MR. WALDREP: OKAY.

Q. MS. LITTLEFIELD, THE DOCUMENTS THAT YOU HAVE THERE, WHEN DID YOU RECEIVE THAT INFORMATION, ON PAGE THREE (3) IN PARTICULAR, OF DEFENDANTS' -- OF PLAINTIFF'S EXHIBIT NUMBER FOUR (4)? WITHOUT STATING EXACTLY WHAT IT SAYS, UH ---

A. THE CALCULATIONS, ---

Q. YEAH.

A. --- ALL THE CALCULATIONS THAT ARE ON HERE, ---
Q. OKAY.
A. --- I GUESS WE GOT THESE A COUPLE OF WEEKS AGO.
Q. OKAY.
A. IT'S FROM ONE (1) PART.
Q. OKAY.
A. ON THE CREDIT CARD, WE GOT ---
Q. OKAY.
A. --- THAT A LONG TIME AGO.
Q. DO YOU AGREE WITH THAT FIGURE THERE, WHATEVER THAT FIGURE MAY BE?
A. YES, SIR.
Q. OKAY.
A. AND THE CREDITS THAT ARE ON HERE, MR. PRUITT GAVE US THOSE TOO, WHICH WE AGREED TO.
Q. OKAY.

BY THE COURT: AND THIS, THIS, ALL OF EXHIBIT FOUR (4), IS A SUMMARY OF REPORTS OR DOCUMENTS THAT WERE PREPARED BY DR. ALFORD AND SENT TO ---

BY MR. WALDREP: YES, SIR.

BY THE COURT: --- AND PROVIDED TO THE PLAINTIFF? IS THAT WHAT YOU'RE SAYING?

BY MR. WALDREP: YES, SIR.

BY THE COURT: OKAY. YOU GOT ANY REASON TO DISPUTE THERE WHAT THEY APPEAR TO BE, DOCUMENTS

PRODUCED BY DR. ALFORD?

BY MR. PRUITT: WELL, I, I, I THINK THEY WERE PRODUCED BY HIM. IT'S JUST I THINK THAT HE WOULD HAVE TO BE THE ONE TO ---

BY THE COURT: YOU GOT ANY, YOU GOT ANY ARGUMENT THAT THEY'RE NOT RELEVANT TO THE CASE?

BY MR. PRUITT: WELL, THEY'RE CERTAINLY RELEVANT, BUT THEY'RE AN EXPERT'S OPINION AS TO WHAT THE BALANCE IS. SO I WOULD THINK THE EXPERT WOULD NEED TO TESTIFY TO THAT.

BY THE COURT: WELL, I THINK THEY CAN BE ADMITTED OVER THE OBJECTION. THEY'VE BEEN AUTHENTICATED, THEY'RE RELEVANT, AND, AND, AND THEY ARE WHAT THEY ARE. NOW, IF STANDING ALONE, THEY MAY NOT MEAN ANYTHING, BUT DR. ALFORD SUBSTANTIATES WHAT'S IN THERE, DOESN'T MAKE ANY DIFFERENCE. AND I THINK -- I ASSUME THAT'S WHAT'S GOING TO HAPPEN.

BY MR. PRUITT: I'LL, YOUR HONOR, ---

BY THE COURT: JUST GETTING THEM INTO EVIDENCE, AT THIS POINT, I DON'T THINK THERE'S ANY ISSUE THERE.

BY MR. PRUITT: I RESPECT YOUR HONOR'S RULING ON IT AND WE'LL JUST HAVE TO MOVE FORWARD.

BY THE COURT: ALL RIGHT.

BY MR. WALDREP: ALL RIGHT.

BY THE COURT: SO WE'RE GONNA ADMIT EXHIBIT NUMBER FOUR (4) OVER THE PLAINTIFF'S -- OVER THE DEFENDANTS' OBJECTION.

BY MR. WALDREP: YES, SIR.

(PLAINTIFF'S EXHIBIT "4" ADMITTED)

Q. AND THE AMOUNT THAT'S INDICATED ON THAT DOCUMENT WAS TWO HUNDRED AND FIFTY-SEVEN THOUSAND SEVENTY-THREE DOLLARS ($257,073.00); IS THAT CORRECT?

A. YES, SIR.

Q. AND THAT'S THE AMOUNT THAT YOU'RE ASKING THE COURT ---

A. YES, SIR.

Q. --- TO AWARD YOU? MS. LITTLEFIELD, IN DEALING WITH MR. CROMER IN THIS CASE, CAN YOU -- WOULD YOU GO BACK AND, AND INFORM THE COURT OF ANY MEETINGS THAT YOU HAD WITH MR. CROMER BEFORE THIS LAWSUIT BEGAN AND YOU WERE TRYING TO PUT THESE FIGURES TOGETHER? DID HE COME, EVER COME TO YOUR HOUSE AND TALK ABOUT THESE -- THIS, THIS INDEBTEDNESS THAT HE HAS TO YOU?

A. NO. WE DIDN'T REALLY DISCUSS ANY INDEBTEDNESS BECAUSE WE WEREN'T AWARE.

Q. WELL, DO, DO YOU KNOW ANYTHING THAT WAS REGARDING TO A MR. MASSEY?

A. MR. MASSEY WAS ONE OF THE CAR DEALERS ON THE BOOKS THAT PAUL HAD.
Q. OKAY. WELL, DID MR. CROMER EVER COME TO YOU AND DISCUSS ANYTHING ABOUT MR. MASSEY OR HIS DEALINGS WITH MR. MASSEY?
A. HE CAME TO THE HOUSE--LET'S SEE, THIS WAS AFTER DAD PASSED AWAY--AND SAID HE HAD -- HE SAID HE WAS IN TROUBLE. THAT'S ALL I CAN TELL YOU. HE WAS QUITE UPSET, ALMOST TO THE POINT OF TEARS, AND SAID THAT THEY HAD SOLD CARS AND KEPT MONEY, AND SO HE DIDN'T KNOW WHAT TO DO. THAT'S WHAT -- THAT WAS HIS WORDS. HE DIDN'T KNOW WHAT TO DO.
Q. NOW, YOU ARE FAMILIAR WITH, WITH THE PURCHASING AND SALE OF CARS THROUGH YOUR RELATIONSHIP WITH YOUR FAMILY; IS THAT CORRECT?
A. YEAH. I KNOW, I KNOW HOW DAD WORKED HIS BUSINESS ---
Q. OKAY.
A. --- AS FAR AS, YOU KNOW, THE BOYS THAT WORKED FOR HIM YEARS AGO. BUT, LIKE I SAID, I WASN'T INVOLVED IN THE CAR BUSINESS WITH HIM ---
Q. I UNDERSTAND.
A. I WAS JUST INVOLVED WITH THE NOTE, NOT THE CAR BUSINESS. WE DIDN'T EVER GO MEET CAR DEALERS, WE DIDN'T GIVE CARS, CAR DEALERS CHECKS. THEY DIDN'T

GIVE US MONEY TO (PAUSE) ---

Q. WHAT ABOUT ---

A. WE WEREN'T A PARTNERSHIP. WE DIDN'T SIGN CHECKS OR ANYTHING.

Q. IS THERE ANY PROCEDURE THAT YOU'RE AWARE OF IN THE SALE OF A CAR OR DEALING WITH CARS AS FAR AS TITLES ARE CONCERNED?

A. AS FAR AS TITLES ARE CONCERNED, THAT WAS THE ONLY COLLATERAL THAT DADDY AND PAUL HAD; YOU KNOW, IS WHEN THEY WOULD FINANCE A CAR FOR A CAR DEALER, HE WOULD BRING THE TITLE. THEY WOULD HOLD THE TITLE AND THEY WOULD GIVE -- YOU KNOW, THEY WOULD GIVE THE CAR DEALER A CHECK TO PAY FOR IT AND THEY HELD THE TITLE I GUESS AS COLLATERAL UNTIL THE CAR WAS SOLD OR THEY WAS GONNA TAKE IT TO AUCTION OR WHATEVER. NOW, THIS WAS YEARS AGO WHEN DAD WAS INVOLVED IN IT. BUT THEN, LIKE I SAID, DADDY, YOU KNOW, HE RETIRED, SO HE DIDN'T DO THAT ANYMORE. AND THAT'S WHEN HE DID THE NOTE BECAUSE HE KNEW HE WASN'T GOING TO BE WORKING AS A PARTNER.

Q. WELL, DID MR. CROMER, WHEN HE CAME TO TALK TO YOU ABOUT THIS SITUATION WITH THE SALE OF AUTOMOBILES, DID HE INDICATE WHAT HE HAD DONE ABOUT THOSE TITLES AND THE SALE OF THESE CARS, THAT HE WAS CLAIMING SOME KIND OF OFFSET AGAINST YOU?

A. HE JUST SAID THAT HE KNEW THERE WAS SOME -- THERE WAS MONEY OWED BY MASSEY AND HE DIDN'T WANT TO PAY HIM, AND SO HE DECIDED IT WAS TIME TO GO GET THE CARS, AND WE GOT A BUNCH OF PEOPLE TO TRY TO HELP HIM OUT TO GO GET THEM PICKED UP; THE ONES WE HAD, BEFORE, YOU KNOW, HE TOOK ANYMORE THAT WE KNEW OF. BUT AT THAT TIME, I DON'T THINK THE DAY THAT WE WENT TO PICK THE CARS UP, I DON'T THINK PAUL REALLY KNEW HOW MANY CARS WERE ACTUALLY MISSING. IN OTHER WORDS, PAUL HAD GIVEN MR. MASSEY THE COLLATERAL, WHICH WAS THE TITLES, AND IN THAT TIME, AND I'M NOT SURE HOW LONG A TIME THAT WAS, I KNOW ONE, ONE BY LOOKING AT THE PAPERWORK WE GOT AFTER THIS THING STARTED, THERE WAS ONE ON THERE THAT WAS DONE BEFORE MY DADDY PASSED AWAY. BUT DADDY DIDN'T KNOW ABOUT IT, BECAUSE I'M SURE HE'D BEEN QUITE UPSET HAD HE KNOWN. AND THOSE CARS (PAUSE) -- DONE LOST MY TRAIN OF -- WHAT WE'RE TALKING ABOUT. OH, YEAH. THOSE CARS WERE -- WHEN WE PICKED THEM ALL UP, THERE WEREN'T ENOUGH CARS. PAUL HAD MORE CARS ON THE BOOKS THAN WE GOT OFF THE LOT, AND THEN THAT'S WHEN HE REALIZED THE ONES THAT HE HAD GIVEN THE TITLES TO MASSEY HAD SOLD THOSE CARS AND KEPT THE MONEY AND NEVER PAID PAUL FOR THEM. SO, IN OTHER WORDS, THE INVESTMENT ON

THE EIGHT HUNDRED DOLLAR -- EIGHT HUNDRED THOUSAND DOLLAR ($800,000.00) NOTE JUST KIND OF WENT DOWN THE DRAIN. BUT THAT WAS PAUL'S RESPONSIBILITY TO LOOK AFTER THAT, AFTER INVENTORY. HE WAS INVENTORY CONTROL, FLOORPLAN, WHATEVER YOU WANT TO CALL IT.

Q. DID MR. CROMER EXPRESS ANY KIND OF UNHAPPINESS OR DISTRESS AT WHAT HE HAD DONE?

A. WELL, I THINK HE WAS PROBABLY UPSET ABOUT IT, I MEAN 'CAUSE WHAT DO YOU DO?

Q. OKAY. AND AS FAR AS YOU KNOW, THE ONLY WAY THAT YOU CAN KEEP UP WITH COLLATERAL ON A VEHICLE IS TO HOLD THE TITLE; IS THAT CORRECT?

A. YEAH, HOLD THE TITLE.

Q. OKAY. AND THE FACT WAS THAT MR. CROMER WAS GIVING THE TITLES TO MR. MASSEY AND MR. MASSEY WAS SELLING THE CARS AND NOT GIVING HIM THE MONEY; ISN'T THAT RIGHT?

A. THAT'S RIGHT.

Q. I BELIEVE MR. CROMER HAD DONE BUSINESS WITH MR. MASSEY BEFORE; IS THAT CORRECT?

A. YES, SIR. HE HAD BEEN DOING BUSINESS WITH HIM I'M SURE FOR A GOOD MANY YEARS. THEY'RE ---

Q. OKAY.

A. --- THE SAME AGE. THEY FINISHED SCHOOL TOGETHER,

SO THEY'VE KNOWN EACH OTHER (PAUSE) ---

Q, AND I BELIEVE -- ARE, ARE YOU AWARE OF THE FACT THAT MR. CROMER EVEN FILED SUIT AGAINST MR. MASSEY?

A. (PAUSE) OH. YEAH; AFTER HE FOUND OUT THESE CARS WERE GONE, YEAH. HE TRIED -- I THINK HE TRIED TO GO GET A, A SUIT AGAINST HIM, BUT THEN HE FINDS OUT LATER THAT HE HAD FILED BANKRUPTCY, SO THAT ENDED.

BY MR. WALDREP: JUST ONE (1) SECOND, YOUR HONOR. (PAUSE - LOOKING THROUGH DOCUMENTS)

Q. I'LL HAND YOU PLAINTIFF'S EXHIBIT NUMBER ONE (1) AND (DOCUMENT HANDED TO WITNESS) ASK YOU TO IDENTIFY THAT DOCUMENT. IS THAT THE LAWSUIT THAT MR. CROMER BROUGHT AGAINST MR. MASSEY WITH REGARD TO THESE CARS?

A. (UPON REVIEW) I'M ASSUMING THAT'S WHAT IT IS BECAUSE -- LIKE I SAID, I'M NOT A PARTNERSHIP. BUT THAT'S WHAT IT SAYS ON THE FRONT, YEAH.

Q. AND THESE, THESE HAD TO DO WITH THE CARS THAT WERE FINANCED THROUGH THE NOTE; IS THAT CORRECT?

A. WITHOUT HAVING READ THE WHOLE THING, I DON'T KNOW WHAT HE'S ASKING.

BY MR. WALDREP: ALL RIGHT. YOUR HONOR, THAT'S ALL WE HAVE AT THIS TIME FOR THIS WITNESS.

BY THE COURT: ALL RIGHT, SIR. CROSS-EXAMINATION?

CROSS-EXAMINATION BY MR. PRUITT:

Q. NOW, MS. LITTLEFIELD, I WANT TO SHOW YOU WHAT'S BEEN ADMITTED INTO EVIDENCE AS DEFENDANTS' NUMBER ONE (1). (DOCUMENT HANDED TO WITNESS) DEFENDANTS' NUMBER ONE (1). NOW, I BELIEVE IN YOUR, IN YOUR TESTIMONY YOU HAVE ACKNOWLEDGED THAT THE -- THAT FOUR HUNDRED AND FIFTY THOUSAND DOLLARS ($450,000.00) HAS BEEN PAID TO YOU; TWO (2) CHECKS FOR TWO HUNDRED THOUSAND ($200,000.00) EACH AND ANOTHER CHECK TO YOU OF FOUR HUNDRED AND FIFTY THOUSAND DOLLARS ($450,000.00) [SIC] FROM MR. CROMER; IS THAT RIGHT?

A. (UPON REVIEW) THERE'S TWO (2) CHECKS ON 2011 ON HERE FOR TWO HUNDRED THOUSAND ($200,000.00) THAT WAS GIVE TO MY MOTHER, ---

Q. OKAY.

A. --- WHO WAS STILL LIVING. THE FIFTY THOUSAND ($50,000.00) IN 2013 WAS GIVEN TO ME ---

Q. ALL RIGHT.

A. --- AS A PAYMENT.

Q. OKAY. AND YOU ALSO HAVE STIPULATED THAT A, A JOINT BANK ACCOUNT WAS GIVEN TO YOUR MOTHER, SOME TWO HUNDRED AND FIFTY-EIGHT THOUSAND DOLLARS

($258,000.00); IS THAT CORRECT?

A. YES.

Q. OKAY. NOW, ISN'T IT ALSO TRUE THAT MR. CROMER GAVE YOU A MERCEDES AUTOMOBILE?

A. MY MOTHER TOOK A CAR, A MERCEDES; YEAH, SHE DID.

Q. ALL RIGHT. AND THAT, THAT EXHIBIT THERE INDICATES THAT THE, THAT THE AMOUNT IS SOME NINETY-TWO HUNDRED DOLLARS ($9,200.00). DO YOU DISAGREE WITH THAT?

A. I THINK IT WAS ON THE BOOKS FOR EIGHTY-NINE ($8,900.00).

Q. OKAY. WELL, YOU DO ACKNOWLEDGE THAT YOUR MOTHER RECEIVED THAT AUTOMOBILE FROM MR. CROMER?

A. UH-HUH. (AFFIRMATIVE)

Q. OKAY. NOW, I BELIEVE IN REGARD TO THE -- GOING TO THE LAWYER TO TRY TO RECOVER THE LOSSES FROM MR. MASSEY, I BELIEVE THAT YOU WENT WITH MR. CROMER TO SAMANTHA NELSON'S OFFICE?

A. YEAH, I DID.

Q. OKAY. AND I BELIEVE YOU ALSO TESTIFIED ON DIRECT EXAMINATION THAT WHATEVER BECAME OF THAT LAWSUIT, THAT NOTHING WAS EVER COLLECTED BECAUSE MR. MASSEY FILED BANKRUPTCY?

A. THAT'S RIGHT. HE DIDN'T, HE DIDN'T WIN ANYTHING.

Q. NOBODY GOT ANYTHING FROM THE MASSEY LOSSES. NOW,

DO YOU -- THERE HAVE BEEN VARIOUS AND SUNDRY EXHIBITS PREVIOUSLY PUT IN, IN REGARD TO THE MASSEY LOSSES. DO YOU HAVE ANY -- DO YOU OBJECT TO THE RECONCILIATION OF THESE MASSEY LOSSES?

A. (PAUSE) SAY THAT AGAIN.

Q. OKAY. WELL, DO YOU ACKNOWLEDGE OR AGREE THAT THERE WAS A MULTITUDE OF LOSSES BASED UPON DARRELL MASSEY SELLING CARS OUT OF TRUST?

A. (PAUSE) WELL, SINCE I WASN'T A PARTNER, I DON'T KNOW IF I CAN SAY THAT.

Q. OKAY. WELL, I MEAN ARE YOU -- YOU SAID YOU WENT WITH, WITH MR. CROMER TO SAMANTHA NELSON'S OFFICE AND Y'ALL TOGETHER PROVIDED HER THE INFORMATION TO FILE THE LAWSUIT?

A. NO, I DIDN'T, BECAUSE SHE WOULDN'T TALK TO ME BECAUSE SHE SAID I WASN'T A PARTNER.

Q. OKAY. WELL, HOW ABOUT, DO YOU ACKNOWLEDGE THAT THERE WERE SOME LOSSES ON ACCOUNT OF DARRELL MASSEY SELLING CARS OUT OF TRUST?

A. THAT WOULD HAVE BEEN BETWEEN PAUL AND MR. MASSEY, NOT ME.

Q. WELL, I, I DIDN'T ASK YOU FOR AN AMOUNT, BUT DO YOU ACKNOWLEDGE THAT THERE WERE SOME LOSSES?

A. YEAH, PAUL SUFFERED SOME LOSSES, I'M SURE.

Q. OKAY. NOW, DID YOU, DID YOU, TO YOUR KNOWLEDGE,

TAKE ANY OF THOSE LOSSES ON YOUR, ON YOUR RESPECTIVE TAX RETURNS?

A. ALL THAT WAS BEFORE MOTHER DIED.

Q. WELL, DID, DID -- AFTER YOUR MOTHER DIED AND YOU WERE IN CHARGE OF THE ESTATE, DID YOU, DID YOU TAKE ANY, DID YOU TAKE ANY, UH ---

A. I DIDN'T TAKE ANY LOSSES ON MY INCOME TAX FOR CARS, NO.

Q. OKAY. WELL, DID YOU FILE OR HELP YOUR MOTHER FILE TAX RETURNS FOR THE WHITFIELD ESTATE OR THE WHITFIELD TRUST?

A. I DON'T RECALL GETTING ANYTHING TOGETHER FOR THAT, NO.

Q. OKAY. WELL, LET'S GO BACK AND CLEAR UP A COUPLE OTHER THINGS. NOW, TO YOUR KNOWLEDGE, DARRELL HARDY WAS THE ACCOUNTANT FOR BOTH YOUR FATHER, CHARLIE WHITFIELD, YOUR MOTHER, HELEN WHITFIELD, AND ALSO PAUL CROMER?

A. FOR HELEN, CHARLIE AND PAUL, YES.

Q. OKAY. AND HE WASN'T YOUR ACCOUNTANT AFTER, AFTER THAT?

A. HE NEVER WAS MY ACCOUNTANT.

Q. YEAH, OKAY. NOW, I BELIEVE YOU ALSO TESTIFIED THAT, THAT HAROLD THRELKELD DREW UP THE PROMISSORY NOTE, ---

A. YES.
Q. --- AND HE WAS MR. CHARLIE WHITFIELD'S ATTORNEY.
A. YES. HE WAS BOTH OF THEIR ATTORNEYS, I'M ASSUMING.
Q. NOW, IN REGARD TO THE, TO THE PROMISSORY NOTE THAT, THAT WE'VE BEEN TALKING ABOUT HERE, THE, THE INTEREST IS TO BE, AS DESCRIBED IN PARAGRAPH "C", FIFTY PERCENT (50%) OF THE MONIES RECEIVED FROM LOANING MONEY ON CARS VERSUS FIFTY PERCENT (50%) OF THE LOSSES; IS THAT CORRECT?
A. SAY THAT AGAIN.
Q. THE MONEY THAT WAS TO BE PAID ON THE NOTE WAS TO BE CALCULATED BY TAKING FIFTY PERCENT (50%) OF THE INCOME FROM THE -- FROM LOANING MONEY ON CARS ---
A. THE INTEREST, YOUR SAYING?
Q. YEAH. AND VERSUS ANY LOSSES THAT WERE SUSTAINED ON THOSE CARS?
A. (PAUSE) IT WASN'T ON THE NOTE.
Q. OKAY. WELL, HOW ABOUT, JUST READ FOR ME PARAGRAPH, ---
A. YEAH, IT'S NOT SUPPOSED TO HAVE ANY PRINCIPAL.
Q. --- PARAGRAPH "C" IN THE NOTE.
A. (PAUSE)
Q. JUST GO AHEAD AND READ IT.
A. OH. YOU MEAN OUT LOUD?

Q. YES.
A. OH, I'M SORRY. "INTEREST RATE: THE INTEREST RATE WHICH THE MAKER AGREES TO PAY ON THE PRINCIPAL SUM IS A SUM THAT IS EQUAL TO FIFTY PERCENT (50%) OF PROFITS ON CAR LOANS DURING EACH CALENDAR YEAR MINUS FIFTY PERCENT (50%) OF BAD DEBTS ON CAR LOANS."
Q. OKAY. SO WOULD YOU AGREE WITH ME THAT THE LOSSES OCCASIONED BY MASSEY SHOULD BE ACCOUNTED FOR IN THE INTEREST?
A. IN THE INTEREST?
Q. YES.
A. I DON'T KNOW WHAT YOU'RE SAYING ABOUT THAT "IN THE INTEREST?"
Q. WELL, WHAT WAS, WHAT WAS THE, WHAT WAS THE ---
A. YOU COULDN'T -- THERE WAS NO INTEREST COLLECTED ON ---
Q. WELL, IS THE, ---
A. --- CARS THAT ARE LOST.
Q. --- IS THE PAYMENT TOWARD THE, TOWARD THE -- IT SAYS "INTEREST" AND "INTEREST RATE" IN THE NOTE. SO THE INTEREST RATE EQUAL FIFTY PERCENT (50%) OF THE PROFITS MINUS FIFTY PERCENT (50%) OF LOSSES; IS THAT CORRECT?
BY THE COURT: WELL, IT SAYS "FIFTY PERCENT

(50%) OF THE BAD DEBTS ON CAR LOANS," IS WHAT IT SAYS.

BY MR. PRUITT: YES, SIR; I AGREE.

A. I WOULD, I WOULD SAY WHAT YOU SAID, ABOUT FIFTY PERCENT (50%) OF DEBT ON CAR LOANS.

Q. OKAY. THAT'S ALL RIGHT. IF YOU DON'T KNOW, JUST TELL ME YOU DON'T KNOW.

A. I DON'T.

Q. ALL RIGHT. NOW YOU AND YOUR ATTORNEY PUT INTO EVIDENCE WHAT HAS NOW BEEN MARKED EXHIBIT NUMBER FOUR (4) AND I'M GONNA ASK YOU IF THERE'S BEEN ANY ALLOWANCE ANYWHERE IN EXHIBIT NUMBER FOUR (4) FOR LOSSES ON DARRELL MASSEY?

A. (PAUSE) IT DON'T MENTION ANYTHING ABOUT DARRELL MASSEY.

Q. OKAY. THANK YOU. NOW, AFTER THE, THE DARRELL MASSEY LOSSES AND AFTER Y'ALL TRIED TO GET THE CARS BACK AND YOU WERE ABLE TO GET SOME CARS BACK, DID PAUL CROMER CONTINUE PAYING MONEY ON THE PROCEEDS OF, OF CAR LOANS?

A. NOT ANYTHING FROM DARRELL. HE JUST DID IT ON THE OTHER GUYS ON THE BOOKS.

Q. WELL, SURE, HE DIDN'T PAY ANYTHING ON DARRELL. AND ISN'T IT TRUE THAT HE CONTINUED PAYING INTEREST ON -- TWICE A YEAR UP UNTIL APPROXIMATELY

2013?

A. INTEREST?

Q. YES.

A. YES.

Q. AND THERE'S NOWHERE THAT HE'S BEEN GIVEN CREDIT FOR THE LOSSES AGAINST THE INTEREST?

A. (PAUSE) I THINK I'M MISUNDERSTANDING YOU. I DON'T UNDERSTAND THE QUESTION.

Q. OKAY. WELL, I'M JUST TRYING TO TELL YOU, EVEN AFTER THE DARRELL MASSEY LOSSES, PAUL CONTINUED PAYING PAYMENTS TO YOU AND/OR YOUR MOTHER UNTIL SOME TIME IN 2013; IS THAT RIGHT?

A. ON THE GUYS THAT WERE ON THE BOOKS STILL.

Q. THAT'S RIGHT, ON THE ONES THAT HADN'T GONE BAD.

A. THAT'S RIGHT, THERE WE GO.

Q. OKAY. AND NOWHERE IN EXHIBIT NUMBER FOUR (4) IS ANY CREDIT FOR THE DARRELL MASSEY LOSSES?

A. WHY WOULD THERE BE CREDIT FOR DARRELL MASSEY LOSSES?

Q. BECAUSE THE INTEREST RATE IN NUMBER "C" INDICATES THAT YOU'RE SUPPOSED TO SUBTRACT THE BAD DEBTS.

A. (PAUSE)

Q. IF YOU DON'T KNOW, JUST TELL ME YOU DON'T KNOW.

A. I DON'T KNOW.

BY MR. PRUITT: THAT'S ALL I HAVE, YOUR

HONOR.

BY THE COURT: ALL RIGHT.

REDIRECT EXAMINATION BY MR. WALDREP:

Q. MS. LITTLEFIELD, MR. PRUITT HAS ASKED YOU A NUMBER OF QUESTIONS ABOUT THE MASSEY SITUATION AND TALKED ABOUT LOSSES. THE NOTE THAT WAS SIGNED BY MR. CROMER REFERRED TO BAD DEBTS; IS THAT CORRECT? ONE HALF OF BAD DEBTS.

A. THAT'S WHAT IT SAYS.

Q. IT DOESN'T REFER TO THE LOSSES, DOES IT?

A. NO, IT DOESN'T ---

Q. OKAY. THANK YOU.

A. --- REFER TO, TO THAT TYPE OF LOSS I DON'T THINK.

Q. SO, WHAT MR. PRUITT HAS DONE IS TO CHARACTERIZE LOSSES AS BAD DEBTS. ISN'T THAT WHAT HE'S TRYING TO DO?

A. I THINK SO.

Q. OKAY. YOU DIDN'T CHARACTERIZE THEM THAT WAY, DID YOU? AS, AS BEING SET ASIDE OR OFFSET AGAINST THIS DEBT? IS THAT CORRECT?

A. THAT'S RIGHT.

BY MR. PRUITT: OBJECTION, LEADING ---

A. I DIDN'T TAKE THOSE LOSSES AS BEING PAYMENT AGAINST THE PRINCIPAL, IF THAT'S WHAT YOU'RE ASKING.

Q. OKAY. THE BAD DEBTS WERE CAUSED BY MR. CROMER'S FAILING TO GET -- KEEP UP WITH THE TITLES TO THE VEHICLES. WASN'T THAT CORRECT?

A. THAT'S RIGHT.

BY MR. PRUITT: OBJECTION, LEADING.

A. THAT'S RIGHT.

BY THE COURT: I DIDN'T HEAR YOU.

BY MR. PRUITT: I SAID THAT'S A LEADING QUESTION, YOUR HONOR.

BY THE COURT: ALL RIGHT. DON'T LEAD THE WITNESS.

BY MR. WALDREP: ALL RIGHT.

Q. WHAT WAS THE REASON THAT MR. CROMER HAD SUCH A PROBLEM WITH MR. MASSEY AND THESE TITLES?

A. BECAUSE HE GAVE THE COLLATERAL AWAY TO HIM AND IT MADE IT EASY FOR HIM JUST TO SELL THEM AND KEEP THE MONEY.

Q. DOES ANYBODY DO THAT IN THE CAR BUSINESS?

A. NO. NO, THAT'S THE ONLY COLLATERAL YOU'D HAVE TO HANG ONTO.

BY MR. WALDREP: OKAY. THAT'S ALL I HAVE.

BY THE COURT: ALL RIGHT. YOU CAN STEP DOWN.

BY THE WITNESS: OKAY.

(VICKI WHITFIELD LEAVES THE STAND)

BY THE COURT: ALL RIGHT. DO YOU HAVE

ANYMORE WITNESSES?

BY MR. WALDREP: YES, SIR.

BY THE COURT: ALL RIGHT. LET'S TALK ABOUT LOGISTICS. I MEAN WE'RE GONNA NEED TO BREAK AROUND (12:30) OR A LITTLE AFTER. SO, I MEAN I DON'T KNOW WHO YOUR NEXT WITNESS IS AND HOW LONG IT IS, BUT JUST BEAR THAT IN MIND, AND IF WE HAVE TO STOP, WE'LL STOP AND TAKE A BREAK.

BY ELIZABETH WALDREP: OUR NEXT WITNESS IS DR. ALFORD.

BY THE COURT: OKAY. WELL, WE'LL GO AHEAD AND GET STARTED. WE MAY HAVE TO STOP BEFORE YOU COMPLETE YOUR DIRECT EXAMINATION, BUT THAT'S OKAY. (CELL PHONE RINGING) MR. PRUITT HAS A CALL. ALL RIGHT. SO YOU'RE GONNA CALL MR. ALFORD -- DR. ALFORD?

BY ELIZABETH WALDREP: THE PLAINTIFF CALLS DR. CHARLES ALFORD.

BY THE COURT: ALL RIGHT, SIR. COME ON AROUND, IF YOU WOULD, PLEASE SIR, AND BE SWORN IN.

BY THE WITNESS: (COMPLIES)

(DR. CHARLES ALFORD TAKES THE STAND)

DR. CHARLES ALFORD, BEING FIRST DULY SWORN AND CAUTIONED TO TELL THE TRUTH, THE WHOLE TRUTH, AND

NOTHING BUT THE TRUTH, TESTIFIED AS FOLLOWS:

BY ELIZABETH WALDREP: WELL, ALMOST GOOD AFTERNOON, DR. ALFORD.

BY THE COURT: ALL RIGHT.

DIRECT EXAMINATION BY ELIZABETH WALDREP:

Q. DR. ALFORD, YOU WERE RETAINED BY THE PLAINTIFF IN THIS CASE, VICKI LITTLEFIELD; IS THAT CORRECT?

A. THAT'S CORRECT.

Q. AND FOR WHAT PURPOSE WERE YOU RETAINED?

A. TO HELP HER DETERMINE THE BALANCE ON THE NOTE THAT'S BEEN DISCUSSED AND SO FORTH.

BY ELIZABETH WALDREP: ALL RIGHT. I'D LIKE TO MOVE TO HAVE DR. ALFORD QUALIFIED AS AN EXPERT.

BY THE COURT: EXPERT ON WHAT?

BY ELIZABETH WALDREP: ON THE ACCOUNTING THAT WE ARE PRESENTING HERE TODAY OF THE AMOUNT OWED ON THE NOTE.

BY THE COURT: MR. PRUITT.

BY MR. PRUITT: YOUR HONOR, AS I UNDERSTAND, DR. ALFORD IS NOT AN ACCOUNTANT AND HAS NO CPA LICENSE NOR IS HE TRAINED IN ACCOUNTING. HE'S A, HE'S AN ECONOMIST, AS I UNDERSTAND.

BY THE COURT: WELL, I THINK YOU BETTER GO THROUGH HIS QUALIFICATIONS.

Q. DR. ALFORD, CAN YOU TELL US WHERE YOU CURRENTLY

WORK?

A. IN GREENVILLE.

Q. ALL RIGHT. AND WHAT DO YOU DO? WHAT IS YOUR BUSINESS?

A. WELL, I'M A RETIRED PROFESSOR OF ECONOMICS BUSINESS AT FURMAN UNIVERSITY.

Q. ALL RIGHT. AND HOW LONG WERE YOU A PROFESSOR AT FURMAN?

A. THIRTY-TWO (32) YEARS.

Q. AND DR. ALFORD, WHAT IS YOUR WORK DEGREE IN, YOUR COLLEGE DEGREE?

A. ECONOMICS AND BUSINESS ADMINISTRATION.

Q. ALL RIGHT. DO YOU HAVE ANY ADVANCED DEGREES?

A. YES, I HAVE A PH.D.

Q. HENCE, HENCE THE DOCTOR; IS THAT RIGHT?

A. THAT'S CORRECT.

Q. DR. ALFORD, HOW MANY TIMES HAVE YOU TESTIFIED ON FINANCIAL MATTERS IN COURTS IN SOUTH CAROLINA?

A. WELL, I'VE BEEN DOING IT FORTY-FIVE (45) YEARS IN SOUTH CAROLINA.

Q. HAVE YOU TESTIFIED IN CIRCUIT COURT, FAMILY COURT, AND IN FRONT OF MASTERS-IN-EQUITY?

A. I'VE TESTIFIED IN, IN MASTERS COURT, CIRCUIT COURT, FEDERAL COURTS, FAMILY COURTS IN HALF A DOZEN STATES.

Q. OKAY. IN HALF A DOZEN STATES? DO YOU BELIEVE YOU'VE TESTIFIED MORE THAN A HUNDRED (100) TIMES AS AN EXPERT?

A. YEAH.

Q. ALL RIGHT. AND HAVE YOU EVER WRITTEN ANY PAPERS ON ECONOMICS OR OTHER FINANCIAL MATTERS?

A. YEAH. NOT, NOT RELATED TO THIS PARTICULAR ISSUE HERE. MUCH OF MY CONSULTING DEALS WITH ASSESSMENT OF DAMAGES IN COMMERCIAL LITIGATION. ABOUT FIFTY-FIVE PERCENT (55%) OF MY CONSULTING WORK ---

Q. ASSESSMENT ---

A. --- RELATES TO DAMAGE ASSESSMENT IN COMMERCIAL LITIGATION.

Q. ALL RIGHT.

A. I ALSO VALUE BUSINESSES AND THAT ACCOUNTS FOR PROBABLY TWENTY (20%) TO TWENTY-FIVE PERCENT (25%) OF MY TOTAL REVENUE IN VALUING COMPANIES. MR. PRUITT IS EXACTLY RIGHT. I DON'T, DON'T CALL MYSELF AN ACCOUNTANT. THAT IS NOT TO SAY I DON'T HAVE ANY TRAINING IN ACCOUNTING. I DO NOT HAVE CERTIFICATION. I'M NOT A CPA. I DON'T PREPARE TAX RETURNS. I ROUTINELY REVIEW FINANCIAL RECORDS AS PART OF MY CONSULTING WORK AND HAVE TESTIFIED AS TO THOSE REVIEWS.

BY ELIZABETH WALDREP: ALL RIGHT. MOVE TO

HAVE DR. ALFORD QUALIFIED AS AN EXPERT IN THIS MATTER, YOUR HONOR.

BY THE COURT: MR. PRUITT.

BY MR. PRUITT: I'LL STIPULATE THAT HE'S AN EXPERT IN ECONOMICS BUT NOT IN ACCOUNTING.

BY THE COURT: WELL, I FIND HIM QUALIFIED AS AN EXPERT IN THIS CASE. HE'S AN EXPERT, OBVIOUSLY, IN THE GENERAL FIELD OF ECONOMICS AND BUSINESS ADMINISTRATION. TESTIFIED HE'S -- PART OF HIS WORK'S ALWAYS BEEN IN REVIEWING FINANCIAL STATEMENTS, BUSINESS RECORDS, AND THAT'S EXACTLY WHAT WE'RE DEALING WITH HERE. SO I'M GONNA ALLOW HIM TO TESTIFY AS AN EXPERT. THANK YOU, MA'AM.

Q. DR. ALFORD, I'D LIKE TO HAND YOU WHAT HAS BEEN MARKED AS PLAINTIFF'S EXHIBIT NUMBER THREE (3), THE PROMISSORY NOTE. (DOCUMENT HANDED TO WITNESS) HAVE YOU HAD A CHANCE TO REVIEW THAT DOCUMENT?

A. I HAVE, YEAH.

Q. ALL RIGHT. AND AS A RESULT OF YOUR REVIEW OF THAT DOCUMENT, WAS -- WERE YOU ASKED TO DETERMINE THE AMOUNT OWED ON THE NOTE?

A. YES.

Q. AND DID YOU EXAMINE -- IN YOUR INVESTIGATION OF THIS NOTE, DID YOU LOOK AT THE PRINCIPAL OWED ON THE NOTE AS WELL AS THE INTEREST OWED ON THE NOTE?

A. SURE.
Q. ALL RIGHT. AND WAS IT YOUR ASSESSMENT THAT THE NOTE HAD BEEN SATISFIED?
A. NO.
Q. ALL RIGHT. DR. ALFORD, CAN YOU TELL THE COURT HOW MUCH, THROUGH YOUR VERY EXTENSIVE REVIEW OF TAX RETURNS FOR -- WAS IT TEN (10) YEARS AT LEAST, THAT YOU REVIEWED TAX RETURNS?
A. YES.
Q. AS WELL AS MANY, MANY OTHER DOCUMENTS RELATED TO THIS NOTE. HOW MUCH WAS OWED ON THE PRINCIPAL AT THE TIME THIS LAWSUIT WAS FILED? TODAY ---
A. AS OF NOW?
Q. I'M SORRY, TODAY. YES, YOUR HONOR. I MEAN YES, YES, SIR.
A. TWO HUNDRED AND FIFTY-SEVEN THOUSAND SEVENTY-THREE DOLLARS ($257,073.00).
Q. ALL RIGHT. AND DR. ALFORD, CAN YOU GIVE THE COURT THE BREAKDOWN OF THOSE AMOUNTS?
A. I, I CAN.
Q. I APOLOGIZE, DR. ALFORD. THIS IS PLAINTIFF'S FOUR (4), WHICH IS -- IS THIS, IS THIS WHAT YOU PREPARED? (DOCUMENT HANDED TO WITNESS)
A. YEAH.
Q. ALL RIGHT. AND WOULD YOU READ THE TITLES OF, OF

THE THOSE? THE TOP OF THE PAGES, WOULD YOU READ THOSE INTO THE RECORD?

A. SURE. THE FIRST PAGE OF EXHIBIT FOUR (4) IS TAX RETURNS AND ANNUAL CROMER RECONCILIATIONS, 2005 TO 2012. THE SECOND PAGE IS ANNUAL CROMER RECONCILIATIONS AND INTEREST PAYMENTS, 2013 TO 2018. THE THIRD PAGE IS LITTLEFIELD VERSUS CROMER, BALANCE DUE TO PLAINTIFF FROM DEFENDANT.

Q. DR. ALFORD, CAN YOU TELL THE COURT HOW YOU ARRIVED AT THOSE FIGURES?

A. YEAH. (PAUSE) I DON'T -- I'M GONNA TRY NOT TO BE REAL WORDY. I DON'T THINK THAT YOU WANT ME TO BE REAL WORDY, BUT I NEED TO PROVIDE A LITTLE BIT OF BACKGROUND.

BY THE COURT: GO AHEAD.

A. THE FIRST THING THAT I HAD TO DO WAS, WAS TO TRY TO ASSESS HOW THE PARTIES MAINTAINED THEIR, THEIR RECORDS IN TERMS OF, OF TAX RETURNS. I LOOKED AT THE TAX RETURNS OF MR. CROMER'S S-CORPORATION, CROMER INC. I ALSO LOOKED AT THE TAX RETURNS THAT I HAD FOR MR. CROMER AS AN INDIVIDUAL. I LOOKED AT THE WHITFIELD PERSONAL RETURNS. PART OF THE REASON FOR DOING THAT WAS TO TRY TO ASSESS A NORMAL COURSE OF BUSINESS BETWEEN THE PARTIES. IT, IT WAS CLEAR BEFORE 2008, THE, THE GROSS

PROFIT THAT WAS RECORDED BY THE S-CORPORATION, BY CROMER'S S-CORPORATION, THAT GROSS PROFIT WAS, WAS PAID AT A RATE OF FIFTY PERCENT (50%) TO MR. WHITFIELD. NOW, MR. CROMER HAD OTHER EXPENSES IN HIS BUSINESS, AS YOU WOULD EXPECT HIM TO HAVE. HE PAID HIMSELF, FOR EXAMPLE, FOR A FEW YEARS, HE PAID HIMSELF A SALARY. AND HE HAD SOME OTHER EXPENSES THERE. WHAT THE PARTIES DIVIDED AS A POR-, AS A PORTION OF THIS INTEREST EXPENSE WAS FROM GROSS PROFIT, THE SO-CALLED REVENUES MINUS COST OF GOODS SOLD. AND IF YOU LOOK AT THE RECONCILIATION STATEMENTS THAT, THAT WERE PREPARED, WELL, SEMI-ANNUAL IS GONNA HAVE END-YEAR STATEMENTS. IF YOU LOOK AT THOSE RECONCILIATION STATEMENTS, THE PAYMENTS OF INTEREST TO MR. WHITFIELD CORRESPOND WITH ENTRIES ON THE CROMER TAX RETURNS. MR. WHITFIELD REPORTED THE INCOME AS INTEREST INCOME. ONE OF THE ISSUES HERE, I THINK IN THIS CASE, IS WHETHER THEY WERE PARTNERS OR NOT, AND THAT IS -- FORTUNATELY FOR ME, THAT'S FOR YOU TO HAVE TO DECIDE AND NOT FOR ME. BUT I'LL TELL YOU THE THINGS THAT I, I THINK SUGGEST IT WAS NOT A PARTNERSHIP. WE DON'T HAVE A PARTNERSHIP AGREEMENT, BUT THAT ALONE I DON'T THINK WOULD, WOULD BE, WOULD BE REASON FOR THAT -- TO SAY IT

WAS ABSOLUTELY NOT A PARTNERSHIP, BUT HERE ARE THE MORE IMPORTANT THINGS TO ME. MR. CROMER BELIEVES THAT THE, THE EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00) HAS BEEN SATISFIED AND THERE'S A DISAGREEMENT ABOUT THAT. BUT HE BELIEVES THAT'S BEEN SATISFIED. ACCORDINGLY, HE STOPPED PAYING ANY INTEREST. HE DIDN'T PAY ANY INTEREST AFTER SOME TIME IN 2013. HE PAID NINE HUNDRED AND -- NINE THOUSAND SEVEN HUNDRED AND SEVENTY-FIVE DOLLARS ($9,775.00) IN INTEREST AND NO MORE. IF IT WERE A PARTNERSHIP, REGARDLESS OF WHAT HIS POSITION WOULD BE WITH REGARD TO THE BALANCE OF THAT NOTE, IF IT WERE A PARTNERSHIP, THERE WOULD STILL BE A DIVISION OF PROFITS. HE HAS NOT DONE THAT. SO, IN MY VIEW, HE HAS, HE HAS HIMSELF NOT TREATED IT AS A PARTNERSHIP. ANOTHER QUESTION I THINK YOU OUGHT TO, TO CONSIDER, BUT THAT'S, THAT'S PRETTY PRESUMPTIVE. BUT IF I WERE THE COURT, HERE'S WHAT I WOULD, I WOULD CONSIDER: IF THIS WERE A PARTNERSHIP, AND LET'S SUPPOSE THAT THIS NOTE WAS, WAS SIGNED, YOU KNOW, TEN (10) OR TWELVE (12) YEARS AGO, AND WITHIN A YEAR THAT PARTNERSHIP PAID OFF MR. WHITFIELD THE FULL EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00), THE QUESTION IS WOULD HE HAVE STILL BEEN ENTITLED TO

HALF OF THE INCOME? IF HE WOULD HAVE BEEN, IT WAS A PARTNERSHIP. IF SATISFYING THAT NOTE ELIMINATES HIS OBLIGATION, MR. WHITFIELD'S OPPORTUNITY TO, TO SHARE THE PROFITS AND MR. CROMER'S OBLIGATION TO PAY HALF THE PROFITS, IF THAT NOTE'S SATISFIED AND THOSE CONDITIONS GO AWAY, IT'S NOT A PARTNERSHIP. YOU KNOW, I, I CAN HAVE A PARTNERSHIP AND LOAN SOME MONEY TO THE PARTNERSHIP AND THE PARTNERSHIP CAN PAY ME BACK. BUT WHEN IT DOES, THE PARTNERSHIP'S NOT, NOT RELIEVED OF THE OBLIGATION OF ME SHARING IN THE PROFITS. SO FROM MY PERSPECTIVE, I DON'T SEE ANYTHING OTHER THAN THE FACT THAT IT WAS NOT A PARTNERSHIP. THE OTHER QUESTION THAT I THINK THAT THE COURT HAS TO DEAL WITH IS THE MASSEY ISSUE. AND HONESTLY, I WISH I WERE SMART ENOUGH TO OFFER SOME INSIGHT ABOUT THAT, BUT I'M NOT. YOU KNOW, MS. LITTLEFIELD TAKES A POSITION THAT, THAT MR. CROMER DID THAT INCORRECTLY. IT WAS NOT RELATED AT ALL TO THEIR BUSINESS RELATIONSHIP. MR. CROMER TAKES THE POSITION, APPARENTLY, THAT, THAT THERE WAS A PARTNERSHIP AND IT, IT OUGHT TO BE COUNTED IN THE LOSSES. AND, AND PERSONALLY, I DON'T KNOW EXACTLY HOW YOU'RE LIKELY TO COME, COME DOWN ON THAT. BUT I WOULD SUGGEST THIS TO YOU. IF YOU LOOK AT THE

THIRD PAGE OF THIS EXHIBIT FOUR (4), WE HAVE THAT NOTE PRINCIPAL OF EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00) AND I COMPUTED UNPAID INTEREST OF A HUNDRED AND SIXTY-FIVE THOUSAND NINE HUNDRED AND TWENTY-EIGHT DOLLARS ($165,928.00). NOW THAT IS BASED ON THE RECONCILIATION STATEMENTS FOR EACH YEAR, 2013 THROUGH 2018. THESE WERE STATEMENTS THAT IN FACT, WHEN I LOOKED AT THE YEARS 2008 THROUGH 2012, THESE RECONCILIATION STATEMENTS, IF YOU DIVIDE THE, THE TOTAL NET REVENUE BY TWO (2), YOU GET THE INTEREST THAT WAS PAID TO MR. WHITFIELD UP UNTIL HIS DEATH AND THEN IT CONTINUED INTO 2013 AND THEN IT STOPPED. SO WE HAVE THOSE RECONCILIATION STATEMENTS, ALTHOUGH A COUPLE OF THEM ARE HANDWRITTEN. FOR SEVENTEEN ('17) AND EIGHTEEN ('18) THEY'RE HANDWRITTEN, BUT THEY APPEAR TO BE THE SAME KIND OF RECONCILIATION STATEMENTS. IF YOU, IF -- IF THAT NOTE HAS NOT BEEN SATISFIED, THOSE INTEREST PAYMENTS, I THINK, ARE STILL DUE. THERE'S NO AMORTIZATION ON THE NOTE. IT'S A STRANGE NOTE BECAUSE THERE'S NO AMORTIZATION. AS LONG AS THERE'S A BALANCE OUTSTANDING ON THAT NOTE, HALF OF THESE PROFITS HAVE TO BE PAID IN THE FORM OF INTEREST. IF IT WERE A PARTNERSHIP, THOSE, THOSE PAYMENTS SHOULD

HAVE CONTINUED ANYWAY. SO IT SEEMS TO ME THAT THAT HUNDRED AND SIXTY-FIVE THOUSAND DOLLARS ($165,000.00), WHICH IS THE SECOND ENTRY ON THE THIRD PAGE OF EXHIBIT FOUR (4), I DON'T THINK THERE'S ANY GETTING AROUND THAT HUNDRED AND SIXTY-FIVE THOUSAND DOLLARS ($165,000.00). NOW, I COMPUTED -- I CREDITED THE -- I, I HAD THE EIGHT HUNDRED THOUSAND ($800,000.00) PLUS THE HUNDRED AND SIXTY-FIVE THOUSAND DOLLARS ($165,000.00) IN INTEREST THAT'S NOT BEEN PAID. I CREDITED AGAINST THAT, THE PRINCIPAL PAYMENTS THAT EVERYBODY RECOGNIZES OF FOUR HUNDRED AND FIFTY THOUSAND DOLLARS ($450,000.00), AND THE TWO HUNDRED AND FIFTY-NINE THOUSAND DOLLARS ($259,000.00), THAT WAS A, A -- IN A JOINT ACCOUNT, I THINK, OF MR. CROMER AND MR. WHITFIELD. MR. CROMER PAID THE ENTIRE BALANCE TO MS. LITTLEFIELD OR MRS. WHITFIELD, ONE OR THE OTHER. SO I HAVE THOSE CREDITS OF SEVEN HUNDRED AND EIGHT THOUSAND EIGHT HUNDRED AND FIFTY-SIX DOLLARS ($708,856.00). THAT'S WHERE I ARRIVED AT THE TWO FIFTY-SEVEN-OH-SEVENTY-THREE ($257,073.00). AND I WANT TO TELL YOU IF THE COURT SAYS, "LOOK, I'M GONNA DECIDE THAT THEY WERE A PARTNERSHIP AND I'M GONNA CHARGE HIM THAT HUNDRED AND NINETEEN THOUSAND DOLLARS

($119,000.00) THAT WAS, WAS -- THAT APPEARS ON, ON TAX RETURNS OF 2008. I'M GONNA CHARGE THE PLAINTIFF FOR THAT." SO THAT STILL LEAVES A BALANCE OF A HUNDRED AND, UH -- ABOUT A HUNDRED AND THIRTY-EIGHT THOUSAND DOLLARS ($138,000.00) AND I DON'T THINK THERE'S ANY WAY OF GETTING AROUND THAT. EITHER IT'S A PARTNERSHIP AND HE HAS HAD THE CONTINUING OBLIGATION, WHICH HE HAS NOT MET, OR IT'S NOT A PARTNERSHIP AND THAT, THAT MASSEY ISSUE WAS, WAS NOT RELATED. SO, YOU KNOW, TO ME, IF THE MASSEY ISSUE IS NOT RELATED, THE AMOUNT DUE IS TWO HUNDRED AND FIFTY-SEVEN THOUSAND DOLLARS ($257,000.00). IF THE MASSEY ISSUE IS RELATED, THE AMOUNT DUE IS AT LEAST THAT HUNDRED AND SIXTY-FIVE THOUSAND NINE HUNDRED AND TWENTY-EIGHT DOLLARS ($165,928.00), WHICH WAS THE, WHAT THE DIVISION OF THE GROSS PROFITS WOULD HAVE BEEN ANYWAY.

Q. DR. ALFORD, IF I MAY. DO YOU HAVE A -- HOW MANY PARTNERSHIP TAX RETURNS DID YOU -- WERE YOU ABLE TO REVIEW?

A. NONE.

Q. SO THERE, THERE WERE NO PARTNERSHIP TAX RETURNS?

A. I'M, I'M PRETTY SURE THERE WERE NOT BECAUSE IF THERE WERE, THEN THE, THE PERSONAL RETURNS WOULD

HAVE ON SCHEDULES "E" OF THE PERSONAL RETURNS, THEY WOULD HAVE FOR BOTH MR. PAUL CROMER AND MR. WHITFIELD. IN THE SCHEDULE "E", IT WOULD HAVE REFERENCED THAT PARTNERSHIP AND IT DIDN'T.

Q. SO THESE PARTIES, DR. ALFORD, THEY FILED INDIVIDUAL TAX RETURNS?

A. THEY DID, YEAH.

Q. ALL RIGHT. DR. ALFORD, ONE OF THE THINGS WITH THE -- I DON'T KNOW IF WAS THOUSANDS, BUT IT MAY HAVE BEEN -- ITEMS YOU REVIEWED, IS A REVIEW OF THE ASSESSMENT DONE BY DARRELL HARDY; IS THAT CORRECT?

A. YES.

Q. ALL RIGHT. FOR IDENTIFICATION PURPOSES ONLY, LOOK AT THAT, DR. ALFORD. (DOCUMENT HANDED TO WITNESS)

A. YES, I REVIEWED THIS.

Q. DID YOU REVIEW THOSE?

A. YES.

Q. AND ARE, ARE THOSE CALCULATIONS PREPARED BY MR. HARDY WHICH YOU WERE -- YOU REVIEWED AS PART OF THE DISCOVERY PROCESS?

A. WELL, I CAN'T SAY THAT CONCLUSIVELY. I MEAN THERE ARE ATTACHMENTS TO AN E-MAIL AND THE E-MAIL WAS FROM DARRELL HARDY. IT SAYS, "ATTACHED, PLEASE FIND A COPY OF THE NOTE OF COMPUTATIONS." I ASSUME THEY ARE. I CERTAINLY CAN'T TESTIFY.

Q. BUT ---
A. I'M SURE THAT THEY ARE.
Q. ALL RIGHT. AND YOU REVIEWED THOSE AS PART OF YOUR ANALYSIS OF THE AMOUNT DUE ON THE NOTE AND WHAT WAS BEING CLAIMED BY THE DEFENSE AS AN OFFSET; IS THAT CORRECT?
A. YES.

BY ELIZABETH WALDREP: I WOULD MOVE THAT INTO ---

BY THE COURT: WHO'S THAT E-MAIL TO?

BY THE WITNESS: I'M SORRY. IT'S TO VICKI LITTLEFIELD.

BY THE COURT: AND WHERE DO YOU GET THAT DOCUMENT WHEN YOU -- TO REVIEW?

BY THE WITNESS: MONTHS AGO.

BY THE COURT: AND WHERE -- WHO DID YOU GET IT FROM?

BY THE WITNESS: FROM COUNSEL.

BY THE COURT: OKAY. ALL RIGHT. ANY OBJECTIONS?

BY MR. PRUITT: YOUR HONOR, THE ONLY THING THAT, THAT PARTICULAR E-MAIL HAD WITH IT WAS ONE (1) PAGE AND IT WAS IN DR. ALFORD'S DEPOSITION. THOSE OTHER PAGES ARE, ARE NOT PART OF THAT E-MAIL AND HE CAN'T TESTIFY AS TO WHAT WAS PART OF THAT

E-MAIL BECAUSE HE DIDN'T GET IT.

BY THE COURT: WELL, HE WAS PROVIDED THIS DOCUMENT BY SOMEBODY, SENT THROUGH DISCOVERY OR HOWEVER, AS -- IN ORDER TO REVIEW AND FOR HIS ANALYSIS. SO SOMEBODY GAVE IT TO HIM, EITHER MS. LITTLEFIELD, HER ATTORNEYS OR EITHER YOU DID. SO I THINK IT'S SOMETHING HE REVIEWED AS PART OF HIS INVESTIGATION, PART OF HIS REPORT. I'M GONNA ALLOW IT TO BE ADMITTED.

BY MR. PRUITT: ALL RIGHT.

BY THE COURT: AND THAT'D BE WHAT, PLAINTIFF'S EXHIBIT NUMBER WHAT, ELLEN, EIGHT (8)?

BY THE COURT REPORTER: YES, SIR.

BY THE COURT: AND THAT'S SOME KIND OF E-MAIL WITH ADDITIONAL DOCUMENTS ATTACHED?

BY ELIZABETH WALDREP: YES, YOUR HONOR.

(DOCUMENT TENDERED TO REPORTER)

BY THE COURT: REVIEWED BY DR. ALFORD. ALL RIGHT, GO AHEAD. THAT'LL BE PLAINTIFF'S EXHIBIT NUMBER EIGHT (8) ADMITTED OVER OBJECTION.

(PLAINTIFF'S EXHIBIT "8" ADMITTED)

Q. DR. ALFORD, I'M GONNA HAND YOU WHAT HAS NOW BEEN MARKED AS PLAINTIFF'S NUMBER EIGHT (8). (DOCUMENT HANDED TO WITNESS) THIS IS -- THIS CONTAINS AN E-MAIL FROM DARRELL HARDY; IS THAT CORRECT?

A. YES.
Q. TO VICKI LITTLEFIELD?
A. YES.
Q. ALL RIGHT. AND THE GIST OF THE E-MAIL, WHAT WOULD YOU -- HOW WOULD YOU CHARACTERIZE THE, THE E-MAIL?
A. WELL, I MEAN IT SPEAKS WELL FOR ITSELF. (READING FROM DOCUMENT) "PAUL AND I INTERPRET THE NOTE TO ALLOW FOR DEDUCTIONS FOR EXPENSES THAT SHOULD HAVE BEEN SHARED EQUALLY. THE EXPENSES INCLUDE FIFTY PERCENT (50%) OF THE INCOME TAX THAT PAUL PAID FOR REPORTING THE TOTAL INCOME FOR SEVERAL YEARS WHEN HE HAD FILED AND REPORTED VERY LITTLE, AS WELL AS RELATED ATTORNEY AND ACCOUNTING FEES. DEDUCTIONS SHOULD INCLUDE FIFTY PERCENT (50%) OF BAD DEBTS AND PAYMENTS MADE ON THE NOTE. ALSO, I INTERPRET THAT NOTE TO MEAN THAT AS THE NOTE IS PAID DOWN, THE INCOME SPLIT IS NOT FIFTY\FIFTY (50/50) BUT A PERCENTAGE OF THE BALANCE OF THE NOTE AS SHOWN ON THE ATTACHED." AND THEN HE GOES ON TO SAY "BASED ON THIS INTERPRETATION, MR. CROMER DOESN'T OWE MS. LITTLEFIELD."
Q. AND IT SAYS "THIS IS -- PAUL AND I INTERPRET THE NOTE" THIS WAY?
A. YES.
Q. AND MR. HARDY WAS DOING THE TAXES FOR MR.

WHITFIELD AS WELL AS MR. CROMER; IS THAT RIGHT?

A. YES, HE IS IDENTIFIED AS THE TAX PREPARER ON THE TAX RETURN.

Q. TAX PREPARER. ALL RIGHT, DR. ALFORD, IF YOU WILL TURN THE PAGE, PLEASE, TO THE FIRST -- FIRST PAGE IS IDENTIFIED AS "CHARLIE WHITFIELD NOTE AS PREPARED BY MR. HARDY." WHAT IS THE BOTTOM NUMBER THERE THAT MR. HARDY SAID WAS OWED TO MS. LITTLEFIELD?

A. THIRTY-ONE THOUSAND THREE HUNDRED AND FIFTY-NINE DOLLARS AND NINETY-FIVE CENTS ($31,359.95).

Q. AND HE IS INCLUDING ATTORNEY, MASSEY, NELSON, DRAWDY, HORTON IN THAT CALCULATION; IS THAT CORRECT?

A. THAT'S CORRECT.

Q. AS A DEDUCTION?

A. YES.

Q. DR. ALFORD, COULD YOU PLEASE EXPLAIN TO, TO ME -- MOST IMPORTANTLY, I WOULD ASK YOU TO TELL HIS HONOR, IN YOUR EXPERT OPINION, HOW IS THAT A BAD DEBT ON A CAR LOAN?

A. I, I DON'T KNOW.

Q. OKAY. DO YOU BELIEVE THAT IT IS A BAD DEBT ON A CAR LOAN?

A. IT'S NOT IDENTIFIED AS A BAD DEBT, OKAY.

Q. AND THE MERCEDES, DR. ALFORD, THAT IS LISTED AT NINETY-TWO NINETY ($9,290.00), HOW DOES -- WOULD YOU, IN YOUR EXPERT OPINION, CHARACTERIZE THAT AS A BAD DEBT ON A CAR LOAN?

A. NO, I, I, I DON'T. BUT I WANT TO BE CLEAR. I'M NOT OFFERING AN OPINION ABOUT WHETHER MR. CROMER SHOULD BE CREDITED WITH THAT MERCEDES. I DON'T KNOW THE VALUE. I DON'T KNOW THE DETAILS OF IT. SO I DON'T WANT TO IMPLY TO THE COURT THAT THAT IS INCORRECT. I UNDERSTAND THAT THE PARTIES BELIEVE THAT THERE WAS A -- I'M SORRY, NOT, NOT THE PARTIES, BUT MS. LITTLEFIELD BELIEVES THAT THERE WAS ALSO A CORVETTE THAT WENT TO MR., MR. CROMER AND THOSE WERE OFFSETTING, BUT I CAN'T OFFER ANY OPINION ABOUT THAT.

Q. ALL RIGHT. AND, PART OF -- ON THAT SAME PAGE, DR. ALFORD, THERE ARE ONE (1), TWO (2), THREE (3), FOUR (4), FIVE (5), SIX (6) -- I'M SORRY, FIVE (5) DEDUCTIONS FOR THE MASSEY LOSSES; IS THAT CORRECT?

A. YES.

Q. ALL RIGHT. AND YOU WERE IN THE COURTROOM EARLIER WHEN WE ESTABLISHED THAT A LAWSUIT WAS FILED ON THOSE MASSEY LOSSES?

A. YES.

Q. AND HAVE YOU HAD A CHANCE TO REVIEW THIS LAWSUIT?

A. I HAVE.
Q. AND THIS IS PLAINTIFF'S ONE (1) (DOCUMENT HANDED TO WITNESS).
A. (UPON REVIEW) YES.
Q. AND WHAT IS THE CAPTION ON THAT, DR. ALFORD?
A. PAUL CROMER, INC. VERSUS MARTHA JO MASSEY, DARRELL MASSEY AND BRENDA MASSEY.
Q. PAUL CROMER, INCORPORATED?
A. YES, MA'AM.
Q. NO PARTNERSHIP, JUST PAUL CROMER, INCORPORATED?
A. CORRECT.

BY THE COURT: JUST FOR CLARIFICATION, YOU SAID THAT WAS PLAINTIFF'S EXHIBIT NUMBER TWO (2); RIGHT? I THINK YOU SAID ONE (1).

BY ELIZABETH WALDREP: IT'S MARKED AS ONE (1), JUDGE.

BY MR. PRUITT: THE PROMISSORY NOTE IS ONE (1).

BY THE COURT REPORTER: THE PROMISSORY NOTE IS SUPPOSED TO BE ONE (1).

BY ELIZABETH WALDREP: WE'VE GOT -- YOUR HONOR, THE PROMISSORY NOTE IS MARKED AS THREE (3).

BY THE COURT: OH, HOW DID THAT HAPPEN?

BY ELIZABETH WALDREP: I'M NOT SURE, JUDGE. I'M SORRY.

BY THE COURT: WELL, I HAVE IT WRITTEN DOWN HERE YOUR PROMISSORY NOTE IS NUMBER ONE (1); CIVIL ACTION SUMMONS AND COMPLAINT AS NUMBER TWO (2); AND CIVIL ACTION JUDGMENT IS NUMBER THREE (3), AND THEN NUMBER FOUR (4) WAS THREE (3) THINGS THAT DR. ALFORD PREPARED, AND NUMBER SEVEN (7) IS A SETTLEMENT BOOK, AND NUMBER EIGHT (8) IS THE E-MAIL.

BY ELIZABETH WALDREP: OKAY.

BY THE COURT: I'M GOING BY THE LIST THAT Y'ALL PREPARED BEFORE WE GOT STARTED.

BY MR. PRUITT: THAT'S WHAT I HAVE, YOUR HONOR.

BY THE COURT REPORTER: YOU GAVE IT TO ME AS ONE (1), TWO (2), ---

BY THE COURT: THE SAME COPY OF THIS LIST GIVEN TO THE COURT REPORTER? I BET THEY WERE NOT NUMBERED ON THAT LIST SHE GOT. I NUMBERED THEM MYSELF, IN ORDER.

BY ELIZABETH WALDREP: ALL RIGHT. SO THE LAWSUIT IS, IS NOT IN FACT PLAINTIFF'S ONE (1), IT IS PLAINTIFF'S THREE (3)?

BY THE COURT: NO. THE SUMMONS AND COMPLAINT IS TWO (2).

BY ELIZABETH WALDREP: TWO (2).

BY THE COURT: THE JUDGMENT IS THREE (3) IN THE LAWSUIT.

BY ELIZABETH WALDREP: OKAY. WELL, YOUR HONOR, WE'LL NEED TO REDO THESE THEN.

BY THE COURT: OKAY.

BY THE COURT REPORTER: SHE GAVE IT TO ME DIFFERENT.

BY ELIZABETH WALDREP: I BEG THE COURT'S INDULGENCE. I WANT TO MAKE SURE WE'VE GOT THEM MARKED RIGHT.

BY THE COURT: LIKE I SAY, I'M GOING BY THE LIST THAT THE PLAINTIFF PREPARED BEFORE WE GOT STARTED, HANDWRITTEN, AND THAT'S THE ORDER THEY WERE IN. PROMISSORY NOTE WAS ONE (1); SUMMONS AND COMPLAINT TWO (2); JUDGMENT WAS THREE (3), AND SO ON.

BY ELIZABETH WALDREP: I APOLOGIZE, YOUR HONOR.

BY THE COURT: THAT'S FINE. I ASSUMED THAT WAS THE WAY THEY WERE NUMBERED.

BY ELIZABETH WALDREP: THE PROMISSORY NOTE NEEDS TO BE -- PROMISSORY NOTE NEEDS TO BE ONE (1). (PAUSE - CONFERRING WITH COURT REPORTER)

BY THE COURT: AS I SAY, DR. ALFORD'S TESTIMONY IS NOW ABOUT EXHIBIT THREE (3),

PLAINTIFF'S EXHIBIT THREE (3). NO, EXCUSE ME, PLAINTIFF'S EXHIBIT TWO (2). HE TESTIFIED ABOUT REVIEWING THE LAWSUIT WITH THE MASSEY FOLKS.

BY ELIZABETH WALDREP: YES, YOUR HONOR. EXHIBIT TWO (2). THANK YOU SO MUCH.

BY THE COURT REPORTER: WHAT IS FIVE (5) AND SIX (6)?

BY ELIZABETH WALDREP: FIVE (5) AND SIX (6) ARE ---

BY THE COURT: THERE'S NOT A FIVE (5) AND SIX (6).

BY THE COURT REPORTER: I DIDN'T THINK SO. OKAY. THANK YOU.

Q ALL RIGHT. DR. ALFORD, I'LL GIVE YOU THIS BACK. (DOCUMENT HANDED TO WITNESS) WOULD -- COULD YOU TURN TO THE VERIFICATION PAGE?

A. (PAUSE) ACTUALLY THAT'S A TERM I'M NOT FAMILIAR WITH. OKAY, IT'S THE LAST PAGE. YES.

Q. AND WHO SIGNED THAT VERIFICATION PAGE?

A. (UPON REVIEW) PAUL CROMER ON BEHALF OF PAUL CROMER, INC.

Q. OKAY. ON BEHALF OF PAUL CROMER, INC.?

A. YES, MA'AM.

Q. IS THAT RIGHT? OKAY. THANK YOU. ALL RIGHT, DR. ALFORD, WE LOOKED AT THE FIRST PAGE THAT YOU

REVIEWED, THE ANALYSIS OF THE CHARLIE WHITFIELD NOTE AS PROVIDED TO MS. LITTLEFIELD BY DARRELL HARDY. IF YOU WOULD TURN, PLEASE, TO THE NEXT PAGE.

BY THE COURT: WE'RE TALKING ABOUT PLAINTIFF'S EXHIBIT NUMBER EIGHT (8), I BELIEVE. IS THAT RIGHT?

BY ELIZABETH WALDREP: I'VE GOT CONFUSED. IS THAT THE E-MAILS -- YES, EIGHT (8). THANK YOU, JUDGE.

Q. HAVE YOU GOT THAT NEXT PAGE, DR. ALFORD?

A. I DO.

Q. ALL RIGHT. AND THIS IS FROM MR. HARDY. AND WHAT IS THE AMOUNT THAT HE NOW SAYS IS DUE TO PAUL CROMER?

A. THEY'RE DUE ELEVEN THOUSAND SEVEN HUNDRED AND TWENTY-SIX DOLLARS, FIFTY-FIVE CENTS ($11,726.55).

Q. OKAY. AND IS HE INCLUDING IN THERE, IF YOU'LL LOOK AT THE FOURTH LINE, LESS FIFTY PERCENT (50%) BAD DEBTS PER R.A.R.?

A. I SEE IT.

Q. IS THAT THE IRS, DEPARTMENT OF REVENUE?

A. I -- IT MAY BE. I DON'T KNOW WHAT R.A.R. STANDS FOR.

Q. R.A.R. OKAY. IS -- DO YOU INTERPRET THAT AS A

BAD DEBT ON A CAR LOAN?

A. I DON'T KNOW. IT JUST SAYS "FIFTY PERCENT (50%) BAD DEBTS PER R.A.R."

Q. OKAY. AND IT IS STILL INCLUDING THE MASSEY DEBTS AS WELL AS A DEBT TO A LAW FIRM AND THE MERCEDES?

A. YEAH.

Q. OKAY.

A. AND THE MOST, THE MOST SIGNIFICANT CHANGE BETWEEN THE PREVIOUS PAGE AND THIS PAGE IS THAT MR. HARDY CHARGES AGAINST NO- -- OR, OR PROPOSES TO CREDIT AGAINST THE NOTE HALF OF THE INCOME TAXES AS PROFESSIONAL FEES THAT HAD BEEN PAID ON CHARLIE WHITFIELD INCOME REPORTED BY PAUL W. CROMER. WELL, THE PROBLEM WITH THAT IS, IF YOU LOOK AT THE WHITFIELD TAX RETURNS, MR. WHITFIELD CLAIMED THAT INTEREST INCOME AND HE PAID INTEREST ON THAT INTEREST INCOME. MR. CROMER HAD A DEDUCTION OF THAT INTEREST EXPENSE. SO HE DID NOT HAVE TO PAY THE TAX ON THAT. SO THAT -- I FOUND THAT HUNDRED AND SEVEN -- HUNDRED AND SIX THOUSAND SIX HUNDRED AND EIGHTY-SIX DOLLARS ($106,686.00) TO BE MEANINGLESS.

Q, YOU, YOU DO NOT BELIEVE THAT THAT SHOULD BE CREDITED?

A. WELL, I DON'T, I DON'T SEE -- I MEAN THAT'S,

THAT'S SUGGESTING THAT MR. WHITFIELD SHOULD PAY PLUS. HE SHOULD PAY THE INCOME TAX ON THE INTEREST THAT HE RECEIVED, PLUS HE SHOULD PAY HALF THE INCOME TAX THAT MR. CROMER PAID. THAT DOESN'T MAKE SENSE TO ME.

Q. THANK YOU. LET'S TURN TO THE NEXT PAGE, DR. ALFORD. WHAT IS THE AMOUNT THAT MR. HARDY SAYS IS OVERPAYMENT BY MR. CROMER?

A. TWO HUNDRED AND TWENTY-SEVEN THOUSAND FOUR HUNDRED AND NINETY-FIVE DOLLARS AND EIGHTY CENTS ($227,495.80).

Q. OKAY. SO -- I JUST WANT TO MAKE SURE I UNDERSTAND IT. SO THE FIRST NOTE, MS. LITTLEFIELD -- OR THE FIRST ANALYSIS, MS. LITTLEFIELD WAS OWED THIRTY-ONE THOUSAND ($31,000.00), THEN THE NEXT ONE SHE OWED HIM ELEVEN THOUSAND ($11,000.00), AND THEN THE THIRD ONE, AS PREPARED BY MR. HARDY, SHE OWES HIM TWO HUNDRED AND TWENTY-SEVEN THOUSAND FOUR HUNDRED AND NINETY-FIVE DOLLARS AND EIGHTY CENTS ($227,495.80) ON A PROMISSORY NOTE?

A. YES, MA'AM.

Q. ALL RIGHT. THEN LET'S TURN TO THE LAST PAGE, DR. ALFORD. WHAT IS THIS LATEST FIGURE THAT MR. HARDY HAS COME UP WITH?

A. "AMOUNT OWED TO P.C.I., NOT INCLUDING INCOME TAX,

A HUNDRED AND TWENTY THOUSAND EIGHT HUNDRED AND NINE DOLLARS AND EIGHTY CENTS ($120,809.80)."

Q. THESE FIGURES HAVE CHANGED A LOT THEN. ALL RIGHT. JUST TO RECAP, DR. ALFORD, WHICH IS (PAUSE) -- AS YOU HAVE EXPLAINED TO US ALL HERE TODAY IN THE COURTROOM, YOU BELIEVE THAT MR. CROMER OWES ON THE FACE OF THE NOTE TWO HUNDRED AND FIFTY-SEVEN THOUSAND SEVENTY-THREE DOLLARS ($257,073.00)?

A. YES, MA'AM.

Q. ALL RIGHT. THANK YOU.

BY ELIZABETH WALDREP: THAT'S ALL I HAVE.

BY THE COURT: LET ME, LET ME MAKE SURE I UNDERSTAND WHAT THE WITNESS IS SAYING. I BELIEVE YOU TESTIFIED EARLIER THAT YOUR OPINION IS THAT IF YOU DON'T CONSIDER ANY LOSSES ON THE MASSEY ARRANGEMENT, THEN THE PLAINTIFF'S OWED TWO HUNDRED AND FIFTY-SEVEN THOUSAND AND SEVENTY-THREE DOLLARS ($257.073.00)?

BY THE WITNESS: YES, SIR.

BY THE COURT: BUT IF YOU TAKE INTO CONSIDERATION THE MASSEY LOSSES, AND I ASSUME AS CLAIMED BY THE DEFENDANT, THEN THAT REDUCES THE AMOUNT OWED TO A HUNDRED AND SIXTY-FIVE THOUSAND NINE HUNDRED AND TWENTY-EIGHT DOLLARS ($165,928.00)?

BY THE WITNESS: YES, BECAUSE I BELIEVE -- YES. THE REASON I THINK THAT IS BECAUSE I BELIEVE THAT IF YOU REACH THAT CONCLUSION YOU'RE, YOU'RE EFFECTIVELY DECIDING THEY'RE IN PARTNERSHIP ON THE, THE MASSEY LOSSES. AND SO IF THE NOTE HAS NOT BEEN SATISFIED -- WHETHER OR NOT THE NOTE IS SATISFIED MS. LITTLEFIELD WOULD BE ENTITLED TO HER SHARE OF THOSE PROFITS GOING FORWARD, AND THAT'S THAT HUNDRED AND SIXTY-FIVE THOUSAND DOLLARS ($165,000.00).

BY THE COURT: ALL RIGHT, SIR. ALL RIGHT, IT'S ABOUT TWELVE THIRTY-SIX (12:36). THIS WOULD BE A GOOD TIME TO TAKE A BREAK FOR LUNCH.

BY MR. PRUITT: YES, SIR, I SUPPOSE SO.

BY THE COURT: AND -- ANY PROBLEM WITH THAT?

BY MR. WALDREP: WE HAVE -- NO, SIR, DON'T HAVE ANY PROBLEM WITH WHATEVER THE COURT DECIDES.

BY THE COURT: ESPECIALLY EATING LUNCH. YOU DON'T HAVE ANY PROBLEM EATING LUNCH. (CHUCKLE)

BY MR. WALDREP: NO.

BY THE COURT: ALL RIGHT, WE'LL TAKE A BREAK. WE'LL COME BACK, SAY, AT TWO O'CLOCK (2:00).

(LUNCH BREAK - OFF RECORD @ 12:37 P.M. - 2:00 P.M)

BY THE COURT: ALL RIGHT, DR. ALFORD, DO YOU WANT TO COME BACK TO THE STAND, PLEASE?

(DR. ALFORD RETURNS TO THE STAND)

BY THE COURT: I BELIEVE THAT THE PLAINTIFF HAS FINISHED THEIR EXAMINATION OF DR. ALFORD. WE'RE NOW READY FOR CROSS-EXAMINATION; IS THAT RIGHT?

BY MR. WALDREP: YES, SIR.

BY MR. PRUITT: YES, SIR.

BY THE COURT: MR. PRUITT.

CROSS-EXAMINATION BY MR. PRUITT:

Q. DR. ALFORD, I BELIEVE THAT YOU TESTIFIED ON DIRECT EXAMINATION THAT YOU FOUND NO EVIDENCE OF A PARTNERSHIP?

A. CORRECT.

Q. AND THAT IN YOUR PROFESSIONAL OPINION, THAT THERE WASN'T A PARTNERSHIP?

A. CORRECT.

Q. OKAY. NOW, WHAT I WANT YOU TO DO IS TAKE THAT THOUGHT OF A PARTNERSHIP AND JUST PUT IT OUT OF YOUR MIND JUST FOR A MINUTE, AND I WANT YOU TO CONCENTRATE ON PLAINTIFF'S NUMBER ONE (1), WHICH IS THE PROMISSORY NOTE. NOW, DOES THE PROMISSORY NOTE PROVIDE THAT THE INTEREST RATE IS FIFTY

PERCENT (50%) OF THE PROFITS ON CAR LOANS MINUS FIFTY PERCENT (50%) OF THE BAD DEBTS ON CAR LOANS?

A. YES.

Q. NOW, IF, IF PAUL CROMER, INCORPORATED AND/OR PAUL CROMER -- I BELIEVE THE NOTE IS PAUL CROMER, INC.; IS THAT RIGHT?

A. IT IS.

Q. AND IT'S GUARANTEED BY PAUL CROMER, ---

A. YES.

Q. --- AS AN INDIVIDUAL? ALL RIGHT. SO IF I -- IF, IF YOU JUST LOOK AT THE NOTE, THE NOTE TALKS ABOUT BAD DEBTS ON CAR LOANS. NOW, IF MR. MASSEY BORROWS MONEY, TAKES A LOAN TO BUY A CAR, WOULD YOU AGREE WITH ME THAT THAT'S A CAR LOAN?

A. YES.

Q. AND IF HE SELLS THAT CAR AND DOESN'T TURN THE MONEY BACK IN WITH THE FEE OR THE INT- -- WITH HIS FEE, THEN WOULD YOU CONSIDER THAT A BAD DEBT?

A. YES. BUT, BUT ---

Q. SO, WHETHER OR NOT ---

A. --- IF I COULD ---

Q. --- THERE'S A PARTNERSHIP, ---

BY THE COURT: LET, LET THE WITNESS FINISH HIS ANSWER. GO AHEAD.

A. I AGREE WITH ALL THAT, AND I TRIED TO TESTIFY AS

CLEARLY AS I KNEW HOW IN THE DIRECT ABOUT THAT. IF THE MASSEY DEAL IS GOING TO BE CONSIDERED A PART OF THE COMPUTATION OF REVENUES AND BAD DEBTS, I'VE GOT NO ARGUMENT WITH THAT. I, I DON'T HAVE A POSITION ON IT, AND I SAID THAT CLEARLY IN ---

Q. YES, SIR. I ---

A. --- MY DEPOSITION AS WELL.

Q. YES, SIR. I, I KNOW. BUT I JUST WANT TO MAKE SURE THAT YOUR COMPUTATION DOES NOT INCLUDE ANY ALLOWANCE FOR THE MASSEY BAD DEBTS OR, OR LOSSES ON CARS.

A. THAT'S CORRECT.

Q. OKAY. AND WOULD YOU ALSO AGREE WITH ME THAT IF HIS HONOR WAS TO DETERMINE THAT THOSE DEBTS SHOULD OFFSET, THAT, UH, UH -- TO THE EXTENT THAT THEY WERE APPLIED TO THE PRINCIPAL OF THE NOTE, THERE WOULD BE NO INTEREST ACCRUING?

A. NO, I, I DON'T THINK I WOULD AGREE WITH THAT, ---

Q. OKAY. WELL, ---

A. --- TO BEGIN WITH.

Q. OKAY. WELL, WE'VE GOT ---

BY THE COURT: LET HIM ANSWER.

BY MR. PRUITT: I'M SORRY.

A. I UNDERSTAND YOUR QUESTION AND I, I THINK I ANTICIPATED IT A LITTLE BIT. I THINK THAT FOR

THAT, FOR THAT MASSEY DEAL TO HAVE BEEN INCLUDED, THAT HAD TO -- THAT HAS TO HAVE BEEN -- THE JUDGE WILL HAVE TO HAVE CONSIDERED THERE WAS A PARTNERSHIP, IN WHICH CASE THAT THOSE SHARED PROFITS WOULD HAVE CONTINUED. IF HE DOESN'T CONSIDER THAT IT'S A PARTNERSHIP, THERE HAVE STILL BEEN PROFITS ON DEALS THAT WERE, THAT WERE FINALIZED PRIOR TO MR. CROMER STOPPING ANY PAYMENTS OF INTEREST. SO THOSE PAYMENTS CONTINUED TO COME IN.

Q. WELL, NOW, YOU COULDN'T RECONCILE THE FACT THAT MR. CROMER KEPT PAYING INTEREST EVEN THOUGH SOME OF THE YEARS WERE YEARS WHERE THERE WERE LOSSES ON THE MASSEY BAD DEBTS; COULD YOU?

A. NO. AS A MATTER OF FACT, IF YOU LOOK AT HIS RECONCILIATION REPORTS, HE ONLY SHOWS INCOME FROM MASSEY IN ONE (1) YEAR, AND THAT IS 2008, AND IT WAS A FRACTION OF WHAT HAS BEEN WRITTEN-OFF AS BAD DEBT.

Q. OKAY.

A. SO THE PAYMENTS THAT WERE MADE TO MR. WHITFIELD, WHICH WERE CLEARLY BASED ON THOSE RECONCILIATION STATEMENTS, INCLUDED VERY LOW REVENUE ON MASSEY'S.

Q. OKAY. NOW, I'D LIKE FOR YOU TO TAKE A LOOK AT WHAT'S BEEN MARKED AND ADMITTED, I BELIEVE, AS

DEFENDANTS' NUMBER FIVE (5). (DOCUMENT HANDED TO WITNESS) AND THAT, THAT THAT'S, THAT'S GOT ON THERE IT'S A SCHEDULE OF, OF, OF LOSSES CLAIMED ON THE VARIOUS TAX RETURNS OF THE WHITFIELD, WHITFIELD ESTATE, VICKI LITTLEFIELD, ET CETERA. ARE YOU FAMILIAR WITH THOSE RETURNS?

A. WELL, I'M FAMILIAR WITH THEM BECAUSE I SAW THEM BEFORE THE TRIAL BEGAN. I DON'T -- DO NOT INCLUDE MS. LITTLEFIELD. THEY ONLY INCLUDE HELEN WHITFIELD 2009 THROUGH 2012 AND THE ESTATE FOR 2011.

Q. OKAY. NOW, IF, IF YOU CREDITED THOSE LOSSES OFF OF THE PRINCIPAL OF THE NOTE AT THE TIME THAT THE LOSSES WERE INCURRED AND AT THE TIME THAT THOSE TAX RETURNS WERE FILED, THAT WOULD REDUCE THE, THE PRINCIPAL OF THE NOTE AS THE YEARS WENT BY?

A. YES.

Q. OKAY. NOW, IN YOUR DIRECT EXAMINATION, YOU CONCLUDED THAT THERE WAS A BALANCE DUE TO THE PLAINTIFF OF SOME TWO HUNDRED AND FIFTY-SEVEN THOUSAND ($257,000.00), AND YOU TESTIFIED THAT -- IF YOU TOOK OFF THE MASSEY LOSSES, WHAT, WHAT WOULD THAT, WHAT WOULD THAT BALANCE BE? I DON'T THINK THAT PAPER SHOWS IT. YOU MAY HAVE IT ---

A. NO, IT DOESN'T. I SAID IF YOU, IF YOU, IF YOU

DIDN'T DEAL WITH ANYTHING BUT THE UNPAID INTEREST GOING FORWARD, IT WOULD BE A HUNDRED AND SIXTY-FIVE THOUSAND DOLLARS ($165,000.00).

Q. OKAY. AND THAT'S ABOUT THE SAME AMOUNT AS YOU COMPUTED AS THE INTEREST FROM 2013 TO 2018?

A. CORRECT.

Q. BUT IF YOU APPLIED THOSE MASSEY LOSSES IN THE YEARS WHERE THEY WERE TAKEN, THEN THE NOTE WOULD BE PAID AND THERE WOULD BE NO INTEREST?

A. SURE. IF THE COURT DECIDES THAT THE MASSEY LOSSES NOT ONLY ARE DIVISIBLE BETWEEN THE, THE PARTNERS, IF IT DECIDES IT'S A PARTNERSHIP, AND IF THE COURT DECIDES THAT ANY LOSSES REDUCE THAT PRINCIPAL, YOU KNOW, THAT'S THE COURT'S DECISION. I'VE NEVER TOLD A JUDGE HE WAS WRONG, ---

Q. YES, SIR.

A. --- AND I'M NOT ABOUT TO START. IF THE COURT DECIDES THAT, THEN IT DECIDES IT.

Q. ALL RIGHT. WELL, ---

A. IN, IN MY VIEW, HAVING INCURRED LOSSES, EVEN IF THEY'RE GOING TO BE CHARGED, THE LOSS ITSELF, THERE'S, THERE'S, THERE'S NO PROVISION FOR THAT LOSS TO BE A PARTIAL OFFSET TO THE EIGHT HUNDRED THOUSAND DOLLAR ($800,000.00) NOTE THAT I CAN FIND.

Q. OKAY. WELL, YOU KNOW WHEN I STARTED OFF ASKING YOU SOME QUESTIONS, I ASKED YOU JUST TO PUT THAT PARTNERSHIP THING ASIDE, ---

A. I KNOW.

Q. --- JUST FORGET ABOUT THAT. BUT I JUST WANT TO GET BACK TO THE PROMISSORY NOTE ITSELF, AND THE PROMISSORY NOTE SAYS THAT THE LOSSES WILL BE ACCOUNTED FOR AGAINST THE PROFITS. IS THAT RIGHT?

A. WELL, THE PROMISSORY NOTE SAYS "THE PRINCIPAL SUM IS THE SUM THAT IS EQUAL TO FIFTY PERCENT (50%) OF THE PROFITS ON CAR LOANS DURING EACH CALENDAR YEAR MINUS FIFTY PERCENT (50%) OF THE BAD DEBTS ON CAR LOANS."

Q. THAT'S RIGHT.

A. OKAY?

Q. OKAY.

A. FOR EACH CALENDAR YEAR.

Q. THAT'S RIGHT. NOW, IF FOR SOME REASON MR. CROMER DIDN'T OFFSET THE LOSSES IN THE YEAR BUT THOUGHT THAT THEY WOULD JUST COME OFF THE PRINCIPAL, WOULD HE HAVE OVERPAID THE INTEREST IN THOSE YEARS WHEN HE COULD HAVE OFFSET THE PROFITS BY THE LOSSES?

A. YEAH. IF HE -- IF THAT WAS HIS JUDGMENT, AND I KNOW IT WAS, THEN IN FACT HE HAS CONCLUDED THAT HE OVERPAID THE, THE INTEREST. YOU CAN'T GET AN

ARGUMENT OUT OF ME ABOUT THAT ---

Q. YES, SIR.

A. --- IF THAT'S HIS POSITION AND IF HIS POSITION IS CORRECT.

Q. WELL, AND THAT'S GOT NOTHING TO DO WITH PARTNERSHIP; DOES IT? THAT'S JUST STRAIGHT OUT OF THE NOTE?

A. THAT'S NOT STRAIGHT OUT OF THE NOTE. THE NOTE DOES NOT PROVIDE FOR ANY KIND OF NEGATIVE INTEREST PAYMENT. NONE. THE NOTE NEVER ADDRESSES THE FACT THAT LOSSES COULD EXCEED REVENUES. IT DOESN'T ADDRESS THAT AT ALL, JUST LIKE THE NOTE DOESN'T HAVE ANY PROVISION FOR AMORTIZATION. IT JUST LEAVES OUT THINGS THAT WOULD NORMALLY BE IN A NOTE.

Q. OF COURSE, THE NOTE DOESN'T SAY THAT YOU CAN'T HAVE A NEGATIVE, A NEGATIVE IF THE LOSSES EXCEEDED THE PROFITS; DOES IT?

A. IT DOESN'T. IT WOULD HAVE TO BE DONE ON EVERY CALENDAR YEAR, AND I THINK IF THE NOTE HAD ADDRESSED THAT ONE WAY OR THE OTHER, Y'ALL WOULD NOT BE SITTING HERE TODAY.

Q. YES, SIR. SO, SO WE'VE HAD TESTIMONY -- THERE'S OTHER THINGS IN THIS NOTE THAT ARE, THAT ARE MISSING. FOR EXAMPLE: NO FINAL DUE DATE.

A. CORRECT.
Q. AND THE NOTE DOESN'T SAY WHAT HAPPENS IF THE, IF THE LOSSES ON CARS EXCEEDS THE PROFITS?
A. IT DOES NOT.
Q. SO I SUPPOSE, IF, IF WE APPLIED REGULAR PRINCIPLES, THE NOTE WOULD BE -- THE AMBIGUITY WOULD BE CONSTRUED AGAINST THE DRAFTER?
A. IF YOU'RE TALKING ABOUT A LEGAL PRINCIPLE, I'M, I'M -- I CAN'T ANSWER THAT.
Q. YOU DON'T HAVE -- OKAY. WELL, NOW, IF YOU -- I KNOW YOU HAVEN'T DONE THIS COMPUTATION, BUT IF YOU, IF YOU NEED A MINUTE, I'LL CERTAINLY UNDERSTAND. IF YOU TAKE OFF OF THE PRINCIPAL THE MASSEY LOSSES IN THE YEARS WHEN THEY WERE INCURRED AND GIVE PAUL CROMER CREDIT FOR THE INTEREST THAT HE PAID THAT HE DIDN'T NEED TO PAY, WHEN WOULD HE HAVE PAID OFF THE NOTE?
A. WELL, I THINK I CAN STUMBLE THROUGH THAT IF YOU GIVE ME TIME, BUT FIRST MRS. WHITFIELD'S SCHEDULE "C", FOR EXAMPLE, WHERE SHE HAS IN 2009 GROSS INCOME OF NEGATIVE TWENTY-TWO FOUR SIXTY-SEVEN (-$22,467.00), AND THAT'S WHAT'S ON YOUR SCHEDULE ON THE FIRST PAGE OF EXHIBIT FIVE (5), THAT DOESN'T ADDRESS THE MASSEY ISSUE, IT IS JUST SHE INCURRED MORE LOSSES THAN PROFITS THAT SHE REPORTS

ON HER SCHEDULE "C".

Q. WELL, ---

A. SO I'M, I'M NOT SURE WHAT EVIDENCE THERE IS THERE, BUT THAT IS RELATED TO THE MASSEY.

Q. WELL, THAT'S -- WELL, YOU KNOW, LET'S, LET'S FORGET ABOUT EXHIBIT FIVE (5) FOR A MINUTE, AND WHAT I WANT YOU TO DO IS KIND OF BE HYPOTHETICAL. AND YOU, YOU'RE ABLE TO DO THAT; AREN'T YOU?

A. I THINK THAT'S ---

Q. OKAY.

A. --- A LITTLE JAB WITH THAT QUESTION, BUT YES, I AM.

Q. OKAY. NOW, ---

A. ONE NINETEEN SIX EIGHTY-SEVEN ($119,687.00), ---

Q. YES, SIR.

A. --- THE FIRST NUMBER THERE, ---

Q, OKAY. LET'S ---

A. --- THAT'S CLEARLY ASSOCIATED WITH MASSEY. THAT IS THE ONLY NUMBER ON THERE, ON THIS FIRST PAGE OF YOUR EXHIBIT, WHERE THERE'S ANY REFERENCE ON THE WHITFIELD RETURN TO THE MASSEY DEBT.

Q. OKAY. WELL, I -- LET'S, LET'S JUST GET OFF OF THAT FOR A MINUTE. NOW, I WANT YOU TO ASSUME THAT THE, THAT THE COURT WOULD FIND THAT THE LOSSES ON MASSEY SHOULD BE OFFSET, OR BE GIVEN AS A CREDIT

TO PAUL CROMER. IS THAT -- DO YOU UNDERSTAND THAT PART?

A. I DO, YES.

Q. AND THAT THE, THE CREDIT WOULD BE GIVEN IN THE YEAR THAT THE LOSS WAS INCURRED, WHICH WAS GENERALLY OVER I THINK FOUR (4) OR FIVE (5) YEARS.

A. WELL, THEY'RE FIVE (5) YEARS LISTED HERE.

Q. OKAY.

A. JUST AS LONG AS I'M HYPOTHETICAL. I'M NOT, I'M NOT AGREEING WITH YOU THAT 2009 THROUGH 2012 ---

Q. I'M JUST ASKING YOU ---

A. --- BASED ON THE EVIDENCE HERE, IS RELATED TO MASSEY.

Q. OKAY. I, I'M NOT ASKING YOU TO DO THAT. I JUST WANT YOU TO ASSUME THAT, THAT THE, THAT THE COURT FINDS THAT MR. CROMER IS ENTITLED TO A CREDIT FOR THOSE LOSSES.

A. OKAY.

Q. AND, AND A CREDIT IN THE SAME YEARS THAT THEY WERE ALLEGEDLY INCURRED.

A. OKAY.

Q. OKAY. SO IF, DURING THOSE SAME YEARS, IN ADDITION TO THAT, MR. CROMER PAID HALF THE PROFITS, WOULD YOU AGREE WITH ME THAT HE PAID OFF THE NOTE AND OVERPAID THE NOTE AT SOME POINT IN TIME?

A. BY SIMPLY ADDING THESE NUMBERS UP, WHICH IS (PAUSE) -- ABOUT A HUNDRED AND SEVENTY-SIX THOUSAND DOLLARS ($176,000.00) OR SO THAT YOU'RE SAYING MR. WHITFIELD OR MRS. WHITFIELD SHARED THE LOSSES? YES.

Q. OKAY. SO, UNDER THAT SCENARIO, INTEREST WOULD HAVE STOPPED BEFORE 2014?

A. YES.

Q. OKAY. NOW, THERE'S A (PAUSE) -- WHEN YOU WERE LOOKING FOR -- THROUGH MR. CROMER'S TAX RETURNS, DID YOU EVER SEE ANY ENTRY WHERE HE HAD COLLECTED MONEY OUT OF THE MASSEYS?

A. I DID NOT.

Q. OKAY. AND IF, IF A, IF A JUDGMENT WAS ENTERED LIKE IS SHOWN ON PLAINTIFF'S TWO (2) AND THREE (3) AGAINST MR. MASSEY FOR TWO HUNDRED AND EIGHTY-TWO THOUSAND ($282,000.00), IS THAT FIGURE FAIRLY CONSISTENT, THAT AMOUNT FAIRLY CONSISTENT WITH THE LOSSES THAT ARE CLAIMED HERE? HALF TO EACH SIDE?

A. WELL, THE LOSSES THAT ARE CLAIMED HERE ARE ONE SEVENTY-FIVE ($175,000.00), ---

Q. OKAY.

A. --- ONE SEVENTY-SIX ($176,000.00), SOMETHING LIKE THAT.

Q. SO THOSE ARE, THOSE ARE A LITTLE BIT MORE THERE.

A. SO I MEAN I THINK THE ANSWER TO YOUR QUESTION IS NO.
Q. OKAY. NOW, IN YOUR REVIEW OF THE RECORDS, GOING BACK AS FAR AS YOU WENT BACK -- AND HOW FAR DID YOU GO BACK, BY THE WAY?
A. 2005 WAS THE FIRST DATE I HAD.
Q. OKAY. FROM 2005 TO 2013, DID YOU EVER SEE A PERIOD WHEN PAUL CROMER DIDN'T PAY THE INTEREST ON THE NOTE?
A. NO. WELL, 2013 WAS ONLY -- APPEARED TO BE A PARTIAL PAYMENT.
Q. OKAY. WELL, FROM ---
A. BUT '05 THROUGH '12, YES.
Q. '05 THROUGH '12, HE PAID LIKE CLOCKWORK?
A. BASED ON HIS RECONCILIATION REPORTS, YES, HE DID.
Q. OKAY. AND SO IT WAS ONLY IN 2013 THAT HE STOPPED PAYING?
A. THERE YOU GO.
Q. AND AS I BELIEVE YOU HYPOTHESIZED, HE STOPPED PAYING BECAUSE HE FELT THAT WITH THE MASSEY LOSSES AND THE PAYMENTS OF FOUR HUNDRED AND FIFTY THOUSAND PLUS ($450,000.00+), THAT HE HAD PAID OFF THE NOTE?
A. I ASSUME THAT'S WHAT HE THOUGHT, SURE.
Q. OKAY. AND IF, IF THE COURT WAS TO FIND THAT WAS,

THAT WAS TRUE, THEN THERE WOULD BE NO BALANCE DUE ON THE NOTE; WOULD THERE?

A. THAT'S RIGHT.

Q. AND THERE WOULD BE NO INTEREST DUE FROM 2013 TO 2018?

A. YEAH. I -- YOU CAN HAVE A HARD TIME GETTING AN ARGUMENT FROM ME ON THAT.

Q. YES, SIR, I ---

A. IF THE COURT DECIDES THAT IT'S PAID OFF AND HE DOESN'T OWE ANYTHING, THAT'S THE DECISION.

Q. YEAH, OF COURSE. OF COURSE. NOW, I WANT TO SHOW YOU AN EXHIBIT THAT'S MARKED AS EXHIBIT FOUR (4) TO, TO YOUR DEPOSITION THAT I TOOK AND ASK IF YOU CAN IDENTIFY THAT, THAT, THAT SCHEDULE THERE?

(DOCUMENT HANDED TO WITNESS)

A. (UPON REVIEW) YEAH. THIS WAS ONE (1) OF YOUR EXHIBITS THAT YOU GAVE TO ME DURING THE DEPOSITION.

Q. RIGHT. AND IN YOUR DEPOSITION, YOU, YOU TESTIFIED THAT YOU DIDN'T CONSIDER, AND YOU HAVEN'T TODAY IN YOUR DIRECT EXAMINATION, ANY OF THESE LOSSES?

A. THAT'S CORRECT.

BY MR. PRUITT: YOUR HONOR, WE'D LIKE TO HAVE THIS MARKED AS A, AS AN EXHIBIT.

BY THE COURT: ANY OBJECTION?

BY ELIZABETH WALDREP: NO OBJECTION.

BY MR. PRUITT: (DOCUMENT TENDERED TO REPORTER)

BY THE COURT: THAT'LL BE DEFENDANTS' EXHIBIT NUMBER ELEVEN (11) ADMITTED WITHOUT OBJECTION.

(DEFENDANTS' EXHIBIT "11" MARKED & ADMITTED)

BY THE COURT: CAN I SEE THAT?

BY MR. PRUITT: YES, SIR. (DOCUMENT HANDED TO THE COURT)

BY THE COURT: BASICALLY, THAT'S ALSO INCLUDED IN DEFENDANTS' EXHIBIT ONE (1), ---

BY MR. PRUITT: YES, SIR.

BY THE COURT: --- PART OF THE INFORMATION THERE.

BY MR. PRUITT: THAT'S ALL THE QUESTIONS I HAVE FOR DR. ALFORD.

BY THE COURT: ANY REDIRECT?

BY ELIZABETH WALDREP: YES, YOUR HONOR.

REDIRECT EXAMINATION BY ELIZABETH WALDREP:

Q. DR. ALFORD, ALL OF THE INFORMATION YOU RECEIVED ON THE LOSSES, WHO PROVIDED THOSE -- THAT INFORMATION?

A. I THINK IT CAME FROM DEFENDANTS' COUNSEL.

Q. OKAY. AND ---

A. AND, AND THESE LOSSES INCLUDED IN THIS LAST

EXHIBIT JUST MARKED ARE NOT THE SAME AS THE YEAR TO YEAR AS THE LOSSES, IN ORDER TO DEFINE THEM.

Q. SO THEY'RE DIFFERENT?

A. THEY ARE.

Q. ALL RIGHT. JUST ---

A. NOT EVERY YEAR, BUT FOR THOSE THREE (3) YEARS.

Q. OKAY. SO THOSE NUMBERS ARE DIFFERENT JUST LIKE ALL THE THINGS YOU RECEIVED FROM MR. HARDY WERE ALL DIFFERENT?

A. THEY VARY.

Q. OKAY. AND, DR. ALFORD, I WANT YOU TO LOOK AGAIN AT PLAINTIFF'S SEVEN (7), WHICH IS THE SETTLEMENT BOOK. (BOOK HANDED TO WITNESS) AND CAN YOU TELL -- I KNOW YOU EXAMINED THIS AS WELL. CAN YOU TELL ME -- THIS IS MR. WHITFIELD'S -- I MEAN, EXCUSE ME, MR. CROMER'S SETTLEMENT BOOK. CAN YOU TELL ME WHERE THE LOSSES ARE REFLECTED IN THERE?

A. WELL, I HAVE IN FACT A, A SUMMARY OF ALL THE SETTLEMENT STATEMENTS AND LOSSES WERE NOT TRUE TO THESE RECONCILIATION STATEMENTS THAT WERE YEAR BY YEAR.

Q. OKAY. SO, PAUL CROMER IS NOW CLAIMING THESE LOSSES THAT WERE NO PART OF HIS SETTLEMENT BOOK?

A. THEY WERE NOT IN FACT. 2008 WHEN THE BIG WRITE-OFF APPEARS TO HAVE OCCURRED. NOW, I'M GONNA SAY

AGAIN FROM 2009 THROUGH '12, ALTHOUGH MRS. WHITFIELD SHOWED LOSSES, THERE'S NOTHING IN HER RETURNS THAT SHOWED THEY'RE RELATED TO MASSEY. I'M NOT SAYING THEY'RE NOT. I'M SAYING THERE'S NO EVIDENTIARY INFORMATION THERE. WITH REGARD TO 2008, THERE WERE ABOUT FIFTY-NINE THOUSAND DOLLARS ($59,000.00) INCOME FROM B&D MASSEY. THAT'S THE ONLY PLACE IN ALL OF THESE SETTLEMENT STATEMENTS WHERE THAT NAME APPEARS. THERE'S A HANDWRITTEN NOTE THAT SAYS FORTY-TWO SEVEN SIXTY-SEVEN ($42,767.00) WAS NOT PAID. BUT OTHER THAN THAT, THERE'S NOTHING IN HERE ABOUT MASSEY.

Q. THE, THE MASSEY LOSSES APPEARED ONLY AFTER THE LAWSUIT ENSUED; IS THAT CORRECT?

A. THEY DID, YES.

Q. AND ARE YOU AWARE OF MR. -- THAT MR. CROMER FILED ANY CLAIM AGAINST THE ESTATE OF MR. OR MRS. WHITFIELD?

A. I'M NOT AWARE OF ANY.

Q. HE DIDN'T MAKE A CREDITOR'S CLAIM?

A. I'M NOT AWARE.

Q. ALL RIGHT. AND DR. ALFORD, YOU ARE HAVING TO RELY COMPLETELY REGARDING ON -- REGARDING THESE HYPOTHETICALS THAT MR. PRUITT WAS ASKING YOU TO CONSIDER, YOU WERE RELYING SOLELY ON INFORMATION

PROVIDED TO YOU BY MR. CROMER HIMSELF?

A. YES.

Q. AND THERE ARE NO LAWSUITS ---

A. WELL, I SUPPOSE THEY WERE PROVIDED BY HIM. THEY CAME THROUGH HIS COUNSEL, I SUPPOSE.

Q. AND HIS, AND HIS SETTLEMENT BOOK REFLECTS NO LOSSES?

A. YES.

Q. AND DR. ALFORD, JUST TO FOLLOW UP ON THE HYPOTHETICAL, THAT WAS COMPLETELY HYPOTHETICAL; CORRECT?

A. ABSOLUTELY.

Q. YOU HAVE ALREADY TESTIFIED AND GIVEN HIS HONOR THE NUMBERS THAT YOU BELIEVE, AFTER YOUR CAREFUL CONSIDERATION OF ALL THE FACTORS IN THIS CASE AND ALL THE DOCUMENTS THAT YOU REVIEWED, THAT THE NOTE IN FACT WAS NOT PAID OFF AND INTEREST DID IN FACT CONTINUE TO ACCRUE?

A. THAT'S CORRECT.

BY ELIZABETH WALDREP: ALL RIGHT. THANK YOU. THAT'S ALL I HAVE.

BY THE COURT: LET ME ASK A COUPLE OF QUESTIONS JUST TO GET THE THING STRAIGHT IN MY MIND.

EXAMINATION BY THE COURT:

Q. DR. ALFORD, I'M INTERESTED IN THE JOINT CHECKING ACCOUNT AND ABOUT TWO HUNDRED AND FIFTY-SEVEN -- OR TWO HUNDRED AND FIFTY-EIGHT THOUSAND DOLLARS ($258,000.00), I THINK IT WAS. HOW DID YOU TREAT THAT IN TERMS OF A PAYMENT OF ANY KIND?

A. INITIALLY, I, I ASSUMED, WITHOUT UNDERSTANDING THE LAW, I ASSUMED, ASSUMED THAT HALF OF IT WAS MR. WHITFIELD'S, IN YOUR INTENTIONS ESTATE, AND HALF OF IT WAS MR. CROMER'S. SO, OF THAT TOTAL PAYMENT, I ASSUMED THAT HALF OF IT WOULD BE A CREDIT OF A HUNDRED AND TWENTY-NINE THOUSAND DOLLARS ($129,000.00) OR SO, WOULD BE A CREDIT AGAINST THE EIGHT HUNDRED THOUSAND DOLLAR ($800,000.00) BALANCE OF WHAT -- WHAT I'M TOLD BY MS. LITTLEFIELD'S COUNSEL IS THAT IF IT WAS A JOINT ACCOUNT AND IF -- AND I DON'T KNOW THE ANSWERS TO THESE QUESTIONS. BUT IF, AS A JOINT ACCOUNT, MR. CROMER BECAME THE OWNER OF THAT FULL ACCOUNT, THEN THE FULL TWO HUNDRED AND FIFTY-EIGHT THOUSAND ($258,000.00) SHOULD BE CREDITED. I ASSUMED THE FULL TWO FIFTY-EIGHT ($258,000.00) SHOULD BE CREDITED AGAINST THE EIGHT HUNDRED THOUSAND ($800,00.00).

Q. OKAY. SO, IN YOUR CALCULATIONS, YOU HAVE ASSUMED THAT THERE WAS -- OR YOU HAVE CALCULATED THAT

THEY'VE HAD FOUR HUNDRED THOUSAND DOLLARS ($400,000.00) PAID TO MRS. WHITFIELD, FIFTY THOUSAND DOLLARS ($50,000.00) WAS PAID TO THE PLAINTIFF, AND THEN TWO HUNDRED AND FIFTY-EIGHT ($258,000.00) FROM THE JOINT CHECKING ACCOUNT ---

A. YES, SIR.

Q. --- YOU ADD ALL THOSE TOGETHER. AND DID YOU GIVE ANY VALUE FOR THE CAR, THE MERCEDES?

A. I DIDN'T. AS I TESTIFIED, I DON'T THINK I HAVE ANY EXPERTISE TO EVEN OFFER AN OPINION. IF IN FACT IT TURNS OUT THAT MRS. WHITFIELD WAS GIVEN A MERCEDES AND IT WAS INTENDED TO BE AN APPLICATION AGAINST THE LOAN, THEN THERE'S ANOTHER TEN THOUSAND DOLLARS ($10,000.00). I DON'T KNOW THE ISSUE ABOUT THAT CAR OR THE, THE CAR THAT SUPPOSEDLY MR. CROMER MAY HAVE.

Q. WELL, I'M JUST LOOKING AT THE FIGURES AND YOU USE THE FOUR FIFTY ($450,000.00) PLUS THE TWO FIFTY-EIGHT ($258,000.00), WHICH IS ALL OF THE JOINT ACCOUNT, THEN ACCORDING TO MY ADDITION, IT ADDS UP TO SEVEN HUNDRED AND EIGHT THOUSAND EIGHT FIFTY-FIVE SEVENTY-FIVE ($708,855.75), ---

A. THAT'S RIGHT.

Q. --- WHICH IS GONNA LEAVE -- YOU SUBTRACT THAT OFF OF EIGHT HUNDRED ($800,000.00), THAT LEAVES ABOUT

A HUNDRED AND ONE THOUSAND ($101,000.00) AND CHANGE. AND SO HOW DID YOU GET TO THE TWO HUNDRED AND FIFTY-SEVEN THOUSAND DOLLAR ($257,000.00) FIGURE?

A. THAT ADDITIONAL ONE SIXTY-FIVE ($165,000.00) OF INTEREST THAT WAS NOT PAID.

Q. AND THAT WOULD BE INTEREST ---

A. FROM, FROM 2013 ---

Q. --- FROM 2013 THROUGH '18?

A. --- THROUGH '18.

Q. OKAY.

A. IT CONTINUED TO GENERATE GROSS PROFITS AND THERE WAS -- YOU KNOW, HE DIDN'T, DIDN'T PAY ANY PORTION OF THAT.

Q. WELL, I GET A HUNDRED AND ONE ($101,000.00) PLUS A HUNDRED AND SIXTY-FIVE ($165,000.00), TWO SIXTY-SIX ($266,000.00) INSTEAD OF TWO FIFTY-SEVEN ($257,000.00), BUT ---

A. WELL, THAT'S ---

Q. THAT'S CLOSE ENOUGH.

A. YES, SIR.

Q. ALL RIGHT, WELL ---

A. IT'S CLOSE ENOUGH FOR ME IF IT IS FOR YOU.

Q. THE OTHER AREA THAT I AM INTERESTED IN FINDING OUT ABOUT IT, AND I DON'T KNOW IF YOU MENTIONED THIS

OR TOUCHED ON IT, BUT IT'S THIS MASSEY, THE MASSEY LOSSES. HOW THEY WERE CALCULATED. YOU TESTIFIED I BELIEVE THAT YOU WERE JUST GIVEN THESE NUMBERS BY SOMEBODY AND THAT'S WHAT YOU -- THAT'S ALL THE INFORMATION YOU HAD. DID YOU EVER HAVE ANY ABILITY TO CALCULATE HOW -- YOU KNOW, WHAT, WHAT WERE THE MASSEY LOSSES AND HOW THEY ARRIVED AT THOSE NUMBERS?

A. NONE.

Q. YOU DID NOT? OKAY. ALL RIGHT.

BY THE COURT: I'LL GET SOMEBODY ELSE TO ADDRESS THAT. ALL RIGHT. ANYTHING ELSE?

BY MR. WALDREP: NEXT WITNESS.

BY ELIZABETH WALDREP: NO, YOUR HONOR.

BY THE COURT: ALL RIGHT. DR. ALFORD, YOU CAN STEP DOWN.

BY THE WITNESS: THANK YOU.

(DR. ALFORD LEAVES THE STAND)

BY THE COURT: DO Y'ALL HAVE ANY -- I'LL BET DR. ALFORD WANTS TO BE EXCUSED, ANY OBJECTION TO THAT?

BY MR. PRUITT: NO OBJECTION TO HIM BEING EXCUSED.

BY ELIZABETH WALDREP: NO OBJECTION, YOUR HONOR.

BY THE COURT: WELL, I DON'T CARE. IF YOU WANT TO LEAVE, YOU CAN LEAVE; IF YOU WANT TO STAY, YOU CAN STAY. HOW ABOUT THAT?

BY THE WITNESS: OKAY.

BY THE COURT: ALL RIGHT.

BY MR. WALDREP: THE PLAINTIFF RESTS.

BY MR. PRUITT: YOUR HONOR, AT THIS TIME, I'D MAKE A MOTION FOR A DIRECTED VERDICT. THERE'S BEEN NO EVIDENCE PRESENTED BEFORE THE COURT OF THE OWNERSHIP, THE CURRENT OWNERSHIP OF THE PROMISSORY NOTE.

BY THE COURT: WELL, I THINK THERE WAS TESTIMONY ABOUT THE -- THAT IT WAS MADE TO MR. WHITFIELD AND THEN HE DIED AND IT WENT TO HIS WIFE AND THEN THE WIFE DIED, AND IT WENT TO THE PLAINTIFF. THEIR, THEIR -- I GUESS THEY HAVE A DAUGHTER? I GUESS.

BY MR. PRUITT: WELL, THERE'S, THERE'S NO -- THAT'S, THAT'S WHAT SHE SAID, BUT THERE'S NO EVIDENCE. ESTATES OR TRANSFERS ---

BY THE COURT: WELL, THAT'S WHAT HER TESTIMONY IS, THOUGH.

BY MR. PRUITT: SIR?

BY THE COURT: HER TESTIMONY IS EVIDENCE.

BY MR. PRUITT: OKAY.

BY ELIZABETH WALDREP: YOUR HONOR, IF I MAY. THE, THE NOTE SPECIFICALLY SAYS HEIRS AND ASSIGNMENTS, SO ---

BY THE COURT: YEAH, I UNDERSTAND. HE'S JUST TRYING TO SAY WELL, THERE'S NO TESTIMONY THAT SPECIFICALLY TALKS ABOUT WHEN MR. WHITFIELD DIED, WHEN -- YOU KNOW, WHO HIS HEIRS WERE. BUT I THINK THERE WAS SUFFICIENT TESTIMONY TO ESTABLISH THAT THE PLAINTIFF IS THE CURRENT HOLDER OF THIS PROMISSORY NOTE. I'M GONNA, I'M GONNA DENY YOUR MOTION.

BY MR. PRUITT: ALL RIGHT. I HAVE, I HAVE TWO (2) MOTIONS IN LIMINE I'D LIKE TO TAKE UP WITH THE COURT NOW BEFORE I CALL MY NEXT TWO (2) WITNESSES.

BY THE COURT: ALL RIGHT.

BY MR. PRUITT: YOUR HONOR, MR. PAUL CROMER -- AND IT'S BEEN SOMEWHAT ALLUDED TO IN VARIOUS THINGS -- GOT INTO TROUBLE WITH THE UNITED STATES GOVERNMENT IN REGARD TO INCOME TAXES AND I ANTICIPATE THAT THE PLAINTIFF WOULD TRY TO IMPEACH HIM BY USING RULE 609 OF THE RULES OF EVIDENCE REGARDING IMPEACHMENT BY VIRTUE OF BEING CONVICTED OF A CRIME, AND I WILL POINT OUT THAT THAT RULE HAS A TIME LIMIT ON IT OF TEN (10) YEARS AND WOULD

PROFFER TO THE COURT THAT THAT CONVICTION TOOK PLACE WAY IN EXCESS OF TEN (10) YEARS IN THE PAST.

BY THE COURT: WHEN DID IT TAKE PLACE?

BY MR. PRUITT: OVER ON 2001.

BY THE COURT: SO YOU WANT TO EXCLUDE ANY EVIDENCE ABOUT THAT CONVICTION?

BY MR. PRUITT: YES, SIR.

BY ELIZABETH WALDREP: YOUR HONOR, WE WOULD OBJECT TO THAT. MR. CROMER -- IT WAS BACK IN '01, BUT HE HAS, YOUR HONOR, BY HIS OWN EXHIBIT NUMBER TWO (2) LISTED DEBTS DIRECTLY RELATED TO THAT CRIMINAL CONVICTION. SO HE WANTS CREDIT FOR ALL THE PAYMENTS THAT HE MADE FOR HIS CRIMINAL CONVICTION, BUT HE DOESN'T WANT TO BE ABLE TO -- US TO TALK ABOUT HIS CRIMINAL CONVICTION.

BY THE COURT: WHAT ABOUT THAT?

BY MR. PRUITT: WELL, YOUR HONOR, THERE'S TWO (2), TWO (2) ---

BY THE COURT: SOUNDS LIKE YOU HAVE IT BOTH WAYS.

BY MR. PRUITT: WELL, YES, SIR, THAT'S TRUE. BUT THERE WAS A, A -- THERE'S A CIVIL COMPONENT TO ALL THOSE EXPENSES.

BY THE COURT: "A CIVIL COMPONENT TO ALL THOSE EXPENSES."

BY MR. PRUITT: WELL, HE PAID, HE PAID TAXES ON THE ENTIRE INCOME OF PAUL CROMER, INCORPORATED OR PAUL CROMER WHICH INCLUDED MR. WHITFIELD'S HALF.

BY ELIZABETH WALDREP: YOUR HONOR, IF I MAY. ONE OF THESE CHECKS, JUDGE, IS TO CHIP PRICE, WHO IS A CRIMINAL DEFENSE ATTORNEY FOR MR. CROMER, AND COUNSEL WANTS TO ALLEGE THAT A PAYMENT IN 2001 TO A CRIMINAL DEFENSE ATTORNEY IN GREENVILLE IS A BAD DEBT ON A CAR LOAN ON A 2007 PROMISSORY NOTE? JUDGE, WE'D ASK THAT HE NOT HAVE IT BOTH WAYS.

BY THE COURT: WELL, MAYBE I CAN HELP A LITTLE BIT. I CAN TELL YOU, BASED ON WHAT I'VE SEEN SO FAR, I THINK THERE'S A DIFFERENCE BETWEEN BAD DEBTS ON CAR LOANS AND LOSSES RELATED TO THOSE BAD DEBTS. I THINK THERE'S A BIG DIFFERENCE. AND I, I'VE EVEN, WHEN A CAR LOAN -- A BAD DEBT ON THE LOAN WOULD BE THE ACTUAL AMOUNT OF MONEY THAT WAS LOANED BY CROMER, WHO HAD LOANED IT TO WHOEVER AND DIDN'T GET PAID BACK, AND THAT'S A BAD DEBT. BUT THEY CAN -- ALL THESE OTHER COSTS AND FOR ATTORNEY'S FEES AND ALSO TRYING TO RECOVER THAT, I DON'T, I DON'T, I DON'T THINK THAT'S INCLUDED AS FAR AS THE NOTE IS CONCERNED. SO, DOES THAT SOLVE THAT PROBLEM AT ALL?

BY MR. PRUITT: WELL, I -- YOU KNOW, YOUR HONOR, I, I TEND TO, I TEND TO AGREE WITH THAT, THAT PART, BUT ---

BY THE COURT: WELL, I MEAN I THINK IT'S KIND OF A -- I, I THINK IT'S A TWO-EDGE SWORD AND I THINK, YOU KNOW, YOU GOT THIS CONVICTION AND IT MAY BE MORE THAN TEN (10) YEARS. NOW -- BUT YOU'VE GOT OTHER THINGS FLOWING OFF THERE THAT YOU WANT TO USE. I DON'T THINK YOU CAN HAVE IT BOTH WAYS. THE FACT THAT THE CONVICTION'S ALREADY OUT -- YOU DON'T HAVE A JURY, BUT YOU'VE GOT ME. AND SO THE CAT'S OUT OF THE BAG ON THAT SCORE, SO TO SPEAK, AND I DON'T SEE WHERE IT'S GONNA -- YOU KNOW, THERE'S AN ISSUE OF CREDIBILITY, AND, AND I DON'T KNOW THAT IT'S GONNA MAKE ANY DIFFERENCE AT THIS POINT. SO I'LL, I'LL LET YOU MAKE THE CHOICE. YOU CAN EITHER NOT TALK ABOUT THE CRIMINAL CONVICTION, BUT YOU CAN'T TALK ABOUT ANY OF THOSE OTHER THINGS RELATED TO IT.

BY MR. PRUITT: THAT'S FINE, YOUR HONOR. WE'LL, WE'LL WITHDRAW THAT EXHIBIT THAT TALKS ABOUT THOSE PAYMENTS.

BY THE COURT: OKAY. AND THEN -- SO WE'LL EXCLUDE ANYTHING RELATED TO THE CRIMINAL CONVICTION.

BY MR. PRUITT: WELL, I MEAN THAT'S, THAT'S ALL THERE IS IN THAT EXHIBIT.

BY ELIZABETH WALDREP: YOUR HONOR, I JUST WANT TO MAKE SURE THAT WITH THIS -- MR. CROMER'S ASKING TO GET CREDIT FOR A, A CHECK WRITTEN TO NELSON, MULLINS, RILEY AND SCARBOROUGH FOR, YOU KNOW, ANY AMOUNT OF MONEY, THAT I'M ABLE TO QUESTION WHAT IS THAT FOR. I BELIEVE THAT'S ONLY FAIR.

BY THE COURT: WELL, IF HE'S -- ARE YOU GONNA WITHDRAW ANY CLAIMS FOR THOSE CREDITS?

BY MR. PRUITT: I JUST SA- -- I JUST GOT THROUGH SAYING WE WITHDRAW THAT, THAT EXHIBIT AND THOSE, THOSE INTENTIONS.

BY THE COURT: SO YOU DON'T NEED TO WORRY ABOUT THAT.

BY ELIZABETH WALDREP: FAIR ENOUGH.

BY THE COURT: ALL RIGHT, SOLVED THAT PROBLEM. THAT'S NUMBER ONE (1). WHAT'S NUMBER TWO (2)?

BY MR. PRUITT: NUMBER TWO (2): YOUR HONOR, OUR -- ONE OF OUR NEXT WITNESSES WILL BE DARRELL HARDY AND HE PLED GUILTY TO A VIOLATION OF SECTION 701 OF THE UNITED STATES CODE 18, UNITED STATES CODE 701. AND AS THAT PARTICULAR -- THE, THE

MAXIMUM SENTENCE IN THAT PARTICULAR STATUTE IS THAT "SHALL BE FINED NOT MORE THAN TWO HUNDRED AND FIFTY DOLLARS ($250.00) OR IMPRISONED NOT MORE THAN SIX (6) MONTHS." WHICH WOULD MAKE IT EXCLUDABLE UNDER RULE 609 BECAUSE THAT RULE REQUIRES THAT THE CRIME BE PUNISHABLE BY IMPRISONMENT BY MORE THAN ONE (1) YEAR.

BY THE COURT: ALL RIGHT. WHAT HAVE YOU GOT TO SAY?

BY ELIZABETH WALDREP: YOUR HONOR, HE IS, HE IS -- I'M SORRY. ARE YOU SEEKING TO HAVE HIM QUALIFIED AS AN EXPERT?

BY MR. PRUITT: I AM GOING TO BE SEEKING TO HAVE HIM QUALIFIED AS AN EXPERT, BUT WHETHER HE'S QUALIFIED AS AN EXPERT OR HE QUALIFIED AS THE ONE THAT PREPARED ALL THE TAX RETURNS, IT DOESN'T REALLY MATTER. I THINK THAT HE IS ---

BY THE COURT: HE WANTS TO EXCLUDE THE EVIDENCE OF HIS CONVICTION.

BY MR. PRUITT: THAT'S RIGHT.

BY THE COURT: AND I -- HE SAYS THAT'S EXCLUDABLE UNDER THE RULE. I DON'T ---

BY MR. PRUITT: RIGHT.

BY THE COURT: I DON'T KNOW; I HAVEN'T READ THE RULE.

BY ELIZABETH WALDREP: ALL RIGHT. WELL, YOUR HONOR, IF HE -- WHEN HE ATTEMPTS TO QUALIFY HIM AS AN EXPERT, I WOULD STILL BE ABLE TO ASK HIM ABOUT HIS -- WHETHER OR NOT HE HAS LICENSE AND THAT SORT OF THING?

BY THE COURT: YEAH, AS FAR AS LICENSING AND THINGS OF THAT NATURE, BUT YOU WOULDN'T BE ABLE TO ASK HIM ABOUT HIS CRIMINAL CONVICTION. THAT DOESN'T REALLY -- I MEAN I DON'T KNOW WHETHER THAT HAS ANYTHING TO DO WITH HIS, HIS STATUS AS AN EXPERT OR NOT.

BY ELIZABETH WALDREP: WELL, YOUR HONOR, I WOULD REQUEST THAT YOU BE ABLE TO CONSIDER THAT BECAUSE THE NATURE OF HIS CONVICTION IS VERY RELATED TO HIS EXPERTISE THAT THEY'RE ALLEGING HERE TODAY.

BY THE COURT: WHAT RULE ARE YOU LOOKING AT, MR. PRUITT?

BY MR. PRUITT: YOUR HONOR, THAT'D BE 609.

BY THE COURT: ALL RIGHT, FREDDA, GO AHEAD AND GET MY RULE BOOK.

BY MR. PRUITT: WELL, YOUR HONOR, I HAVE A COPY OF IT.

BY ELIZABETH WALDREP: AND YOUR HONOR, WE WOULD SPECIFICALLY ASK THAT IT BE CONSIDERED AS

EVIDENCE OF A CRIME OF MORAL TURPITUDE ADMITTED, ADMITTED DISHONESTY.

BY THE COURT: WELL, DOES THAT COME FROM -- FOLLOW THIS EXCEPTION HE'S TALKING ABOUT?

BY ELIZABETH WALDREP: IT IS.

BY THE COURT: I'M LOOKING. MR. PRUITT, TELL ME -- SEND ME TO THE RIGHT SECTION HERE, 609. YOU'RE TALKING ABOUT TWO (2)?

BY ELIZABETH WALDREP: YES, SIR. YES, SIR.

BY THE COURT: ALL RIGHT. IT SAYS THAT "PERSONALLY ATTACKING THE CREDIBILITY OF A WITNESS; EVIDENCE THAT ANY WITNESS HAS BEEN CONVICTED OF A CRIME SHALL BE ADMITTED IF IT INVOLVED DISHONESTY OR A FALSE STATEMENT REGARDLESS OF THE PUNISHMENT. AND THE PURPOSES OF THIS RULE, A CONVICTION INCLUDES A CONVICTION RESULTING FROM A TRIAL OR ANY TYPE OF PLEA ..." WELL, I THINK IT DOES -- IT COULD BE A CRIME RELATED TO A FALSE STATEMENT OR, OR DISHONESTY, APPARENTLY. I DON'T KNOW WHAT THE CRIME WAS.

BY MR. PRUITT: HERE'S THE CRIME, YOUR HONOR, IT'S RULED -- IT'S SECTION 701.

BY THE COURT: WELL, WHAT IS IT ---

BY MR. PRUITT: FALSE BADGES.

BY THE COURT: --- IN LAYMEN'S TERMS?

BY ELIZABETH WALDREP: FALSE BADGES.

BY THE COURT: FALSE BADGES.

BY ELIZABETH WALDREP: HE WAS INDITED FOR ---

BY MR. PRUITT: IT DOESN'T MATTER WHAT HE WAS INDITED FOR.

BY ELIZABETH WALDREP: --- IMPERSONATING AN IRS AGENT.

BY THE COURT: WELL, THAT'D BE ---

BY ELIZABETH WALDREP: HE PLED TO THAT, BUT -- HAVING AN INSIGNIA OF A, OF A IRS AGENT. SO IT WENT FROM A FELONY TO A MISDEMEANOR. AND WE'RE ONLY ASKING THAT THAT BE ---

BY THE COURT: WELL, I MEAN I TEND TO AGREE; THE NATURE OF THAT CRIME SEEMS TO INVOLVE DISHONESTY TO SOME DEGREE. AND SO I'M GONNA, I'M GONNA DENY YOUR MOTION ON THAT ONE. AND I MEAN STILL IT BOILS DOWN TO CREDIBILITY, WHICH WOULD BE WEIGHED BY THE FINDER OF FACT, AND IT DOESN'T MEAN HE'S NOT BELIEVABLE AT ALL. I MEAN IT COULD BE HIGHLY BELIEVABLE, YOU KNOW? WE'LL HAVE TO SEE. OKAY?

BY MR. PRUITT: ALL RIGHT, SIR.

BY THE COURT: ALL RIGHT. SO ARE YOU READY TO PROCEED?

BY MR. PRUITT: YES, SIR.

BY THE COURT: I GUESS YOU'RE GONNA CALL MR. HARDY.

BY MR. PRUITT: GONNA CALL DARRELL HARDY TO THE STAND.

BY THE COURT: ALL RIGHT. ALL RIGHT, MR. HARDY, COME UP HERE TO THE WITNESS STAND, PLEASE AND BE SWORN IN.

(**DARRELL HARDY TAKES THE STAND**)

DARRELL HARDY, BEING FIRST DULY SWORN AND CAUTIONED TO TELL THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE TRUTH, TESTIFIED AS FOLLOWS:

BY THE COURT: MR. HARDY, I'M GONNA ASK YOU TO SPEAK UP REAL LOUD SO EVERYBODY CAN HEAR YOU. ALL RIGHT.

BY THE WITNESS: YES. SIR. BUT YOU MAY HAVE TO REMIND ME. I'M -- I DON'T HEAR TOO GOOD.

BY THE COURT: OKAY. WELL, JUST SPEAK UP.

DIRECT EXAMINATION BY MR. PRUITT:

Q. ALL RIGHT, MR. HARDY, HOW ABOUT GIVING US YOUR FULL NAME FOR THE RECORD, PLEASE.

A. DARRELL IRVIN HARDY.

Q. ALL RIGHT. AND, MR. HARDY, TELL ME WHAT YOUR PROFESSIONAL QUALIFICATIONS ARE RELATIVE TO ACCOUNTING, ET CETERA.

A. I'M, I'M -- I HAVE A COLLEGE -- ARE YOU TALKING ABOUT COLLEGE?
Q. YES, SIR. GO AHEAD AND START THERE.
A. I HAVE A BBA IN ACCOUNTING FROM AUGUSTA UNIVERSITY AND I HAVE A MASTER'S OF ACCOUNTS FROM THE UNIVERSITY OF GEORGIA. I BECAME A CPA IN 1978.
Q. YES, SIR.
A. AND SURRENDERED MY LICENSE IN 2012.
Q. ALL RIGHT. AND WHY DID YOU SURRENDER YOUR CPA LICENSE IN 2012?
A. I HAD STARTED PHASING OUT MY WORK, TRYING TO RETIRE, AND I STARTED ABOUT 2010 AND IT TOOK ME TO 2013. SO -- BUT IN 2013, I THINK MOST OF THE RETURNS WERE PREPARED BY ANOTHER CPA. I GAVE HIM THE INFORMATION AND LET HIM PREPARE THE RETURNS.
Q. OKAY. NOW -- BUT DURING THE -- WHAT PERIOD OF TIME DID YOU PREPARE TAX RETURNS FOR CHARLIE WHITFIELD, HELEN WHITFIELD AND PAUL CROMER?
A. THAT WAS '96 FORWARD TO 2013.
Q. YES, SIR.
A. AND I HAD -- WHEN I WENT BACK FROM BEFORE 2006 BECAUSE THERE WAS A R.A.R. INVOLVED WITH MR. CROMER AND I DID EVERYTHING FOR THOSE YEARS.
Q. ALL RIGHT.
A. AND EXAMINED -- AN R.A.R.'S IS A REVENUE AGENT'S

REPORT.

Q. REVENUE AGENT'S REPORT. OKAY. NOW, WHAT YEARS THERE'S -- IN DEFENDANTS' EXHIBIT NUMBER TEN (10), THE TAX RETURNS FROM 2007 THROUGH 2014--AND VICKI LITTLEFIELD'S ARE INCLUDED IN THAT SECTION--YOU DIDN'T EVER DO HER TAX RETURN; DID YOU?

A. NO. NO, I DID NOT.

Q. OKAY. WELL, OTHERWISE, OTHER THAN HER TAX RETURN FOR 2014, WOULD YOU HAVE PREPARED ALL THE OTHER RETURNS IN EXHIBIT TEN (10)?

A. (PAUSE - REVIEWING DOCUMENTS) YES, THAT'S CORRECT.

Q. OKAY. SO YOU PREPARED ALL OF THESE RETURNS FOR THE VARIOUS ENTITIES INVOLVED EXCEPT FOR VICKI LITTLEFIELD'S 2014, WHICH SOMEBODY ELSE DID?

A. THAT'S CORRECT.

Q. OKAY. NOW, DURING ALL THAT -- NOW, DO YOU HAVE TO BE A -- SO YOU WERE A LICENSED CPA UNTIL 2012?

A. YES, SIR.

Q. AND I BELIEVE THERE'S A FEW RETURNS IN THERE FOR 2013 THAT YOU PREPARED.

A. YES.

Q. OKAY. DO YOU HAVE TO BE A LICENSED CPA TO DO A TAX RETURN?

A. NO.

Q. IN FACT, THERE'S LOTS OF ---
A. WELL, YOU HAVE TO BE -- I CAN'T REMEMBER THE CHANGE IN IT. YOU HAVE TO BE AN ENROL- -- IT'S CALLED AN ENROLLED AGENT AND YOU HAVE TO ACTUALLY GO TAKE AN EXAM IF YOU'RE, IF -- YOU KNOW ---
Q. IF YOU DON'T HAVE THE CPA CREDENTIALS, WAS THERE ACCOUNTING CREDENTIALS?
A. I BELIEVE EVEN NOW A CPA HAS TO TAKE A COURSE AND TAKE A TEST. I'M NOT, I'M NOT POSITIVE ON THAT, BUT I THINK THAT'S CORRECT.
Q. OKAY. WELL, DURING YOUR CAREER AS A, AS A CPA, HAVE YOU TESTIFIED IN, IN COURT CONCERNING TAXES?
A. YES.
Q. AND WHAT TYPE OF COURTS, FAMILY COURT?
A. I -- BECAU- -- ONE (1) I REMEMBER WAS FAMILY COURTS, A COUPLE OF THEM WAS CIRCUIT COURTS.
Q. YES, SIR. YES, SIR.
A. I HAD TO TESTIFY IN UTAH FOR A CLIENT. AND I GUESS THAT'S ABOUT IT.
Q. OKAY. HAD YOU BEEN QUALIFIED AS AN EXPERT IN THOSE COURTS THAT YOU'VE BEEN TESTIFIED -- THAT YOU'VE TESTIFIED IN?
A. I'M NOT SURE.
Q. OKAY. WELL, YOU TESTIFIED IN THOSE COURTS, THOUGH?

A. YES, THAT'S RIGHT.

BY MR. PRUITT: YOUR HONOR, WE'D ASK THAT MR. HARDY BE QUALIFIED AS AN EXPERT WITNESS IN REGARD TO HIS PREPARATION OF THE TAX RETURNS THAT ARE HERE IN EVIDENCE AND HIS TESTIMONY.

BY THE COURT: THAT HE BE AN EXPERT IN WHAT FIELD?

BY MR. PRUITT: ACCOUNTING.

BY THE COURT: ALL RIGHT. ANY ---

BY THE WITNESS: TAXATION, YOUR HONOR.

BY ELIZABETH WALDREP: YOUR HONOR, WE OBJECT TO THAT. HE DOES NOT CURRENTLY HOLD A LICENSE. HE JUST TESTIFIED HE DIDN'T KNOW WHAT THE REQUIREMENTS WERE, AND WE'D LIKE TO BE ALLOWED TO ASK HIM ABOUT HIS CRIMINAL CONVICTION.

BY THE WITNESS: I, I DON'T KNOW WHAT THE REQUIREMENTS ARE NOW BECAUSE I'M, I'M RETIRED AND I MEAN I DON'T KEEP UP WITH THAT. I DON'T NEED TO.

BY THE COURT: THAT'S ALL RIGHT. I'M GONNA FIND HIM QUALIFIED AS AN EXPERT IN THE FIELD OF ACCOUNTING. AND YOU CAN CERTAINLY CROSS-EXAMINE HIM ABOUT HIS CRIMINAL CONVICTION AT APPROPRIATE TIME, BUT HE'S DEMONSTRATED A LONG HISTORY OF BEING A CPA AND I THINK HE'S QUALIFIED IN THAT

AREA.

BY ELIZABETH WALDREP: THANK YOU, YOUR HONOR.

BY THE COURT: ALL RIGHT, SIR.

Q. ALL RIGHT. MR., MR. HARDY, WHAT I WANT YOU TO DO IS DIRECT YOUR ATTENTION TO WHAT'S BEEN PREVIOUSLY MARKED AS DEFENDANTS' EXHIBIT NUMBER ONE (1) AND ASK IF YOU CAN IDENTIFY THAT SERIES OF DOCUMENTS THERE? (DOCUMENTS HANDED TO WITNESS)

A. YES. THIS WAS JUST A COMPUTATION I MADE EXCLUDING THE INCOME TAX LIABILITIES BACK IN '93, '4 AND '5. AND MS., MS. WALDREP MADE -- SAID THAT THE, THE -- THAT PAYMENTS SHOULD COME OUT OF THE INTEREST AND NOT THE PRINCIPAL. SO I COMPUTED IT BOTH WAYS AND IT DOES NOT MATTER. I TOLD HER IT DIDN'T MAKE ANY DIFFERENCE. AND I MEAN IT DOESN'T -- IT COMES TO THE SAME AMOUNT REGARDLESS OF HOW YOU COMPUTE IT. AND WHAT I'VE, WHAT I'VE DONE IS SHOWING, YOU KNOW, -- YOU WANT ME TO GO OVER THESE NUMBERS?

Q. YES, SIR. I WANT YOU TO GO DOWN IT LINE BY LINE AND ---

A. OKAY.

Q. --- TELL HIS HONOR WHY YOU HAVE COMPUTED THAT BALANCE IN THAT FASHION.

A. OKAY. WELL, THE ORIGINAL AMOUNT OF THE NOTE SUPPOSEDLY IS EIGHT HUNDRED THOUSAND DOLLARS

($800,000.00) I DON'T KNOW WHERE THAT NUMBER CAME FROM EXCEPT ON, ON THE NOTE ITSELF. THAT APPAREN-- -- THE MONEY WAS APPARENTLY PUT IN BACK IN THE SIXTIES ('60S) WE THINK, YOU KNOW. BUT THE EIGHT HUNDRED- -- AND THEN I'D LEFT -- I'D DEDUCTED THE BALANCE IN THE CHECKING ACCOUNT, THAT, THAT JOINT CHECKING ACCOUNT ---

Q. YES, SIR.

A. IT HAD BOTH NAMES ON IT. TWO FIFTY-EIGHT EIGHT FIFTY-FIVE SEVENTY-FIVE ($258,855.75). AND THAT OVERPAYMENT OF THE INTEREST FROM 2008 TO 2012, IT TOTALS TWO HUNDRED THOUSAND NINE HUNDRED AND FOURTEEN DOLLARS ($200,914.00).

Q. ALL RIGHT, LET ME STOP YOU RIGHT THERE. WHY DO YOU THINK THAT THERE WAS AN OVERPAYMENT OF INTEREST?

A. WELL, SOMEWHERE ALONG THE LINE, EITHER I OR MR. CROMER DROPPED THE BALL AND WE WEREN'T -- WE DIDN'T, WE DIDN'T KEEP UP WITH THE ACTUAL COMPUTATION OF THE NOTE, YOU KNOW, AND WE SHOULD HAVE. I THINK THAT'S JUST MY FAULT. BUT I KEEP -- BACK AFTER WE GOT HIT WITH THOSE MASSEY LOSSES, WE KEPT -- HE KEPT PAYING HALF THE PROFIT TO EITHER MR. WHITFIELD OR THE ESTATE OR MRS. WHITFIELD. I'VE GOT THROUGH 2012, BUT FROM HER

TESTIMONY EARLIER, I UNDERSTAND THAT ANOTHER PAYMENT, NINE THOUSAND SEVEN HUNDRED SEVENTY-FIVE DOLLARS ($9,775.00) IN 2013 THAT I DIDN'T KNOW ABOUT OUT, SO I'VE GOTTA ADJUST FOR THAT. IF, IF YOU GO BACK AND DEDUCT THE PAYMENTS, IT, IT -- I GUESS THE NOTE WAS ACTUALLY PAID, AND I GUESS THAT'S 2008, I GUESS. I DON'T HAVE THAT HERE. BUT INSTEAD OF DEDUCTING TWO HUNDRED -- NO -- ONE FOUR -- I DID ANOTHER COMPUTATION, WHICH, WHICH I DEDUCTED THE -- IF I JUST DEDUCTED THE PAYMENT -- THE LOSSES, MASSEY. IT COMES UP TO THE SAME NUMBER, AND I DEDUCTED THE TWO HUNDRED THOUSAND ($200,000.00) PAYMENT, TWO HUNDRED THOUSAND DOLLAR ($200,000.00) PAYMENT IN 2011 -- ACTUALLY IT WAS 2011, I BELIEVE, WHEN, WHEN THE, WHEN THE NOTE ZEROED (0'D) OUT. AND KEEP -- WE KEPT PAYING INTEREST AND I'VE GOT THE MERCEDES THAT WENT TO MRS. WHITFIELD. AND I'VE GOT ATTORNEY FEES RELATED TO MASSEY BAD DEBTS. WE SAID WE'RE NOT GONNA, WE'RE NOT GONNA USE THAT I GUESS, RIGHT?

Q. WELL, YOU JUST GO AHEAD AND EXPLAIN YOUR ACCOUNTING. THAT'S ALL I ---

A. OKAY. WELL, THERE'S -- WE, WE HAD ATTORNEY FEES, WE HAD -- I MEAN ANYTIME YOU TRY TO COLLECT BAD DEBT, YOU'RE GONNA PROBABLY HAVE ATTORNEY FEES;

OTHERWISE, YOU CAN'T PROVE IT'S A BAD DEBT.

Q. WELL, DO THE IRS REGULATIONS REQUIRE THAT THERE BE SOME ATTEMPT TO COLLECT BAD DEBTS?

A. WELL, YOU'VE GOT TO BE ABLE -- THE CODE DOESN'T SPECIFICALLY SAY THAT. IT JUST SAYS YOU CAN ESTIMATE IT BASED ON PRIOR HISTORY, BUT YOU CAN IN THIS SITUATION, AND SO YOU HAVE TO USE THE ACTUAL, ACTUAL BAD DEBTS. SO -- BUT, UH -- COULD YOU REPEAT THAT QUESTION?

Q. I SAID DOES THE INTERNAL REVENUE CODE REQUIRE SOME EFFORT TO TRY TO COLLECT BAD DEBTS?

A. WELL, IT DOESN'T REALLY REQUIRE IT, BUT THE PUBLICA- -- EVEN THE PUBLICATIONS DON'T SAY YOU GOTTA DO THIS, THIS AND THIS. BUT IF YOU GET AUDITED, YOU'VE GOT TO BE ABLE TO PROVE TO THAT EXAMINER THAT YOU, YOU'VE ATTEMPTED TO COLLECT MONEY EITHER FROM THE LOAN OR ACCOUNTS RECEIVABLE, WHATEVER, AND IS A BAD DEBT BEFORE THEY WILL ALLOW IT.

Q. YES, SIR. ALL RIGHT. WELL, GO AHEAD.

A. OKAY. WE GOT A PAYMENT OF FIFTY THOUSAND ($50,000.00), THE MERCEDES FOR NINETY-TWO NINETY ($9,290.00), AND THERE WAS SEVENTEEN HUNDRED AND FIFTY DOLLARS ($1,750.00) IN ATTORNEY FEES. AND, LIKE I SAID, EXCLUDING THE IN-, THAT INCOME TAX

SITUATION BACK IN THE EARLY NINETIES ('90S), THEN I COME UP WITH MR., MR. CROMER OR HIS CORPORATIONS OWED A HUNDRED AND TWENTY THOUSAND EIGHT HUNDRED AND NINE DOLLARS ($120,809.00).

Q. ALL RIGHT, SIR. NOW, DOES -- AT WHAT POINT IN TIME APPROXIMATELY DO YOU THINK THAT GIVEN CREDIT FOR THE LOSSES AND THE FACT THAT HE KEPT PAYING THE INTEREST ANYWAY, THE NOTE WAS PAID OFF?

A. (PAUSE)

BY THE COURT: I THOUGHT HE SAID 2011.

A. YEAH. (PAUSE) CAN I LOOK AT SOMETHING OF MINE?

(PAUSE - REVIEWING DOCUMENTS)

Q. SURE. GO AHEAD.

A. I'M, I'M SHOWING IT WAS, IT WAS PART, PART OF THAT SECOND TWO THOUSAND -- TWO HUNDRED THOUSAND DOLLAR ($200,000.00) PAYMENT IN 2011 RE-, RESULTED IN THE NOTE, THE NOTE BEING PAID, IN MY OPINION, IN FULL.

Q. ALL RIGHT. NOW I WANT TO SHOW YOU WHAT'S BEEN MARKED AND IDENTIFIED AS PLAINTIFF'S EXHIBIT NUMBER EIGHT (8), WHICH ARE VARIOUS COMPUTATIONS ATTRIBUTED TO YOU AND ASK YOU TO TAKE A LOOK AT THAT. (DOCUMENT HANDED TO WITNESS)

A. (UPON REVIEW) THIS IS AN E-MAIL, UH (PAUSE) ---

Q. WELL, MR. HARDY, I JUST WANTED YOU TO TAKE A LOOK AT IT. I'VE GOT SOME QUESTIONS I WANT TO ASK YOU.

DID, DID IT CONCERN YOU THAT THE, THAT THE PROMISSORY NOTE DIDN'T, DIDN'T HAVE ANY PROVISION IN IT FOR ADJUSTING THE DIVISION OF PROFITS AS THE PROMISSORY NOTE WAS, WAS PAID OFF?

A. WELL, I, I, I INTERPRETED THE NOTE TO BE WHEN IT WAS ZEROED (0'D) OUT, IT WAS PAID OFF.

Q. WELL, YES, SIR. I'M NOT TALKING ABOUT THAT. I'M TALKING ABOUT DURING THE PERIOD OF TIME BEFORE IT WAS COMPLETELY PAID OFF, ONLY PARTIALLY PAID OFF, DID, DID IT CONCERN YOU THAT, THAT THE NOTE SEEMINGLY WOULD HAVE REQUIRED THE FULL DIVISION OF PROFITS EVEN THOUGH THE EIGHT HUNDRED THOUSAND ($800,000.00) WASN'T STILL OWED?

A. NO. AT THE POINT WHERE IT WAS ZEROED (0'D) OUT, THEN THERE WOULD BE NO FUTURE DIVISION OF PROFITS.

Q. NOW, SOME OF THE OTHER COMPUTATIONS THAT YOU HAD THERE INCLUDED VARIOUS ITEMS THAT, THAT YOU INITIALLY USED IN YOUR COMPUTATION. FOR EXAMPLE: ON THE SECOND PAGE, YOU INCLUDED ---

BY THE COURT: WHAT ARE YOU HE LOOKING AT?

BY MR. PRUITT: I'M LOOKING AT EXHIBIT NUMBER EIGHT (8).

BY THE COURT: NOW EXHIBIT NUMBER EIGHT (8) HASN'T BEEN ADMITTED. SHE OBJECTED TO NUMBER EIGHT (8).

BY MR. PRUITT: WELL, IT'S NOT MY NUMBER EIGHT, IT'S PLAINTIFF'S NUMBER EIGHT (8).

BY THE COURT: THAT'S PLAINTIFF'S NUMBER EIGHT (8)? I'M SORRY. I THOUGHT YOU WERE TALKING ABOUT YOUR NUMBER EIGHT (8).

BY MR. PRUITT: NO, SIR. I HAVEN'T -- I'M NOT TALKING ABOUT MY NUMBER EIGHT (8).

BY THE COURT: OKAY. GO AHEAD.

A. I MADE VARIOUS COMPUTATIONS FROM, FROM THIS E-MAIL. I DECIDED I WAS PROBABLY WRONG ON MY, MY INTERPRETATION.

Q. RIGHT.

A. BUT IT SEEMS LIKE IF YOU'VE GOT AN EIGHT HUNDRED THOUSAND DOLLAR ($800,000.00) NOTE, WHEN YOU PAY IT DOWN TO A HUNDRED DOLLARS ($100.00), YOU KNOW, YOU COULD -- IT WOULD CONTINUE ON FOREVER IF THE, IF THE PERSON THAT LOANED THE MONEY, WOULDN'T TAKE CASH OR WOULDN'T TAKE A CHECK FROM YOU, I MEAN IT COULD TAKE IN PERPETUITY.

Q. NOW, AT ONE POINT IN TIME, YOU PREPARED A SCHEDULE THAT INCLUDED SOME LOSSES RELATIVE TO THE INCOME TAX PROBLEMS; IS THAT RIGHT?

A. YES.

Q. BUT AS OF TODAY, WE DECIDED WE, WE'RE NOT GONNA CLAIM THOSE. SO THAT WOULD NOT BE CORRECT; IS

THAT RIGHT? OKAY. NOW, DON'T ---

A. THAT'S, THAT'S CORRECT.

Q. YEAH. OKAY. AND HAS IT ONLY BEEN RECENTLY THAT THE, THAT THE PLAINTIFF HAS ACKNOWLEDGED THE PAYMENT OF THE TWO HUNDRED AND FIFTY-EIGHT THOUSAND ($258,000.00) ARISING FROM THE JOINT BANK ACCOUNT?

A. YES.

Q. OKAY. SO, IN SOME OF YOUR EARLIER CALCULATIONS, THAT WAS NOT INCLUDED; IS THAT RIGHT?

A. THAT'S CORRECT.

Q. OKAY. AND SO ARE MOST OF THESE DOCUMENTS ATTACHED TO THE E-MAIL PRELIMINARY CALCULATIONS THAT YOU MADE AT ONE TIME OR THE OTHER?

A. YES.

Q. AND WERE THEY ALL SENT TO VICKI LITTLEFIELD IN 2015 AS THE, AS THE E-MAIL WOULD SEEM TO INDICATE?

A. (PAUSE - REVIEWING DOCUMENTS) I DON'T KNOW IF THE ATTACHMENT WAS. IT'S, IT'S ATTACHED HERE. I PROBABLY DID.

Q. YEAH. WELL, YOU KNOW, -- BUT TODAY WE ASKED YOU TO EXPLAIN PLAINTIFF'S EXHIBIT NUMBER ONE (1) AND ITS COMPUTATIONS. THERE IT IS OVER THERE (POINTING). NOW, IS THAT YOUR, IS THAT YOUR FINAL COMPUTATION?

A. EXCEPT FOR THAT NINE THOUSAND SEVEN SEVENTY-FIVE ($9,775.00) THAT BE ADDED TO THE, TO THE ---
Q. AND WHOSE -- AND TO WHOSE CREDIT WOULD THAT BE?
A. MR. CROMER.
Q. OKAY.
A. I DIDN'T KNOW THAT THAT WAS A, THAT WAS A PAYMENT MADE EARLY IN '13.
Q. OKAY.
A. I WAS NOT AWARE OF THAT.
Q. ALL RIGHT. NOW (PAUSE) -- NOW, MR., MR. HARDY, DURING SOME PERIOD AROUND 2010 OR SO, DID YOU SUFFER FROM ANY HEALTH PROBLEMS?
A. WHAT, WHAT YEAR?
Q. TWO THOUSAND, 2008 OR '10?
A. YEAH, I, I HAD -- AND LATER I HAD, I HAD TO -- WELL, I'VE SUFFERED FROM DEPRESSION ALL MY LIFE I GUESS. AND THEN I KEPT GETTING IN ACCIDENTS, YOU KNOW, LIKE CUTTING A TREE LIMB HIT ME IN THE NOSE AND KNOCKED MY NOSE OFF TO THE SIDE AND I HAD TO HAVE SURGERY AND STUFF LIKE THAT. BUT I -- MY NEUROPATH- -- I'VE GOT NEUROPATHY FROM MY TOES TO MY WAIST RIGHT NOW AND, AND IT'S GETTING WORSE EVERY DAY. I CAN BARELY WALK AND, UH ---
Q. ARE YOU HAVING TO TAKE ANY DRUGS FOR, FOR THAT NEUROPATHY PAIN AND YOUR OTHER HEALTH PROBLEMS?

A. I JUST TAKE GABAPENTIN ---
Q. YES, SIR.
A. --- FOR -- THAT'S, THAT'S REALLY THE ONLY THING AVAILABLE FOR NEUROPATHY AND CHRONIC -- I'M NOT SURE IF IT HELPS, BUT I TAKE IT. I TAKE FOUR (4) DRUGS. I TAKE GABAPENTIN. I TAKE PROSCAR PROSTATE, FOR PROSTATE. I TAKE ZOLOFT, A HUNDRED MILLIGRAMS (100 MG) FOR DEPRESSION, AND I TAKE ATIVAN AT NIGHT SO I CAN SLEEP FOUR (4) OR FIVE (5) HOURS.
Q. ALL RIGHT. DO YOU THINK THOSE, THOSE DRUGS AFFECTED YOUR ABILITY TO PROPERLY PREPARE THE TAX RETURNS THAT YOU'VE IDENTIFIED?
A. NO. NO, I, I DON'T.
Q. OKAY.
A. NOW, I, I DID TAKE -- I WAS TAKING TWO (2), TWO (2) MEDICATIONS WHEN THIS IRS SITUATION -- MY IRS SITUATION WAS GOING ON AND I FINALLY FOUND A GOOD NEUROLOGIST IN GREENVILLE AND I WENT TO HIM AND HE TOOK ME OFF OF BOTH OF THEM IMMEDIATELY. HE, HE SAID I HAD NO HISTORY AT ALL TO INDICATE I SHOULD BE TAKING EITHER ONE, AND HE SAID TAKING THEM, ESPECIALLY TAKING THEM TOGETHER, IT CAN DO ALL SORTS OF THINGS, CREATE CONFUSION AND, AND THINGS LIKE THAT. THEY WERE -- THEY'RE ACTUALLY MADE FOR

-- TO BE, TO BE PRESCRIBED TO SOMEBODY THAT WAS LIKE A PSYCHOPATH, AND I DON'T THINK I'M A PSYCHOPATH.

Q. ALL RIGHT, SIR. NOW, -- EXCUSE ME, I THINK THIS EXHIBIT'S LEFT UP HERE. (PAUSE - LOOKING THROUGH EXHIBITS) ALL RIGHT, HERE WE GO. REFERRING TO DEFENDANTS' NUMBER FIVE (5), CAN YOU EXPLAIN TO THE COURT HOW THOSE LOSSES WERE REFLECTED UPON THE VARIOUS RETURNS? AND I BELIEVE THERE'S COPIES OF THE RETURNS ATTACHED OR EXCERPTS FROM THE RETURNS ATTACHED. (DOCUMENT HANDED TO WITNESS)

A. (UPON REVIEW) WELL, THE HUNDRED AND NINETEEN SIX EIGHTY-NINE ($119,689.00) I'M SHOWING WAS THE LOSS ON THE CARS THAT -- WHICH OCCURRED IN 2008, AND THEY WERE THE CARS THAT, THAT MASSEY HAD ALREADY APPARENTLY SOLD, ---

Q. YES, SIR.

A. --- ANYHOW, I DON'T KNOW WHAT HAPPENED, BUT THAT WAS THE LOSS ON THE -- HALF OF THE LOSS ON THAT WAS, WAS ENTERED AS A CASUALTY, THEFT LOSS, UH ---

Q. RIGHT.

A. FORTY-SIX EIGHT- -- ONE FORTY-SIX EIGHTY-FOUR ($146,084.00), AND THAT'S THE ONLY WAY I COULD DEDUCT IT. OKAY?

Q. WELL, THAT WAS ON WHOSE RETURN WAS THAT LOSS

ENTERED AS A CASUALTY LOSS?
A. THIS, THIS IS SHOWN ON -- THIS IS THE STATE INCOME TAX RETURN, FORM 1041, WHICH IS THE INCOME TAX, U.S. INCOME TAX RETURN FOR ESTATES AND TRUSTS.
Q. OKAY. IT'S ESTATE, NOT STATE; IS THAT RIGHT?
A. RIGHT. ESTATE, YEAH.
Q. ESTATE. TEN FORTY-ONE (1041) ESTATE TAX RETURN. AND WHOSE ESTATE WAS IT THAT TOOK THAT LOSS?
A. CHARLES H. WHIT-, WHITFIELD ESTATE.
Q. OKAY. AND WHAT YEAR WAS THAT?
A. TWO THOUSAND EIGHT (2008).
Q. OKAY. SO WHAT ABOUT THE OTHER LOSSES OF THE OTHER YEARS; ARE THEY ALL SHOWN ON VARIOUS RETURNS OF THE WHITFIELD FAMILY?
A. YES. THE 2009 IS SHOWN, MRS. HELEN WHITFIELD'S RETURN. SHE -- I THINK, THINK VICKI -- I'M NOT, I'M NOT SURE OF THE DATE THAT SHE, SHE HAD -- SHE WAS IN THE -- SHE WENT INTO THE SAME BUSINESS THAT MR. CROMER WAS IN. AND SO WE HAD A SCHEDULE "C", WHICH IS A FORM YOU REPORT SELF-EMPLOYED INCOME ON AND BECAUSE OF THAT, SHE HAD SCHEDULE "C", I, I DEDUCTED THAT, THAT BAD DEBT LOSS FOR 2009 THERE.
Q. YES, SIR.
A. AND THEN THE SAME WAY FOR '10 AND '11 AND '12.
Q. YES, SIR. AND SO THE WHITFIELDS, AND OR THEIR

FAMILY, FILED TAX RETURNS THAT, THAT SHOWED LOSSES RESULTING FROM THE MASSEY BAD, BAD DEBTS?

A. RIGHT.

Q. NOW, IN, IN CALCULATING THE BALANCE OF A, OF A, OF A REGULAR ORDINARY PROMISSORY NOTE, YOU WOULD FIRST APPLY THE PAYMENTS TO THE INTEREST AND THEN PAYMENTS TO PRINCIPAL; IS THAT RIGHT?

A. WELL, IF YOU, IF YOU WERE AMORTIZING IT, PART OF THE PAYMENT WOULD GO TO INTEREST AND PART TO PRINCIPAL.

Q. ALL RIGHT. NOW, THIS PARTICULAR NOTE THAT'S DESCRIBED IN PLAINTIFF'S EXHIBIT NUMBER ONE (1), IT DOESN'T AMORTIZED; IS IT?

A. NO.

Q. OKAY. SO WOULD IT MAKE ANY -- DOES IT MAKE ANY DIFFERENCE WHETHER YOU'RE -- YOU -- IN THE ACCOUNTING, IF YOU PAY MORE INTEREST THAN IS ACTUALLY DUE?

A. WELL, I MEAN IT, IT HAPPENS EVEN IN THE BANK. I'VE SEEN PEOPLE GET REFUND CHECKS, SO. BUT NOT, NOT TO THIS EXTENT.

Q. OKAY.

A. AND LIKE I SAID, PART OF -- THAT WAS PROBABLY MY FAULT. I MEAN I WAS PREPARING, PREPARING THE TAX RETURN, I SHOULD HAVE KEPT UP WITH THE NOTE

BALANCE.

Q. WELL, NOW, WERE YOU PRESENT WHEN, WHEN CHARLIE WHITFIELD WENT TO HAROLD THRELKELD AND HAD THIS NOTE DRAWN UP?

A. NO.

Q. OKAY. DO YOU KNOW HOW HE GOT THERE?

A. NO.

Q. DO YOU KNOW AT WHOSE SUGGESTION HE HAD THE NOTE PREPARED?

A. I'M SORRY?

Q. DO YOU KNOW AT WHOSE SUGGESTION THE NOTE WAS PREPARED?

A. (PAUSE) IT COULD HAVE BEEN ME. I THINK IT WAS.

Q. OKAY.

A. NOW, ---

Q. NOW, IN ANY EVENT, WHO HAD THE NOTE PREPARED; CHARLIE WHITFIELD OR PAUL CROMER?

A. CHARLIE WHITFIELD.

BY MR. PRUITT: OKAY. NOW (PAUSE) -- THAT'S ALL THE QUESTIONS I HAVE.

BY THE COURT: LET'S TAKE ABOUT A TEN (10) MINUTE BREAK. GIVE YOU TIME TO THINK OF MORE QUESTIONS.

(OFF RECORD @ 3:19 P.M. - 3:38 P.M.)

BY THE COURT: ALL RIGHT. READY FOR CROSS-

EXAMINATION BY PLAINTIFF, I GUESS.

CROSS-EXAMINATION BY ELIZABETH WALDREP:

Q. MR. HARDY, ARE YOU READY TO RESUME?

A. YES.

Q. ALL RIGHT. I JUST HAVE A FEW QUESTIONS FOR YOU. MR. HARDY, YOU STATED EARLIER THAT YOU BELIEVE THAT YOU AND OR PAUL HAD DROPPED THE BALL--THAT WAS THE TERM YOU USED--ON KEEPING UP WITH THE NOTE.

A. RIGHT. YES.

Q. OKAY. AND DO YOU -- MR. PRUITT WENT THROUGH A NUMBER OF HEALTH CONCERNS -- NUMBER OF HEALTH ISSUES THAT, THAT YOU HAVE AND, AND HAD AT THE TIME, IN THE MID- -- EXCUSE ME, IN THE MID-TWO THOUSANDS; IS THAT RIGHT?

A. THAT'S MORE OR LESS THE LATE.

Q. THE LATE TWO THOUSANDS. AND YOU WERE STILL DOING THE TAXES FOR THESE PEOPLE AT THAT TIME; CORRECT?

A. YES.

Q. ALL RIGHT. AND MR. HARDY, I'M, I'M VERY SORRY FOR YOUR HEALTH CONDITION, I REALLY AM, BUT DO YOU BELIEVE THAT IT'S POSSIBLE THAT THE MORPHINE -- YOU WERE ON MORPHINE; CORRECT?

A. PROBABLY BACK IN THE -- THAT WAS LIKE IN '99, 2003 OR '04.

Q. THE MORPHINE AND THE SEROQUEL THAT YOU WERE ON; IS THAT RIGHT.
A. WELL, I TOOK MORPHINE SULFATE, WHICH IS -- IT'S A LOT -- IT'S, IT'S NOT AS STRONG AS MORPHINE, BUT IT'S FOR PAIN ---
Q. ALL RIGHT. AND YOU'RE NOT TAKING THAT NOW, THOUGH; ARE YOU?
A. NO.
Q. OKAY. YOU STILL CONSENT -- CONTINUE TO SEE DR. MCELWEE?
A. YES.
Q. AND HE IS A PSYCHIATRIST?
A. YES.
Q. AND HE'S TREATING YOUR DEPRESSION?
A. I SEE HIM ONCE A YEAR.
Q. ONCE A YEAR, OKAY. AND HE, HE PROVIDES YOU PRESCRIPTIONS FOR MEDICATION?
A. ONE (1) -- TWO (2). YEAH, TWO (2) IS ALL I'M TAKING NOW. I WAS TAKING TWELVE (12), NOW I'M TAKING ---
Q. YOU WERE TAKING TWELVE (12) MEDICATIONS?
A. --- FOUR (4).
Q. OKAY. NOW YOU'RE DOWN TO FOUR (4)?
A. (NODDING AFFIRMATIVELY) THEY WEREN'T MIXING WELL.
Q. OKAY. OKAY. SO YOU SAID THEY DIDN'T MIX WELL

TOGETHER. YOU MADE A COMMENT THAT YOU DIDN'T THINK YOU WERE A PSYCHOPATH. I IMAGINE YOU DON'T WANT THE COURT TO THINK THAT EITHER.

A. WELL, A PSYCHOPATH IS, I DON'T KNOW, I GUESS IS LIKE A SERIAL KILLER, ISN'T IT?

Q. I SUPPOSE IT CERTAINLY COULD BE.

A. I HADN'T -- I MEAN I'VE NEVER KILLED ANYBODY THAT I KNOW OF.

Q. ALL RIGHT. ONE (1) THING I WANTED TO ASK YOU ABOUT, MR. HARDY, WERE THE, THE CIRCUMSTANCES OF YOUR RUN-IN WITH THE INTERNAL REVENUE SERVICE AND YOUR BEING PROSECUTED BY THE FEDERAL COURT. CAN YOU TELL US ABOUT THAT?

A. THIS, THIS WAS IN 2015, I THINK?

Q. YES, SIR. I BELIEVE YOU -- YOU SAID YOU SURRENDERED YOUR LICENSE PRIOR TO THIS.

A. I'D ALREADY SURRENDERED MINE IN, IN 2012. MY CPA LICENSE.

Q. YES, SIR.

A. I -- I WAS -- A COUPLE OF THINGS. I WAS, I WAS DOING A LITTLE BIT OF CONSULTING WORK AT THE TIME, HAD A POTENTIAL NEW CLIENT, WHO WANTED SOME WORK DONE. I REALIZED THAT THEY WERE NOT REPORTING INCOME AND I CALLED, I CALLED SOME OF THEIR PEOPLE THAT BOUGHT SCRAPS FROM MY NEW CLIENT AND TRIED TO

GET SOME INFORMATION ON HOW -- WHAT KIND OF MONEY WE WERE TALKING ABOUT, AND I REPRESENTED MYSELF AS AN IRS AGENT.

Q. OKAY.

A. AND I HAD, I HAD A COLLECTION OF BADGES, POLICE BADGES, AND I HAD A TREASURY BADGE. YOU CAN BUY THEM ON THE INTERNET. I DIDN'T KNOW THAT THOSE THINGS WERE ILLEGAL JUST TO EVEN HAVE THEM ON DISPLAY. AND I GOT CHARGED WITH, AFTER I GOT THROUGH, FIRST, THE FIRST THING, THE FIRST COURT, FIRST COURT I WENT TO, THAT WAS THAT COMPLAINT? COMPLAINT? WHAT IS IT CALLED? A COMPLAINT (PAUSE) ---

Q. FEDERAL DISTRICT COURT?

A. YEAH.

BY THE COURT: INDICTMENT?

BY THE WITNESS: INDICTMENT.

Q. OH, INDICTMENT.

A. THEY, THEY CANCELLED THAT ONE AND ISSUED ANOTHER ONE. AND WHEN I GOT TO JUDGE ANDERSON, WENT BEFORE JUDGE ROSS ANDERSON, I TRIED TO GET MY ATTORNEY IN GREENVILLE TO, TO BRING THAT TO THE -- MIXED UP DRUG PRESCRIPTION THING. AND HE SAID, "NAH, WE DIDN'T NEED TO DO THAT." AND I WENT BEFORE JUDGE ANDERSON AND HE ASKED ME WHY. I, I

TOLD HIM, I SAID, "I HAD SOME TAKING SOME DRUGS THAT I SHOULDN'T HAVE BEEN TAKING AND I THINK IT, YOU KNOW -- I WASN'T THINKING CLEARLY." AND HE, HE GOT MAD; NOT AT ME, BUT HE GOT KIND OF PEEVED AT THE U.S. DISTRICT ATTORNEY, ASSISTANT DISTRICT ATTORNEY. HE GOT -- BECAUSE NOBODY SHOWED UP. WELL, THE DISTRICT ATTORNEY SHOWED UP, BUT NONE OF THE IRS PEOPLE WHO WAS SUPPOSED TO BE THERE SHOWED UP. SO THEY COULDN'T OFFER ANY TESTIMONY. SO HE SENDS THAT TO MAGISTRATE JUDGE AUSTIN IN GREENVILLE, APPARENTLY, BECAUSE IT TOOK PLACE IN A COUPLE OF DAYS BECAUSE I WAS CALLED. MY ATTORNEY SAID COME TO THE COURT TOMORROW OR WHATEVER AND, AND I DID. THEY ASK, THEY ASK ME PLEADING -- WOULD YOU PLEAD GUILTY, PLEAD GUILTY TO A MISDEMEANOR AND I SAID, "YEAH."

Q. ALL RIGHT. SO, SO YOU WERE INDICTED FOR IMPERSONATING A FEDERAL AGENT BUT PLED TO THE MISDEMEANOR OF POSSESSING BADGES OR INSIGNIAS OF AN AGENT; IS THAT ---

A, RIGHT.

Q. --- CORRECT? ALL RIGHT. AND ---

A. WELL, I PLED TO A MISDEMEANOR. I DON'T KNOW WHAT IT WAS, WHAT THE CHARGES WERE. BUT I, I PAID A TEN DOLLAR ($10.00) FINE AND PLED GUILTY TO A

MISDEMEANOR.

Q. OKAY.

A. AND I WAS PUT ON PROBATION FOR THREE (3) YEARS. AND THAT WAS STOPPED AFTER A YEAR.

Q. DOES, DOES THIS LOOK FAMILIAR? (DOCUMENT HANDED TO WITNESS) THAT MIGHT BE WHAT YOUR -- WHAT YOU PLED GUILTY TO?

A. (UPON REVIEW) YES. AFTER I LEARNED THAT I JUST GOT RID OF THE WHOLE COLLECTION. I DIDN'T KNOW IT WAS ILLEGAL. I BOUGHT THOSE AND I HAD SOME POLICE BADGES.

Q. YOU HAD SOME POLICE BADGES, TOO?

A. UH-HUH. (AFFIRMATIVE) YEAH. YOU CAN BUY THEM ON THE INTERNET. YOU CAN BUY THEM ON EBAY OR -- BUT I DIDN'T HAVE ANY IDEA IT WAS ILLEGAL TO OWN THEM.

Q. WHAT ARE WE UP TO? PLAINTIFF'S NINE (9)?

BY THE COURT REPORTER: NINE (9).

BY ELIZABETH WALDREP: WOULD LIKE TO INTRODUCE THIS AS PLAINTIFF'S NINE (9).

BY THE COURT: ALL RIGHT. ADMITTED WITHOUT OBJECTION, I ASSUME.

BY MR. PRUITT: YES, SIR. YOUR HONOR, I WAS THE ONE THAT GAVE IT TO HER.

(PLAINTIFF'S EXHIBIT "9" ADMITTED)

BY THE COURT: YOU'RE GENEROUS. I THINK

WE'VE GOT THAT COVERED. YOU CAN MOVE ON.

BY ELIZABETH WALDREP: ALL RIGHT. YES, YOUR HONOR.

Q. MR. HARDY, YOU TESTIFIED EARLIER ABOUT THE INCOME TAX RETURNS THAT YOU DID, AND YOU SPECIFICALLY SAID THAT -- OR IT'S MY RECOLLECTION THAT YOU SPECIFICALLY SAID THAT YOU HAD LISTED THE MASSEY CARS ON THE CHARLES WHITFIELD ESTATE; IS THAT CORRECT? IS THIS WHAT YOU WERE TALKING ABOUT? THE, THE TAX RETURNS HAVE ALREADY BEEN ADMITTED OR ENTERED INTO EVIDENCE; CORRECT? AND SO THIS IS A 2008 RETURN?

A. STATE INCOME TAX RETURN.

Q. OKAY. AND THAT IS THE SCHEDULE ON THE SECOND PAGE, THAT LISTS THE -- WHAT YOU'RE CLAIMING AS MASSEY LOSSES?

A. YES.

Q. BACK THERE ON THE SECOND PAGE? (POINTING)

A. OH, YEAH.

Q. OKAY. CAN ---

A. (PAUSE - REVIEWING DOCUMENT)

Q. A HUNDRED AND NINETEEN ($119,000.00). CAN YOU READ INTO THE RECORD WHAT THAT SAYS, THAT IN THE SCHEDULE?

A. "CASUALTY OR THEFT GAIN/LOSS." IS THAT WHAT

YOU'RE ASKING?

Q. SPECIFICALLY PROPERTY "A".

A. "SEVENTEEN (17) CARS FINANCED TO MASSEY, UH ---

BY THE COURT: HOW ABOUT MOVING YOUR HAND?

BY THE WITNESS: I'M SORRY. (COMPLIES)

BY THE COURT: WE CAN'T UNDERSTAND YOU.

BY THE WITNESS: OKAY.

A. "SEVENTEEN (17) CARS FINANCED TO MASSEY THAT HE SOLD TO OTHERS AND DID NOT PAY THE LOAN." THEN I GOT SIX FOUR-OH-EIGHT (6408), I REALLY DON'T KNOW WHAT THAT IS.

Q. OKAY. AND YOU SAID THAT THE LOSSES ON THE MASSEY CARS CONTINUED TO BE TO -- CONTINUED TO ACCRUE ON THE OTHER TAX RETURNS, WHICH HAVE BEEN INTRODUCED?

A. YEAH. BUT THEY WERE -- THE CARS THAT WERE REPOED HAD TO BE -- A LOT OF THEM HAD TO BE REPAIRED. THEY WERE -- THEY'D BEEN USED A LOT AND SOME OF THEM WERE IN POOR CONDITION. A LOT OF EXPENSES HAD TO BE MADE TO REPAIR AND THEN GET THEM READY FOR SALE. FROM 2009 TO 2012, I THINK TO SELL, SELL ALL THOSE CARS.

Q. OKAY. AND MR. HARDY, IF YOU CAN POINT OUT TO ME ON THESE OTHER TAX RETURNS EXACTLY WHERE IT SPECIFIES, AS IT DOES IN THE 2008 RETURN, THAT THESE LOSSES WERE SPECIFICALLY FOR THE DARRELL

MASSEY CARS?

A. (UPON REVIEW) IN 2007, WE DIDN'T HAVE ANY MASSEY LOSSES.

Q. OKAY. NOW LOOK AT 2009. WE'VE ALREADY LOOKED AT 2008.

A. 2009 (PAUSE) -- LIKE I SAID BEFORE, MRS. WHITFIELD HAD A FORM SCHEDULE "C", WHICH IS SOLE PROPRIETORSHIP. AND, AND ---

Q. ALL RIGHT. I JUST WANT TO SEE WHERE, ---

A. I PUT ---

Q. --- WHERE THAT, WHERE THAT IS SPECIFICALLY ---

A. IT'S GONNA BE ---

Q. --- DESIGNATED?

A. IT'S GONNA BE COMBINED WITH THE GROSS SALES NUMBER.

Q. OKAY. ARE, ARE YOU TELLING ME THAT, THAT AS SET FORTH IN THE 2008 RETURN, WHERE IT SPECIFICALLY DEDUCTS FOR A MASSEY LOSS, NONE OF THESE OTHER RETURNS DO THAT?

A. WELL, THAT'S THE ONLY WAY I COULD DEDUCT IT. TO SAY IT WAS A THEFT LOSS BECAUSE A NON-ACTIVE PERSON THAT DOES NOT HAVE A BUSINESS CANNOT DEDUCT BUSINESS BAD DEBTS, SO. AND I HAD TO ---

Q. WHY, WHY DIDN'T YOU PUT THAT ON THERE? WHY DIDN'T YOU TELL THE IRS WHAT THE DEDUCTION WAS FOR LIKE

YOU DID IN 2008?

A. WELL, IT WASN'T -- YOU DIDN'T HAVE TO GIVE, YOU DON'T HAVE TO GIVE AND EXPLANATION.

Q. YOU DON'T HAVE TO TELL THE IRS WHAT YOU'RE DEDUCTING?

A. NOT ON SCHEDULE -- NOT FOR INCOME OR DEDUCTIONS.

Q. WHY DID YOU DO IT ON 2008 THEN?

A. I DIDN'T -- IT'S A DIFFERENT SITUATION. THAT'S A CASUALTY AND LOSS FORM, I BELIEVE IT'S FORTY-SIX EIGHTY-FOUR (4684), AND THAT FLOWS THROUGH TO FORTY-SEVEN NINETY-SEVEN (4797) AND IT GOES ON THE FRONT OF THE TAX RE- -- ON THE FIRST PAGE OF THE 1041.

Q. ALL RIGHT, MR. HARDY, I'M GONNA SHOW YOU SOMETHING ELSE. THIS HAS BEEN MARKED AS DEFENDANTS' EXHIBIT ELEVEN (11). (DOCUMENT HANDED TO WITNESS)

A. UH-HUH. (AFFIRMATIVE)

Q. SO OUT OF THE TWO THOU- -- THE FIFTY PERCENT (50%) MASSEY LOSS IN 2008. BUT YOU'RE TELLING US THAT IN '9, '10, '11 AND '12 THERE IS NO DESIGNATION ON THE TAX RETURNS FOR THE MASSEY LOSS SPECIFICALLY?

A. NO, IT'S -- (PAUSE - REVIEWING DOCUMENTS) -- THERE'S NO SPECIFIC LINE FOR IT, NO.

Q. OKAY.

A. AND IT WASN'T A, IT WASN'T A CASUALTY LOSS; I

CAN'T PUT IT ON FOUR SIX EIGHT FOUR (4684). THE ONLY PLACE I CAN PUT IT IS ON BACK OF THE -- COST OF GOODS SOLD FOR THE OTHER CARS THAT WOULD'VE BEEN FINANCED IN '9, '10, '11 AND '12.

Q. AND WHERE DID YOU GET YOUR INFORMATION ON THE LOSSES? WERE THOSE FROM MR. CROMER?

A. YES.

Q. OKAY. AND ON THIS THAT'S BEEN MARKED DEFENDANTS' EXHIBIT ONE (1), MR. HARDY, FROM 2008 TO 2012 OVER TWO HUNDRED THOUSAND DOLLARS ($200,000.00), YOU'RE CLAIMING AS A -- SHOULD BE DEDUCTED FROM THE PRINCIPAL OF A PROMISSORY NOTE, ALTHOUGH THAT IS REFLECTED -- THOSE LOSSES ARE REFLECTED SPECIFICALLY NOWHERE IN ANY TAX RETURN OTHER THAN 2008?

A NO. THEY'RE NOT, THEY'RE NOT REFLECTED ON A SINGLE LINE. THEY'RE DEDUCTED INCOME. THEY'RE DEDUCTED EVEN, EVEN THOUGH THEY PROBABLY SHOULDN'T HAVE BEEN 'CAUSE IT DIDN'T HAVE ANYTHING TO DO WITH MR. WHITFIELD.

Q. THOSE SHOULDN'T HAVE BEEN DEDUCTED?

A. IT MAY NOT HAVE ---

Q. OKAY.

A. IT'S KIND OF QUESTIONABLE AREA I GUESS.

Q. YOU'VE MENTIONED THAT ONE (1) OF THE REASONS FOR

YOUR EXTREME FLUCTUATIONS IN ACCOUNTING FROM THE FIRST NOTE YOU SENT TO MR. -- MRS. WHITFIELD, ATTACHED TO THAT E-MAIL, WHERE YOU ACKNOWLEDGED THAT SHE WAS OWED THIRTY-ONE THOUSAND DOLLARS ($31,000.00) TO THE TIME THAT YOU NOW SAY SHE'S OWED OVER TWO HUNDRED THOUSAND DOLLARS ($200,000.00). YOU WERE -- IT IS YOUR PROFESSIONAL OPINION THAT THESE ALLEGED OVERPAYMENTS ARE TO BE TAKEN OFF THE PRINCIPAL OF A PROMISSORY NOTE? AND LET ME AS YOU THIS -- WELL, GO AHEAD AND ANSWER THAT.

A. NO. I DIDN'T, I DIDN'T KNOW ABOUT THE BANK ACCOUNT AT THE TIME THIS WAS DONE. SO, OF COURSE, IF YOU, IF YOU SUBTRACT ANOTHER TWO FIFTY-EIGHT ($258,000.00) FROM THAT, YOU'RE GONNA GET ANOTHER NUMBER. SO IF HE'D KEPT ADJUSTING HIS -- I GOT MORE INFORMATION.

Q. OKAY. WERE YOU, WERE YOU AWARE THAT MS. LITTLEFIELD ONLY RECEIVED THAT CHECK APPROXIMATELY SIXTEEN (16) MONTHS INTO THIS LAWSUIT?

A. I, I DON'T KNOW WHEN SHE RECEIVED IT. WHEN DID THE LAWSUIT START?

Q. OKAY. BACK IN 2016.

A. OKAY.

Q. SO YOU HAD SAID EARLIER THAT YOU INTERPRET THE

NOTE TO BE SATISFIED WHEN THE PRINCIPAL IS PAID IN FULL; IS THAT CORRECT?

A. YES.

Q. ALL RIGHT. AND THEN YOU TESTIFIED THAT MAYBE IF JUST SOME IS OWED AH, THAT'S OKAY, YOU CAN JUST COUNT THAT AS PAID? DIDN'T YOU SAY IF YOU OWE A HUNDRED DOLLARS ($100.00) ---

A. NO, I, I SAID, WHAT'S THE POINT IN HAVING -- DRAWING A NOTE. I THINK IT -- I THINK THE PROFESSOR MIS- -- AND EVERYBODY ELSE IS MISINTERPRETING THE NOTE. THE NOTE IS SIMPLE. IT SAYS ONE (1) THING: "FIFTY PERCENT (50%) OF THE INCOME MINUS FIFTY PERCENT (50%) OF THE CAR LOSSES." IT CAN'T SEE HOW IT COULD GET ANY SIMPLER THAN THAT.

Q. OKAY.

A. I DON'T SEE HOW IT COULD GET ANY SIMPLER THAN THAT.

Q. THIS IS, THIS IS THE NOTE OF WHICH YOU SPEAK, PLAINTIFF'S EXHIBIT ONE (1). (DOCUMENT HANDED TO WITNESS)

A. ALL RIGHT.

Q. AND YOUR OPINION THAT YOU JUST GAVE, IS THAT SET FORTH IN THAT, IN "C" RIGHT THERE?

A. (UPON REVIEW) YES.

Q. ALL RIGHT. AND THAT APPLIES TO THE INTEREST RATE; ISN'T THAT CORRECT? IT DOESN'T APPLY TO THE PRINCIPAL.
A. NO. BUT THE PAYMENTS WERE MADE ON THE PRINCIPAL SEPARATELY FROM THE INTEREST.
Q. BUT YOU WERE, YOU WERE WANTING TO COUNT WHAT YOU CONSIDERED OVERPAYMENTS ON INTEREST TOWARD THE PRINCIPAL OF THE NOTE?
A. WELL, IT'S AN OVERPAYMENT OF INTEREST, SO IT'S OWED BACK TO MR. CROMER. THAT'S ---
Q. ALL RIGHT.
A. --- AN OVERPAYMENT.
Q. WHERE, WHERE IS THAT ON THE NOTE?
A. IT'S NOT IN HERE. AND IT'S JUST, IT'S JUST WHAT A PRUDENT PERSON WOULD THINK OR DO. IT'S NOT, ---
Q. LIKE HAROLD THRELKELD ---
A. --- IT'S NOT -- IT DOESN'T SAY IT, IT DOESN'T SAY IT SHOULDN'T BE.
Q. SO MR. THRELKELD INARTFULLY DREW THIS NOTE? IS THAT WHAT YOU'RE SAYING?
A. I'M NOT SAYING THAT.
Q. OKAY.
A. MAYBE HE DIDN'T HAVE ENOUGH INFORMATION, I DON'T KNOW.
Q. OKAY. WAS THIS NOTE SIGNED BY MR. CROMER?

A. YES.
Q. OKAY. MR. HARDY, IN ALL YOUR YEARS OF EXPERIENCE AND CERTAINLY AS A CPA, WHEN WAS THE LAST TIME YOU WERE INVOLVED IN A CASE WHERE SOMEBODY, THE HOLDER, OF A PROMISSORY NOTE IS BEING ASKED TO PAY HUNDREDS OF THOUSANDS OF DOLLARS?
A. LIKE I SAID, I, I HAVE NEVER SEEN ONE IN THIS AMOUNT, BUT I HAVE SEEN EVEN BANKS BE OVERPAID ON LOANS AND HAVE TO REFUND MONEY. I MEAN IT'S JUST VERY COMMON.
Q. OKAY. AND SO YOU, YOU BELIEVE THAT COUNTING IN THE OVER- -- WHAT YOU SAY IS OVERPAYMENT LISTED ON THE TAXES, WHICH IS NOT SPECIFIED AS A BAD DEBT, THAT MS. LITTLEFIELD NEEDS TO PAY THAT TO MR. CROMER?
A. WELL, THE, THE INTEREST WAS OVERPAID, SO IT'S JUST PRUDENT AND REASONABLE THAT HE GET THAT -- MR. CROMER GET THAT MONEY BACK. IT'S JUST LIKE IF I OVERPAID MY TAXES, MY PROPERTY TAXES, AND I GOT A REFUND, YOU KNOW? WHAT'S THE DIFFERENCE?
Q. IT'S JUST KIND OF A WASH; IS THAT RIGHT?
A. (NODDING AFFIRMATIVELY)
Q. ALL RIGHT, LET'S SEE. I'M GONNA HAND YOU WHAT IS PLAINTIFF'S EXHIBIT SEVEN (7). (DOCUMENT HANDED TO WITNESS) DOES THAT LOOK FAMILIAR TO YOU?

A. (UPON REVIEW) UH, YEAH. WELL, I'VE, I'VE SEEN IT. I, I'VE NEVER USED IT FOR A TAX RETURN.
Q. IT'S A SETTLEMENT BOOK?
A. YES.
Q. WOULD YOU, WOULD YOU LOOK AT THAT AND POINT OUT THE LOSSES THAT MR. CROMER CLAIMS IN THAT SETTLEMENT BOOK?
A. (PAUSE - REVIEWING DOCUMENTS) WELL, THIS IS -- FOR 2008 -- WELL, THE LOSS WAS NOT ---
Q. ARE THE LOSSES REFLECTED IN THAT SETTLEMENT BOOK?
A. THE, THE LOSSES WEREN'T DETERMINED BEFORE -- UNTIL AFTER MR. WHITFIELD PASSED AWAY.
Q. IS THAT WHEN THE LOSSES WERE DETERMINED OR WERE THE LOSSES DETERMINED AFTER THIS LAWSUIT WAS COMMENCED?
A. WHAT? I'M SORRY.
Q. WERE THE LOSSES IN THIS CASE DETERMINED AFTER THIS LAWSUIT WAS COMMENCED?
A. NO.
Q. WELL, WHY WOULD THEY NOT BE IN THE SETTLEMENT BOOK? IF YOU'RE SETTLING UP, THAT MEANS THAT YOU'RE PAYING SOMEBODY INTEREST ON THE CARS; CORRECT? OR MR. CROMER WAS PAYING TO ONE (1) OF THE WHITFIELDS OR MS. LITTLEFIELD INTEREST, AND HE WOULD HAVE DEDUCTED BAD DEBTS FROM THAT INTEREST;

IS THAT CORRECT? WHERE IS THAT REFLECTED IN THAT BOOK?

A. I, I DON'T KNOW.

Q. IT'S NOT, IS IT?

A. (PAUSE - UPON FURTHER REVIEW) I DON'T KNOW WHAT SOME OF THESE NUMBERS MEAN. YOU'LL HAVE TO ASK MR. CROMER THAT. I MEAN I'VE NEVER -- YOU'VE LOOKED -- YOU LOOK AT THAT REALLY, EVEN. I KNOW THEY'D SETTLED UP. TAKE, UH -- BUT -- AND, AND, AND PRIOR TO 2008, THEY, THEY CLEARLY DEDUCTED BAD DEBTS. I KNOW IN 2004 THEY HAD BAD DEBTS. AND THEY SPLIT THEM FIFTY/FIFTY (50/50).

Q. AGAINST -- OKAY. IN 2004?

A. UH-HUH. (AFFIRMATIVE)

Q. OKAY. BUT WHEN WAS THE NOTE DONE?

A. IT -- THE NOTE WAS -- I DON'T KNOW WHEN IT WAS DONE. IT'S DATED JANUARY 1ST, 2007. BUT I KIND OF DON'T THINK THAT WAS THE DAY IT WAS DONE.

Q. YOU DON'T THINK IT WAS THE DATE?

A. THAT'S JANUARY THE 1ST. I WOULDN'T THINK AN ATTORNEY WOULD BE AVAILABLE ON JANUARY THE 1ST.

BY ELIZABETH WALDREP: OKAY. I BEG THE COURT'S INDULGENCE FOR JUST A MOMENT. (CONFERS WITH VICKI LITTLEFIELD)

Q. OH, ONE (1)) THING I DID WANT TO ASK YOU, MR.

HARDY, IS TELL ME ABOUT THE INTERNAL REVENUE SERVICE REVIEW. WHAT WAS THAT ABOUT? YOU SAID IT WAS THE R.A.R.?

A. RIGHT. REVENUE AGENT'S REPORT.

Q. WHAT WAS THAT ABOUT?

A. WAY BACK IN THE SEVEN- -- IN THE NINETIES ('90S), '93, ('4) AND FIVE ('5).

Q. NINETY-THREE ('93), FOUR ('4) AND FIVE ('5)?

A. YEAH.

Q. AND IT'S SHOWING UP ON MONEY OWED ON A PROMISSORY NOTE DONE IN 2007?

A. THAT, THAT NOTE I THINK WAS DONE BECAUSE CHARLIE'S HEALTH WASN'T GREAT IN 2006 OR '7. I DON'T KNOW WHEN THE NOTE WAS PREPARED; MIGHT'VE BEEN DONE ON '7 AND JUST DATED JANUARY 1ST OR IT MAY HAVE BEEN DONE IN 2006, BUT -- IT WAS JUST THE WAY THEY, THEY DID BUSINESS. THEY SPLIT INCOME. THEY SPLIT BAD DEBTS, AND SOME EXPENSES.

Q. OKAY. SO ALTHOUGH THE PROMISSORY. PROMI-, PROMISSORY NOTE SAYS ONE THING, YOU THINK THEY SPLIT ALL DEBTS?

A. ALL DEBTS?

Q. UH-HUH. (AFFIRMATIVE) I'M JUST TRYING TO FIGURE OUT WHERE YOU'RE GETTING THIS BELIEF THAT THE TERMS OF THE PROMISSORY NOTE ARE SPECIFIC AND ALL

OF THESE OTHER FACTORS, SOME FROM THE EIGHTIES ('80S) ---

A. IT WAS -- THE ---

Q. --- COME INTO THIS?

A. THE NOTE WAS DONE TO PROTECT MR. WHITFIELD BECAUSE THERE WAS NO RECORD OF HIM PUTTING MONEY INTO THE BUSINESS BACK IN THE SIXTIES ('60S); OKAY? WHEN IT -- IF IT, IF IT EVEN HAPPENED, I'M SAYING. AND THEY WOULD -- HE JUST -- THEY DID THE NOTE. THE NOTE WAS DONE TO HAVE SOME KIND OF RECORD FOR HIS ESTATE, TO, TO SHOW THAT HE HAD A NOTE, BUT THEY HAD BEEN FOLLOWING THE SAME, SAME PROCEDURES THAT LAID OUT IN THE NOTE ---

Q. OKAY.

A. --- FOR THIRTY (30), FORTY (40) YEARS, I GUESS.

Q. SO THE PROMISSORY NOTE SETS OUT THAT MR. CROMER AGREES TO PAY MR. WHITFIELD BACK THE SUM OF EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00) WITH INTEREST TO BE CALCULATED BY USING BAD DEBTS FOR -- I MEAN, EXCUSE ME, INTEREST BY USING -- LET'S SEE. EXACTLY (PAUSE) -- "INTEREST RATE, WHICH MAKER AGREES TO PAY ON THE PRINCIPAL SUM, IS A SUM EQUAL TO FIFTY PERCENT (50%) OF PROFITS ON CAR LOANS EACH CALENDAR YEAR MINUS FIFTY PERCENT (50%) OF BAD DEBTS ON CAR LOANS." SO THAT WAS THE

PURPOSE OF THE PROMISSORY NOTE; IS THAT CORRECT?

A. YEAH. JUST TO HAVE A RECORD OF HOW THEY HAD BEEN DOING BUSINESS FOR ALL THOSE YEARS. START-, STARTING 2006, I THINK IT WOULD BE LIKE FORTY-SEVEN (47) YEARS.

Q. OKAY.

A. BUT THE, THE INCOME TAX CAME FROM AN AUDIT THAT WAS DONE. AND MR. CROMER -- THE AGENT ASKED MR. CROMER IF ALL OF THAT INCOME WAS HIS, AND HE SAID "YES." SO HE PAID, HE PAID MR. WHITFIELD'S INCOME TAX PENALTIES' INTEREST.

Q. HE SAID THE MONEY WAS HIS BECAUSE IT WAS HIS, ACCORDING TO THE PROMISSORY NOTE.

A. NO, I'M SAYING ---

Q. HE JUST HAD TO PAY IT BACK?

A. NO, NO, NO. I'M SAYING THAT MR. WHITFIELD ONLY REPORTED A SMALL AMOUNT AS INCOME FOR THOSE YEARS, IN THE EARLY NINETIES ('90S). AND MR. CROMER HAD DID THE AUDIT, HE HAD WENT THROUGH THE AUDIT, GOT AUDITED AND, AND HE REPORTED A HUNDRED PERCENT (100%) OF THE INCOME FROM FINANCING THE CARS, THE FEES; IT'S, IT'S REALLY FEES, IT'S NOT INTEREST. BUT HE REPORTED A HUNDRED PERCENT (100%), WHICH INCLUDED CHARLIE'S PART. SO, THE PROFESSOR'S WRONG WHEN HE SAYS THAT HE'S PAID TAXES TWICE.

HE, HE DIDN'T PAY THEM TWICE 'CAUSE HE ONLY REPORTED -- HE -- CHARLIE MADE UP A NUMBER ON HIS TAX RETURN THAT WASN'T EVEN CLOSE TO WHAT THE INCOME WAS.

Q. THAT YOU PREPARED?

A. I DIDN'T PREPARE IT, NO.

BY ELIZABETH WALDREP: THAT'S ALL I HAVE. THANK YOU.

BY THE COURT: ALL RIGHT. ANY REDIRECT?

BY MR. PRUITT: (PAUSE - REVIEWING NOTES) I DON'T THINK I HAVE ANY OTHER QUESTIONS.

BY THE COURT: ALL RIGHT. YOU CAN STEP DOWN.

(DARRELL HARDY LEAVES THE STAND)

ALL RIGHT. HAVE YOU GOT ANYMORE WITNESSES?

BY MR. PRUITT: YES, SIR. WE HAVE MR. PAUL CROMER.

BY THE COURT: ALL RIGHT. MR. CROMER. AND AFTER MR. CROMER, YOU GOT ANYMORE?

BY MR. PRUITT: NO, SIR.

BY THE COURT: OKAY. WE'LL GET THROUGH HIM TODAY, I GUESS?

BY MR. PRUITT: I THINK SO, DEPENDING ON HOW LONG THE VIGOROUS CROSS-EXAMINATION IS.

(PAUL CROMER TAKES THE STAND)

PAUL CROMER, BEING FIRST DULY SWORN AND CAUTIONED TO TELL THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE TRUTH, TESTIFIED AS FOLLOWS:

DIRECT EXAMINATION BY MR. PRUITT:

Q. MR. CROMER, HOW ABOUT TELL US HOW YOU STARTED WORKING WITH MR. CHARLIE WHITFIELD.

A. I MET CHARLIE WHEN I WAS A KID GROWING UP AND HE WAS BUILDING A NEW HOUSE ACROSS FROM WHERE I LIVED. THAT'S HOW I MET HIM. AND WE GOT TO BE GOOD FRIENDS. HE TOOK ME PLACES AND DONE THINGS WITH ME. THEN IN '64, WHEN I WAS GETTING READY TO FINISH SCHOOL, MR. RAMSEUR HAD BUILT THAT NEW STATION UP THERE AT THE HOLIDAY INN AND HE NEEDED SOMEBODY TO RUN IT. CHARLIE HAD SOLD HIS STATION. AND CHARLIE WENT UP THERE TO RUN IT WITH HIM AND HE ASKED ME WOULD I HELP HIM, AND I HELPED HIM TILL I FINISHED SCHOOL. THEN WHEN I ---

Q. "SCHOOL"? WHAT SCHOOL ARE YOU TALKING ABOUT?

A. HIGH SCHOOL.

Q. BOYS HIGH?

A. NO -- YES, SIR. WELL, IT WAS T.L. THEN. I WENT TO BOYS HIGH, BUT IT WAS T.L. HANNA WHEN I FINISHED.

Q. OKAY.

A. AND THEN WHEN I FINISHED SCHOOL, WE TOOK THE

STATION OVER AND STARTED RUNNING THE STATION.
Q. THAT WAS THE HOLIDAY AMOCO UP THERE NEXT TO THE OLD HOLIDAY INN?
A. NINETEEN SIX- ---
Q. I BELIEVE IT'S A RED ROOF NOW OR SOMETHING?
A. (NODDING AFFIRMATIVELY) 1964.
Q. OKAY.
A. THEN WE RUN THE STATION, AND THEN WE GOT -- CHARLIE STARTED GOING TO FLORIDA AND WE'D BUY CARS AND HE'D GO DOWN THERE AND BUY THEM AND I'D RUN THE STATION. AND WE DONE THAT FOR -- FROM PART OF '64, ALL OF '65, AND PART OF '66, TILL I WAS -- I HAD TO GO IN THE ARMY THEN. AND I SERVED SIX (6) MONTHS ON ACTIVE DUTY IN THE ARMY AND THEN I COME OUT AND STAYED IN THE NATIONAL GUARD FOR SEVEN (7) YEARS. AND THEN, WHEN I COME BACK OUT OF THE ARMY, WE WENT OVER ON WHITNER STREET, AND WE WAS IN THE CAR BUSINESS OVER THERE THE REST OF THE TIME, UP UNTIL 2013.
Q. OKAY. AND WOULD YOU EXPLAIN TO HIS HONOR EXACTLY HOW THIS LOANING MONEY ON THE CAR BUSINESS WORKED?
A. WHEN, WHEN WE FIRST STARTED OUT, WE'D LOAN THE MONEY, IT WAS SIXTY DOLLARS ($60.00) FOR A CAR UNDER TEN THOUSAND DOLLARS ($10,000.00) AND IT WAS A HUNDRED DOLLARS ($100.00) FOR A CAR OVER TEN

THOUSAND ($10,000.00).
Q. AND HOW LONG DID THEY GET TO KEEP THE MONEY?
A. THIRTY (30) DAYS.
Q. AND WHAT HAPPENED IF THEY DIDN'T REPAY IN THIRTY (30) DAYS?
A. THERE BE ANOTHER INTEREST ADDED ONTO IT.
Q. SAME AMOUNT?
A. YEAH.
Q. OKAY. ALL RIGHT, AND SO IS THAT HOW THE, IS THAT HOW THE BUSINESS KEPT GOING?
A. YES, SIR.
Q. WELL, DID THEY EVER -- THE AMOUNTS EVER CHANGE?
A. YES, SIR. LATER ON THE AMOUNTS WENT UP FROM A HUNDRED DOLLARS ($100.00) FOR CARS UNDER TEN THOUSAND ($10,000.00) AND A HUNDRED AND SEVENTY-FIVE ($175.00) FOR CARS OVER TEN THOUSAND ($10,000.00).
Q. OKAY. AND Y'ALL KEPT UP WITH THE PEOPLE AND YOU, AND YOU KEPT UP WITH SOME OF THE TITLES; RIGHT?
A. YES, SIR.
Q. WHY IS IT -- THE, THE TITLES THAT YOU HAD THAT YOU WERE HOLDING SOMEWHAT SERVED AS SECURITY; DIDN'T THEY?
A. YES, SIR.
Q. BUT THAT'S NOT A PERFECT SYSTEM; IS IT?

A. NO, SIR.
Q. WHY NOT?
A. WELL, IF THEY, IF THEY SELL A -- THEY'RE IN THE RETAIL BUSINESS AND SELL A CAR, THE JUDGE WILL ORDER THEM A TITLE. SO OUR TITLE, IT WOULDN'T BE ANY GOOD ANYWAY, YOU KNOW.
Q. ALL RIGHT. WELL, IF YOU WERE HOLDING A TITLE, WAS THERE ANYTHING TO STOP ONE OF THE DEALERS FROM GOING AND REQUESTING A DUPLICATE TITLE?
A. NOT IF, NOT IF THEY WANTED TO.
Q. AND SO IF THEY HAD A DUPLICATE COPY, COULD THEY, COULD THEY PASS IT ON TO THE, TO THE CONSUMER OR TO ANOTHER DEALER?
A. YES, SIR.
Q. AND IF A, IF A BUSINESS, A RETAIL CAR BUSINESS SOLD A CONSUMER A CAR AND HE DIDN'T HAVE THE TITLE, THEY GOT THE CAR ANYWAY; DIDN'T THEY?
A. YES, SIR.
Q. OKAY.
A. THE CAR DEALER ISSUED THEM A TITLE.
Q. YEAH. ALL RIGHT. NOW, BUSINESS ROCKED ON THERE FOR A WHILE AND THEN FINALLY IN 2007 -- JANUARY 1, 2007 IS WHAT THE NOTE SAYS. DO YOU THINK Y'ALL REALLY SIGNED THAT ON, ON, ON NEW YEAR'S DAY?
A. REALLY, I DON'T KNOW WHAT DAY IT WAS. I DOUBT IT,

BUT I -- YOU KNOW ---

Q. OKAY. BUT IN ANY EVENT, ---

A. IT'S WHEN IT WAS WROTE, ANYWAY.

Q. --- THE BUSINESS ROCKED ON. AND STARTING WITH THIS PROMISSORY NOTE IN JANUARY OF 2007, Y'ALL KIND OF PUT IT IN WRITING?

A. YES, SIR.

Q. OKAY. NOW, IS THERE ANY, IS THERE ANY RECORD THAT YOU KNOW ABOUT OTHER THAN THAT PROMISSORY NOTE THAT SHOWS WHERE CHARLIE WHITFIELD PUT IN EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00)?

A. NO, SIR.

Q. HOW DID THAT EIGHT HUNDRED THOUSAND DOLLAR ($800,000.00) NUMBER COME ABOUT?

A. IT JUST ACCUMULATED OVER THE YEARS AND, WHEN WE DRAWED [SIC] THAT NOTE UP, THAT'S WHAT WAS PUT DOWN, EIGHT HUNDRED THOUSAND ($800,000.00).

Q. OKAY. WAS THAT AN ESTIMATE OF WHAT HAD BEEN PUT INTO THE BUSINESS?

A. THAT WAS WHAT HAD BEEN PUT IN IT; EIGHT HUNDRED THOUSAND ($800,000.00).

Q. OKAY. NOW LET'S MOVE ON HERE. AND YOU STARTED, YOU STARTED SETTLING UP, AS YOU CALL IT, FROM TIME TO TIME AND -- WITH MR. WHITFIELD AND LATER ON WITH, UH, UH -- HIS WIDOW, HELEN, AND LATER ON

WITH JUST VICKI; IS THAT RIGHT?

A. YES, SIR.

Q. AND I WANT TO POINT YOU OUT TO EXHIBIT NUMBER SIX (6), AND TAKE A LOOK AT THAT AND JUST KIND OF GO THROUGH THE YEAR 2000 AND TELL ME -- JUST EXPLAIN TO THE JUDGE (DOCUMENT HANDED TO WITNESS).

A. (PAUSE - REVIEWING DOCUMENT) IN 2000 -- IN 2007, I PAID HIM A TOTAL OF A HUNDRED AND FORTY-SEVEN THOUSAND TWO HUNDRED AND FIFTY-ONE DOLLARS AND TWENTY-SIX CENTS ($147,251.26).

Q. WAIT A MINUTE THERE, PAUL. I'LL LET YOU LOOK AT THIS, THIS ONE RIGHT HERE. (DOCUMENT HANDED TO WITNESS) AND LET'S LET THE JUDGE LOOK AT THE ONE THAT'S IN EVIDENCE HERE. (DOCUMENT HANDED TO THE COURT)

A. OKAY.

Q. OKAY, GO AHEAD.

A. OKAY. OKAY, IN 2007, I PAID HIM A TOTAL OF A HUNDRED AND FORTY-FIVE THOUSAND TWO HUNDRED AND FIFTY-ONE DOLLARS AND TWENTY-SIX CENTS ($145,251.26). AND ON THE NEXT SHEET, IT SHOWS THE BOYS, WHERE THEY SOLD THE CARS, AND WHERE WE SPLIT IT RIGHT THERE IN HALVERS.

Q. OKAY. AND, AND THOSE BOYS, THOSE BOYS, THE, THE, THE RETAIL CAR DEALERS STARTING LIKE WITH RUFUS

HACKETT AND GOING DOWN THROUGH TIM SAMMONS?
A. YES, SIR.
Q. SO THOSE WERE THE PEOPLE THAT WERE BORROWING MONEY AND PAYING THE, THE FEES FOR HAVING LOANED THE MONEY?
A. RIGHT. YES, SIR.
Q. ALL RIGHT. AND YOU -- WHEN IT, WHEN IT CAME TO THE TIME TO SETTLE UP, WHAT DID YOU DO?
A. I'D ADD THE CARS UP AND DIVIDE IT IN IT HALVERS RIGHT HERE. (POINTING)
Q. AND THEN YOU -- WOULD YOU WRITE HIM, WRITE HIM A CHECK FOR HIS HALF?
A. YES, SIR. IT'S IN, IT'S IN THAT OTHER BOOK THAT I WAS LOOKING AT. (REVIEWING DOCUMENTS) AIN'T NO CHECK IN THIS ONE, CALHOUN, BUT THERE'S ONE IN THAT ---
Q. WELL, KEEP ON TURNING THE PAGES.
A. (COMPLIES) OH, YEAH. HERE, HERE'S CHECKS, WHERE I WROTE HIM THE CHECKS FOR TWO (2) DIFFERENT TIMES.
Q. YES, SIR. NOW THAT, THAT -- THERE WAS SOME OTHER THINGS THAT Y'ALL HAD TOGETHER THAT I THINK IS ALSO IN THAT BOOK. WOULD YOU EXPLAIN THAT TO THE JUDGE? DID Y'ALL HAVE A, A RENTAL PLACE TOGETHER OR SOMETHING?

A. WE HAD SOME RENTAL PROPERTY TOGETHER AND IT'S ON THE BACK OF EACH SETTLE UP SHEET.
Q. WELL, DOES THAT, DOES THAT HAVE ANYTHING TO DO WITH THE MONEY THAT YOU OWED ON THE NOTE?
A. NO, SIR.
Q. OKAY. ALL RIGHT. WELL, IS THE -- WAS THE SAME PROCEDURE FOLLOWED FOR EACH OF THOSE YEARS THAT'S, THAT'S IN THAT BOOK?
A. YES, SIR.
Q. YOU'D GO SETTLE UP WITH WHOEVER AND WRITE THEM A CHECK?
A. YES, SIR.
Q. OKAY. NOW LET'S MOVE ON TO, TO THE YEARS ON THE MASSEY LOSSES. WHEN DID, WHEN DID, WHEN DID -- TELL THE COURT WHAT HAPPENED IN THAT REGARD.
A. IN '08, DARRELL SOLD SOME CARS AND DIDN'T PAY ME FOR THEM.
Q. OKAY. AND DID IT TAKE SEVERAL, SEVERAL YEARS TO, TO ROUND UP ALL THOSE CARS AND ACCOUNT FOR THE VARIOUS AND SUNDRY LOSSES?
A. TOOK FOUR (4) YEARS.
Q. OKAY. I WANT TO SHOW YOU WHAT'S BEEN MARKED AS DEFENDANTS' EXHIBIT NUMBER SEVEN (7). TELL ME IF YOU CAN IDENTIFY THAT? (DOCUMENT HANDED TO WITNESS)

A. (UPON REVIEW) YES, SIR.
Q. AND WHAT, WHAT IS THAT?
A. THIS, THIS TOP ONE RIGHT HERE WAS CARS THAT HE HAD SOLD, AND I HAD GIVEN HIM THE TITLES FOR THEM CARS.
Q. WELL, HANG ON JUST A MINUTE. I DON'T WANT YOU TO TELL ME IN DETAIL. ARE THOSE YOUR ORIGINAL RECORDS THAT YOU KEPT TO TRY TO DETERMINE AND KEEP UP WITH THE VEHICLES ---
A. LOSSES ---
Q. --- THAT, THAT MASSEY DIDN'T PAY YOU FOR?
A. YES, SIR.
Q. ALL RIGHT. AND FOR WHAT, FOR WHAT -- WAS IT FOR THE YEARS 2008 THROUGH 2012?
A. YES, SIR.
Q. WHAT WAS THE, THE TOTAL AMOUNT OF THE, OF THE, OF THE MASSEY LOSSES DURING THOSE YEARS?
A. FOUR-OH-ONE EIGHT TWENTY-EIGHT THIRTY-SIX ($401, 826.36).
Q. ALL RIGHT. NOW, ARE THESE RECORDS THAT YOU KEPT IN YOUR BUSINESS AND KEPT UP WITH ON A REGULAR BASIS DURING THOSE YEARS?
A. YES, SIR.

BY MR. PRUITT: OKAY. NOW, YOUR HONOR, WE'D MOVE TO ADMIT DEFENDANTS' NUMBER SEVEN (7).

BY ELIZABETH WALDREP: YOUR HONOR, WE, WE OBJECT TO THIS. THERE ARE NO -- THESE ARE JUST NUMBERS. IT DOESN'T LIST NAMES OF ANY CARS, VIN NUMBERS, ANYTHING. IT'S JUST SOME NUMBERS ON A PAGE.

BY THE COURT: WELL, WE'RE TALKING ABOUT ADMISSIBILITY NOT, YOU KNOW, WHAT IT, WHAT IT PROVES OR DOESN'T PROVE, SO. HE'S TESTIFIED THAT HE PREPARED IT AND WHATEVER IT IS, WHAT IT SAYS IS WHAT IT IS AND WE MIGHT HAVE TO TAKE A LOOK AT IT. BECAUSE I'M GONNA ADMIT IT OVER OBJECTION. THAT'S DEFENDANTS' EXHIBIT NUMBER SEVEN (7).

(DEFENDANTS' EXHIBIT "7" ADMITTED)

Q. NOW, ---

BY THE COURT: JUST BECAUSE IT'S ADMITTED DOESN'T MEAN IT'S TRUE.

BY ELIZABETH WALDREP: THANK YOU, JUDGE.

BY THE COURT: BUT DOESN'T MEAN IT'S FALSE EITHER.

Q. NOW, MR. CROMER, IN YOUR, IN YOUR RECORDS, DO YOU HAVE A LIST OF EVERY CAR THAT WAS EVER LOANED MONEY ON, WHETHER IT WAS PAID BACK OR NOT?

A. YES, SIR.

Q. OKAY. BUT CAN YOU GIVE US AN IDEA ABOUT HOW MANY CARS YOU WOULD HAVE HAD OUT ON LOAN AT ANY GIVEN

TIME?
A. WHEN THE MASSEY DEAL WENT DOWN, HE HAD FIFTY-EIGHT (58) FOR HIMSELF.
Q. FIFTY-EIGHT (58)?
A. YES, SIR.
Q. OKAY. AND I GUESS THEY WERE VARIOUS, VARIOUS PRICES, ET CETERA, AND HE HAD THEM FROM VARIOUS TIMES?
A. YES, SIR.
Q. ALL RIGHT. NOW, ARE THESE THE SAME FIGURES THAT, THAT YOU PROVIDED TO -- THESE LOSS FIGURES HERE, ARE THESE THE SAME FIGURES THAT YOU PROVIDED TO DARRELL HARDY?
A. YES, SIR.
Q. AND ARE THESE THE SAME FIGURES THAT, THAT ENDED UP BEING REPORTED ON THE, THE WHITFIELD AND LITTLEFIELD TAX RETURNS?
A. YES, SIR.
Q. AND DO YOU HAVE THOSE TAX RETURNS AND THOSE -- OR THE EXCERPTS FROM THOSE TAX RETURNS IN THAT EXHIBIT THERE?
A. YES, SIR.
Q. AND DO THE, DO THE FIGURES, DO THEY CLOSELY MATCH THE, THE FIGURES?
A. (PAUSE - FURTHER REVIEW OF DOCUMENTS) THIS IS '7.

EXCUSE ME, JUST A MINUTE WHILE I GET OVER TO EIGHT (8). YES, SIR; '08 DOES.

Q. HOW MUCH WAS DEDUCT- -- SO THE, THE FIGURES SHOWN ON THE, ON THE WHITFIELD TAX RETURNS WOULD ONLY REFLECT HALF THE LOSSES; IS THAT CORRECT?

A. YES, SIR.

Q. OKAY. NOW, DOES -- WHY, WHY DID YOU -- YOU'RE FAMILIAR WITH THE TERMS OF THIS NOTE HERE THAT SAYS THAT THE INTEREST IS TO BE ADJUSTED FIFTY PERCENT (50%) OF THE PROFITS MINUS FIFTY PERCENT (50%) OF THE BAD DEBTS?

A. YES, SIR.

Q. WELL, WHY DID YOU KEEP PAYING INTEREST ON THIS NOTE IN DEFACE OF THOSE BAD DEBTS THAT OCCURRED FROM 2008 TO 2012?

A. BECAUSE I FIGURED WHEN WE ACTUALLY SAT DOWN AND STRAIGHTENED UP, THE BAD DEBTS WOULD BE TOOK OFF OF THE EIGHT HUNDRED THOUSAND ($800,000.00).

Q. SO THAT'S WHY YOU KEPT PAYING?

A. YES, SIR.

Q. NOW, DID YOU -- HAVE YOU LATER LEARNED THAT THAT MAY NOT HAVE BEEN THE BEST WAY TO, TO HANDLE IT?

A. YES, SIR.

Q. OKAY. DO YOU THINK THAT YOU'RE ENTITLED TO A CREDIT FOR THE OVERPAYMENT OF INTEREST THAT YOU,

THAT YOU MADE DURING THE YEARS 2008 THROUGH 2012?
A. DO WHAT NOW? ASK, ASK ME THAT ONE (1) MORE TIME.
Q. OKAY. DO YOU THINK THAT YOU'RE ENTITLED TO CREDIT FOR THE INTEREST THAT YOU PAID FROM 2008 TO 2012 WHEN THE MASSEY LOSSES SHOULD HAVE OFFSET IT?
A. YES, SIR.
Q. OKAY. NOW THERE'S A COUPLE OF OTHER THINGS I BELIEVE THAT YOU'VE ASKED FOR CREDIT ON, ONE (1) OF WHICH IS A, IS A MERCEDES AUTOMOBILE. WOULD YOU, WOULD YOU TELL US, TELL US ABOUT THE MERCEDES AUTOMOBILE?
A. THAT'S ONE (1) OF THE MASSEY CARS THAT WAS LEFT OVER, AND HELEN KEPT IT.
Q. HELEN WHO?
A. WHITFIELD.
Q. OKAY.
A. SHE WAS GONNA DRIVE IT. AND THE REASON THE THING -- THE CAR WAS ACTUALLY EIGHTY-NINE HUNDRED ($8,900.00). BUT I CARRIED IT, HAD IT TRANSFERRED, COLLECTED THE SALES TAX ON IT, AND JOHNNY STEWART PUT A BATTERY IN IT, AND HAD THE SEATS CLEANED FOR HER BEFORE I CARRIED IT TO HER.
Q. RIGHT.
A. THAT'S THE REASON THE CAR COMES UP TO NINETY-TWO ($9,200.00) NOW.

Q. OKAY. NOW I WANT TO SHOW YOU WHAT'S BEEN MARKED AS DEFENDANTS' EXHIBIT NUMBER NINE (9). (DOCUMENT HANDED TO WITNESS) CAN YOU IDENTIFY THAT?

A. (UPON REVIEW) THERE SHOULD'VE BEEN A BILL OF SALE WITH IT, BUT I DON'T SEE IT. THIS IS WHERE I CARRIED IT TO THE HIGHWAY DEPARTMENT. HERE'S WHERE IT COST ME FORTY DOLLARS ($40.00) TO HAVE IT TRANSFERRED. THAT'S WHERE I HAD THE SEATS CLEANED. AND THIS IS WHERE I PUT A BATTERY IN IT. AND THE SALES TAX WAS THREE HUNDRED ($300.00).

Q. YES, SIR. AND IS THAT WHERE YOU GOT THE FIGURE THAT YOU'RE CLAIMING FOR CREDIT ON THIS NOTE ---

A. YES, SIR.

Q. --- WHEN YOU GAVE HELEN WHITFIELD THE MERCEDES?

A. YES, SIR.

BY MR. PRUITT: YOUR HONOR, WE WOULD OFFER INTO EVIDENCE DEFENDANTS' NUMBER NINE (9).

BY ELIZABETH WALDREP: YOUR HONOR, WE OBJECT TO THIS. WE SUBMIT THAT THIS IS IN NO WAY SHAPE OR FORM A BAD DEBT ON CAR LOAN OR A PART OF A PROMISSORY NOTE.

BY THE COURT: WELL, AGAIN, WHEN YOU'RE TALKING ABOUT ADMISSIBILITY, NOT WEIGHT. SO, HE'S TESTIFIED THESE WERE HIS CALCULATIONS AND HE'S TAKING THE POSITION THAT HE'S ENTITLED TO CREDIT.

WHETHER HE'S RIGHT ON ANY OF THAT, I DON'T KNOW. SO, I'M GONNA GO AHEAD AND ADMIT FOR WHATEVER IT'S WORTH. THAT'S EXHIBIT NUMBER NINE (9)?

BY MR. PRUITT: YES, SIR.

(DEFENDANTS' EXHIBIT "9" ADMITTED)

BY THE COURT: WHAT ABOUT EIGHT (8)?

BY MR. PRUITT: YES, SIR. NUMBER EIGHT (8) WAS ---

BY THE COURT: WE'LL GET TO THAT?

BY MR. PRUITT: WE HAVEN'T GOT TO THAT YET. I'M FIXING TO GET TO IT RIGHT NOW.

BY THE COURT: I'M NOT TRYING TO HURRY YOU -- MUCH.

BY MR. PRUITT: (CHUCKLE)

Q. MR. CROMER, I WANT TO SHOW YOU A TIMELINE THAT YOU AND I HAVE CREATED AND ASK YOU IF YOU CAN IDENTIFY THAT (DOCUMENT HANDED TO WITNESS), SO THAT THE -- WE GIVE SOME TIME CONTEXT TO THESE PROCEEDINGS?

A. (UPON REVIEW) YES, SIR.

Q. NOW, IS THAT THE, THE TIMELINE THAT YOU AND I HAVE CREATED AND SHOWS THE IMPORTANT EVENTS ACCORDING TO YOUR TESTIMONY IN THIS CASE?

A. YES, SIR.

BY MR. PRUITT: ALL RIGHT. YOUR HONOR, WE'D OFFER IN DEFENDANTS' EXHIBIT NUMBER EIGHT (8).

BY ELIZABETH WALDREP: YOUR HONOR, WE OBJECT TO THAT. THIS IS, IS -- I SUBMIT HE CAN TESTIFY TO THIS, BUT TO ENTER, TO ENTER THIS AS AN EXHIBIT, I OBJECT TO THE CHARACTERIZATION OF SOME OF THE TERMS IN THIS TIMELINE.

BY THE COURT: WELL, I MEAN AGAIN IT'S A -- I THINK UNDER THE RULES THAT, YOU KNOW, A SUMMARY OR CHART OR WHATEVER YOU WANT CALL IT, IS ADMISSIBLE. HE'S TESTIFIED IT'S BASED ON HIS OWN KNOWLEDGE AND HE, HE CAN ANSWER ANY QUESTIONS YOU HAVE ON CROSS-EXAMINATION. I'M GONNA GO AHEAD AND ADMIT THAT OVER OBJECTION.

(DEFENDANTS' EXHIBIT "8" ADMITTED)

Q. NOW, MR. WHITFIELD [SIC], DO YOU RECALL BRINGING A LAWSUIT AGAINST DARRELL MASSEY?

A. YES, SIR.

Q. ALL RIGHT. AND DID, DID MS. VICKI LITTLEFIELD GO WITH YOU TO THE LAWYER'S OFFICE TO START THAT?

A. YES, SIR.

Q. AND ULTIMATELY, DID Y'ALL GET A JUDGMENT AGAINST HIM?

A. THEY FILED BANKRUPTCY. WE NEVER DID GET ANYTHING.

Q. WELL, DID YOU EVER GET A COURT ORDER THAT SAID HE OWED YOU THE MONEY?

A. YEAH.

Q. DID YOU EVER COLLECT ANYTHING ON IT?
A. NO, SIR.
Q. AND, AND WHY WAS THAT?
A. BECAUSE HE FILED BANKRUPTCY.
Q. OKAY. SO YOU NEVER GOT ANY, GOT ANYTHING OUT OF IT?
A. THAT'S RIGHT.
Q. BUT YOU HAD TO SPEND MONEY TO GET IT?
A. TO EVEN GET THE JUDGMENT.
Q. NOW, MR. CROMER, DO YOU THINK THAT YOU OWE ANY MONEY ON THIS, ON THIS NOTE?
A. NO, SIR.
Q. AND WHY DO YOU THINK THAT?
A. WELL, I'VE DONE PAID THEM.
Q. AND WHEN, WHEN DO YOU THINK THAT YOU PAID THE NOTE OFF EVEN THOUGH YOU CONTINUED TO PAY SOME INTEREST?
A. PROBABLY IN 2011. I KEPT PAYING INTEREST ON UP THROUGH '13.
Q. OKAY. NOW, DR. ALFORD BROUGHT IT TO OUR ATTENTION THAT YOU DID MAKE A PAYMENT OF SOME NINE THOUSAND SEVEN HUNDRED AND SEVENTY-FIVE DOLLARS ($9,775.00) IN 2013, WHICH ISN'T INCLUDED IN YOUR, YOUR EXHIBITS THERE. DO YOU REMEMBER MAKING THAT LAST PAYMENT IN 2013?

A. OF NINE THOUSAND DOLLARS ($9,000.00)?
Q. YES, SIR.
A. NO, SIR.
Q. DO YOU THINK THAT THAT'S -- YOU MAY HAVE GOTTEN THAT FROM SOME OF YOUR RECORDS SOMEWHERE?
A. COULD HAVE.

BY MR. PRUITT: ANSWER ANY QUESTIONS THE WALDREPS MIGHT HAVE.

CROSS-EXAMINATION BY MR. WALDREP:

Q. MR. CROMER, THERE'S NO DOUBT IN YOUR MIND THAT THIS WAS AN EIGHT HUNDRED THOUSAND DOLLAR ($800,000.00) PROMISSORY NOTE; IS THAT CORRECT?
A. YES, SIR.
Q. AND THAT YOU SIGNED IT?
A. YES, SIR.
Q. YOU READ IT?
A. YES, SIR.
Q. AND YOU SIGNED IT IN THE OFFICE OF HAROLD THRELKELD?
A. YES, SIR.
Q. AND MR. WHITFIELD WAS THERE; Y'ALL WERE THERE TOGETHER?
A. YES, SIR.
Q. AND HE WAS REPRESENTING BOTH OF YOU; IS THAT CORRECT?

A. YES, SIR.
Q. OKAY. AND SO THERE'S NO QUESTION ABOUT THE PRINCIPAL, EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00)?
A. NO, SIR.
Q. OKAY. I GUESS THE PROBLEM THAT WE HAVE IN THIS CASE HAS TO DO WITH THE REST OF THE NOTE, THE INTEREST AND WHAT YOU SAY WAS PAID FOR BAD DEBTS; IS THAT RIGHT?
A. YES, SIR.
Q. OKAY. JUST BEFORE WE, WE GET INTO SOME OTHER MATTERS, I WANT TO MAKE SURE ABOUT THE EXHIBITS THAT WE HAVE PUT FORWARD IN RELATION TO THE CHECKS THAT YOU PUT FORTH TO INDICATE THINGS THAT YOU WERE COUNTING AS BAD DEBTS AND COSTS AND EXPENSES, ATTORNEY FEES AND THINGS OF THAT NATURE. NONE OF THESE ATTORNEY FEES HAD ANYTHING TO DO WITH THIS NOTE; DID IT?
A. (NO RESPONSE)
Q. THE ATTORNEY FEES THAT YOU PAID FOR THE DEFENSE THAT WAS PUT UP FOR YOU FOR THE IRS INVESTIGATION.
A. (NO RESPONSE)
Q. THEY DIDN'T HAVE ANYTHING TO DO WITH THIS NOTE; DID THEY?
A. YES, SIR.

Q. OKAY. TELL ME IN WHAT WAY THAT HAD TO DO WITH THE NOTE.
A. I WAS TRYING TO COLLECT THE MONEY THAT THE MASSEY PEOPLE OWED ME, YOU KNOW.
Q. I'M NOT TALKING ABOUT THOSE FEES. I'M TALKING ABOUT THOSE FEES THAT YOU PAID TO THE GREENVILLE LAW FIRM WITH THE IRS -- FOR YOUR IRS DEFENSE. DO YOU REMEMBER YOU WERE CHARGED WITH TAX EVASION?
A. YES, SIR.
Q. AND YOU PLED GUILTY TO TAX EVASION?
A. YES, SIR.
Q. AND THAT TAX EVASION HAD NOTHING TO DO WHATSOEVER WITH MR. WHITFIELD; DID IT?
A. YEAH. HE GOT HALF OF THE MONEY.
Q. WELL, DID YOU REPORT ANY OF THIS TO THE IRS?
A. I TOOK THE RAP FOR THE WHOLE THING AND I PAID, PAID THE IRS.
Q. BUT YOU DID NOT REPORT ANY OF THE -- ANY HALVERS, SO TO SPEAK, ON THIS TAX OBLIGATION THAT YOU HAD WITH THE IRS; DID YOU?
A. (NO RESPONSE)
Q. FROM MR. WHITFIELD OR IN ANY OF THESE RECORDS THAT YOU HAVE.
A. YEAH, I REPORTED IT.
Q. WELL, ALL THESE EXPENSES THAT YOU CLAIM, ALL THESE

CHECKS THAT YOU SAY WERE PART OF THIS NEGOTIA- -- PART OF THIS OPERATION THAT YOU HAVE HERE, THESE WERE CHECKS THAT WERE DATED FAR BEFORE THIS NOTE WAS EVER SIGNED. ISN'T THAT TRUE?

A. YES, SIR.

BY MR. PRUITT: YOUR HONOR, I, I THOUGHT WE SAID AT THE BEGINNING OF THE DEFENDANTS' CASE THAT WE WERE GONNA WITHDRAW THOSE.

BY THE COURT: I THINK THAT'S WHAT YOU SAID, TOO.

BY MR. PRUITT: THAT WOULD BE EXHIBIT NUMBER TWO (2). SO I DON'T SEE HOW THAT'S RELEVANT NOW.

BY THE COURT: WELL, WE DID AGREE THAT WE WERE GONNA KEEP OUT THE CONVICTION AND AT THE SAME TIME THEY WERE GONNA WITHDRAW ANY CLAIM FOR THOSE MONIES ASSOCIATED WITH THAT PROCESS. SO THEY -- BUT NOW HOW, HOW YOU'VE ADJUSTED THE FIGURES, WE HAVE BEEN TESTIFYING ABOUT THESE ARE THE FIGURES AND SO ON, I HAVEN'T SEEN ANY ADJUSTMENT IN, IN THAT PART OF IT.

BY MR. PRUITT: YOUR HONOR, I DON'T THINK THAT THOSE -- THOSE FIGURES ARE NOT INCLUDED IN DEFENDANTS' EXHIBIT NUMBER ONE (1) AND THEY'RE -- THEY WERE INCLUDED IN SOME OF DARRELL HARDY'S, BUT THEY WEREN'T INCLUDED IN HIS LAST FIGURES.

BY THE COURT: I THOUGHT THEY WERE INCLUDED IN WHAT HE JUST SAID. AND THESE NUMBERS THAT HE'S PUTTING DOWN NOW IS REPRESENTING HIS LAWSUITS FROM THE MASSEY DEAL AND OTHERWISE, THAT SHOULD BE INCLUDED IN HIS REFUND OF OVERPAYMENT OF INTEREST.

BY MR. PRUITT: YOUR HONOR, IF YOU DIRECT YOUR ATTENTION TO DEFENDANTS' EXHIBIT NUMBER ONE (1), THE ONLY ATTORNEY'S FEES THAT ARE INCLUDED ARE RIGHT DOWN TOWARD THE BOTTOM AND IT SAYS NELSON'S OR SOMETHING ---

BY THE COURT: YEAH, I GOT IT.

BY MR. PRUITT: --- LIKE THAT. THAT'S THE ONLY ATTORNEY'S FEES THAT SHOW UP ON ALL THESE EXHIBITS NOW.

BY THE COURT: WHAT'S INCLUDED IN THIS HUNDRED AND FORTY-ONE THOUSAND ($141,000.00) AND A HUNDRED AND TWENTY-TWO THOUSAND ($122,000.00); FIFTY PERCENT (50%) OF THE MASSEY LOSS?

BY MR. PRUITT: WELL, THE MASSEY LOSSES ARE COMPLETELY DIFFERENT FROM ATTORNEY'S FEES.

BY THE COURT: WELL, I DON'T KNOW WHAT THE MASSEY LOSSES INCLUDE BASED ON THESE FIGURES.

BY MR. PRUITT: OKAY. WELL, WE STIPULATE THAT WE'RE NOT TRYING TO COLLECT ON THAT -- GETTING SAMANTHA NELSON TO PUT A JUDGMENT AGAINST

DARRELL MASSEY, WHICH WASN'T COLLECTABLE BECAUSE HE, HE FILED BANKRUPTCY.

BY THE COURT: ALL RIGHT. WELL, LET'S CONCENTRATE ON THE FIGURES THAT THEY'VE PUT FORTH AS BEING WHAT THEY CLAIM THEY HAVE OVERPAID AND ARE ENTITLED TO SOME KIND OF REFUND. AND I MEAN YOU CAN ASK HIM ABOUT ALL OF THAT, BUT THEY HAVE WITHDRAWN ANY CLAIMS FOR EXPENSES INCURRED IN ASSOCIATION WITH THE IRS MATTER, AS FAR AS I UNDERSTAND.

Q. THESE EXPENSES THAT YOU CLAIMED AT ONE TIME, YOU HAVE -- I UNDERSTAND YOUR ATTORNEY SAID YOU'VE NOW WITHDRAWN THOSE. CAN YOU TELL ME WHY YOU PUT THEM IN IN THE FIRST PLACE?

A. I THOUGHT WE WITHDRAWED [SIC] ALL THAT STUFF.

Q. I UNDERSTAND YOU WITHDREW THEM, BUT DID YOU -- WHEN, WHEN THIS LITIGATION STARTED, THAT WAS A CLAIM THAT YOU MADE, THAT YOU, YOU INCURRED THESE EXPENSES AND IT WAS RELATED TO THIS. AND I JUST WANT TO KNOW WHAT YOUR THINKING IS AS YOU TRIED TO UNDERSTAND, YOU KNOW, WHAT YOU WERE DOING AND WHAT THE FIGURES MEANT?

A. (PAUSE)

Q. DO YOU UNDERSTAND WHAT I'M ASKING YOU?

A. NO, SIR.

Q. OKAY. LET'S GO TO THE, THE MASSEY SITUATION. HOW LONG HAVE YOU KNOWN MR. MASSEY?
A. SINCE HIGH SCHOOL.
Q. HOW LONG HAD YOU BEEN DOING BUSINESS WITH HIM?
A. TWENTY (20), TWENTY-FIVE (25) YEARS.
Q. OKAY. AND BEFORE THIS INCIDENT HAPPENED WHERE YOU CLAIMED ALL THESE LOSSES, YOU HAD AN OCCASION THAT MR. MASSEY HAD KIND OF MESSED UP YOUR SALES OPERATION AND YOU HAD PROVIDED HIM WITH SOME CARS; IS THAT TRUE?
A. YES, SIR.
Q. SO YOU KNEW THAT MR. -- THERE WAS SOMETHING AMISS WITH MR. MASSEY AND ---
A. HE MADE ALL THAT STRAIGHT. HE SOLD ALL THEM CARS STRAIGHTENED UP WITH ME, MADE IT EVERY BIT STRAIGHT ON THAT DEAL.
Q. OKAY. SO YOU WENT BACK AND YOU GAVE HIM ANOTHER BITE AT THE APPLE; IS THAT RIGHT?
A. YES, SIR.
Q. OKAY. SO YOU TURNED THESE VEHICLES OVER TO HIM. AND YOU TURNED THESE VEHICLES OVER TO HIM, MR. CROMER, AND YOU GAVE HIM THE TITLES TO THESE VEHICLES; DIDN'T YOU?
A. THAT WASN'T NOTHING UNCOMMON. WHEN THEY WENT TO THE SALE, THEY HAD TO HAVE THE TITLE TO SELL THE

CAR WITH.

Q. MAYBE NOT UNCOMMON WITH YOU, BUT UNCOMMON IN THE TRADE FOR SOMEBODY TO GIVE SOMEBODY A CAR AND A TITLE. AND WHAT RECORDS DID -- WERE YOU KEEPING?

A. I HAD IT WROTE DOWN.

Q. YOU HAD IT WROTE DOWN, ---

A. YES, SIR.

Q. --- BUT DID YOU EVER GO BY AND CHECK THE, THE LOTS TO SEE WHERE THE CARS WERE?

A. WE, WE WENT OVER THEM PERIODICALLY; YES, SIR.

Q. PERIODICALLY?

A. YES, SIR.

Q. WAS THAT SIX (6) MONTHS, EVERY SIX (6) MONTHS, EVERY TWO (2) YEARS?

A. IT WASN'T NOTHING LIKE THAT.

Q. WELL, HOW OFTEN WAS IT? DO YOU HAVE ANY NOTATIONS ABOUT WHEN YOU WENT BY ---

A. NO.

Q. --- AND ACTUALLY CHECKED ON THESE CARS THAT WERE -- YOU HAD GIVEN THE TITLES TO?

A. NO, SIR.

Q. SO YOU LET -- HOW MANY CARS ACTUALLY WENT BYE IN THIS OPERATION, THE FRIENDSHIP? I GUESS HE WAS YOUR BUDDY, MR. MASSEY; IS THAT CORRECT? WASN'T HE YOUR FRIEND? YOU'D BEEN TO HIGH SCHOOL WITH

HIM.

A. YEAH, HE WAS A FRIEND.

Q. YOU JUST LET HIM GO; IS THAT CORRECT? YOU TRU- -- YOU ---

A. NO.

Q. --- TRUSTED HIM AGAIN, MR. CROMER. YOU TRUSTED HIM WITH OPERATIONS WITH MONEY AND CARS AND LET HIM DO WHAT HE WANTED TO WITH THEM; ISN'T THAT CORRECT?

A. I TRUSTED HIM; YES, SIR.

Q. YEAH. OKAY. SO YOU CALLED THAT A BAD DEBT WHEN YOU JUST GAVE AWAY THESE VEHICLES, BASICALLY; DIDN'T YOU?

A. I DIDN'T GIVE THEM AWAY.

Q. YOU DIDN'T?

A. NO, SIR.

Q. WELL, HOW, HOW ELSE WOULD YOU DESCRIBE IT? IF YOU GIVE ME A CAR AND YOU GIVE ME A TITLE, WHAT KIND OF CONFIRMATION DO YOU HAVE OF THAT TRANSACTION? WHAT KIND OF OBLIGATION DID MR. MASSEY HAVE TO COME BACK AND PAY YOU?

A. HE HAD THE OBLIGATION TO COME BACK AND PAY ME; YES, SIR.

Q. HE DID? WAS THERE ANYTHING ON PAPER?

A. YEAH, I HAD IT WROTE DOWN.

Q. WROTE DOWN? IN YOUR BOOK?
A. YES, SIR.
Q. WOULD MR. MASSEY SIGN IT?
A. NO, SIR. THERE WASN'T NO SIGNING ---
Q. SO THAT IN YOUR -- IT WAS JUST IN YOUR MIND THAT HE HAD TO DO THAT. OKAY. YOU FILED A SUIT AGAINST MR. MASSEY; DIDN'T YOU?
A. YES, SIR.
Q. AND IN THAT SUIT, YOU CLAIM THAT HE DEFRAUDED YOU; ISN'T THAT RIGHT?
A. YES, SIR.
Q. OKAY. AND THIS WAS THE SECOND TIME HE HAD DEFRAUDED YOU; ISN'T THAT CORRECT?
A. HE STRA- -- HE DIDN'T DEFRAUD ME THE FIRST TIME. HE PAID ME EVERY DIME HE OWED ME.
Q. WELL, ---
A. THAT WASN'T -- THAT AIN'T DEFRAUDING THERE.
Q. BUT YOU HAD -- IT WASN'T -- IT WAS JUST A BREACH OF CONTRACT? HE JUST, JUST DIDN'T, DIDN'T FOLLOW UP WITH WHAT HE WAS SUPPOSED TO DO THE FIRST TIME, SO YOU ---
A. HE COME AND TOLD ME HE WAS IN TROUBLE AND WOULD I WORK WITH HIM TO WORK OUT FROM UNDER IT AND THAT'S WHAT I DID.
Q. AND THEN, WHEN YOU FOUND OUT THAT HE WASN'T GONNA

PAY YOU, DID YOU GO TO MRS. WHITFIELD?
A. YEAH, I WENT AND TOLD HER.
Q. OKAY.
A. IT WASN'T MRS. WHITFIELD. I WENT TO VICKI.
Q. OKAY. WELL, WHAT DID YOU TELL VICKI?
A. I TOLD HER THAT WE WAS IN TROUBLE WITH THE CARS, YOU KNOW.
Q. AND DID YOU TELL HER WHAT YOU DID, THAT YOU JUST GAVE THE CARS AWAY, YOU GAVE TITLES ---
A. I DIDN'T JUST GIVES THE CAR AWAY.
Q. HOW ELSE WOULD YOU DESCRIBE IT, THOUGH, MR. CROMER?
A. I DON'T KNOW HOW YOU DESCRIBE IT, BUT I WOULDN'T DESCRIBE IT THAT WAY.
Q. WELL, I GUESS NOT. WE'RE NEVER GOING TO COME TO ANY KIND OF AGREEMENT, BUT I'VE GOT HERE YOUR NOTATIONS HERE. I THINK -- I'M TRYING TO SEE IF IT'S -- I THINK IT'S PLAINTIFF'S -- DEFENDANTS' EXHIBIT NUMBER SEVEN (7), AND YOU'VE GOT HERE "SOLD CARS. GOT TITLE." WHAT DOES THAT MEAN? CAN YOU TELL ME?
A. YES, SIR. THAT'S THE CARS THAT HE SOLD AND I HAD GIVE HIM THE TITLES ON IT.
Q. YOU GAVE HIM THE TITLE. AND DID HE PAY YOU?
A. NO, SIR.

Q. WELL, WHEN DID THAT OCCUR?
A. THERE SHOULD BE A DATE ON THAT PAPER RIGHT THERE.
Q. I'M LOOKING. I DON'T SEE ONE ON HERE.
A. IT WAS IN '08.
Q. SHOW ME, IF YOU WOULD, ON HERE WHERE THERE'S A DATE ABOUT THE TIME IS. (DOCUMENT HANDED TO WITNESS) THAT'S YOUR EXHIBIT SEVEN (7). I THINK OF GOT IT HERE.
A. (UPON REVIEW) I GOT '08 RIGHT HERE. LOSSES IN '08, RIGHT HERE AT THE BOTTOM. (POINTING ON DOCUMENT)
Q. LOSS. AND THAT'S SUPPOSED TO COVER THE WHOLE, THE WHOLE FIRST, FIRST PAGE?
A. YEAH. THAT'S '08.
Q. AND THEN HOW ABOUT THE SECOND PAGE? WHAT, WHAT DOES THAT MEAN THERE, ALL THESE FIGURES HERE?
A. THAT'S CARS I SOLD IN '07.
Q. WHAT CARS -- WERE THESE CARS THAT YOU GAVE TO ---
A. I DIDN'T GIVE NO CARS TO NOBODY.
Q. WELL, HOW DID THE CARS COME TO PASS ---
A. THEY, THEY BOUGHT THEM.
Q. THEY BOUGHT THEM?
A. YES, SIR. AND I FURNISHED THE MONEY FOR THEM TO BUY THEM.
Q. ALL RIGHT. AND THEY DIDN'T PAY YOU; IS THAT IT?

IS ---

A. YES, SIR.

Q. --- THAT WHERE WE ARE?

A. YES, SIR.

Q. AND THIS WENT ON FOR -- HOW LONG DID THIS GO ON?

A. IT WAS EIGHT (8), NINE (9), TEN (10), ELEVEN (11) AND TWELVE (12).

Q. THEY BOUGHT ---

A. ME SELLING THEM. AFTER I TOOK THE CARS BACK, IT TOOK ME THAT LONG TO GET RID OF ALL THE CARS. WORKED ON THEM, FIX THEM, TAKEN THEM TO THE SALE, AND SELLING THEM.

Q. SO YOU CONSIDER YOU COULD ---

BY THE COURT: MR. WALDREP, LET ME SEE THAT EXHIBIT, NUMBER SEVEN (7).

BY MR. WALDREP: YES, SIR. (DOCUMENT HANDED TO THE COURT)

BY THE COURT: THANK YOU.

Q. LOOKING AT DEFENDANTS' NUMBER EIGHT (8), IS THIS SOMETHING THAT YOU AND YOUR ATTORNEY CAME UP WITH? (DOCUMENT HANDED TO WITNESS)

A. (UPON REVIEW) YES, SIR.

Q. OKAY. YOU'VE GOT DOWN HERE ON DEFENDANTS' EXHIBIT NUMBER EIGHT (8), YOU MENTIONED THAT MERCEDES AUTOMOBILE. WASN'T THERE ALSO A CORVETTE VEHICLE

THAT YOU ---

A. I'VE STILL GOT THE CORVETTE. I HAVEN'T EVER SOLD IT.

Q. WELL, SHOULDN'T WE BE GETTING CREDIT FOR THAT CORVETTE, THE CORVETTE YOU STILL HAVE? DID YOU MAKE THAT AS A CREDIT BACK TO MRS. WHITFIELD?

A. NO, SIR.

Q. BUT YOU ---

A. THAT'S THE MONEY INVOLVED IN THE EIGHT HUNDRED THOUSAND ($800,000.00).

Q. BUT YOU ---

A. I DON'T OWE HER THE CORVETTE BACK. THAT'S THE MONEY THAT WAS INVOLVED IN THE TOTAL OF THE EIGHT HUNDRED THOUSAND ($800,000.00).

Q. AND YOU STILL HAVE IT?

A. YES, SIR; I'VE STILL GOT IT.

Q. (PAUSE - REVIEWING NOTES) YOU PROVIDED MRS. WHITFIELD WITH SEVERAL DIFFERENT SCENARIOS ABOUT HOW MUCH WAS INVOLVED IN THIS TRANSACTION BETWEEN THE NOTE -- YOU AND THE NOTE AND MRS. WHITFIELD. DO YOU REMEMBER THE FIRST TIME THAT YOU MADE SOME CLAIM OR ADJUSTMENT TO THESE FIGURES AND YOU SAID THAT YOU OWED HER ABOUT THIRTY-THREE THOUSAND DOLLARS ($33,000.00)? DO YOU REMEMBER THAT?

A. NO, SIR.

Q. DO YOU REMEMBER THAT YOU DEALT WITH MR. -- MR. HARDY SENT THAT LETTER IN YOUR BEHALF?
A. YES, SIR.
Q. AND THEN AFTER THAT, YOU CHANGED YOUR MIND AND DECIDED THAT SHE, SHE OWED YOU MONEY; YOU DIDN'T OWE HER MONEY? DO YOU REMEMBER THAT?
A. NO, SIR.
Q. YOU DON'T REMEMBER DOING THAT? THERE WERE THREE (3) SEPARATE OPPORTUNITIES THAT YOU HAD OR THAT YOU TOOK TO TELL MRS. WHITFIELD ABOUT WHAT THE STATUS OF THIS ACCOUNT WAS, AND YOU FINALLY ENDED UP -- HOW MUCH DO YOU THINK NOW THAT SHE OWES YOU?
A. (NO RESPONSE)
Q. SHE DOESN'T OWE YOU ANYTHING; DOES SHE?
A. YES, SIR.
Q. BUT YOU -- WHAT, WHAT DO YOU BASE THAT ON?
A. THE MASSEY LOSSES IS ON THAT, ON THAT, UH -- SHE OWES ME ON THAT.
Q. YOU REALLY DON'T HAVE ANY REAL BASIS FOR SAYING THAT MRS. WHITFIELD OWES YOU MONEY; DO YOU?
A. YES, SIR.
Q. OKAY. (PAUSE - REVIEWING NOTES) AT ONE TIME, YOU CLAIMED THAT -- IS SOME OF THAT CLAIM THAT YOU HAVE IS THAT AGAINST MR. WHITFIELD BECAUSE OF YOUR TAX SITUATION?

A. WE TOOK ALL THAT OUT EARLIER, ABOUT THE TAX SITUATION ---
Q. OH, THAT -- YOU DON'T CARE ABOUT THAT ANYMORE. BUT AT ONE TIME YOU SAID THAT MR. WHITFIELD OWED YOU MONEY FOR SOMETHING ELSE, FROM SOME OTHER RELATIONSHIP THAT YOU HAD DOWN YEARS AGO.
A. IT WAS THE INTERN- -- TAXES, THE INTERNAL REVENUE WAS THE ONLY THING.
Q. MR. CROMER, YOU'VE NEVER HAD A PARTNERSHIP AS FAR AS THIS NOTE WAS CONCERNED; HAVE YOU?
A. EVERYTHING WE DONE, EVERYTHING EVER MADE IN MY LIFE, I SPLIT HALF OF IT WITH HIM.
Q. I THINK YOU REFER TO IT AS HALVERS; IS THAT RIGHT?
A. THAT'S WHAT I DID.
Q. YOU NEVER HAD A JOINT TAX RETURN; DID YOU?
A. NO, SIR.
Q. YOU NEVER HAD A DOCUMENT SHOWING ANY KIND OF PARTNERSHIP RELATIONSHIP; DID YOU?
A. NO, SIR.
Q. AND THERE'S NOTHING ON THIS NOTE THAT INDICATES ANY PARTNERSHIP; IS THERE?
A. (NO RESPONSE)
Q. NOTHING IN WRITING? SO WHAT WE HAVE TO RELY ON IS YOU TELLING THE COURT THAT "I JUST THINK WE WERE PARTNERS," BUT YOU DON'T HAVE ---

A. THAT'S WHAT WE CALLED ONE ANOTHER ALL THEM FIFTY (50) YEARS WE WORKED TOGETHER PARTNERS.

Q. BUT YOU DIDN'T DISPLAY THAT; YOU HAD NO CONT- --NO PARTNERSHIP CONTRACT; DID YOU?

A. WE HAD A HANDSHAKE.

Q. IT WAS ALL KIND OF ---

A. HANDSHAKE.

Q. --- IN YOUR HEAD?

A. A HANDSHAKE.

Q. HANDSHAKE.

A. YES, SIR. DO YOU KNOW WHAT THAT IS?

Q. YES, SIR. DID ANYBODY SEE YOU SHAKING HANDS?

A. NO.

Q. THEY DIDN'T EVEN SEE YOU SHAKING HANDS TO MAKE A PARTNERSHIP?

A. NO, SIR.

BY MR.WALDREP: THAT CONCLUDES MY EXAMINATION.

BY THE COURT: ALL RIGHT. YOU WANT TO DO ANY REDIRECT?

BY MR. PRUITT: YES, SIR; JUST A LITTLE BIT. I JUST HAVE TO CLEAR UP A FEW LITTLE THINGS.

BY THE COURT: "FEW" IS THE OPERATIVE WORD. (CHUCKLE)

REDIRECT EXAMINATION BY MR. PRUITT:

Q. MR. CROMER, TAKE A LOOK AGAIN AT THE, AND THE PLAINTIFF'S EXHIBIT NUMBER SIX (6), AND DIRECT YOUR ATTENTION TO, TO 2008, IF YOU WOULD.
A. THAT SHOULD BE THIS FIRST ONE. NO, THAT'S SEVEN (7). (PAUSE - LOOKING THROUGH DOCUMENTS) ---
Q. HOW MUCH DID YOU PAY -- YOU'RE NOT TO 2008 YET?
A. THERE IT IS. THERE IT IS RIGHT THERE.
Q. ALL RIGHT, GO AHEAD. HOW MUCH DID YOU PAY TO THE WHITFIELDS OR THE LITTLEFIELDS IN 2007 AS HALF OF THE CAR PROFITS?
A. IN '8, YOU MEAN?
Q. IN '8, YEAH.
A. ONE TWENTY-EIGHT SIX EIGHTEEN SIXTY-EIGHT ($128,618.68).
Q. ALL RIGHT. NOW, DID YOU, DID YOU DEDUCT IN THAT BOOK THERE FOR THE MASSEY LOSSES WHEN YOU WERE PAYING THAT INTEREST?
A. NO, SIR. I FIGURED THE MASSEY LOSSES WOULD BE, WOULD BE DEDUCTED OFF OF THE TOP OF THE EIGHT HUNDRED DOL- -- EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00).
Q. ALL RIGHT. HOW MUCH DID YOU PAY THE, THE WHITFIELDS IN 2009?
A. (PAUSE - LOOKING THROUGH DOCUMENTS) SIXTY-EIGHT THOUSAND NINE EIGHTY-ONE SIXTY ($68,981.60).

Q. AND DID YOU PAY THEM THAT DESPITE THE MASSEY LOSSES OF FORTY-FIVE THOUSAND DOLLARS ($45,000.00) THAT YEAR?

A. YES, SIR.

Q. ALL RIGHT. GO AHEAD AND, AND TELL US WHAT YOU PAID IN 2010, 2011 AND 2012. DID YOU EVER DEDUCT FOR ANY MASSEY LOSSES?

A. (PAUSE - LOOKING THROUGH DOCUMENTS) TEN ('10) WAS FORTY-THREE FOUR FIFTEEN FORTY-TWO ($43,415.42). ELEVEN ('11), IT WAS FORTY-FOUR TWO EIGHTEEN TWENTY FIVE ($44,218.25). TWELVE ('12), IT WAS FORTY-TWO SEVEN SIXTY-TWO FOURTEEN ($42,762.14).

Q. NOW, FOR ALL THOSE YEARS, WHY DIDN'T YOU OFFSET THE PROFITS WITH THE MASSEY LOSSES?

A. I FIGURED THE LOSSES WAS COMING OFF OF THE TOP OF THAT EIGHT HUNDRED THOUSAND ($800,000.00).

Q. ALL RIGHT. DO YOU THINK YOU OUGHT TO GET CREDIT FOR THE INTEREST THAT YOU OVERPAID?

A. YES, SIR.

BY MR. PRUITT: OKAY. THAT'S ALL I HAVE.

BY THE COURT: ALL RIGHT. THE -- WILL SOMEBODY HAND ME PLAINTIFF'S EXHIBIT NUMBER THREE (3)?

BY MR. PRUITT: HERE IT IS. THAT'S THREE (3). THAT'S A JUDGMENT.

BY THE COURT: ALL RIGHT. I JUST -- I DO HAVE A QUESTION.

EXAMINATION BY THE COURT:

Q. I'M STILL SOMEWHAT CONFUSED ABOUT THIS BANK ACCOUNT, TWO HUNDRED AND FIFTY-EIGHT THOUSAND ($258,000.00) AND SOME ODD DOLLARS. WHERE, WHERE DID THAT BANK ACCOUNT COME FROM? THAT'S A JOINT ACCOUNT BETWEEN YOU AND, AND CHARLIE WHITFIELD?

A. YES, SIR.

Q. AND WHEN DID THAT COME INTO EXISTENCE?

A. '06.

Q. '06. AND WHERE DID THE MONEY COME FROM TO START THAT ACCOUNT?

A. FROM CHARLIE'S ACCOUNT.

Q. CHARLIE PUT THAT MONEY IN?

A. YES, SIR.

Q. AND WHAT WAS IT USED FOR?

A. IT WAS JUST A OVERFLOW OF MONEY.

Q. WHAT DO YOU MEAN "OVERFLOW OF MONEY?" I MEAN I'D LIKE TO GET SOME OF THAT. (CHUCKLE)

BY MR. PRUITT: YOUR HONOR, HERE'S THE EXHIBIT NUMBER FOUR (4) THAT, THAT DESCRIBES THAT ACCOUNT. (DOCUMENT HANDED TO THE COURT)

BY THE COURT: ALL RIGHT. GO AHEAD.

Q. WHAT DID Y'ALL USE IT FOR? NOW, WHAT DID YOU DO

WITH THAT ACCOUNT? WHAT DID YOU USE IT FOR?
A. JUST IN CASE I NEEDED THE MONEY, IT WAS THERE.
Q. OKAY. SO THAT WOULD HAVE BEEN AFTER 2007 IT WAS STARTED; IS THAT RIGHT?
A. YES, SIR. THAT ACCOUNT WAS OPENED IN '06, I BELIEVE; WASN'T IT?
Q. AND MR. WHITFIELD WASN'T DOWN THERE EVERY DAY AFTER Y'ALL SIGNED THIS NOTE; IS THAT RIGHT?
A. NO, SIR.
Q. OKAY. HE BASICALLY RETIRED?
A. (NODDING AFFIRMATIVELY)

BY THE COURT REPORTER: "YES?"

A. YES. I'M SORRY.
Q. OKAY. LET ME -- I'M STILL GETTING AROUND TRYING TO FIGURE OUT HOW Y'ALL APPLIED ---

BY MR. PRUITT: YOUR HONOR, THEY STIPULATED WHEN WE STARTED THE, THE TRIAL THAT TWO HUNDRED AND FIFTY-EIGHT THOUSAND ($258,000.00) WAS A JOINT ACCOUNT, BUT WE'D BE GLAD TO HAVE HIM EXPLAIN HOW THEY GOT IT.

BY THE COURT: NO, I UNDERSTAND THAT WAS A JOINT ACCOUNT, BUT I'M TRYING TO UNDERSTAND HOW THAT WAS APPLIED TO THE PRINCIPAL PAYMENT.

BY MR. PRUITT: OKAY. TELL HER PAUL -- TELL HIM PAUL; WHAT HAPPENED.

A. CHARLIE, CHARLIE WANTED ME TO HAVE THAT MONEY FOR TAKING THE RAP ON THE INTERNAL REVENUE WHEN WE GOT CAUGHT.

Q. AND WHERE IS THAT WRITTEN DOWN?

A. IT'S NOT.

Q. WELL, I, I'M JUST TRYING TO ---

BY MR. PRUITT: CAN I ASK HIM, JUDGE?

BY THE COURT: YEAH, YOU CAN ASK HIM.

FURTHER REDIRECT BY MR. PRUITT:

Q. ALL RIGHT. AFTER CHARLIE WHITFIELD DIED, HOW DID YOU COME INTO POSSESSION OF THAT MONEY?

A. I WENT TO THE BANK AND GOT IT.

Q. ALL RIGHT. NOW, WHAT DID YOU DO WITH THE MONEY?

A. I GAVE IT TO VICKI TO BE TOOK OFF OF THE EIGHT HUNDRED THOUSAND ($800,000.00).

Q. AND IS THERE A, IS THERE A COPY OF THE CHECK IN PLAINTIFF'S EXHIBIT NUMBER ONE (1) THAT SHOWS WHERE YOU GAVE IT TO HER?

A. THERE'S SUPPOSED TO BE.

BY MR. WALDREP: YOUR HONOR, I THINK WE'VE ALREADY STIPULATED THAT IS MONEY THAT WE'VE GIVEN HIM CREDIT FOR.

BY THE COURT: WELL, I UNDERSTAND THAT, BUT I'M TRYING TO FIGURE OUT WHY.

BY MR. WALDREP: YEAH. WELL, WE'VE ---

BY THE COURT: I MEAN HERE'S MY, HERE'S MY, HERE'S MY QUESTION ---

BY MR. WALDREP: YES, SIR.

BY THE COURT: IS THE JOINT ACCOUNT, ALL THE MONEY'S PUT INTO IT BY CHARLIE WHITFIELD AND I DON'T KNOW WHETHER THERE'S ANY ACCOUNT DOCUMENTS THAT SPECIFY WHAT HAPPENS WHEN SOMEBODY DIES. SOMETIMES THE DEPOSITS ACCOUNT WILL SAY ONE THING AND THEN IT'S SOME OTHER LAW THAT SAYS SOMETHING DIFFERENT. AND SO YOU SAY, "WELL, NORMALLY, BEFORE THAT -- AS LONG AS BOTH OF THEM IS STILL LIVING, THEN THE MONEY BELONGS TO WHOEVER PUT IT IN THERE."

BY MR. WALDREP: THAT'S RIGHT.

BY THE COURT: AND WHEN ONE OF THEM DIES, IT DEPENDS ON WHETHER OR NOT THERE'S ANY PROVISION IN THE ACCOUNT DOCUMENTS THAT SAYS THE MONEY GOES HERE, THERE OR YONDER. AND IF THERE'S NOT ANY PROVISION LIKE THAT, THEN THE STATUTE SAYS IT GOES TO THE SURVIVING PARTIES.

BY MR. WALDREP: WELL, YOUR HONOR, WE HAVE QUESTIONED THAT. WE HAVE BEEN WRESTLING WITH THAT SAME QUESTION THAT YOU'VE RAISED THERE, A GREAT DEAL, AND MR. CROMER HAS BEEN SO ADAMANT ABOUT HOW HE'S ENTITLED TO THAT MONEY. WE FINALLY DECIDED

THAT, YOU KNOW, WE DON'T HAVE A DEFINITIVE ANSWER ABOUT WHAT YOUR QUESTION IS, YOU KNOW, WHAT WAS THE MONEY FOR AND WHO PUT IT ---

BY THE COURT: WELL, I MEAN THE PROBLEM IS, THE PRACTICAL PROBLEM IS THAT MR. CROMER BASICALLY USED MR. WHITFIELD'S MONEY TO PAY MR. WHITFIELD THE DEBT, WHICH ---

BY ELIZABETH WALDREP: YOUR HONOR, WE WERE UNABLE -- WE SUBPOENAED THOSE RECORDS FROM FIRST CITIZENS TO TRY GET ALL THAT, THAT DOCUMENTATION AND THEY SAID THEY DIDN'T KEEP THE RECORDS THAT FAR BACK.

BY MR. PRUITT: WE'VE GOT THE, WE'VE GOT THE ACCOUNT OPEN SITTING RIGHT THERE. (INDICATING)

BY THE COURT: WELL, YOU'VE GOT THIS ONE (1) PAGE. IT SAYS IT'S -- WELL, THIS IS MORE OF A SIGNATURE CARD. SAYS "CONSUMER SIGNATURE CARD" IS WHAT IT'S CALLED. BUT, ANYWAY, I WAS JUST ASKING THE QUESTION. IT DOESN'T SAY ANYTHING ABOUT DISPOSITION OF THE ACCOUNT UPON DEATH OF ONE OF THE PARTIES OR NOT. I KNOW A LOT OF ACCOUNTS DO HAVE PROVISIONS ABOUT THAT. I DON'T KNOW ---

BY MR. PRUITT: COULD BE, COULD BE P.O.D. THROUGH DEATH OR SOMETHING ELSE. BUT THE LAW IS REALLY -- WELL, NUMBER ONE (1), THEY'VE ALREADY

STIPULATED THAT; THEY'VE ALREADY USED THAT PAYMENT IN ALL OF THE -- ALL OF THEIR EXHIBITS. PLUS THE, THE LAW IS, THE LAW IS, IS CLEAR ON THAT. THIS ACCOUNT WAS TAKEN OUT IN 2006 AND AT THAT TIME THE LAW WAS JUST AS -- WHAT YOU SAID. UNLESS THERE'S ANOTHER PAPER OR SOMETHING TO, TO COUNTERACT, IT GOES TO THE SURVIVOR.

BY THE COURT: WELL, THAT'S MY -- THAT'S WHAT I'M GETTING AT. THAT'S WHAT I'M TRYING TO FIND OUT. WHEN DID MR. WHITFIELD DIE?

BY MS. LITTLEFIELD: IN MARCH.

BY THE COURT: MARCH OF WHAT YEAR?

BY MS. LITTLEFIELD: '08.

BY THE COURT: ALL RIGHT. OKAY. ALL RIGHT, I WAS JUST TRYING TO FIND OUT. ALL RIGHT.

BY MR. WALDREP: WE'RE JUST, WE'RE JUST BENDING OVER BACKWARDS, YOUR HONOR, TO BE FAIR AS WE POSSIBLY COULD.

BY THE COURT: I KNOW YOU WERE AND I HOPE YOU DIDN'T HURT YOURSELF. (CHUCKLE)

BY MR. WALDREP: I KNOW IT. I HAVEN'T STRAIGHTENED UP YET.

BY THE COURT: ALL RIGHT. ANYTHING ELSE FROM THIS WITNESS?

BY MR. PRUITT: NO, SIR.

BY THE COURT: ALL RIGHT. MR., MR. CROMER, YOU CAN STEP DOWN.

BY THE WITNESS: THANK YOU.

(MR. CROMER LEAVES THE STAND)

BY THE COURT: DO YOU HAVE ANY OTHER WITNESSES?

BY MR. PRUITT: NO, SIR. DEFENSE RESTS.

BY THE COURT: ALL RIGHT. Y'ALL WANT TO DO ANY KIND OF CLOSING ARGUMENTS OR ANYTHING OF THAT NATURE, OR DO Y'ALL WANT TO SUBMIT A MEMORANDUM? WHAT DO YOU WANT TO DO? I MEAN IT'S GETTING A LITTLE BIT LATE IN THE DAY, BUT I, I'M OPEN TO WHATEVER Y'ALL WANT TO DO. I MEAN I, I'VE GOT A LOT OF QUESTIONS ABOUT A LOT OF THIS STUFF AND, YOU KNOW, I'M NOT SURE. WE MAY WANT TO RECONVENE TO HAVE CLOSING ARGUMENTS; MAYBE, MAYBE NOT. WHAT WOULD Y'ALL PREFER?

BY MR. WALDREP: YOUR HONOR, WE FEEL LIKE THAT WE'VE PUT UP ABOUT AS MUCH INFORMATION AS YOU CAN STAND, BUT, UH, (CHUCKLE) ---

BY THE COURT: OH, I'M VERY TOLERABLE. (CHUCKLE)

BY MR. WALDREP: THERE'S NO WAY YOU, YOU WOULD WANT ANY MORE. BUT, BASICALLY, WE HAVE A NOTE THAT WAS SIGNED IN 2007 FOR EIGHT HUNDRED

THOUSAND DOLLARS ($800,000.00) AND WE FEEL LIKE THAT WE HAVE PROVIDED THE COURT WITH AS MUCH INFORMATION AS WE CAN ABOUT CREDITS AND HOW THE NOTE SHOULD BE INTERPRETED. AND I THINK ONE OF THE MAIN THINGS THAT CONCERNS ME IS THE FACT THAT THE, THE DEFENDANTS IN THIS CASE WANT TO REWRITE THE NOTE IN SUCH A WAY AS TO CONVERT BAD DEBTS INTO EXPENSES IN SOME WAY AND CONVERT BAD DEBTS INTO A SITUATION THAT THEY CAN CLAIM THE CREDIT FOR THE LOSS, MASSEY LAWSUIT, WHICH IS -- SEEMS TO BE AT THE, AT THE HEART OF THEIR ARGUMENT RIGHT THERE ABOUT HOW MUCH THEY'RE ENTITLED TO. AND THE WAY THAT THE DEFENDANTS HAVE TRIED TO INTERPRET THE NOTE TO SAY THAT THESE BAD DEBTS ARE -- WOULD, WOULD ACTUALLY GO BACK AGAINST THE, THE PRINCIPAL IN THIS CASE ---

BY THE COURT: WELL, LET ME JUST TELL YOU HOW I LOOK AT IT.

BY MR. WALDREP: --- IS WHAT BOTHERS ME.

BY THE COURT: HERE'S WHAT BOTHERS ME. AND I AGREE WITH YOU. YOU'VE GOT A PROMISSORY NOTE AND IT'S VERY CLEAR THAT IT'S EIGHT HUNDRED THOUSAND ($800,000.00) PRINCIPAL. AND THEN YOU'VE GOT THIS PROVISION ABOUT THE INTEREST AND, YOU KNOW, QUITE FRANKLY THAT'S TWO (2) DIFFERENT AND DISTINCT

THINGS: PRINCIPAL ON ONE HAND AND THE INTEREST ON ONE HAND. SO -- AND YOU TALK ABOUT THESE MASSEY LOSSES, I MEAN, ACCORDING TO THE NOTE, WHY WOULD THOSE NOT BE BAD DEBTS ON CARS? I MEAN THEY WERE LOANS THAT WERE MADE AND DIDN'T GET REPAID AND THEY ARE BAD DEBTS. AND I DO HAVE PROBLEMS WITH THAT FOR A COUPLE OF REASONS, NUMBER ONE (1), THE TIME EXPIRED SINCE THOSE, THOSE CARS WERE SOLD OUT OF TRUST OR WHATEVER HAPPENED TO THEM AND THOSE BAD DEBTS CAME, CAME INTO EXISTENCE. AND I MEAN THAT WAS IN 2008. AND THEN APPARENTLY WHAT HAPPENED -- THE ONLY THING THAT HAPPENED AFTER 2008, AS TO THOSE, WAS THAT, YOU KNOW, SOME OF THE CARS WERE RECOVERED, SOLD AND, AND SOME OF THAT MONEY WAS RECOUPED, WHICH WOULD HAVE REDUCED THE AMOUNT OF THE BAD DEBT. BUT I MEAN THERE'S A LOT OF TIME. YOU KNOW, IT'S ELEVEN (11) YEARS LATER NOW AND, AND CLAIMING THAT THEY'RE OWED MONEY FOR OVERPAYMENT WHERE THE -- IT DOESN'T MAKE ANY DIFFERENCE, I DON'T THINK, WHETHER IT'S A, WHETHER IT'S APPLIED PRINCIPAL OR WHETHER IT'S A REFUND OF OVERPAID INTEREST; COMES OUT THE SAME REALLY. BUT -- TO SOME REGARD OR EXTENT. THE OTHER THING THAT BOTHERS ME ABOUT THE MASSEY SITUATION IS THAT, YOU KNOW, IT, IT, IT BOTHERS ME THAT MR. CROMER WAS

PRETTY RESPONSIBLE FOR THAT HAPPENING, I MEAN BASED ON THE TESTIMONY. HE HAD A HISTORY WITH MR. MASSEY THAT WASN'T TOTALLY GREAT. AND THEN HE FOLLOWED PROCEDURES WITH MR. MASSEY THAT OBVIOUSLY WEREN'T HELPFUL. AND SO, YOU KNOW, IS HE CHARGEABLE WITH SOME KIND OF CULPABILITY IN CREATING THOSE BAD DEBTS SO THAT IT SHOULDN'T BE INCLUDED? I DON'T KNOW. THAT'S THE QUESTIONS.

BY MR. WALDREP: WELL, YOUR HONOR, THAT'S, THAT'S A PROBLEM THAT WE GET AS WELL, AND I'D LIKE FOR YOU TO THINK ABOUT IT IN THE TERMS OF WHAT MR. CROMER'S RESPONSIBILITY WAS. HE HAD THE OBLIGATION TO SHEPHERD THIS MONEY IN SOME WAY, AND HE WAS COMPLETELY DERELICT. AND THAT'S, OF COURSE, IS PART OF OUR PLEADING HERE ABOUT HIS DERELICTION OF HIS DUTY THAT HE HAD TO SHEPHERD THIS, THIS, THIS ACCOUNT, AND HE DID ABSOLUTELY NOTHING UNTIL IT JUST FELL OFF. I ASKED HIM QUESTIONS ABOUT "DID YOU PERIODICALLY CHECK?" WELL, YES, HE CHECKED, HE DID PERIODICALLY. "WHAT NOTATIONS DO WE HAVE THAT YOU WENT BY AND YOU CHECKED WITH MR. MASSEY ABOUT THE STATUS OF THESE VEHICLES?" HE DID ABSOLUTELY NOTHING, AND THAT'S WHY WE CHARACTERIZED IT AS YOU GIVE A MAN A CAR AND YOU GIVE A MAN A TITLE AND WALK AWAY AND YOU,

YOU TRUST HIM. AND HE HAD GONE THROUGH THE SAME PROBLEM WITH MR. MASSEY BEFORE. HE GAVE HIM ANOTHER BITE AT THE APPLE.

BY THE COURT: WELL, ANOTHER THING THAT BOTHERS ME A LITTLE BIT IS THAT YOU'VE GOT A BUNCH OF NUMBERS ON A PIECE OF PAPER THAT SAYS THIS IS HOW MUCH THE LOSS WAY AND YOU DON'T HAVE ANY -- HE, HE'S TESTIFIED THAT HE HAD A LIST SOMEWHERE OF EVERY CAR THAT WAS LOANED, LOANED MONEY ON, AND EVERY CAR THAT SOLD AND DIDN'T HAVE THE TITLE TO IT, AND SO ON. YET, THEY DIDN'T PRODUCE THAT. ALL THEY PRODUCED WAS A LIST OF FIGURES ON A PIECE OF PAPER. THEY'RE NOT ASSOCIATED WITH ANY PARTICULAR CAR. SO THAT GIVES ME CONCERN ABOUT THE ---

BY MR. WALDREP: WELL, I THINK HE'S GOT THE BURDEN OF PROOF.

BY THE COURT: WELL, I THINK YOU'RE RIGHT ABOUT THAT, ON THAT PART OF IT, YEAH.

BY MR. WALDREP: FOR THAT PORTION OF IT.

BY THE COURT: WELL, I JUST, I'M JUST THROWING OUT MY EXPRESSIONS AND MY CONCERN AND YOU KNOW, MAYBE THAT -- YOU KNOW, I DON'T CONSIDER THE MERCEDES BENZ AN ELEMENT OF, OF PAYMENT. I MEAN IT SOUNDS TO ME LIKE THAT WAS, YOU KNOW, "YOU KEEP

THIS CAR. I'LL KEEP THIS ONE, AND, YOU KNOW, WE'LL GO ON ABOUT OUR BUSINESS." SO I'M KIND OF THROWING THAT OUT. THE ATTORNEY'S FEE IS DEFINITELY NOT PART OF A BAD DEBT. SO IT GETS DOWN TO EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00), WHAT WAS PAID. YOU'VE GOT FOUR HUNDRED AND FIFTY THOUSAND ($450,000.00) CLEARLY WAS PAID. AND THEN YOU'VE GOT A TWO HUNDRED AND FIFTY-EIGHT THOUSAND DOLLAR ($258,000.00) ACCOUNT THAT APPARENTLY Y'ALL ARE GIVING HIM CREDIT FOR PAYING THAT ON THE PRINCIPAL. THAT STILL LEAVES ABOUT A HUNDRED AND ONE THOUSAND DOLLARS ($101,000.00).

BY MR. WALDREP: YES, SIR.

BY THE COURT: THEN YOU GET TO THE OTHER ISSUE ABOUT THE, UH -- THE OTHER PARTS OF IT WERE REALLY JUST CALCULATING THE INTEREST EACH YEAR AND THERE'S NO PROVISION OF NEGATIVE INTEREST. SO IF, IF THE LOSS HAD OUTWEIGHED THE PROFIT ONE (1) YEAR, THEN THAT WOULD BE ZERO ($0) INTEREST FOR THAT YEAR, IN THEORY. AND HIS CLAIM IS "OH, WELL, I DIDN'T INCLUDE THIS," THEN "THEREFORE, I OVERPAID THE INTEREST AND I SHOULD BE GETTING THAT BACK." THEN WE GET INTO THE MULTIPLE PROBLEMS WITH THE MASSEY FUNDING. SO THAT'S WHERE I'M

COMING FROM, AND I THINK THE SIMPLEST THING TO DO IS GET YOU LAWYERS TO SUBMIT SOME KIND OF MEMORANDUM. AND I'VE TRIED TO HELP YOU SHAPE THE ISSUES AS I SEE IT AND ANY OTHERS Y'ALL MAY WANT TO PUT IN THERE IS FINE, AND THEN SUBMIT THAT TO ME AND LET ME MAKE A DECISION.

BY MR. WALDREP: YES, SIR.

BY THE COURT: OKAY? MR., MR. PRUITT, YOU GOT ANYTHING YOU WANT TO ADD, OR CLOSING?

BY MR. PRUITT: YOUR HONOR, THE WHOLE, THE WHOLE EXERCISE OF GOING THROUGH I THINK PLAINTIFF'S -- I MEAN DEFENDANTS' EXHIBIT NUMBER SIX (6) WAS TO SHOW THAT HE CONTINUED TO PAY THE INTEREST DESPITE THE FACT OF THE MASSEY LOSSES. AND IT'S UNDISPUTED ACCORDING TO THE NOTE THAT HE SHOULD HAVE BEEN ABLE TO OFFSET HIS INTEREST PAYMENTS BY THE LOSSES. AND THE, THE EXERCISE OF GOING THROUGH, AND IN THE SAME BOOK, TO SHOW WHERE THE PLAINTIFFS ACCEPTED THOSE LOSSES BY SHOWING THEIR RETURNS, THE TAX RETURNS WHERE THEY TOOK THOSE LOSSES, THAT SHOWS THEIR ACCEPTANCE OF IT. AND THERE'S BEEN, THERE'S BEEN NO EVIDENCE TO REBUT THE DEFENDANTS' TESTIMONY CONCERNING THE MASSEY LOSSES. IN FACT, MRS. LITTLEFIELD HERSELF WENT DOWN THERE TO TRY TO HELP RECOVER THE CARS

AND SHE DIDN'T DISPUTE THE FACT THAT THERE WAS A BUNCH OF CARS SOLD OUT OF TRUST. NOW, IT'S SIGNIFICANT THAT THE PLAINTIFFS WAIVED THEIR FOURTH AND FIFTH CAUSES OF ACTION, WHICH MIGHT HAVE GIVEN SOME BASIS FOR THE COURT'S CONCERN ABOUT MR. CROMER'S HANDLING OF THE CAR TITLES. BUT THE ONLY THING WE'RE HERE ON TODAY, AS FORMED BY THE PLEADINGS, AS, AS CHOPPED DOWN BY THE ORDER OF REFERENCES FIGURING OUT THE, THE NOTE. YOU CAN FORGET ABOUT A PARTNERSHIP. I DON'T CARE.

BY THE COURT: WELL, QUITE FRANKLY, MY IMPRESSION IS THAT WHAT HAPPENED IS THESE GUYS WAS DOING THIS BUSINESS ALL THESE YEARS AND MR. WHITFIELD DECIDED HE WANTED TO RETIRE, AND SO THIS MR. CROMER BOUGHT HIM OUT FOR EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00), AND THIS IS THE WAY HE WAS GONNA PAID THAT MONEY OVER SOME PERIOD OF TIME. I MEAN PROVISIONARY I AGREE THAT IT'S A, IT'S AN ODD AND UNIQUE INTEREST RATE PROVISION BECAUSE, YOU KNOW, IN THE EARLIER PARTS WHERE YOU OWE EIGHT HUNDRED THOUSAND DOLLARS ($800,000.00), THE INTEREST RATE MAY BE FAIRLY LOW, CALCULATED LIKE THEY WERE DOING IT. BUT THEN WHEN THAT -- IF THAT MONEY GETS PAID DOWN TO, SAY, A HUNDRED THOUSAND ($100,000.00), THE INTEREST IS GONNA BE

THE SAME. SO THE RATE'S GONNA BE, YOU KNOW, IT AIN'T GONNA BE VERY HIGH. THAT PROBABLY WOULD FIND INCENTIVE TO GET IT PAID OFF, SO YOU STOP ALL THAT FROM HAPPENING. AND I MEAN THERE'S NOTHING WRONG WITH THAT. BUT I THINK THAT'S WHAT IT LOOKS LIKE TO ME HAPPENED. IT DOESN'T REALLY MATTER. IT'S STILL THE NOTE'S SIGNED, FOR WHATEVER REASON, AND ALL WE'VE GOT TO DO IS FIGURE OUT, YOU KNOW, HOW MUCH HAS BEEN PAID AND HOW MUCH HASN'T BEEN PAID.

BY MR. PRUITT: AND WHETHER THERE'S ANY AMOUNT THAT WAS OVERPAID.

BY THE COURT: WELL, THAT FALLS UNDER HOW MUCH HAS BEING PAID.

BY MR. PRUITT: YES, SIR.

BY THE COURT: ALL RIGHT. ANYTHING ELSE?

BY MR. PRUITT: NO, SIR.

BY THE COURT: ALL RIGHT. IF Y'ALL WILL SUBMIT SOMETHING AND, YOU KNOW, I'M NOT GONNA PUSH YOU. I WANT TO GIVE YOU, YOU KNOW -- HOW LONG YOU NEED TO GET SOMETHING DONE, A MEMORANDUM OF SOME KIND?

BY MR. WALDREP: TWENTY (20) DAYS?

BY THE COURT: OKAY. I KNOW YOU, YOU HAD A MOTION ONE TIME TO AMEND YOUR REPLY TO RAISE SOME

KIND OF STATUTES.

BY MR. WALDREP: I DID. AND ---

BY THE COURT: IS THAT A STATUTE OF LIMITATIONS?

BY MR. WALDREP: THAT WAS GRANTED. AND THAT WAS THE ADDITION OF THE STATUTORY LAW AND THE, THE STATUTE OF LIMITATIONS WERE TWO (2) THINGS WE WERE POSING.

BY THE COURT: SO YOU DID PLEAD A STATUTE OF LIMITATIONS?

BY MR. WALDREP: YES.

BY THE COURT: OKAY. WELL, I THINK THAT'S A SERIOUS ISSUE RIGHT THERE. BECAUSE I MEAN THESE CLAIMS WOULD HAVE ARISEN IN REALLY -- THE, THE GROSS AMOUNT OF THE CLAIM WOULD'VE ARISEN IN 2008 AND WOULD ACTUALLY WOULD'VE BEEN REDUCED OVER THE TIME AFTER THEY GOT THE CARS BACK AND SOLD THEM AND ALL THAT. SO THAT MAY BE A SUBSTANTIAL ISSUE.

BY MR. WALDREP: I THINK IT IS.

BY MR. PRUITT: WELL, OF COURSE, THE, THE PAYMENTS, IF THEY WERE MADE, THE STATUTE COULDN'T START TO RUN UNTIL THERE WAS A DEFAULT. AND YOU CAN GO BACK AS FAR AS YOU WANT TO SHOW PAYMENTS.

BY THE COURT: AND HE'S CLAIMING THAT HE OVERPAID AND HE'S CLAIMING THAT HE WANTS A REFUND,

AND THAT CLAIM WOULD'VE RISEN WHENEVER HE MADE THAT OVERPAYMENT, WHICH HAPPENED ACCORDING TO YOU ALL, EACH YEAR. I MEAN THE LATEST OF -- THE SMALL ONE IN 2013 WHICH IS STILL, YOU KNOW, THREE (3), FOUR (4), FIVE (5) YEARS AGO, WHATEVER IT IS.

BY MR. PRUITT: WELL, THAT'S, THAT'S CERTAINLY SOMETHING TO THINK ABOUT. BUT IN GENERAL, IF YOU BRING SUIT LIKE THAT ON A NOTE, YOU'VE TOLLED ANY STATUTE OF LIMITATIONS FOR COUNTERCLAIMS THAT WOULD ARISE OUT OF THOSE SAME EVENTS.

BY THE COURT: I'M NOT SURE I'M FAMILIAR WITH THAT RULE. YOU CAN PUT IT IN YOUR MEMORANDUM AND EDUCATE ME.

BY MR. WALDREP: THAT'S, THAT'S A RULE IN CALHOUN'S CASE. (CHUCKLE)

BY THE COURT: ALL RIGHT, Y'ALL GET ME SOMETHING IN ABOUT THREE (3) WEEKS.

.... THE HEARING WAS THEN ADJOURNED - 5:30 P.M.

STATE OF SOUTH CAROLINA)
) CERTIFICATE OF REPORTER
COUNTY OF ANDERSON)

THIS IS TO CERTIFY THAT THE FOREGOING TWO HUNDRED AND TWELVE (212) PAGES REPRESENT A TRUE AND ACCURATE TRANSCRIPTION OF THE HEARING HELD BEFORE THE HONORABLE STEVEN C. KIRVEN, MASTER-IN-EQUITY FOR ANDERSON AND OCONEE COUNTY, WHICH WAS TAKEN BEFORE ME, ELLEN A. BOWEN, VERBATIM COURT REPORTER AND NOTARY PUBLIC IN AND FOR THE STATE OF SOUTH CAROLINA, ON THE 24TH DAY OF SEPTEMBER, 2019.

THIS WILL FURTHER CERTIFY THAT I AM NOT INTERESTED IN, NOR AM I COUNSEL OR ATTORNEY TO EITHER OF THE PARTIES INTERESTED IN THE EVENT OF THE CAUSE.

_____ (L.S.)
ELLEN A. BOWEN, COURT REPORTER AND NOTARY PUBLIC IN AND FOR THE STATE OF SOUTH CAROLINA.

MY COMMISSION EXPIRES: 03-12-2023

FEBRUARY 14, 2019

PROMISSORY NOTE

$ 800,000.00

Anderson, South Carolina
January 1, 2007

FOR VALUE RECEIVED, the undersigned, Paul Cromer, Inc., a South Carolina Corporation (hereinafter referred to as the "Maker"), does hereby promise to pay to the order of Charles H. Whitfield (hereinafter referred to as the "Holder") at Anderson, South Carolina or at such other place as may be designated in writing by the Holder hereof, the sum of Eight hundred thousand dollars ($800,000.00) in lawful money of the United States of America, with interest thereon from date on the principal sum or so much thereof as shall from time to time remain unpaid, at the rate specified in subparagraph (c) hereinafter, payable as follows:

a) Principal. Maker shall pay the Holder the principal sum in full one hundred eighty (180) days after demand.

b) Interest. Interest accruing on the principal sum shall be paid semi-annually on the 15th day of July and January, beginning July 15th, 2007.

c) Interest Rate. The interest rate which the Maker agrees to pay on the principal sum is a sum that is equal to fifty percent (50%) of the profits on car loans during each calendar year, minus fifty percent (50%) of the bad debts on car loans.

d) General Provisions.

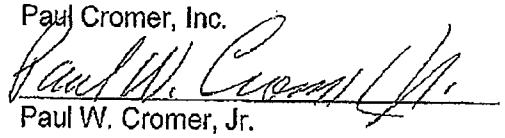
i) If default be made in the payment of principal and/or interest when due under this Note, or in the performance of any of the terms, covenants, conditions or warranties contained in the mortgage securing payment hereof, at the option of the Holder of this Note, the entire principal sum evidenced hereby, together with interest accrued thereon, without notice, shall become immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise same in the event of any subsequent default. If any suit or action is instituted or an attorney is employed to collect any amount due on this Note, or any part thereof, or to enforce any remedy of the Holder as contained in the mortgage securing the same, the undersigned promises and agrees to pay all cost of collection, including a reasonable amount as attorney's fees.

ii) The Maker agrees to and does waive and renounce any and all homestead and exemption rights, and the benefit of all valuation and appraisement privileges as against this debt or any renewal or extension thereof, waives demand, protest, notice of protest, notice of non-payment and any and all lack of diligence or delays in collection or enforcement hereof, and expressly consents to any renewal of this

Note, extension of time, release of any of the security for repayment of this Note, acceptance of any other security thereof, or any other indulgence or forbearance.

IN WITNESS WHEREOF, the undersigned has hereunto affixed its corporate seal on the year and date first written above.

Paul Cromer, Inc.

By: 

Paul W. Cromer, Jr.

GUARANTY

The undersigned guarantees to Charles H. Whitfield (the "Holder") of the foregoing Promissory Note that Paul Cromer, Inc. (the "Obligor") will timely pay all sums due under the foregoing Promissory Note, including principal amount, accumulated interest, attorney's fees and court costs.

The obligation and the liability on the part of the undersigned shall be a primary and not a secondary obligation and liability, payable immediately upon demand without recourse first having been had by the Holder against the Obligor or any person, firm or corporation; and the undersigned hereby waives the benefits of all provisions of law for stay or delay or execution or sale of property of obligation and liability hereunder until judgment be obtained therefor against the Obligor and execution thereon returned unsatisfied, or until it is shown that the Obligor has no property available for the satisfaction of the indebtedness, obligation or liability hereby guaranteed, or until any other proceedings can be had.

The undersigned hereby unconditionally guarantee(s) to the Holder payment of the Note by the Obligor without the necessity of the Holder proceeding against the Obligor or otherwise making demand upon the Obligor.

The undersigned expressly waive(s):

(a) Notice of acceptance of this Guaranty and all extensions of credit to the Obligor;

(b) Presentment and demand for payment of any of the debts of the Obligor;

(c) Protest and notice of dishonor or of default to the undersigned or to any other party with respect to any of the debts of the Obligor or with respect to any security therefor;

(d) All other notices to which the undersigned might otherwise be entitled; and,

(e) Demand for payment under this Guaranty.

This is a Guaranty of payment and not of collection.

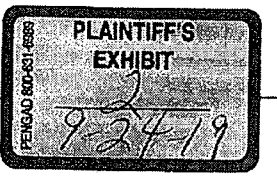
This obligation shall be construed in accordance with the laws of the State of South Carolina and shall bind the heirs and assigns of the undersigned.

IN WITNESS WHEREOF, the undersigned has or have hereunto set his or their hands and seals this 1st day of January, 2007.

In the Presence of:

Paul W. Cromer, Jr.

STATE OF SOUTH CAROLINA)
) IN THE COURT OF COMMON PLEAS
COUNTY OF ANDERSON)
)
PAUL CROMER, INC.) CIVIL ACTION COVERSHEET
Plaintiff(s),)
) 2008 -CP- 04 - 04470
vs.)
)
MARTHA JO MASSEY, DARRELL MASSEY &)
BRANDON MASSEY Defendant(s).)



(Please Print)

Submitted By: ☐ William N. Epps, Jr. SC Bar#: 1907 (WNE, JR.)
☒ Samantha P. Nelson 14563 (SPN)
☐ William Norman Epps, III 73158 (WNE,III)
Address: EPPS, NELSON & EPPS Telephone #: (864) 224-2111
P. O. Box 2167 Fax #: (864) 224-3536
Anderson, SC 29622 E-mail:

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this cover sheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION *(Check all that apply)*

** If Action is Judgment/Settlement do not complete*

☐ JURY TRIAL demanded in complaint. ☒ NON-JURY TRIAL demanded in complaint.
☐ This case is subject to **ARBITRATION** pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☒ This case is subject to **MEDIATION** pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☐ This case is exempt from ADR (certificate attached).

NATURE OF ACTION *(Check ONE Box Below)*

Contracts
- ☐ Constructions (100)
- ☐ Debt Collection (110)
- ☐ Employment (120)
- ☐ General (130)
- ☒ Breach of Contract (140)
- ☐ Other (199)

Torts - Professional Malpractice
- ☐ Dental Malpractice (200)
- ☐ Legal Malpractice (210)
- ☐ Medical Malpractice (220)
- ☐ Notice/ File Med Mal (230)
- ☐ Other (299)
- ☐ Wrongful Death (360)

Torts - Personal Injury
- ☐ Assault/Slander/Libel (300)
- ☐ Conversion (310)
- ☐ Motor Vehicle Accident (320)
- ☐ Premises Liability (330)
- ☐ Products Liability (340)
- ☐ Personal Injury (350)
- ☐ Building Code Violation (460)
- ☐ Other

Real Property
- ☐ Claim & Delivery (400)
- ☐ Condemnation (410)
- ☐ Foreclosure (420)
- ☐ Mechanic's Lien (430)
- ☐ Partition (440)
- ☐ Possession (450)
- ⊟ Other (499)

Inmate Petitions
- ☐ PCR (500)
- ☐ Mandamus (520)
- ☐ Habeas Corpus (530)
- ☐ Other 599)

Judgments/Settlements
- ☐ Death Settlement (700)
- ☐ Foreign Judgment (710)
- ☐ Magistrate's Judgment (720)
- ☐ Minor Settlement (730)
- ☐ Transcript Judgment (740)
- ☐ Lis Pendens (750)
- ☐ Other (799)

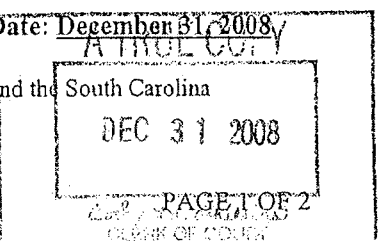
Administrative Law/Relief
- ☐ Reinstate Driver's License (800)
- ☐ Judicial Review (810)
- ☐ Relief (820)
- ☐ Permanent Injunction (830
- ☐ Forfeiture-Petition (840)
- ☐ Forfeiture-Consent Order (850)
- ☐ Other (899)

Appeals
- ☐ Arbitration (900)
- ☐ Magistrate - Civil (910)
- ☐ Magistrate-Criminal (920)
- ☐ Municipal (930)
- ☐ Probate Court (940)
- ☐ SCDOT (950)
- ☐ Workers' Comp (960)
- ☐ Zoning Board (970)
- ☐ Administrative Law Judge (980)
- ☐ Public Service Commission(990)
- ☐ Employment Security Comm(991
- ☐ Other (999)

Special/Complex/Other
- ☐ Environmental (600)
- ☐ Automobile Arb. (610)
- ☐ Medical (620)
- ☐ Other (699)
- ☐ Pharmaceuticals (630)
- ☐ Unfair Trade Practices (640)
- ☐ Out-of-State Depositions (650)
- ☐ Sexual Predator (510)

Submitting Party Signature: Samantha P. Nelson Date: December 31, 2008

NOTE: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. § 15-36-10 et. seq.



SCCA / 234 (04/08)

FOR MANDATED ADR COUNTIES ONLY

Allendale, Anderson, Beaufort, Colleton, Florence, Greenville, Hampton, Horry, Jasper, Lexington, Pickens (Family Court Only), and Richland

SUPREME COURT RULES REQUIRE THE SUBMISSION OF ALL CIVIL CASES TO AN ALTERNATIVE DISPUTE RESOLUTION PROCESS, UNLESS OTHERWISE EXEMPT.

You are required to take the following action(s):

1. The parties shall select a neutral and file a "Proof of ADR" form on or by the 210th day of the filing of this action . If the parties have not selected a neutral within 210 days, the Clerk of Court shall then appoint a primary and secondary mediator from the current roster on a rotating basis from among those mediators agreeing to accept cases in the county in which the action has been filed.

2. The initial ADR conference must be held within 300 days after the filing of the action.

3. Pre-suit medical malpractice mediations required by S.C. Code §15-79-125 shall be held not later than 120 days after all defendants are served with the "Notice of Intent to File Suit" or as the court directs. (Medical malpractice mediation is mandatory statewide.)

4. Cases are exempt from ADR only upon the following grounds:

   a. Special proceeding, or actions seeking extraordinary relief such as mandamus, habeus corpus or prohibition;

   b. Requests for temporary relief;

   c. Appeals;

   d. Post Conviction relief matters;

   e. Contempt of Court proceedings;

   f. Forfeiture proceedings brought by governmental entities;

   g. Mortgage foreclosures; and

   h. Cases that have been previously subjected to an ADR conference, unless otherwise required by Rule 3 or by statute.

5. In cases not subject to ADR, the Chief Judge for Administrative Purposes, upon the motion of the court or of any party, may order a case to mediation.

6. Motion of a party to be exempt from payment of neutral fees due to indigency should be filed with the Court within ten (10) days after the ADR conference has been concluded.

Please Note: **You must comply with the Supreme Court Rules regarding ADR. Failure to do so may affect your case or may result in sanctions.**

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Paul Cromer, Inc., Plaintiff, -vs- Martha Jo Massey, Darrell Massey and Brandon Massey, Defendants	IN THE COURT OF COMMON PLEAS SUMMONS 2008-CP-04-04470

TO: **MARTHA JO MASSEY, DARRELL MASSEY AND BRANDON MASSEY**, the Defendants named above:

YOU ARE HEREBY SUMMONED and required to answer the complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your answer to the said Complaint on the subscriber at their office at 230 West Whitner Street, Anderson, South Carolina 29622, within thirty (30) days after the service hereof, exclusive of the day of such service; and if you fail to answer the Complaint within the time aforesaid, the Plaintiff in this action will apply to the Court for the said relief demanded in the Complaint.

To infants(s) over Fourteen Years of Age or an Imprisoned person:

You are further summoned and notified to apply for the appointment of a guardian ad litem to represent you in this action within 30 days after the service of this Summons and Notice upon you. If you fail to do so, application for such appointment may be made by the Plaintiff(s) herein.

To infant(s) under Fourteen Years of age, incompetent or insane persons(s) and to the general or testamentary guardian with whom (s)he/they reside(s):

You are further summoned and notified to apply for the appointment of a guardian ad litem to represent said infant(s) under 14 years of age (or said incompetent or insane person) within 30 days after the service of this Summons and Notice upon you. If you fail to do so, application for such appointment will be made by the Plaintiff(s) herein.

EPPS, NELSON AND EPPS

SAMANTHA P. NELSON
230 West Whitner Street
Anderson, South Carolina 29622
ATTORNEYS FOR THE PLAINTIFF

COUNTERSIGNED BY:
CLERK OF THE COURT OF COMMON PLEAS
FOR THE TENTH JUDICIAL CIRCUIT

A TRUE COPY
DEC 31 2008

STATE OF SOUTH CAROLINA COUNTY OF **ANDERSON**	IN THE COURT OF COMMON PLEAS
Paul Cromer, Inc., Plaintiff, -vs- Martha Jo Massey, Darrell Massey and Brandon Massey, Defendant.	COMPLAINT 2008-CP-04-04470

COMES NOW, the Plaintiff, complaining of the Defendant herein, would respectfully show unto the Court and allege that:

1. Your Plaintiff is a corporation duly organized under the laws of the State of South Carolina and operates its business primarily in the County of Anderson. Your Plaintiff is informed and believes that all three Defendants, hereinafter referred to as 'the Masseys', are citizens and residents of the County of Anderson, State of South Carolina. Accordingly, all parties, matters and things herein are within the jurisdiction of this Court.

2. Beginning as early as 1996 and continuing through all times alleged herein, the Plaintiff and Defendants entered into an agreement wherein the Plaintiff would provide financing for vehicles that the Defendants bought and would resell at their car lot, Brandon Massey Auto Sales subsequently known as Darrell Massey Auto Sales. The agreement was that the Plaintiff would provide the money to purchase the Masseys' inventory in exchange for which the Masseys would pay interest on a monthly basis and would satisfy the debt, including the principal and interest, immediately upon sale of any vehicle purchased by the Plaintiff on the Masseys' behalf.

3. The normal course of business between the Plaintiff and Defendants was for the Masseys to find a vehicle to purchase (usually at auction), the Plaintiff would pay for the vehicles and hold onto the title for said vehicle until it was sold. Upon the sale of the vehicle, the Plaintiff would deliver the title to the Masseys either directly or through one of their agents/employees, and then receive payment for the vehicle in accordance with the parties agreement.

4. As of September 23, 2008, according to the Plaintiff's records, the Masseys owed the Plaintiff Forty Two Thousand Seven Hundred Sixty Seven ($42,767.00). The normal course of dealings between the parties required that the Defendants pay this money

A TRUE COPY
DEC 31 2008
CLERK OF COURT

immediately as this money was for cars that the Masseys had sold. The Plaintiff asked for payment and the Masseys promised payment. Based upon the Masseys' further assurances of payment, the Plaintiff allowed the vehicles for which he held the titles to remain at the Masseys' car dealership and agreed to give them additional time to pay the monies owed to him.

5. Between February of 2008 and November of 2008, based upon the Masseys' further assurances of payment, the Plaintiff agreed to continue to deliver to the Masseys additional titles so that the Masseys could sell these vehicles. All together, the Plaintiff delivered twelve (12) additional titles to the Masseys and was told that these vehicles had not been sold which was not true. All twelve of these vehicles were sold during this period.

6. Sometime in November of 2008, the Plaintiff discovered that the Masseys had sold all of the twelve (12) vehicles and had not paid the Plaintiff for these vehicles. The Plaintiff had paid approximately One Hundred and Ninety Nine Thousand Four Hundred and Twenty Five ($199,425.00) Dollars for these vehicles. This figure does not include the interest normally paid by the Masseys for a loan in this amount. The Plaintiff does not know what the Masseys received for these vehicles. The Plaintiff demanded that the Masseys remit payment to the Plaintiff for these twelve vehicles immediately. The Masseys refused to do so.

7. On or about December 6, 2008, your Plaintiff collected approximately sixty eight (68) vehicles from the Masseys, with their permission. The Plaintiffs had provided 100% of the funds for the purchase of these vehicles and held the title to all of these vehicles.

8. After collecting these cars on December 6, 2008, the Plaintiff discovered that the Masseys had sold five (5) vehicles to which the Plaintiff still held the title. The Plaintiff demanded that the Masseys remit payment for these vehicles to the Plaintiff, which they refused to do. The Plaintiff had paid approximately Thirty Nine Thousand Nine Hundred and Fifty ($39,950.00) Dollars for these five (5) vehicles.

9. Your Plaintiff is informed and believes that since the events described in the preceding paragraphs, the Masseys have listed for sale the real property located at 4010 Clemson Boulevard, Anderson, South Carolina (formerly used as a car lot), as well as their personal residences.

FOR A FIRST CAUSE OF ACTION
(Breach of Contract)

10. The Plaintiff has at all times done and performed all the stipulations, covenants and agreements required by him on his part to be performed in accordance with the terms and conditions of the parties' agreement.

11. As a direct and proximate result of the failure of the Masseys to pay the aforementioned monies, in the approximate aggregate amount of Two Hundred Eighty Two Thousand One Hundred and Forty Two ($282,142.00) Dollars, not including accruing interest, the Plaintiff has been damaged in a sum to be determined by the Court at the trial of this case.

12. Your Plaintiff would further show that the he has had to incur attorneys fees and costs for bringing this action and would ask that the Defendants be required to pay his reasonable attorneys fees and expenses.

FOR A SECOND CAUSE OF ACTION
(Civil Conspiracy)

13. The Plaintiff reiterates and incorporates each and every allegation set forth hereinabove in his first cause of action as fully as if repeated herein.

14. Based upon the facts alleged herein, your Plaintiff is informed and believes that the Defendants did conspire between themselves for the purpose of injuring the Plaintiff and benefitting themselves through the use and retention of the Plaintiff's money.

15. As a direct and proximate result of the Masseys' conduct, your Plaintiff has suffered special damages including, but not limited to, the lost opportunity to collect the five (5) vehicles for which he held the title before the Masseys could sell them, the lost opportunity to collect and sell the twelve (12) vehicles for which he delivered titles to the Masseys, and the lost opportunity to sell the sixty eight (68) vehicles that the Plaintiff collected on or about December 6, 2008 sooner before they suffered a greater diminution in value.

FOR A THIRD CAUSE OF ACTION
(Constructive Fraud)

16. The Plaintiff reiterates and incorporates each and every allegation set forth hereinabove in his first and second causes of action as fully as if repeated herein.

17. Based upon the facts alleged herein, your Plaintiff is informed and believes that the Defendants did breach their legal and/or equitable duty to the Plaintiff not to deceive or fraudulently induce him into continuing to do business with them. The Plaintiff would show and allege that each and every Defendant made verbal representation to the Plaintiff that if he gave them additional time to pay the monies owed to him, that he would be paid and also represented to him that if he would give them the twelve (12) additional titles that he would be paid for these vehicles.

18. Your Plaintiff is informed and believes that each and every Defendant knew of the falsity of their individual and collective statements to the Plaintiff that he would be paid all monies owed to him.

19. Your Plaintiff is informed and believes that each of the Defendants either knew or should have known of the falsity of their individual and collective statements to the Plaintiff.

20. Your Plaintiff is informed and believes that he had the right to rely upon the Defendants statements and that they were material to him in his decision to give the Masseys additional time to pay him and entrusting the Masseys to hold the twelve (12) additional titles.

21. As a direct and proximate result of the Masseys constructive fraud, the Plaintiff has been damaged in a sum to be determined by the Court at the trial of this case.

22. Your Plaintiff would further show that the he has had to incur attorneys fees and costs for bringing this action and would ask that the Defendants be required to pay his reasonable attorneys fees and expenses.

FOR A FOURTH CAUSE OF ACTION
(Unjust Enrichment/Quantum Meruit)

23. The Plaintiff reiterates and incorporates each and every allegation set forth hereinabove in his first, second and third causes of action as fully as if repeated herein.

24. Your Plaintiff would show that he did provide the Masseys with the money to purchase their inventory and that they did sell in excess of seventeen (17) cars and keep the proceeds. The Plaintiff paid the money for the purchase of these seventeen cars and it would be unfair and unjustly enrich the Defendants if they were not required to reimburse the Plaintiff for these monies.

25. Your Plaintiff would ask that the Court require the Defendants to reimburse the Plaintiff for these monies in an amount to be determined by the Court at the trial of this case.

WHEREFORE, having fully complained of the Defendants herein, the Plaintiff would respectfully pray that this Honorable Court would :

A. Find in favor of the Plaintiff for a judgment against the Defendants, jointly and individually, for all causes of action set forth herein;

B. Require the Defendants to pay the Plaintiff the monies due to him in the amount of Two Hundred Eighty Two Thousand One Hundred and Forty Two ($282,142.00) Dollars, not including accruing interest, as provided for in the parties' agreement;

C. Order that the Defendants pay a reasonable amount of damages for their civil conspiracy and constructive fraud, in an amount to be determined by the Court after the trial in this matter;

D. Order the Defendants to pay a reasonable amount of Plaintiff's attorney fees and costs, due to the bringing of this action; and

D. For such other and further relief as this Court deems just and proper.

Respectfully submitted,

Samantha P. Nelson
Post Office Box 2167
Anderson, South Carolina 29622
(803) 224-2111
ATTORNEYS FOR THE PLAINTIFF

Anderson, South Carolina
December 31. 2008

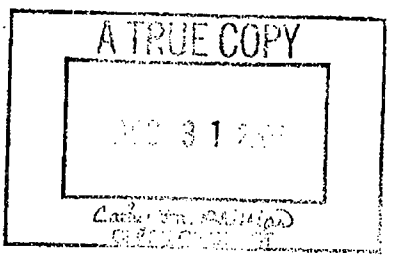
STATE OF SOUTH CAROLINA COUNTY OF **ANDERSON**	IN THE COURT OF COMMON PLEAS
Paul Cromer, Inc., Plaintiff, -VS- Martha Jo Massey, Darrell Massey and Brandon Massey, Defendant.	VERIFICATION 2008-CP-04-04470

PERSONALLY appeared before me Paul Cromer as the agent for Paul Cromer, Inc., who being first duly sworn, states under oath that he is the agent for the Plaintiff in the foregoing action, and that he has read the attached Complaint and that all allegations contained therein are true and correct to the best of his knowledge, with the exception of those matters alleged on information and belief, and as to those, he believes them to be true.

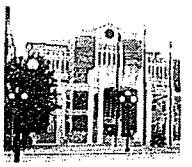
Paul Cromer
On behalf of Paul Cromer, Inc.

SWORN TO AND SUBSCRIBED BEFORE ME,
THIS 31st DAY OF December, 2008.

NOTARY PUBLIC FOR SOUTH CAROLINA
My commission expires: 4-20-2017.



Anderson County
Tenth Judicial Circuit
Public Index



Paul Cromer Inc VS Martha Jo Massey					
Case Number:	2008CP0404470	Court Agency:	Common Pleas	Filed Date:	12/31/2008
Case Type:	Common Pleas	Case Sub Type:	Breach of Cont 140	File Type:	Non-Jury
Status:	Judgment	Assigned Judge:	Clerk Of Court C P, G S, And Family Court		
Disposition:	Default Uncontested	Disposition Date:	04/09/2009	Disposition Judge:	Macaulay, Alexander Stephens
Original Source Doc:		Original Case #:			
Judgment Number:	2008CP0404470	Court Roster:			

Case Parties Judgments Tax Map Information Associated Cases Actions Financials

For:	Paul Cromer Inc	Against:	Massey, Brandon	Judg. Amount:	$282,142.00	Judgment Date:	04/09/2009
Description:	Judgment/Default	Disposition:		Disp. Date:		Date Entered/Last Changed	04/09/2009 --
Notes:	None						

Judgment Details			
Claims Code	Detail Desc.	Detail Amount	Detail Date
None			

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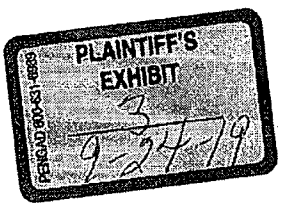


Tax Returns and Annual Cromer Reconciliations

2005-2012

	2005	2006	2007	2008	2009	2010	2011	2012
Cromer, Inc.								
Revenue	188,550	246,476	202,175	156,758	263,593	17,400	65,956	14,238
Cost of Goods Sold	-	-	-	-	268,005	26,287	21,100	27,848
Gross Profit	188,550	246,476	202,175	156,758	(4,412)	(8,887)	44,856	(13,610)
Other Income	227	279	156	(119,687)	562			27,788
Total Income	188,777	246,755	202,331	37,071	(3,850)	(8,887)	44,856	14,178
Interest Expense								
Whitfield/Estate			101,138	99,763	37,238		31,463	
Other			1,719	246				
Total Interest Expense	95,436	126,225	102,857	100,009	37,238	37,013	31,463	-
Other Expenses	51,022	46,420	65,682	13,985	14,164	12,600	13,055	15,150
Total Expenses	146,458	172,645	168,539	113,994	51,402	49,613	44,518	15,150
Profit/(Loss)	42,319	74,110	33,792	(76,923)	(55,252)	(58,500)	338	(952)
Non-passive S-Corp income on Cromer personal return	42,319	74,110	37,539	(76,923)	(55,253)	(58,500)	338	(952)
Interest income on Whitfield personal return	94,275	123,238	101,138	return not available	35,238	37,013	31,143	return not available
Whitfield interest income as % of Cromer, Inc. gross profit	50%	50%	50%					
K-1 pass thru interest income to Cromer						74,025		
50% of interest shown on Cromer reconciliation				99,763	35,238	37,013	31,463	27,788

Annual Cromer Reconciliations and Interest Payments

2013-2018

Year	Total per Reconciliation Statement	50% of Total	Total Paid to Whitfield Estate/Littlefield	Unpaid Interest Due
2013	50,425	25,213	9,775	15,438
2014	45,875	22,938		22,938
2015	63,878	31,939		31,939
2016	75,597	37,798		37,798
2017	64,194	32,097		32,097
2018	51,439	25,720		25,720
				165,928

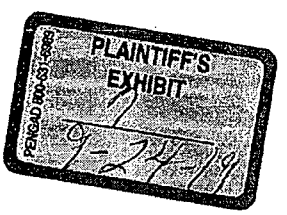
Littlefield v. Cromer

Balance Due to Plaintiff from Defendant

Note Principal	$800,000	
Unpaid Interest Due	165,928	
Sub-total		965,928
Credits		
Principal Payments	(450,000)	
100% Balance of Cromer/Wittifield Account	(258,856)	
Total Credits		(708,856)
BALANCE DUE TO PLAINTIFF FROM DEFENDANT		257,073

Settlement Book

Paul & Charlie



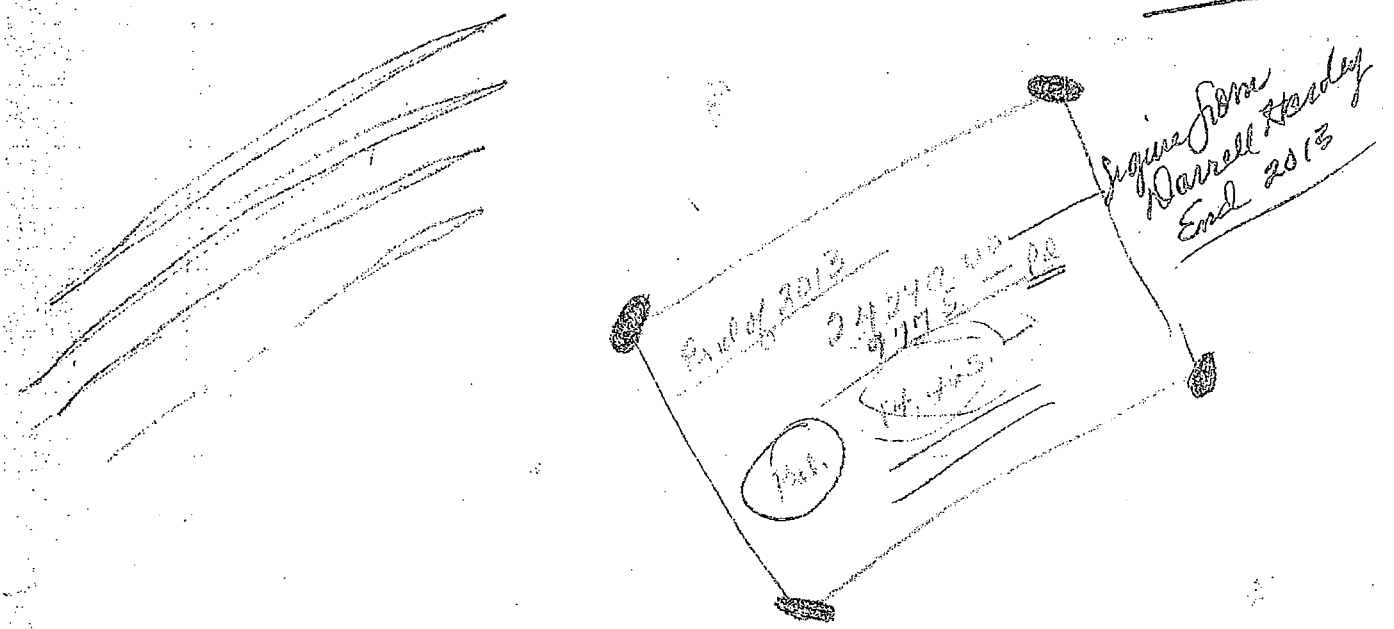
FROM 1-8-2013 TO 7-5-2013

NAME	No Cows		Profit
1. Scott Kahlen	14		1400.00
2. ~~Rufus Hazlett~~	37	Died 2014	3700.00
3. ~~Billy Hawkins~~	8	Died 2013	800.00
4. Rodney Hawkins	8		800.00
5. Tim Simmons	106		12,850.00
	173 units	Total	$ 19,550.00

1/2 9775.00
1/2 9775.00
19,550.00 0 0

(6 mo)

9775.00
2 | 19550.00
18
15
14
15
14
10
10



(3/19/13)

FROM 7-5-2012 TO 1-8-2013

	NAME	NO CARS	PROFIT
1.	SCOTT KALLER	19	$ 1900.00
2.	RUFUS HACKETT	95	$ 9500.00
3.	BILLY HARBIN	42	$ 4200.00
4.	RODNEY HARBIN	5	$ 500.00
5.	LARRY CRAFT	1	$ 100.00
6.	JOE OSBORNE	8	$ 1600.00
7.	TIM SIMMONS	169	$ 18,700.00
			Total $ 36,500.00

Really thru Jan 8th

1/2 18,250.00
1/2 18,250.00
36,500.00

1/2 18,250.00
2 ⟌ 36,500.00
2
16
16
5
4
10
10

From 1-8-2012 To 7-5-2012

Name	No Cows	Profit
1. Cuyler Hackett	72	7200.00
2. Billy Hawkins	35	3500.00
3. Rodney Hawkins	3	300.00
4. Danny Hurst Inc	1	100.00
5. Tim Sammons	185	18400.00
	Total	29,700.00

1/2 14,850.00

2|29,700.00

2
9
8
17
16
10

107
169
2176
x10
21760
+16
1380

1/2 14,850.00
1/2 14,850.00
29,700.00

14950
3|14850
12
27
27
0

3/29/12

From 7-5-2011 To 1-8-2012

	Name	No Cows	Profit
1.	Rufus Hadlett	87	8700.00
2.	Billy Hurbin	30	3000.00
3.	Rodney Hurbin	10	1075.00
4.	Dawny Warren	5	500.00
5.	Larry Craft	2	200.00
6.	Joe Osborne	16	3200.00
7.	Tim Simmons	128	14,825.00
		278	31,500.00

1/2 15,750.00
1/2 15,750.00
31,500.00

15,750.00
2 | 31,500.00
2
11
10
15
14
10
10

Keep 6mo

43880.81 Rent (1/2) (11-5-11 - 12/31/11)
15750 —
20,130.81 (Expenses = 1162.05) 1/2 =
881.03 (Short 18.98) 3/29/12
1924.98 — PD #9703 =

FROM 1-8-2011 TO 7-5-2011

	NAME	NO CARDS	PROFIT
1.	SCOTT KAHLER	21	2100.00
2.	RUFUS HACKETT	48	4800.00
3.	BILLY HARBIN	49	5125.00
4.	RODNEY HARBIN	20	2000.00
5.	JIMMY WARREN	3	300.00
6.	LARRY CRAFT	4	400.00
7.	TIM SIMMONS	183	22,125.00
		325	$36,850.00

(71)

18,425.00
2136,850.00
2
16
16
8
8
5
4
10

1 18,425.00
2 18,425.00
36,850.00

Settled
$23,287.09

From 7-5-2010 To 1-8-2011

	Name	No Cars		Profit
1.	Scott/Kathleen	23.		2300.00
2.	Rufus Hackett	43	~~100~~ 50K	4375.00
3.	Billy Hutchins	35.	100K	3500.00
4.	Danny Minchin	5.		575.00
5.	Larry Crafy	9.		900.00
6.	Tim Simmons	125.		14,900.00
				26,550.00

1/2 13,275.00
13,275.00
26,550.00

13275.00
2/26,550.00
2
6
6
5
4
15
14
10

#9481
17,354.16

~~150~~ 130
6mo - 900.- Shop — (1/2) -
13,275.- Cars (6mo)
3,994.56 Rent
18,169.56
- 815.40 6mo expense # 815.40 (6mo Light 80 phone 80 Fax 80 160) # 1630.80
17,354.16

FROM 1-8-2010 TO 7-5-2010

	NAME	NO CARS		PROFIT
1.	SCOTT KAHLER	32		3200.00
2.	RUFUS HACKETT	107	10 100	10,700.00
3.	BILLY HARBIN	51	50 125	5100.00
4.	RODNEY HARBIN	1		100.00
5.	DANNY MARTIN	38		4025.00
6.	LARRY CRAFT	10		1000.00
7.	JOE OSBORNE	2		400.00
8.	TIM SIMMONS	157	250	18,550.00
				$ 43,075.00

12 21,537.50
21,537.50
43,075.00

21,532.50
2 | 43,075.00
4
3
2
10
10
7
6
15
14
1

12 Cars - $100
Jeep Commando $1175/35K

From 7-5-2009 To 1-8-2010

	Name	No Cars	1/2	Profit
25	1. Scott Kahlen	10	(25)	1000.00
60	2. Rufus Hackett	85	108	8575.00
60	3. Billy Hanbin	22	43	2275.00
	4. Rodney Hanbin	1	6	100.00
60	5. Danny Harvin	29	54	2975.00
	6. Larry Craft	5	14	500.00
	7. Joe Osborne	1	14	100.00
20	8. Joshua Vaughn	11	59	1100.00
(500)	9. Tim Simmons	143	(500 max) 279	16,175.00
cane	10. Ray Grimes	36	21	3600.00
			12 mo 33,400 6 mo	36,400.00

1/2 18,200.00
18,200.00
36,400.00

(6 mo) 18,200.00
2 | 36,400.00
2
16
16
4

18,200 (1/2) Boys

~~Rent office~~ —
Rent shop — 6 mo / 150 x 6 mo (900)
Expenses — Office — 847.60 #
Collect Rent across Street Forbes / Pleasley 5501.91
24601.91
— 892.60
23704.31 Cost 92 98

ATT ( )
Lights ( )
Copier ( )
Verizon ( )
Paper supplies

Copy like Daniel

From 7-5-2008 To 7-5-2009

	Name	No Cows	Profit
1.	Scott Kahlen	25	2500.00
2.	Rufus Hackett	108	11,550.00
3.	Billy Hardin	43	4450.00
4.	Rodney Hardin	6	600.00
5.	Danny Martin	52	5275.00
6.	Larry Craft	16	1600.00
7.	Joe Osborne	14	2700.00
8.	Leonard Osborne	17	1925.00
9.	Jerry Simpson	11	1100.00
10.	Joshua Vaughn	29	2900.00
11.	Tim Simmons	277	30,100.00
12.	Ray Gaines	21	2100.00
		(12 mo)	66,800.00

1/2 33,400.00
33,400.00
66,800.00

33400.00 (4yr.) cows
5563.02 @ 6mo Rent Ship – 7-8 to 1/9
6316.04 6mo Rent-Ship – 1/9 to 7/9
1800.00 Paul (1/2 Rent / Ship) 150mo x 12 =
47079.66
– 2431.24 1/2 Expense – (see page 3)
= 44648.42

33400.00
2 | 66800.00
6
6
6
8
8

From 1-8-2008 To 7-5-2008

6mo

	Name	No Cars	Profit
1.	Scott Kahlen	51 Cars	5100.00
2.	Rufus Hackett	87 Cars	8700.00
3.	Billy Harbin	50 Cars	5000.00
4	Rodney Harbin	3 Cars	300.00
5.	Danny Murphy	80 Cars	8450.00
6.	Larry Craft	14 Cars	1400.00
7.	John Mounsey	25 Cars	2500.00
8.	Darrell Massey	353 Cars	53,150.00
9.	Joe Osborne	37 Cars	7400.00
10.	Leonard Osborne	4 Cars	400.00
11.	Joshua Vaughan	13 Cars	1300.00
12.	Tim Simmons	197 Cars	24,950.00
		(6mo)	115,650.00

57,825.00

1/2 57,825.00 2 115,650.00

57,825.00 10

115,650.00 15

14

16

10

5

10

10

~~63366.07~~

$900.00 Powersports 1/2 300*6 57825.00

605.64.48 New 80/50

-1923.41 Expense

57825.00 - Core & Sold Interest

57825.—

605.64.48

643.89.48

$63366.57

6/18

FROM 1-5-2007 1-8-2008

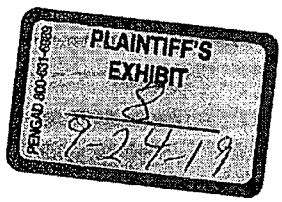
Name	No Cows	Profit
1. Scott Kahler	34	5400.00
2. Rufus Hackett	71	7175.00
3. Billy Harbin	54	5400.00
4. Rodney Harbin	4	400.00
5. Danny Marvin	51	5250.00
6. Larry Craft	14	1400.00
7. John Monsam	30	3300.00
8. Darrell Massey	334	50,050.00
9. Joe Osborne	62	11,875.00
10. Leonard Osborne	12	1425.00
11. Jerry Simpson	33	3300.00
12. Tim Simmons	184	21,925.00
13. Chris Littlefield	1	600.00
		115,500.00

1/2 Charlie $57,750.00
1/2 Paul $57,750.00
Total $115,500.00

$57,750.00
2|115,500.00
10
15
14
5
14
10
10

Kelli

From: Vicki Littlefield [vickilit@aol.com]
Sent: Tuesday, August 11, 2015 1:17 PM
To: Kelli@waldreplaw.com
Subject: Fwd: WHITFIELD CROMER NOTE
Attachments: WHITFIELD CROMER NOTE 042815.pdf; ATT00179.htm



Sent from my iPad

Begin forwarded message:

From: "Darrell Hardy" <dihardy07@charter.net>
Date: April 28, 2015 at 1:38:25 PM EDT
To: <vickilit@aol.com>
Subject: WHITFIELD CROMER NOTE

Attached please find a copy of the note computations your Father has with Paul Cromer. Paul and I interpret the note to allow for deductions for expenses that should have been shared equally. The expenses include 50% of the income tax that Paul paid for reporting the total income for several years when your Father reported very little, as well as related attorney and accounting fees. Deductions should include 50% of bad debts and payments made on the note. Also, I interpret the note to mean that as the note is paid down the income split is not 50/50 but a percentage of the balance of the note as shown on the attached. If this had occurred, then Paul would not owe anything on the note at the present time. I recommend that you and Paul discuss this matter at your earliest convenience.

Darrell I. Hardy

CHARLIE WHITFIELD NOTE

		balance	
MONEY PUT INTO CAR BUSINESS	$ 800,000.00	$800,000.00	%
LESS 50% INCOME TAX + PROF FEES PAID ON CW INCOME REPORTED BY PWC	$(106,686.00)	$ 693,314.00	86.66%
LESS 50% LOSS MASSEY-2008	$(141,071.00)	$ 552,243.00	69.03%
LESS 50% LOSS MASSEY 2009	$ (22,730.50)	$ 529,512.50	66.19%
LESS 50% LOSS MASSEY 2010	$ (9,046.00)	$ 520,466.50	65.06%
LESS 50% LOSS MASSEY 2011	$ (15,195.00)	$ 505,271.50	63.16%
LESS 50% LOSS MASSEY 2012	$ (12,871.55)	$ 492,399.95	61.55%
LESS PAYMENT 1/11	$(200,000.00)	$ 292,399.95	36.55%
LESS 2ND PAYMENT 2011	$(200,000.00)	$ 92,399.95	11.55%
LESS PAYMENT 2013	$ (50,000.00)	$ 42,399.95	5.30%
ATTORNEY-MASSEY-NELSON 3000, DRAWDY HORTON 250*2	$ (1,750.00)	$ 40,649.95	5.08%
LESS MERCEDES	$ (9,290.00)	$ 31,359.95	3.92%
BALANCE OWED	$ 31,359.95		

CHARLIE WHITFIELD NOTE

MONEY PUT INTO CAR BUSINESS		$ 800,000.00		
LESS 50% INCOME TAX + PROF FEES PAID ON CW INCOME REPORTED BY PWC		$ (106,686.00)		
LESS 50% BAD DEBTS PER RAR		$ (23,420.50)	$ 776,579.50	46841
LESS 50% OF BAD DEBT IN 2004		$ (14,430.00)	$ 762,149.50	28860
LESS 50% OF BAD DEBT IN 2007		$ (3,878.00)	$ 758,271.50	7756
LESS 50% BAD DEBT IN 2006		$ (1,358.00)	$ 756,913.50	2716
LESS 50% LOSS MASSEY-2008		$ (141,071.00)	$ 615,842.50	
LESS 50% LOSS MASSEY 2009		$ (22,730.50)	$ 593,112.00	
LESS 50% LOSS MASSEY 2010		$ (9,046.00)	$ 584,066.00	
LESS 50% LOSS MASSEY 2011		$ (15,195.00)	$ 568,871.00	
LESS 50% LOSS MASSEY 2012		$ (12,871.55)	$ 555,999.46	
LESS PAYMENT 1/11		$ (200,000.00)	$ 355,999.46	
LESS 2ND PAYMENT 2011		$ (200,000.00)	$ 155,999.46	
LESS PAYMENT 2013		$ (50,000.00)	$ 105,999.46	
NELSON 3000, DRAWDY HORTON 250*2	MASSSEY	$ (1,750.00)	$ 104,249.46	
LESS MERCEDES		$ (9,290.00)	$ 94,959.46	
BALANCE OWED		$ (11,726.55)		

CHARLIE WHITFIELD/PAUL CROMER NOTE

		balance	
MONEY PUT INTO CAR BUSINESS	$ 800,000.00	$800,000.00	100.00%
LESS AMOUNT IN BANK ACCOUNT AT C W DEATH	$ (258,855.75)	$541,144.25	67.64%
LESS 50% INCOME TAX + PROF FEES PAID ON CW INCOME REPORTED BY PWC		$541,144.25	67.64%
LESS 50% LOSS MASSEY-2008	$ (106,686.00)	$ 434,458.25	54.31%
LESS 50% LOSS MASSEY 2009	$ (141,071.00)	$ 293,387.25	36.67%
LESS 50% LOSS MASSEY 2010	$ (22,730.50)	$ 270,656.75	33.83%
LESS 50% LOSS MASSEY 2011	$ (9,046.00)	$ 261,610.75	32.70%
LESS 50% LOSS MASSEY 2012	$ (15,195.00)	$ 246,415.75	30.80%
LESS PAYMENT 1/11	$ (12,871.55)	$ 233,544.20	29.19%
LESS 2ND PAYMENT 2011	$ (200,000.00)	$ 33,544.20	4.19%
LESS PAYMENT 7/09/2013	$ (200,000.00)	$ (166,455.80)	-20.81%
ATTORNEY-MASSEY-NELSON 3000, DRAWDY HORTON 250*2	$ (50,000.00)	$ (216,455.80)	-27.06%
LESS MERCEDES	$ (1,750.00)	$ (218,205.80)	-27.28%
	$ (9,290.00)	$ (227,495.80)	-28.44%
TOTAL OVERPAYMENT TO WHITFIELD ET AL	$ (227,495.80)		

106686
9

NO PAYMENTS SHOULD HAVE BEEN MADE AFTER 2ND PAYMENT IN 2011

WHITFIELD/CROMER NOTE

ORIGINAL AMOUNT	$ 800,000.00
LESS PAYMENTS:	
BALANCE JOINT CHECKING ACCT @ CW DOD	258,855.75
OVERPAYMENT INTEREST-2008-2012	200,914.05
PAYMENT 2011	200,000.00
PAYMENT 2011	200,000.00
PAYMENT 07/09/2013	50,000.00
MERCEDES TO H. WHITFIELD	9,290.00
ATTORNEY FEES RELATED TO MASSEY BAD DEBTS	1,750.00
TOTAL PAYMENTS	920,809.80
AMOUNT OWED TO PCI-NOT INCLUDING INCOME TAX	120,809.80

WHITFIELD/CROMER NOTE

ORIGINAL AMOUNT	$ 800,000.00
LESS PAYMENTS:	
BALANCE JOINT CHECKING ACCT @ CW DOD	258,855.75
OVERPAYMENT INTEREST-2008-2012	200,914.05
PAYMENT 2011	200,000.00
PAYMENT 2011	200,000.00
PAYMENT 07/09/2013	50,000.00
MERCEDES TO H. WHITFIELD	9,290.00
ATTORNEY FEES RELATED TO MASSEY BAD DEBTS	1,750.00
TOTAL PAYMENTS	920,809.80
AMOUNT OWED TO PCI-NOT INCLUDING INCOME TAX	120,809.80

PAYMENTS TO C. WHITFIELD (50 % OF PROFIT ON VEHICLES)	50% MASSEY LOSS	50% PROFIT PAID TO CW	LOSS NOT COVERED BY PROFIT CW	LOSS COVERED BY PROFIT TO CW
2008	$ 141,071.00	$ 99,762.50	$ 41,308.50	$ 99,762.50
2009	$ 22,730.50	$ 35,237.50		$ 22,730.50
2010	$ 9,046.00	$ 37,012.50		$ 9,046.00
2011	$ 15,195.00	$ 31,462.50		$ 15,195.00
2012	$ 12,871.55	$ 27,787.50		$ 12,871.55
	$ 200,914.05	$ 231,262.50	$ 41,308.50	$ 159,605.55

OVERPAYMENT OWED TO PCI $ 200,914.05

CHARLIE WHITFIELD/PAUL CROMER NOTE

LESS 50% LOSS MASSEY-2008	$ (141,071.00)
LESS 50% LOSS MASSEY 2009	$ (22,730.50)
LESS 50% LOSS MASSEY 2010	$ (9,046.00)
LESS 50% LOSS MASSEY 2011	$ (15,195.00)
LESS 50% LOSS MASSEY 2012	$ (12,871.55)

First Citizens

CONSUMER SIGNATURE CARD

340170987209 Acct Type Market Rate Investor Special 10-18-2006

Branch 404 Opened by MICHELLE B FREEMAN ✓ New ____ Amended ____ Temp

CHARLIE WHITFIELD
PAUL W CROMER JR

Amended By: ____

Account Ownership Designation: Joint Account

(When applicable, record the type of "appointment papers" obtained: ____)

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for the following information, as appropriate – your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

FIRST CITIZENS BANK AND TRUST COMPANY, INC.

[The relationship between the Bank and account holder(s) remain(s) the same regardless of (possible) conversion of this account.]

I, the undersigned:

(1) acknowledge receipt of at least one copy of each of the following documents: Consumer Deposit Accounts Fee Schedule/Interest Disclosures brochure; Rules and Regulations for Checking, Savings, MMDA Accounts/Funds Availability/Direct Deposit, Cardholder Agreement and Electronic Fund Transfer Disclosures brochure.

(2) agree to the provisions set forth in the above documents.

(3) certify that the "Account Ownership Designation" indicated above is correct.

(4) certify that the primary purpose of the account is for personal use, family use, household use, or other non-business use.

(5) **CERTIFY, UNDER PENALTIES OF PERJURY, THAT: (A) THE TAXPAYER IDENTIFICATION NUMBER(S) SHOWN BELOW IS CORRECT; AND (B) I AM NOT SUBJECT TO BACKUP WITHHOLDING BECAUSE (1) I AM EXEMPT FROM BACKUP WITHHOLDING, OR (2) I HAVE NOT BEEN NOTIFIED BY THE INTERNAL REVENUE SERVICE (IRS) THAT I AM SUBJECT TO BACKUP WITHHOLDING AS A RESULT OF FAILURE TO REPORT ALL INTEREST OR DIVIDENDS, OR (3) THE IRS HAS NOTIFIED ME THAT I AM NO LONGER SUBJECT TO BACKUP WITHHOLDING. (NOTE: ITEM (B) MUST BE CROSSED OUT IF YOU HAVE BEEN NOTIFIED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE OF UNDER-REPORTING INTEREST OR DIVIDENDS ON YOUR TAX RETURN.); AND (C) I AM A U.S. PERSON (INCLUDING A U.S. RESIDENT ALIEN).**

THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING AS CONTAINED IN ITEM (5).

Authorized Signature X Charlie Whitfield TIN 251-28-8217

(If applicable, capacity: ___ PR ___ Trustee ___ Custodian ___ Other ____) I.D. ____

Authorized Signature Paul Cromer TIN 249-72-4428

(If applicable, capacity: ___ PR ___ Trustee ___ Custodian ___ Other ____) I.D. SC SCDL001480719

Authorized Signature ____ TIN ____

(If applicable, capacity: ___ PR ___ Trustee ___ Custodian ___ Other ____) I.D. ____

MISC-009 (REV. 03/04)

COPY

PRINTED WITH A BLUE BACKGROUND ON WHITE PAPER. THE BACK OF THIS CHECK HAS AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW.

First Citizens
Member FDIC

4419629 97-148/532

401 JBE01
BRANCH NO.

FIRST CITIZENS BANK - CLOSED ACCOUNT
REMITTER

July 17, 2009
DATE

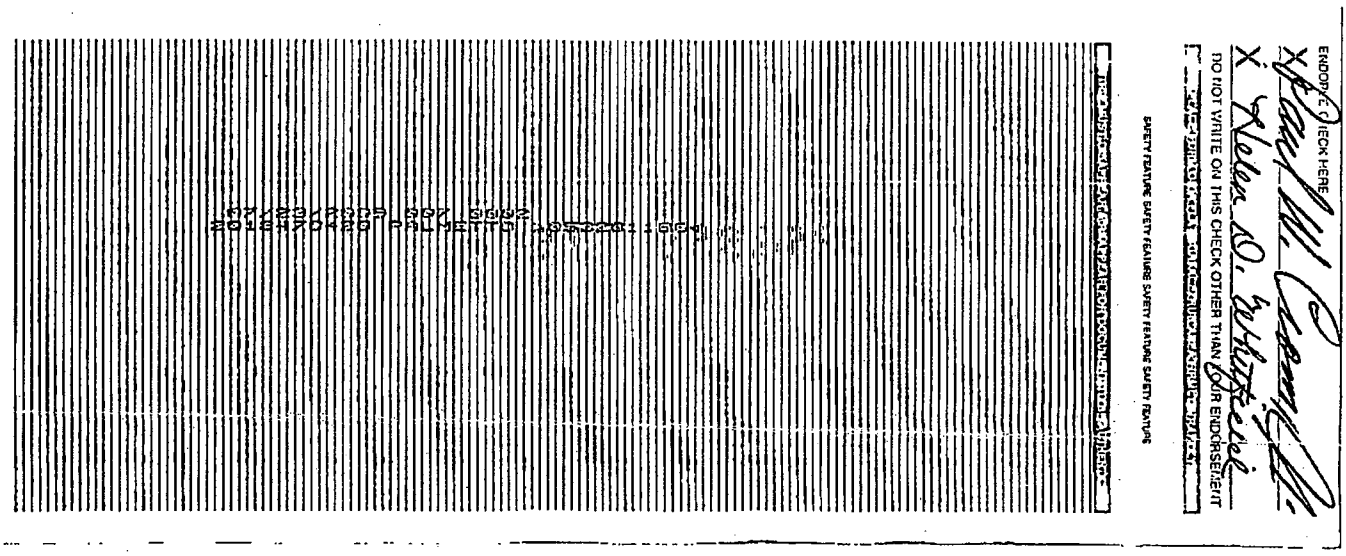
PAY FIRST CITIZENS BANK 258.855 DOLS 75 CTS $ $258,855.75

TO THE ORDER OF **PAUL W CROMER, JR.**

CASHIER CHECK
FIRST CITIZENS BANK AND TRUST COMPANY, INC.

AUTHORIZED SIGNATURE

⑈004419629⑈ ⑆053201487⑆ 9801994990⑈



Account Number	Posting Date	Amount	Serial Number	Source	Type	Status	Sequence Number
9801994990	2009-07-23	$258,855.75	4419629	Check	Debit	Posted	00000000005500120460

PAUL CROMER, INC. 87/02
2406 W. WHITNER ST. 225-3710
ANDERSON, SC 29624

9478
67-148/532
BRANCH 404

1-24-2011
Date

Pay to the Order of Helen Whitfield $200,000.00

Two Hundred Thousand Dollars and 00/100 Dollars

Security Features Details on Back

MARCON SHEFFIELD

First Citizens
First Citizens Bank & Trust Company, Inc.

For PayBack Money

Paul Cromer MP

⑆053201487⑆34000 267160⑈ 9478

PAUL CROMER, INC. 87/02
2406 W. WHITNER ST. 225-3710
ANDERSON, SC 29624

9645
67-148/532
BRANCH 404

12-12-2011
Date

Pay to the Order of HELEN WHITFIELD $200,000.00

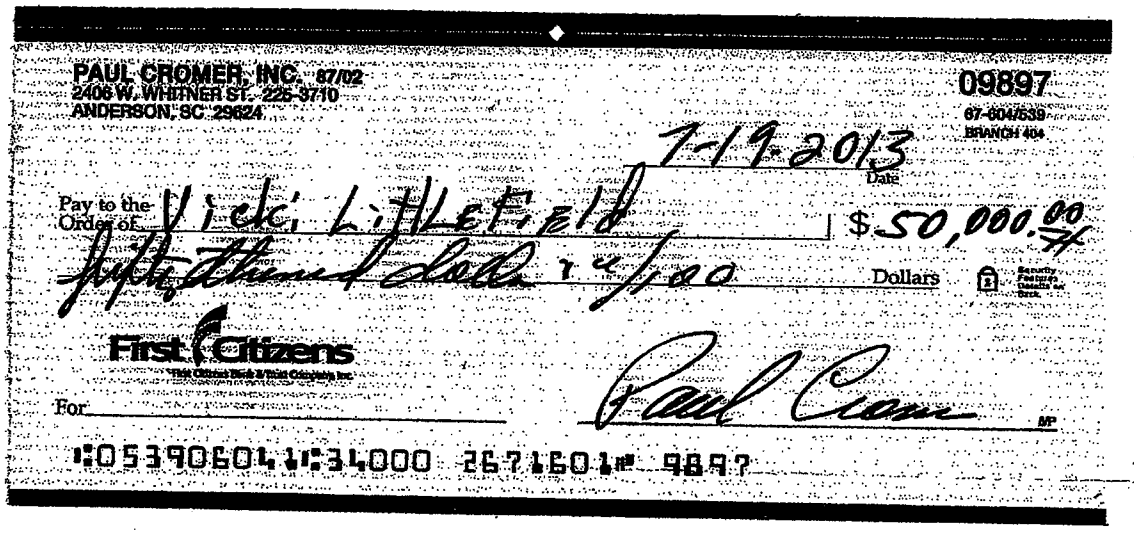
Two Hundred Thousand and 00/100 Dollars

First Citizens
First Citizens Bank & Trust Company, Inc.

For Payback Money

Paul Cromer

:053201487:34000 2671601: 9645



PAUL CROMER, INC. 87/02
2406 W. WHITNER ST. 225-3710
ANDERSON, SC 29624

09897
67-604/539
BRANCH 404

1-19-2013
Date

Pay to the Order of Vicki Littlefield $50,000.00

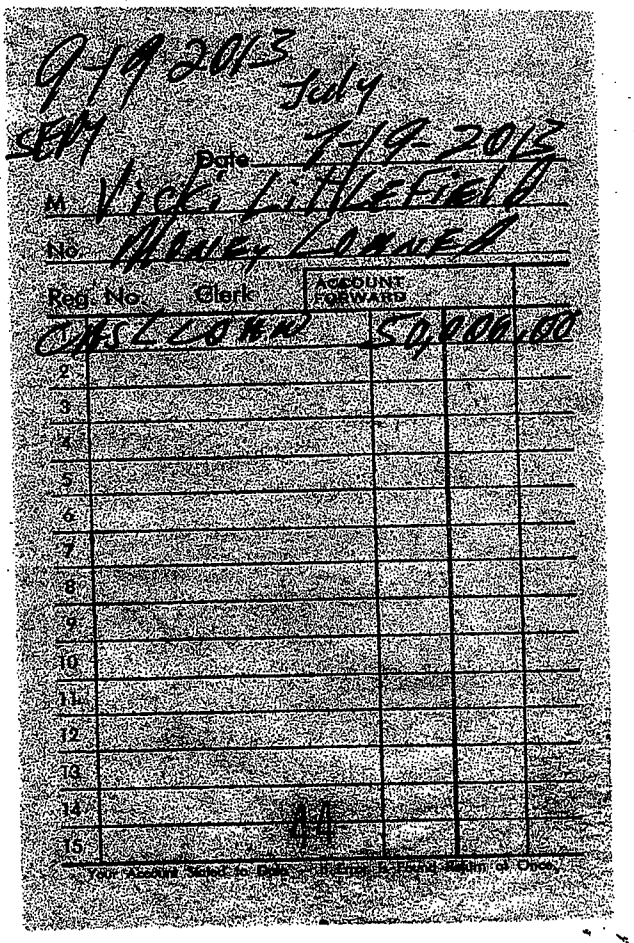
fifty thousand dollars 00/100 Dollars

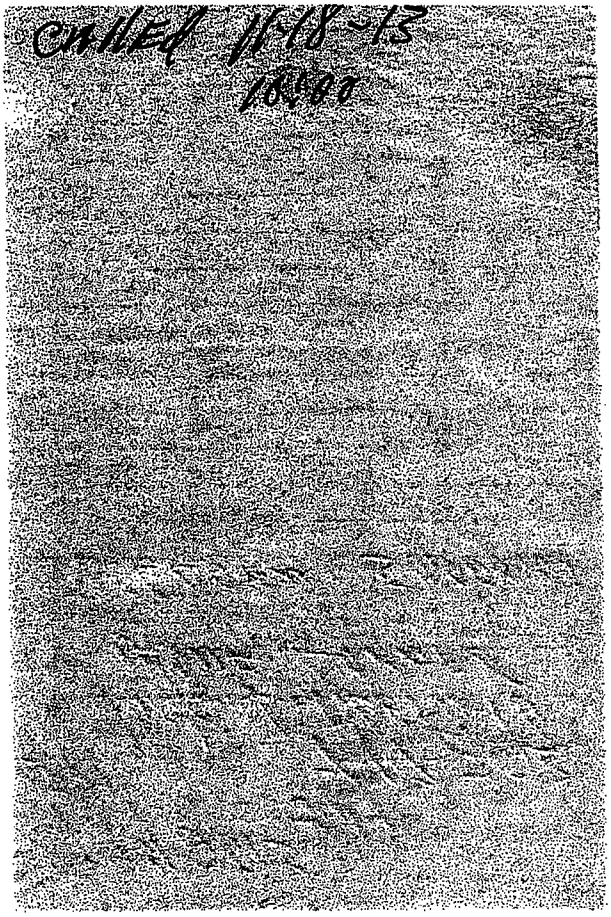
First Citizens
First Citizens Bank & Trust Company, Inc.

For

Paul Cromer MP

⑆053906041⑆34000 26?160⑆ 9897


7-19-2013 Jdy
Date 7-19-2013
Vicki Littlefield
Reg. No. Clerk
ACCOUNT FORWARD
50,000.00


CALLED 11-18-13
10:00

Business Records
1/15/1987 - 7/5/2006

From: 7-4-87
To

		Cars	Profit
1.	William Hewing	42	$2520.00
2.	Pat Simpson	27	$1620.00
3.	John Morgan	34	$2040.00
4.	Leon Parker	24	$1540.00
5.	Everett Gent	126	$7520.00
6.	Ronald Sanders	46	$2760.00
7.	Danny Osborne	52	$3120.00
8.	Jerry + Brad Fite	47	$2820.00
9.	Norman Craft	49	$2940.00
10.	Freddy Fite	87	$5420.00
11.	Bo Walker	17	$1020.00
12.	Dennis Cupshaw	95	$5700.00
13.	Tim Osborne	46	$3060.00
14.	Danny Martin	88	$5290.00
		780	Total 47,970.00
			1/2 $23,985.00

from 7-4-87
to 1-6-88

	Cars	Profit
1. William Herring	38	$2280.00
2. Pat Simpson	4	$240.00
3. John Morgan	42	$2520.00
4. Dean Parker	39	$2390.00
5. Everett Grant	61	$3650.00
6. Ronald Sanders	39	$2320.00
7. Danny Osborne	46	$2960.00
8. Norman Craft	59	$3540.00
9. Roger Walker "Bo"	3	$180.00
10. Freddy Free	30	$1950.00
11. Donnie Crenshaw	78	$4680.00
12. Tim Osborne	44	$2940.00
13. Jerry Shaw	9	$540.00
14. Danny Martin	90	$5410.00
	Total 582	Total $35,600.00
		1/2 $17,800.00

from 1-6-88
To 8-17-88

	Name	No Cars	Profit Money
1.	William Herring	5	$300.00
2.	Pat Simpson	11	$660.00
3.	Jack Sullivan	42	$2520.00
4.	John Morgan	39	$2340.00
5.	Dean Parker	36	$2160.00
6.	Ronald Sanders	188	$11,530.00
7.	Donnie Crenshaw		
8.	Ted Harbin	10	$600.00
9.	Richey Venadore	18	$1080.00
10.	Danny Osborne	83	$5460.00
11.	Ronnie Venadore	14	$840.00
12.	Norman Craft	42	$2520.00
13.	Ray Daniel	101	$6160.00
14.	Darrell Massey		
15.	Donnie Crenshaw	26	$1710.00
16.	Tim Osborne	30	$1850.00
17.	Danny Martin	105	$6060.00
18.	Donnie Whitfield		
19.	Jamy Shaw	14	$840.00
	Total	764	$46,630.00
			1/2 $23,315.00

from 8-17-88
To 2-23-89

		No Cars	Profit Money
	None		
1.	William Herring	8 Cars	$480.00
2.	Pat Simpson	16 Cars	$960.00
3.	Jack Sullivan	22 Cars	$1320.00
4.	John Morgan	34 Cars	$2040.00
5.	Dean Parker	26 Cars	$1560.00
6.	Ronald Sanders	183 Cars	$11,580.00
7.	Donnie Crenshaw		
8.	Ted Harbin	15 Cars	$900.00
9.	Richey Venadore	4 Cars	$240.00
10.	Danny Osborne	33 Cars	$2430.00
11.	Ronnie Venadore	11 Cars	$660.00
12.	Tommy Smith	44 Cars	$2690.00
13.	Norman Craft	29 Cars	$1790.00
14.	Ray Daniel	150 Cars	$9100.00
15.	Darrell Massey		
16.	Tim Osborne	65 Cars	$4000.00
17.	Leonard Osborne		
18.	Danny Martin	73 Cars	$4320.00
19.	Donnie Whitfield		
20.	Larry Shaw	11 Cars	$660.00
		724 Cars	$44,730.00
			1/2 $22,365.00

From 2-23-89
To 9-16-89

	Name	No Cs	Profit
1.	William Kenny	45	$ 2700.00
2.	Pat Simpson	6	$ 360.00
3.	Jack Sullivan	13	$ 780.00
4.	John Morgan	41	$ 2460.00
5.	Dean Parker	22	$ 1320.00
6.	Ronald Sanders	190	$ 11,850.00
7.	Donnie Crenshaw		
8.	Ted Hardin	27	$ 1620.00
9.	Danny Osborne	69	$ 4660.00
10.	Tommy Smith	84	$ 5440.00
11.	Norman Craft	42	$ 2770.00
12.	Ray Daniel	146	$ 9010.00
13.	Darrell Massey		
14.	Leonard Osborne	79	$ 4890.00
15.	Danny Martin	90	$ 5390.00
16.	Donnie Whitfield		
17.	Danny Shaw	12	720.00
		866 Cars	Total $ 53,970.00

1/2 $ 26,985.00

2 | 53,970.00

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from 9-16-89
To 1-8-90

	Name	No Car	Profit
1.	William Hennig	13	$ 780.00
2.	Jack Sullivan	15	$ 900.00
3.	John Morgan	12	$ 720.00
4.	Dean Parker	15	$ 950.00
5.	Ronald Sanders	95	$ 5900.00
6.	Donnie Cushaw		
7.	Ted Hanlin	3	$ 180.00
8.	Danny Orlone	33	$ 2080.00
9.	Tommy Smith	35	$ 2550.00
10.	Norman Craft	13	$ 830.00
11.	Ray Daniel	78	$ 4830.00
12.	Darrell Massey		
13.	Leonard Orlone	45	$ 2800.00
14.	Danny Martin	51	$ 3030.00
15.	Donnie Whitfield		
16.	Larry Shaw	13	$ 780.00
		421	$ 26,330.00

$ 13,165.00

2 | 26,330.00

2

6

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from 1-8-90
To 7-4-90

	Name	No. Car	Profit
1	Willis Hining	34	2040.00
2	Pat Simpson	15	900.00
3	Jack Sullivan	9	540.00
4	John Morgan	34	2040.00
5	Dean Parker	38	2380.00
6	Ronald Sanders	184	11,490.00
7	Donnie Cushman		
8	Ted Hardin	41	2460.00
9	Danny Orlowe	30	1950.00
10	Tommy Smith	98	6580.00
11	Norman Craft	33	2030.00
12	Ray Daniel	148	9280.00
13	Darrell Massey		
14	Leonard Orlowe	57	3470.00
15	Danny Martin	95	5430.00
16	Donnie Whitfield		
17	Jerry Shaw	28	1680.00
		Total 844 Cars	Total $52,270.00

½ Charlie 26,135.00
½ Paul +26,135.00
Total $52,270.00

½ $26,135.00
2 | 52,270.00
4
12
12
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From 7-4-90
To 5-30-91

	Name	No Cars	Profit
1.	William Henry	21	$1260.00
2.	Pat Simpson	18	$1080.00
3.	Jack Sullin	50	$3000.00
4.	John Morgan	58	$3480.00
5.	Dean Parker	34	$1090.00
6.	Donnie Cushaw	264	$16,040.00
7.	Ronald Sanders		
8.	Ted Hardin	47	$2820.00
9.	Gress Whitfield	3	$180.00
10.	Danny Osborne	53	$3530.00
11.	Tommy Smith	194	$13,490.00
12.	Jerry Long		
13.	Norman Craft	27	$1620.00
14.	Ray Daniel	233	$15,130.00
15.	Darrell Massey		
16.	Leonard Osborne	79	$4990.00
17.	Danny Martin	166	$9600.00
18.	Donnie Whitfield		
19.	Jerry Shaw	74	$4640.00
	Total	1,321 Cars	$81,950.00

1/2 Charlie $40,975.00
1/2 Paul $40,975.00
Total $81,950.00

1/2 $40,975.00

2 | 81,950.00
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From 5-30-91
To 2-10-92

8 mouth

	Name	No Cars	Profit
1.	William Herring	5	$300.00
2.	Pat Simpson	17	$1020.00
3.	Jack Sullivan	37	$2220.00
4.	John Morgan	52	$3120.00
5.	Dean Parker	31	$1860.00
6.	Ronald Sanders	158	$9480.00
7.	Donnie Crenshaw		
8.	Ted Harbin	48	$2880.00
9.	Cress Whitfield	2	$120.00
10.	Keith Harbin	6	$360.00
11.	Danny Osborne	44	$2840.00
12.	Tommy Smith	205	$15,000.00
13.	Larry Long		
14.	Freddy Free	104	$6240.00
15.	Jimmy Free	59	$3540.00
16.	Norman Craft	26	$1610.00
17.	Ray Daniel	262	$16,520.00
18.	Darrell Massey		
19.	Leonard Osborne	77	$4770.00
20.	Danny Martin	113	$6540.00
21.	Donnie Whitfield		
20.	Larry Shaw	67	$4270.00
		1,313	$82,690.00

1/2 Charlie $41,345.00
1/2 Paul $41,345.00
Total $82,690.00

1/2 $41345.00

2 | 82690.00

8
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6
9
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10

FROM 2-10-92 TO 8-27-92

NAME	NO CARS	PROFIT
WILLIAM HERRING	3	$180.00
PAT SIMPSON	23	$1430.00
JACK SULLIVAN	36	$2160.00
JOHN MORGAN	53	$3180.00
DEAN PARKER	47	$2920.00
RONALD SANDERS	142	$8620.00
DONNIE CRENSHAW		
TED HARBIN	36	$2160.00
JOE OSBORNE	97	$11,890.00
DANNY OSBORNE	53	$3900.00
BRAD FREE	39	$2340.00
TOMMY SMITH	60	$4500.00
FREDDY FREE	192	$11,520.00
JIMMY FREE	45	$2700.00
NORMAN CRAFT	26	$1660.00
TED KINNETT	126	$7610.00
FRANKIE WEBB	6	$360.00
ROBERT COMPTON	1	$50.00
RAY DANIEL	14	$840.00
DARRELL MASSEY	60	$4500.00
RAY DANIEL	120	$7850.00
DARRELL MASSEY		
LEONARD OSBORNE	61	$3960.00
DANNY MARTIN	126	$7490.00
DONNIE WHITFIELD		
LARRY SHAW	53	$3480.00
	1,419 CARS	$94,950.00

(MIED)

$47,475.00
2 ⟌ 94,950.00
8
14
14
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10

47,475.00 ½ Paul
+ 47,475.00 ½ Charlie
Total $94,950.00

FROM 8-27-92 TO 6-30-93

NAME	No CARS	PROFIT
1. William Herring	9	$ 540.00
2. Pat Simpson	20	$ 1250.00
3. Jack Sullivan	63	$ 3780.00
4. John Morgan	82	$ 4920.00
5. Dean Parker	29	$ 1,790.00
6. Ronald Saunders	168	$ 10,280.00
7. Donnie Creenshaw		
8. Ted Harbin	29	$ 1740.00
9. Joe Osborne	90	$ 10,570.00
10. Danny Osborne	78	$ 6,430.00
11. Brad Free	87	$ 5220.00
12. Tommy Smith	79	$ 5,840.00
13. Fred Free	249	$ 14,940.00
14. Jimmy Free	77	$ 4620.00
15. Norman Craft	49	$ 2,990.00
16. Ted Kinnett	346	$ 20,960.00
17. Frankie Webb	11	$ 660.00
18. Ray Daniel	100	$ 6,600.00
19. Darrell Massey	342	$ 22,470.00
20. Ray Daniel	5	$ 350.00
21. Darrell Massey		
22. Jerry Kinsler	21	$ 1360.00
23. Leonard Osborne	102	$ 6,970.00
24. Danny Martin	181	$ 10,860.00
25. Donnie Whitfield		
26. Larry Shaw	87	$ 5,670.00
Total	2,304 Cars	Total $ 150,810.00

over

$75,405.00
2) 150,810.00
14
10
10
8
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10

75,405.00 1/2 Charlie
75,405.00 1/2 Paul
Total $150,810.00

FROM 6-30-93 TO 4-7-94

NAME	No CARS	PROFIT
1. PAT SIMPSON	20	$1250.00
2. JACK SULLIVAN	5	$ 300.00
3. JOHN MORGAN	67	$4020.00
4. DEAN PARKER	33	$2030.00
5. HORACE CHAPMAN	2	$ 120.00
6. RONALD SANDERS	26	$1560.00
7. JOE OSBORNE	56	$8080.00
8. DONNIE CKENSHAW	49	$3090.00
9. DANNY OSBORNE	72	$6170.00
10. BRAD FREE	55	$3300.00
11. TOMMY SMITH	43	$3730.00
12. FREDDY FREE	215	$12,900.00
13. JIMMY FREE	120	$7200.00
14. NORMAN CRAFT	57	$3620.00
15. TED KINNETT	172	$10,470.00
16. FRANKIE WEBB	13	$ 960.00
17. RAY DANIEL	132	$8770.00
18. DARRELL MASSEY	409	$27,340.00
19. JERRY KINSLER	16	$1060.00
20. LEONARD OSBORNE	108	$7180.00
21. DANNY MARTIN	100	$6000.00
22. LARRY SHAW	108	$7180.00
Total	1,878 Cars	Total $126,330.00

OVR

$63,165.00

2 | 126,330.00

12

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63,165.00 1/2 Charlie

63,165.00 1/2 Paul

Total $ 126,330.00

FROM 4-7-94 TO 1-31-95

	NAME	NO CARS	PROFIT
1.	PAT SIMPSON	24	$ 1,590.00
2.	JOHN MORGAN	62	$ 3,720.00
3.	DEAN PARKER	33	$ 2,080.00
4.	RONALD SANDERS	22	$ 1,420.00
5.	JOE OSBORNE	33	$ 13,320.00
6.	DONNIE CRENSHAW	19	$ 1,140.00
7.	DANNY OSBORNE	76	$ 6,310.00
8.	BRAD FREE	53	$ 3,630.00
9.	TOMMY SMITH	98	$ 8430.00
10.	FRED FREE	54	$ 3240.00
11.	JIMMY FREE	45	$ 2,700.00
12.	NORMAN CRAFT	72	$ 5,420.00
13.	FRANKIE WEBB	9	$ 630.00
14.	RAY DANIEL	160	$ 12,100.00
15.	JERRY KINSLER	9	$ 640.00
16.	LEONARD OSBORNE	146	$ 11,360.00
17.	DANNY MARTIN	67	$ 4,020.00
18.	LARRY SHAW	74	$ 5790.00
19.	DARRELL MASSEY	834	$ 57,240.00
		1,890	$ 144,780.00

OVER

$72,390.00
2 | 144,780.00
14
4
4
7
6
18
18

72,390.00 ½ Paul
72,390.00 ½ Julie
$144,780.00 Total

FROM 1-31-95 TO 11-20-95

	NAME	No CARS	PROFIT
1.	JACK SULLIVAN	7	$ 420.00
2.	PAT SIMPSON	10	$ 750.00
3.	JOHN MORGAN	60	$ 3600.00
4.	DEAN PARKER	28	$ 1830.00
5.	RONALD SAUNDERS	3	$ 180.00
6.	JOE OSBORNE	16	$ 9560.00
7.	DONNIE CRENSHAW	60	$ 4550.00
8.	DANNY OSBORNE	119	$ 11,190.00
9.	BRAD FREE	40	$ 3050.00
10.	TOMMY SMITH	63	$ 5480.00
11.	HOKMAN CRAFT	70	$ 4450.00
12.	RAY DANIEL	97	$ 9270.00
13.	DARRELL MASSEY	228	$ 17,480.00
14.	LEONARD OSBORNE	137	$ 10,720.00
15.	DANNY MARTIN	49	$ 2940.00
16.	LARRY SHAW	54	$ 3840.00
		1041	$ 87,610.00

1/2 Charlie 43,805.00
1/2 PAUL 43,805.00
Total $ 87,610.00

$43,805.00
2) 87,610.00
8
7
10
16
16
10
10

Shop Rent

			Total
Feb Rent	$461.38	1/2 charlie	$922.76
March Rent	$467.92	1/2 charlie	$935.85
April Rent	$467.92	1/2 charlie	$935.85
May Rent	$462.20	1/2 charlie	$924.41
June Rent	$464.18	1/2 charlie	$934.36
July Rent	$576.79	1/2 charlie	$1153.58
Aug Rent	$553.97	1/2 charlie	$1107.94
Sept Rent	$557.75	1/2 charlie	$1115.50
Oct Rent	$570.73	1/2 charlie	$1141.47
Nov Rent	$496.41	1/2 charlie	$992.83
	$5,082.25		$10,164.55

Paul owe charlie

FROM 11-20-95 TO Oct 1-96

	NAME	No CARS	PROFIT
1.	Jack Sullivan	5	$300.00
2.	Pat Simpson	13	$780.00
3.	Ray Gaines	19	$1260.00
4.	John Marchbanks		
5.	John Morgan	64	$3840.00
6.	Dean Parker	36	$2360.00
7.	Ronald Saunders	36	$2160.00
8.	Joe Osborne	146	$18,060.00
9.	Donnie Crenshaw	6	$510.00
10.	Danny Osborne	109	$9090.00
11.	Tommy Smith	142	$12,770.00
12.	Norman Craft	47	$3120.00
13.	Ray Daniel	231	$16,710.00
14.	Darrell Massey	305	$23,600.00
15.	Leonard Osborne	167	$11,520.00
16.	Danny Martin	90	$5400.00
17.	Larry Shaw	40	$3050.00
	Total	1456	Total $114,530.00

1/2 Charlie	$57,265.00
1/2 Paul	$57,265.00
	$114,530.00

$57,265.00

2 | 114,530.00

10

14

14

5

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Shop Rent

	1/2	Total
Dec. Rent	$ 488.29	$ 976.58
Jan. Rent	$ 460.49	$ 920.99
Feb. Rent	$ 499.26	$ 998.53
March Rent	$ 524.52	$ 1049.05
April Rent	$ 516.24	$ 1032.49
May Rent	$ 526.00	$ 1052.00
June Rent	$ 523.62	$ 1047.24
July Rent	$ 531.89	$ 1063.79
Aug Rent	$ 524.72	$ 1049.45
Sept Rent	$ 627.05	$ 1254.10
	$ 5,222.08	$ 10,444.22

1/2
Paulowe Charlie

FROM 10-1-96 TO 6-30-97

	NAME	No CARS	PROFIT
1.	NORMAN SCOTT	45	$3850.00
2.	RUFUS HACKETT	38	$3495.00
3.	BILLY HARDIN	52	$3400.00
4.	RANDALL KENT	47	$4180.00
5.	DANNY MARTIN	51	$3700.00
6.	DARRELL MASSEY	182	$18,080.00
7.	BRADON MASSEY	4	$400.00
8.	JOHN MORGAN	61	$4700.00
9.	DANNY OSBORNE	43	$3885.00
10.	JOE OSBORNE	85	$12,670.00
11.	LEONARD OSBORNE	88	$7455.00
12.	DEAN PARKER	34	$2480.00
13.	MARSHALL ROLLAND	90	$8680.00
14.	TIMMY SIMMONS	140	$13,175.00
15.	LARRY SHAW	39	$3370.00
16.	PAT SIMPSON	2	$170.00
17.	RAY DANIEL	33	$2230.00
18.	RAY GAINES	13	$780.00
19.	TOMMY SMITH	133	$11,780.00
20.	BRAD FREE	2	$200.00
21.	GARY BURNETTE	19	$1975.00
	Total	1201	$110,655.00

1/2 CHARLIE 55,327.50
1/2 PAUL 55,327.50
$110,655.00

$55,327.50
2 $110,655.00
10
10
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5
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Shop Rent

	Total	1/2
Oct Rent	$ 1,278.72	$ 639.36
Nov Rent	$ 1,086.80	$ 543.40
Dec Rent	$ 1,331.05	$ 665.52
Jan Rent	$ 1,321.73	$ 660.86
Feb Rent	$ 1118.32	$ 559.16
March Rent	$ 1117.41	$ 558.70
April Rent	$ 1453.45	$ 726.72
May Rent	$ 1433.34	$ 716.67
June Rent	$ 1411.69	$ 705.84
Total	11,552.51	1/2 $ 5,776.23

Paul over Chuli

From 10-1-96 To 6-30-97

Light Bill

	Light Bill	Rent	Difference
Oct	$171.28	$1450.00	$1278.72
Nov	$363.20	$1450.00	$1086.80
Dec	$118.95	$1450.00	$1331.05
Jan	$128.27	$1450.00	$1321.73
Feb	$156.68	$1275.00	$1118.32
March	$157.59	$1275.00	$1117.41
April	$121.55	$1575.00	$1453.45
May	$141.66	$1575.00	$1433.34
June	$163.31	$1575.00	$1411.69
~~July~~	~~$139.52~~		
			$11,552.51

FROM 6-30-97 TO 1-15-98

	NAME	NO CARS	PROFIT
1.	NORMAN CRAFT	35	$3800.00
2.	RUFUS HACKETT	79	$8950.00
3.	RANDALL KENT	92	$9350.00
4.	DANNY MARTIN	43	$4300.00
5.	DARRELL MASSEY	89	$10,850.00
6.	JOHN MORGAN	27	$2900.00
7.	DANNY OSBORNE	43	$5875.00
8.	JOE OSBORNE	9	$1550.00
9.	LEONARD OSBORNE	64	$7075.00
10.	DEAN PARKER	20	$2000.00
11.	MARSHALL ROWLAND	114	$11,400.00
12.	TIM SIMMONS	101	$11,600.00
13.	LARRY SHAW	29	$3575.00
14.	GARY BURDETTE	44	$4550.00
15.	TOMMY SMITH	132	$18,530.00
16.	HAROLD DUNCAN	38	$3800.00
17.	BILLY HARKIN	307	$30,320.00

1,246 total

Total $138,225.00

$69,112.50

2 | 138,225.00

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1/2 CHARLIE 69,112.50

1/2 PAUL 69,112.50

Total $138,225.00

SHOP RENT

FROM 6-30-97 TO 1-15-98

	Total	1/2
July Rent	$1,435.48	$717.74
Aug Rent	$1,408.28	$704.14
Sept Rent	$1423.91	$711.95
Oct Rent	$1436.39	$718.19
Nov Rent	$1111.69	$555.84
Dec Rent	$1129.28	$564.64
Jan Rent	$1083.68	$541.84
Total	$9,028.71	1/2 $4514.34

Paid over Clutter

Light Bill

FROM 6-30-97 TO 1-15-98

	Light Bill	Rent	Difference
July	$139.52	$1575.00	$1,435.48
Aug	$166.72	$1575.00	$1,408.28
Sept.	$151.09	$1575.00	$1,423.91
Oct.	$138.61	$1575.00	$1,436.39
Nov.	$163.31	$1275.00	$1,111.69
Dec.	$145.72	$1275.00	$1129.28
Jan.	$191.32	$1275.00	$1083.68
			$9028.71

FROM 1-15-98 TO 7-5-98

	NAME	No CARS	PROFIT
1.	NORMAN CRAFT	26	$3200.00
2.	RUFUS HACKETT	49	$5575.00
3.	RANDALL KEOTT	47	$4850.00
4.	DANNY MARTIN	45	$4500.00
5.	DARRELL MASSEY	52	$5800.00
6.	JOHN MORGAN	35	$3500.00
7.	LEONARD OSBORNE	47	$5600.00
8.	STEVE CAUDLEY	37	$3700.00
9.	MARSHALL ROWLAND	116	$11,600.00
10.	TIM SIMMONS	113	$12,275.00
11.	LARRY SHAW	40	$4975.00
12.	GARY BUKWETTE	51	$5625.00
13.	HAROLD DUNCAN	31	$3100.00
14.	DERYL VAUGHN	4	$400.00
	TOTAL	693 CARS	TOTAL $74,700.00

1/2 CHARLIE $37,350.00
1/2 PAUL 37,350.00
$74,700.00

1/2 $37,350.00
2 | 74,700.00
6
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Shop Rent

From 1-15-98 To 7-5-98

	Total	1/2
Feb Rent	$1,091.70	$545.85
March Rent	$1,104.86	$552.43
April Rent	$1,099.56	$539.78
May Rent	$1,363.36	$681.68
June Rent	$1,395.72	$697.86
July Rent	$1,395.92	$697.96
Total	$7,431.12	$3,715.56

Paul & Charlie

Light Bill

From 1-15-98 To 7-5-98

	Light Bill	Rent	Difference
Feb	$183.30	$1275.00	$1,091.70
March	$170.14	$1275.00	$1104.86
April	$195.44	$1275.00	$1079.56
May	$211.64	$1575.00	$1363.36
June	$179.28	$1575.00	$1395.72
July	$179.08	$1575.00	$1395.92
		Total	$7,431.12

FROM 7-5-98 TO 1-8-99

NAME	No CARS	PROFIT
1. NORMAN CRAFT	29	$2975.00
2. RUFUS HACKETT	90	$10,500.00
3. BILLY HARKIN	101	$16,100.00
4. RANDALL KENT	58	$6025.00
5. DANNY MARTIN	43	$4300.00
6. DARRELL MASSEY	71	$7925.00
7. JOHN MORGAN	35	$3500.00
8. DANNY OSBORNE	42	$6225.00
9. JOE OSBORNE	56	$7575.00
10. LEONARD OSBORNE	63	$7500.00
11. STEVE CURLEY	43	$4300.00
12. MARSHALL ROWLAND	85	$8500.00
13. TIM SAMMONS	102	$11,100.00
14. LARRY SHAW	33	$4275.00
15. GARY BURNETTE	46	$4825.00
16. TOMMY SMITH	50	$6800.00
17. DERYL VAUGHN	21	$2100.00
Total	$1,028 CARS	Total $114,525.00

1/2 CHARLIE $57,262.50
1/2 PAUL $57,262.50
$114,525.00

$57,262.50
2 | 114,525.00
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FROM 7-5-98 SHOP RENT TO 1-8-99

	Total	½
Aug. Rent	$1369.63	$684.81
Sept. Rent	$1387.01	$693.50
Oct. Rent	$1375.45	$687.72
Nov. Rent	$1399.33	$699.33
Dec. Rent	$1117.01	$558.50
Total	$6648.43	½ $3323.86

Paulette Charlie

From 7-5-98 Light Bill To 1-8-99

	Light Bill	Rent	Difference
Aug.	$205.34	$1575.00	$1369.63
Sept.	$187.99	$1575.00	$1384.01
Oct.	$199.55	$1575.00	$1375.45
Nov.	$175.67	$1575.00	$1399.33
Dec.	$157.99	$1275.00	$1117.01
		Total	$6648.43

From 1-8-99 To 7-5-99

NAME	No Cams	PROFIT
1. Norman Craft	27	3150.00
2. Rufus Hackett	54	6750.00
3. Billy Harbin	154	15,925.00
4. Randall Kent	46	4750.00
5. Danny Martin	37	3700.00
6. Darrell Massey	69	8100.00
7. John Morgan	25	2500.00
8. Danny Osborne	36	5025.00
9. Joe Osborne	63	9200.00
10. Leonard Osborne	50	5525.00
11. Steve Curley	44	4400.00
12. Marshall Rowland	64	6400.00
13. Tim Sammons	181	19,825.00
14. Larry Shaw	47	6425.00
15. Gary Burnette	54	5625.00
16. Dean Parker	3	300.00
17. Deryl Vaughn	42	4200.00
	996	Total 111,800.00

1/2 Charlie $55,900.00
1/2 Paul $55,900.00
$111,800.00

$55,900.00
2 | 111,800.00
10
11
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18

From 1-8-99 Shop Rent To 7-5-99

	Total	1/2
Jan. Rent	1352.86	676.43
Feb. Rent	1321.95	660.97
March Rent	1345.75	672.87
April Rent	1334.00	667.00
May Rent	1346.32	673.16
June Rent	1366.12	683.06
Total	$ 8067.00	1/2 $ 4033.49

Paul owe Claude

$4033.50 1/2 Claude
$4033.50 1/2 Paul
$8067.00

From 1-8-99 Light Bill To 7-5-99

	Light Bill	Rent	Difference
Jan. 1999	$172.14	$1525.00	$1352.86
Feb. 1999	$203.05	$1525.00	$1321.95
March 1999	$179.25	$1525.00	$1345.75
April 1999	$191.00	$1525.00	$1334.00
May 1999	$178.68	$1525.00	$1346.32
June 1999	158.88	$1525.00	$1366.12
~~July 1999~~			
		Total	$8,067.00

From 1-5-99 To 1-8-2000

Name	No. Cars	Profit
1. Norman Craft	31	3325.00
2. Rufus Hackett	93	11,025.00
3. Billy Harbin	151	15,550.00
4. Randall Kent	42	4275.00
5. Danny Martin	24	2400.00
6. Jackell Massey	57	6750.00
7. John Morgan	50	5000.00
8. Danny Osborne	5	650.00
9. Joe Osborne	30	4200.00
10. Leonard Osborne	33	3450.00
11. Steve Curley	35	3500.00
12. Marshall Rowland	53	5300.00
13. Tim Simmons	69	7950.00
14. Larry Shaw	50	6650.00
15. Gary Byrnette	58	5875.00
16. Dean Parker	21	2100.00
17. Deryl Vaughn	45	4500.00
	847	Total # 92,500.00

1/2 Charlie 46,250.00
1/2 Paul 46,250.00
92,500.00

46,250.00
2 | 92,500.00
8/12
12
4
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From 7-5-99 Shop Rent To 1-8-2000

	Total	1/2
July. 1999	$1332.35	$666.17
Aug. 1999	$1354.85	$677.42
SEPT. 1999	$1336.18	$668.09
Oct. 1999	$1345.51	$672.75
Nov. 1999	$1372.03	$686.01
DEC. 1999	$1370.39	$685.19
	$8111.31	Make 1/2 $4055.63

4055.63 1/2 Charlie Rent
4055.63 1/2 Paul
Total $8111.26

From 7-5-99 Light Bill To 1-8-2000

Light Bill	Rent	Difference
July 1999 $192.65	$1525.00	$1332.35
Aug. 1999 $170.15	$1525.00	$1354.85
Sept. 1999 $188.82	$1525.00	$1336.18
Oct. 1999 $179.49	$1525.00	$1345.51
Nov. 1999 $152.97	$1525.00	$1372.03
Dec. 1999 $154.61	$1525.00	$1370.39
		Total $8111.31

$4055.65
2 ⟌ 8111.31
8
1 1
10
1 1
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13
12
1 1
10
1

Charlie 1/2 4055.65
Paul 1/2 4055.65
$8111.30

From 1-8-2000 To 7-5-2000

Name	No Cars	Profit
1. Norm Cost	57	5775.00
2. Rufus Hackett	61	9350.00
3. Bill Hanlin	156	15,825.00
4. Randall Kent	51	5400.00
5. Dan Martin	24	2400.00
6. Darrell Mary	71	8600.00
7. John Morgan	30	3000.00
8. Dan Oslone	5	800.00
9. Joe Oslone	35	4900.00
10. Jerod Oslone	36	4050.00
11. Steve Ruby	75	7500.00
12. Marshall Rowland	25	2500.00
13. Tim Samm	159	17,400.00
14. Jay Shaw	33	4800.00
15. Guy Bennette	73	7300.00
16. Dan Parker	41	4100.00
17. Daryl Vaughn	53	5300.00
	985	Total $109,000.00

1/2 Charlie $54,500.00
1/2 Paul $54,500.00
$109,000.00

$54,500.00
2 | 109,000.00
10
9
8
10
10

FROM 1-8-2000 SHOP RENT TO 7-5-2000

	Total	1/2
JAN 2000	$1367.69	$683.84
FEB 2000	$1372.47	$686.23
MARCH 2000	$1363.12	$686.56
APRIL 2000	$1363.92	$686.96
MAY 2000	$1372.73	$686.36
JUNE 2000	$1319.97	$659.98
	$8159.90	[redacted]
		$4,079.93

6 mo. $4079.93 [redacted] 1/2 CHARLIE RENT

+ 4079.93 [redacted] 1/2 PAUL

From 1-8-2000	Light Bill	Light Bill	To 7-5-2000
	Light Bill	Rent	Difference
Jan. 2000	$ 157.31	$ 1525.00	$ 1367.69
Feb. 2000	$ 152.53	$ 1525.00	$ 1372.47
March 2000	$ 161.88	$ 1525.00	$ 1363.12
April 2000	$ 161.08	$ 1525.00	$ 1363.92
May 2000	$ 152.27	$ 1525.00	$ 1372.73
June 2000	$ 205.03	$ 1525.00	$ 1319.97
		Total	$ 8159.90

$4079.95
2 | 8159.90
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19
18
10

Charlie 1/2 $4079.95
Paul 1/2 $4079.95
$8159.90

From 7-5-2000 To 1-F-2001

Name	No Cows	Profit
1. Norman Craft	35	3650.00
2. Rufus Hackett	85	9175.00
3. Billy Hankins	159	16,575.00
4. Randall Kent	32	3275.00
5. Danny Martin	8	800.00
6. Darrell Massey	79	9325.00
7. Brandon Massey	9	1425.00
8. John Morgan	62	6200.00
9. Joe Osborne	35	4900.00
10. Leonard Osborne	28	3325.00
11. Steve Curley	67	6700.00
12. Tim Simmons	126	13,950.00
13. Larry Shaw	26	3650.00
14. Gary Burnette	56	5675.00
15. Dean Packer	14	1400.00
16. Dekyal Vaughn	27	2700.00
17. William Herring	5	500.00
	853	Total # 93, 225.00

1/2 Paul 46,612.50
1/2 Charlie 46,612.50
93,225.00

46612.50
2 | 93225.00
8
13
12
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From 7-5-2000 Shop Rent To 1-8-2001

	Total	1/2
July 2000	1314.59	
Aug. 2000	1546 81	
SEPT. 2000	1443.26	
Oct. 2000	1468.16	
Nov. 2000	1504.74	
DEC 2000	1474.04	
	$ 8751.60	

6 month

4375.80 1/2 Paul
4375.80 1/2 Charles
8751.60

RENT

$4375.80
2|8751.60
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From 7-5-2000 Light Bill	Light Bill Rent	To 1-8-2001 Difference
July 2000 $ 210.41	1525.00	$1314.59
Aug. 2000 $ 128.19	1675.00	$1546.81
Sept. 2000 $ 231.74	1675.00	$1443.26
Oct. 2000 $ 206.84	1675.00	$1468.16
Nov. 2000 $ 170.26	1675.00	$1504.74
Dec. 2000 $ 200.93	1675.00	$1474.04
	Total	$8751.60

$4375.80
2 | 8751.60
8
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15
14
11
10
10

4375.80 1/2 Paul
4375.80 1/2 Charlie
Total 8751.60

FROM 1-8-2001 TO 7-5-2001

	Name	No Cows	Profit
1.	Norman Craft	38	$ 3800.00
2.	Rufus Hackett	48	$ 6225.00
3.	Billy Harlow	175	$ 17,550.00
4.	Rawdall Kent	29	$ 3200.00
5.	Danny Martin	31	$ 3100.00
6.	Darrell Massey	105	$ 14,175.00
7.	John Morgan	27	$ 2700.00
8.	Brandon Massey	48	$ 7500.00
9.	Joe Osborne	35	$ 4900.00
10.	Leonard Osborne	46	$ 5575.00
11.	Steve Curley	71	$ 7100.00
12.	Ray Gaines	6	$ 600.00
13.	Tim Simmons	140	$ 15,275.00
14.	Larry Shaw	17	$ 2450.00
15.	Gary Burnette	60	$ 6225.00
16.	Dean Parker	18	$ 1800.00
17.	Deryl Vaughan	53	$ 5300.00
18.	William Hekkins	5	$ 500.00
19.	Jerry Simpson	3	$ 300.00
		954	108,275.00

1/2 Paul 54,137.50
1/2 Charlie 54,137.50
108,275.00

$54,137.50
2 | 108,275.00
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From 1-8-2001 Shop Rent To 7-5-2001

JAN 2001	$1449.94
FEB 2001	$1370.14
March 2001	$1420.55
April 2001	$1394.86
MAY 2001	$1935.91
JUNE 2001	$1947.96
	$9519.39

6 month

4759.69 1/2 Paid
4759.69 1/2 due
$9519.39

RENT

$4759.69
2 | 9519.39
8
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18

From 1-8-2001 Light Bill		Light Bill Rent	To 7-5-2001 Difference
JAN 2001	$225.06	$1675.00	$1449.94
Feb 2001	$304.83	$1675.00	$1370.17
March 2001	$254.45	$1675.00	$1420.55
April 2001	$280.14	$1675.00	$1394.86
May 2001	$239.09	$2175.00	$1935.91
June 2001	$227.04	$2175.00	$1947.96
		Total	$9519.39

$4759.69
2 | 9519.39
8
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19

4759.69 1/2 Paul
4759.69 1/2 Charlie
Total 9,519.38

From 7-5-2001 To 1-8-2002

	Name	No Cars	Profit
1.	Norman Craft	23	2300.00
2.	Rufus Hackett	97	10,675.00
3.	Billy Harbin	129	13,125.00
4.	Randall Kent	29	2900.00
5.	Danny Martin	71	7100.00
6.	Darrell Massey	89	10,925.00
7.	John Morgan	8	800.00
8.	Brandon Massey	83	12,650.00
9.	Joe Osborne	35	4900.00
10.	Leonard Osborne	40	4900.00
11.	Steve Conley	59	5900.00
12.	Ray Caines	20	2075.00
13.	Tim Simmons	118	13,450.00
14.	Larry Shaw	38	5525.00
15.	Gary Burnette	51	5100.00
16.	Dean Parker	35	3575.00
17.	Derral Vaughn	26	2600.00
18.	William Herring	9	900.00
19.	Jerry Simpson	7	700.00
20.	Gary Metz	32	3200.00
		999.00	#113,300.00

#56,650.00

2 | 113,300.00

10/13

12/13

12/10

10

1/2 Paul 56,650.00

1/2 Charlie 56,650.00

#113,300.00

From 7-5-2001 Shop Rent 1-8-2002

July 2001 $1946.61
August 2001 $2008.85
SEPT. 2001 $1979.11
OCT. 2001 $2001.23
NOV. 2001 $1465.82
DEC. 2001 $1438.85
Total $10,840.47

6 month

5420.23 1/2 Paul
5420.23 1/2 Charlie
10,840.46

$5420.23
2|10,840,47
10
8
8
4
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From 7-5-2001 Light Bill		Light Bill Rent	To 1-8-2002 Difference
July 2001	$228.39	$2175.00	$1946.61
August 2001	$166.15	$2175.00	$2008.85
Sept. 2001	$195.89	$2175.00	$1979.11
Oct. 2001	$173.77	$2175.00	$2001.23
Nov. 2001	$209.18	$1675.00	$1465.82
Dec. 2001	$236.15	$1675.00	$1438.85
		Total	$10,840.47

$5420.23 ½ Paul
$5420.23 ½ Charli
$10,840.46 Total

$$2\overline{)10,840.47}\quad 5420.23$$

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0 7
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FROM 1-8-2002 TO 7-5-2002

NAME	NO CARS	PROFIT
1. NORMAN CRAFT	141	$ 14,250.00
2. RUFUS HACKETT	63	$ 6675.00
3. BILLY HARLOW	155	$ 15,575.00
4. RANDALL KENT	14	$ 1625.00
5. DANNY MARTIN	60	$ 6000.00
6. DARRELL MASSEY	101	$ 12,125.00
7. JOHN MONSON	10	$ 1000.00
8. BRANDON MASSEY	40	$ 5050.00
9. JOE OSBORNE	45	$ 7100.00
10. LEONARD OSBORNE	80	$ 9800.00
11. STEVE CUDLEX	78	$ 7800.00
12. RAY GAINES	3	$ 300.00
13. TIM SIMMONS	120	$ 13,875.00
14. LARRY SHAW	14	$ 2150.00
15. GARY BURDETTE	36	$ 3750.00
16. DEAN PARKER	49	$ 4900.00
17. DERRAL VAUGHN	54	$ 5400.00
18. WILLIAM HERRING	7	$ 700.00
19. JERRY SIMPSON	7	$ 700.00
20. GARY METZ	37	$ 3700.00
		$ 122,475.00

1/2 PAUL 61,237.50
1/2 CHARLIE 61,237.50
122,475.00

$ 61,237.50
2 | 122,475.00
12
2
2
4
4
7
6
15

From 1-8-2002 Shop Rent 7-5-2002

Jan 2002	$1458.57
Feb 2002	$1475.14
March 2002	$1821.24
April 2002	$1800.73
May 2002	$1828.13
June 2002	$1802.62
	$10,246.43

6 month

$123.21 1/2 Paid
$123.21 1/2 Chalis
$10,246.42

$123.21
2 | 10,246.43
10
2
24
4
6
6

FROM 1-8-2002 LIGHT BILL TO 7-5-2002

Light Bill		Rent	Difference
JAN. 2002	$216.43	$1675.00	$1458.57
FEB. 2002	$199.86	$1675.00	$1475.14
March. 2002	$153.76	$1975.00	$1821.24
April 2002	$114.27	$1975.00	$1860.73
MAY 2002	$146.87	$1975.00	$1828.13
JUNE 2002	172.38	$1975.00	$1802.62
		Total	$10,246.43

$123.21 ½ Paid
$123.21 ½ Charlie
$ 10,246.42 Total

$ 123.21
2110,246.43
10
2
2
4
4
6
6

From 7-5-2002 To 1-8-2003

Name	No Cars	Profit
1. Norman Craft	100	$ 10,000.00
2. Rufus Hackett	64	$ 7,000.00
3. Billy Harbin	127	$ 13,000.00
4. Randall Kent	20	$ 2,000.00
5. Danny Martin	51	$ 5100.00
6. Darrell Massey	54	$ 7125.00
7. John Morgan	23	$ 2300.00
8. Brandon Massey	118	$ 16,825.00
9. Joe Osborne	80	$ 12,925.00
10. Leonard Osborne	56	$ 6200.00
11. Steve Gurley	27	$ 2700.00
12. Gary Metz	21	$ 2175.00
13. Tim Simmons	172	$ 19,450.00
14. Larry Shaw	21	$ 2700.00
15. Gary Burnette	55	$ 5650.00
16. Dean Parker	18	$ 1800.00
17. Deryal Vaughn	23	$ 2300.00
18. William Hekrins	4	$ 400.00
19. Jerry Simpson	12	$ 1200.00
		Total $ 120,850.00

1/2 Paul 60,425.00
1/2 Charlie 60,425.00
$ 120,850.00

$ 60,425.00
2 | 120,850.00
12
8
8
5
4
10

From 7-5-2002 | Shop Rent | 1-8-2003

July 2002 $1798.08
Aug 2002 $1772.29
Sept 2002 $1744.89
Oct 2002 $1807.42
Nov 2002 $1816.94
Dec 2002 $1770.98
Total $10,710.60

½ Paid 5355.30
½ Due 5355.30
Total $10,710.60

½ $5,355.30
2|10,710.60
10
7
6
11
10
10
10
6
6

6 months

FROM 7-5-2002 LIGHT BILL TO 1-8-2003

LIGHT BILL		RENT		DIFFERENCE
July 2002	$176.92	$1975.00		$1798.08
Aug 2002	$202.71	$1975.00		$1772.29
SEPT. 2002	$230.11	$1975.00		$1744.89
Oct. 2002	$167.58	$1975.00		$1807.42
Nov. 2002	$158.06	$1975.00		$1816.94
DEC. 2002	$204.02	$1975.00		$1770.98
				$10,710.60

5355.30 1/2 Paul
5355.30 1/2 Charlie
$10,710.60

1/2 $5,355.30
2|10,710.60
10
7
6
11
10
10
10

FROM 1-8-2003 TO 7-5-2003

	NAME	No CANS	PROFIT
1.	NORMAN CRAFT	55	$5500.00
2.	RUFUS HACKETT	69	$ 7575.00
3.	BILLY HARBIN	111	$11,500.00
4.	RANDALL KENT	3	$ 300.00
5.	DANNY MARTIN	46	$ 4600.00
6.	DARRELL MASSEY	12	$ 1575.00
7.	JOHN MORGAN	20	$ 2000.00
8.	BRANDON MASSEY	145	$22,450.00
9.	JOE OSBORNE	67 CANS	$11,650.00
10.	LEONARD OSBORNE	54	$ 6080.00
11.	STEVE CURLEY	60	$ 6080.00
12.	GARY METZ	14	$ 1400.00
13.	TIM SIMMONS	193	$ 22,075.00
14.	LARRY SHAW	31	$ 3475.00
15.	GARY BURNETTE	22	$ 2200.00
16.	DEAN PARKE	62	$ 6200.00
17.	DERYL VAUGHN	9	$ 900.00
18.	WILLIAM HERRING	3	$ 320.00
19.	JERRY SIMPSON	12	$ 1200.00

Total $116,900.00

$58,450.00

2 | 116,900.00

10

16

16

9

8

1/2 PAUL 58,450.00

1/2 CHARLIE 58,450.00

Total $116,900.00

From 1-8-2003 Shop Rent 7-5-200[illegible]

Jan	2003	$1386.70
Feb	2003	$1353.54
March	2003	$1391.36
April	2003	$1414.71
May	2003	$1488.16
June	2003	$1500.97
	total	$8535.44

4267.72 1/2 Paul
4267.72 1/2 Chuck
8535.44

6 month

1/2 $4267.72

2|8535.44
8
5
4
13
12
15
14

From 1-8-2003 LightBill To 7-5-2003

LightBill		Rent	Difference
Jan 2003	$188.30	$1575.00	$1386.70
Feb 2003	$221.46	$1575.00	$1353.54
March 2003	$183.64	$1575.00	$1391.36
April 2003	$160.29	$1575.00	$1414.71
May 2003	$86.84	$1575.00	$1488.16
June 2003	$74.03	$1575.00	$1500.97
			$8535.44

1/2 $4267.72

2 | 8535.44

8 5 4 13 12 15 14 14

4267.72 1/2 Paul

4267.72 1/2 Charli

$8535.44

FROM 1-5-2003 TO 1-8-2004

	NAME	NO CARS	PROFIT
1.	NORMAN CRAFT	43	$ 4,750.00
2.	RUDUS HACKETT	147	$ 16,725.00
3.	BILLY HARBIN	108	$ 10,875.00
4.	RANDALL KEW	8	$ 800.00
5.	DANNY MARTIN	54	$ 5,400.00
6.	JOHN MORGAN	34	$ 3,400.00
7.	DARRELL MASSEY BRANDON MASSEY	175	$ 24,325.00
8.	JOE OSBORNE	84	$ 21,600.00
9.	LEONARD OSBORNE	20	$ 2,600.00
10.	STEVE COURLEY	31	$ 3,100.00
11.	GARY METZ	19	$ 2050.00
12.	TIM SIMMONS	207	$ 24,000.00
13.	KENNY ROWLAND KEITH SHAW	29	$ 4,025.00
14.	GARY BURNETTE	41	$ 4,175.00
15.	DEAN PARKER	10	$ 1,000.00
16.	LARRY CRAFT	8	$ 800.00
17.	JERRY SIMPSON	26	$ 2,600.00
			total $ 132,225.00

1/2 CHARLIE 66,112.50
1/2 PAUL 66,112.50
total $ 132,225.00

$ 66,112.50
2 | 132,225.00
12
12
12

From 7-5-2003 Shop Rent To 1-8-2004

July - 2004	$1601.35
August - 2004	$1990.78
SEPT. - 2004	$1979.96
Oct. - 2004	$1496.56
Nov. - 2004	$1808.54
DEC. - 2004	$1904.84
Total	$10,782.~~03~~

1/2 $5391.00

2|10782.00

10

7

6

18

18

5391.00 1/2 Paul

5391.00 1/2 Chandie

$10,782.00 Total

6 month Rent

From 7-5-2003 Light Bill To 1-8-2004

Light Bill		Rent	Difference
July 2003	$73.65	$1675.00	$1601.35
August 2003	$84.22	$2075.00	$1990.78
Sept. 2003	$95.04	$2075.00	$1979.96
Oct. 2003	$178.44	$1675.00	$1496.56
Nov. 2003	$166.46	$1975.00	$1808.54
Dec. 2003	$70.16	$1975.00	$1904.84
			$10,782.03

$5391.00 ½ Paul

$5391.00 ½ Charlie

Total $10,782.00

$5391.00
2 / 10,782.03
10
7
6
18
18
2
2

FROM 1-8-2004 TO 7-5-2004

	NAME	NO CARS	PROFIT
1.	NORMAN CRAFT	76	7675.00
2.	RUFUS HACKETT	107	10,850.00
3.	BILLY HARBIN	133	13,600.00
4.	DANNY MARTIN	40	4,000.00
5.	JOHN MONGAN	31	3100.00
6.	DARRELL MASSEY BRANDON MASSEY	170	23,150.00
7.	JOE OSBORNE	59	10,475.00
8.	LEON AND OSBORNE	8	1100.00
9.	STEVE CURLEY	7	700.00
10.	GARY METZ	6	600.00
11.	TIM SIMMONS	235	25,975.00
12.	KENNY ROWLAND KEITH SHAW	21	2775.00
13.	GARY BURNETTE	23	2300.00
14.	LEON PARKER	8	800.00
15.	DERYAL VAUGHN	16	1600.00
16.	LARRY CRAFT	26	2675.00
17.	WILLIAM HERRING	2	200.00
18.	JERRY SIMPSON	17	1700.00
			$113,275.00

1/2 CHARLIE 56,637.50
1/2 PAUL 56,637.50
Total $113,275.00

$ 56637.50
2 | 113,275.00
10
13
12
12
12
16
14

From 1-8-2004 To 7-5-2004

Jan	2004	1589.47
Feb	2004	1529.72
March	2004	1658.83
April	2004	1622.56
May	2004	1609.87
June	2004	1598.41
		$9,608.86

1/2 Charlie 4804.43
1/2 Paul 4804.43
$9608.86 Total Rent

Current Rent

4804.43
2|9608.86
8
16
16
08
8
8
8
6
6

From 1-8-2004 Light Bill To 7-5-2004

	Light Bill		Rent	Difference
Jan	2004	$85.53	1675.00	$1589.47
Feb	2004	$145.28	1675.00	$1529.72
March	2004	$16.17	1675.00	$1658.83
April	2004	$52.44	1675.00	$1622.56
May	2004	$65.13	1675.00	$1609.87
June	2004	$76.59	1675.00	$1598.41
				$9608.86

4804.43
2 | 9608.86
8
16
16
08
8
8
8
0
6

4804.43 1/2 Charlie
4804.43 1/2 Paul
9608.86 Total Rent

FROM 7-5-2004 TO 1-8-2005

	NAME	NO CARS	PROFIT
1.	NORMAN CRAFT	42	4200.00
2.	RUFUS HACKETT	103	10,300.00
3.	BILLY HARKINS	78	8,025.00
4.	DANNY MARTIN	80	8,000.00
5.	JOHN WILKERSON	51	5100.00
6.	RANDOLPH MASSEY DARRELL MASSEY	203	28,100.00
7.	JOE OSBORNE	41	13,600.00
8.	LEONARD OSBORNE	3	450.00
9.	CARY METZ	8	800.00
10.	TIM SIMMONS	167	18,725.00
11.	KEITH SHAW KENNY ROYLAND	54	6225.00
12.	GARY BURNETTE	29	2975.00
13.	DEAN PARKER	1	100.00
14.	LARRY CRAFT	20	2075.00
15.	JERRY SIMPSON	36	3600.00
			$112,275.00

1/2 CHARLIE $56,137.50
1/2 PAUL $56,137.50
$112,275.00

56,137.50
2 | 112,275.00
10
12
12
2
2
7
6
15
14

FROM 7.8.2004 TO 1.8.2005

July 2004	1787.16
Augusta 2004	1957.12
SEPT 2004	1947.95
Oct 2004	1929.82
Nov 2004	1966.36
DEC 2004	1958.15
	$11,546.56

5773.28
2 | 11,546.56
10
15
14
14
14
66
54
16
16

1/2 Charlie 5773.28
1/2 Paul 5773.28
11,546.56 Total Paid

6 months

From 7-5-2004 Light Bill To 1-8-2005

Light Bill	Rent	Difference
July 2004	$87.84	$1875.00 $1787.16
Augusta 2004	$117.88	$2075.00 $1957.12
Sept. 2004	$127.05	$2075.00 $1947.95
Oct. 2004	$145.18	$2075.00 $1929.82
Nov. 2004	$108.64	$2075.00 $1966.36
Dec. 2004	116.85	2075.00 $1958.15
		$11,546.56

$$
\begin{array}{r}
5773.28 \\
2\overline{)11,546.56} \\
\underline{10} \\
15 \\
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14 \\
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6 \\
\underline{6} \\
5 \\
\underline{4} \\
16 \\
\underline{16} \\
0
\end{array}
$$

5773.28 1/2 Charlie
5773.28 1/2 Paul
11,546.56 Total Rent

FROM 1-8-2005 TO 7-5-2005

	NAME	NO CANS	PROFIT
1.	NORMAN CRAFT	47	4700.00
2.	RUFUS HACKETT	74	7400.00
3.	BILLY HARKIN	46	4600.00
4.	DANNY MARTIN	45	4650.00
5.	JOHN MONSMA	26	2600.00
6.	BRANDON MASSEY DARRELL MASSEY	155	24,175.00
7.	JOE OSBORNE	69	10,000.00
8.	LEONARD OSBORNE	11	1250.00
9.	TIM SIMMONS	236	28,025.00
10.	KEITH SHAW KENNY ROWLAND	24	2925.00
11.	BARRY BURDETTE	5	500.00
12.	LARRY CRAFT	15	1925.00
13.	JERRY SIMPSON	33	3300.00
			$ 95,850.00

47925.00
2 ⟌95,850.00
8
15
14
18
18
5
4
0

1/2 CHARLIE 47,925.00
1/2 PAUL 47,925.00

From 1-8-2005 To 7-5-2005

JAN	2005	1750.49
FEB	2005	1754.79
March	2005	1740.20
April	2005	1734.82
MAY	2005	1499.98
JUNE	2005	1488.83
		9969.11

498455
2) 9969.11
8
19
18
16
16
9
8
11
10
1

4984.55 1/2 Charlie
4984.55 1/2 Paul
9969.11 Total Rent

6 month

FROM 1-8-2005 Light B.ll To 7-5-2005

Light B.ll		Rent		Difference
Jan 2005	$124.51	$1875.00		1750.49
Feb 2005	$120.21	$1875.00		1754.79
March 2005	$134.80	$1875.00		1740.20
April 2005	$140.18	$1875.00		1734.82
May 2005	$150.02	$1650.00		1499.98
June 2005	$161.17	$1650.00		1488.83
				$9969.11

$4984.56
2|9969.11
8
19
18
16
16
9
8
10
10
11

4984.55 1/2 Charlie
4984.55 1/2 Paul
9969.10 Total Rent

From 7-5-2005 To 7-8-2006

	Name	No Cars	Profit
1.	Jackie Craft	12	1200.00
2.	Rufus Hackett	97	10,300.00
3.	Billy Harbin	51	5250.00
4.	Rodney Harbin	5	500.00
5.	Dawny Martin	75	7575.00
6.	John Monshaw	48	5175.00
7.	Brandon Massey Darnell Massey	171	26,325.00
8.	Joe Osborne	117	21,725.00
9.	Leonard Osborne	23	2825.00
10.	Tim Simmons	163	18,925.00
11.	Keith Shaw Kenny Rowland	39	5475.00
12.	Gary Burgoyne	3	300.00
13.	Larry Craft	21	2100.00
14.	Jerry Simpson	22	2200.00
			109,875.00

1/2 Charlie 54,937.50
1/2 Paul 54,937.50
$109,875.00

54937.50
2|109,875.00
10
9
8
18
18
7
6
15
14
10

FROM 7-5-2005 TO 1-8-2006

July	2005	1675.88
Augusta	2005	1683.70
SEPT	2005	1897.83
Oct	2005	1891.33
Nov	2005	1550.71
Dec	2005	1393.73
		$10,093.18

5,046.59
2|10,093.18
10
0
9
8
13
12
11
10

1/2 Charlie	5,046.59
1/2 Paul	5,046.59
Total Rent	10,093.18

6 months

From 7-5-2005 To 1-8-2006

	Light Bill	Rent	Difference
			Light Bill
July-2005	$174.12	$1850.00	$1675.88
August-2005	$166.30	$1850.00	$1683.70
SEPT.-2005	$202.17	$2100.00	$1897.83
Oct.-2005	$208.67	$2100.00	$1891.33
Nov.-2005	$149.29	$1700.00	$1550.71
DEC.-2005	$106.27	1500.00	$1393.73
			10,093.18

5046.59
2 | 10,093.18
10
09
8
13
12
11
10

1/2 Chandie	5,046.59
1/2 Paul	5,046.59
	10,093.18

FROM 1-8-2006 TO 7-5-2006

	NAME	NO CAKES	PROFIT
1.	NORMAN CRAFT	4	400.00
2.	RUFUS HACKETT	46	4675.00
3.	BILLY HARLOW	105	10,500.00
4.	RODNEY HARLOW	7	700.00
5.	DANNY MARTIN	43	4450.00
6.	LARRY CRAFT	11	1100.00
7.	JOHN MORMAN	10	1000.00
8.	BRANDON MASSEY DARRELL MASSEY	88	14,275.00
9.	JOE OSBORE	55	6475.00
10.	LEONARD OSBORNE	38	3950.00
11.	JERRY SIMPSON	20	2000.00
12.	KEITH SHAW KENNY ROWLAND	33	4950.00
13.	TIM SAMMONS	220	26,050.00
			80,525.00

1/2 CHARLIE 40,262.50
1/2 PAUL 40,262.50
80,525.00

40,262.50
2 | 80,525.00
8
5
4
12
12
.5
.4

From 1-8-2006 To 7-5-2006

Jan	2006	1398.11
Feb	2006	1376.97
March	2006	1388.27
April	2006	1583.87
May	2006	1774.35
June	2006	1694.83
		9216.40

$4608.20
2|9216.40
8
12
12
16
16
40

1/2 Charlie	4608.20
1/2 Paul	4608.20
	9216.40

6 month Rent

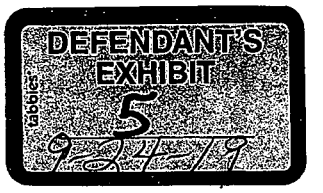
FROM 1-8-2006 TO 7-5-2006

Light Bill

Light Bill		Rent	Difference
Jan - 2006	$101.89	1500.00	1398.11
Feb - 2006	$123.13	1500.00	1376.97
March 2006	$111.73	1500.00	1388.27
April 2006	116.13	1700.00	1583.87
May - 2006	125.65	1900.00	1774.35
June - 2006	205.17	1900.00	1694.83
			9216.40

4608.20
2 | 9216.40
8
12
12
16
16

4608.20 1/2 Paul
4608.20 1/2 Charlie
9216.40 Total



Tax Return Highlights

2008	1041 of Charles Whitfield estate shows forms 4684 & 4797 Loss of $119,687.00
2009	1040 of Helen Whitfield, Schedule C shows loss of $22,467.00
2010	1040 of Helen Whitfield, Schedule C shows loss of $8,887.00
2011	1040 of Helen Whitfield, Schedule C shows loss of $13,845.00
2012	1040 of Helen Whitfield, Schedule C shows loss of $12,871

Department of the Treasury — Internal Revenue Service

Form 1041 U.S. Income Tax Return for Estates and Trusts 2008

OMB No. 1545-0092

A Type of entity (see instr):	For calendar year 2008 or fiscal year beginning , 2008 and ending	
[X] Decedent's estate	Name of estate or trust (If a grantor type trust, see instructions.)	C Employer identification number
[ ] Simple trust		26-6332542
[ ] Complex trust	CHARLES H WHITFIELD ESTATE	D Date entity created
[ ] Qualified disability trust	Name and title of fiduciary	03/24/08
[ ] ESBT (S portion only)	HELEN D WHITFIELD	E Nonexempt charitable and split-interest trusts, check applicable boxes (see instr):
[ ] Grantor type trust	Number, street, and room or suite number (If a P.O. box, see instructions.)	[ ] Described in section 4947(a)(1)
[ ] Bankruptcy estate — Chapter 7	2833 W WHITNER STREET	[ ] Not a private foundation
[ ] Bankruptcy estate — Chapter 11	City or town, state, and ZIP code	[ ] Described in section 4947(a)(2)
[ ] Pooled income fund	ANDERSON SC 29626	

B Number of Schs K-1 attached (see instructions) ... ► 1

F Check applicable boxes: [ ] Initial return [ ] Final return [ ] Amended return [ ] Change in fiduciary [ ] Change in fiduciary's name [ ] Change in trust's name [ ] Change in fiduciary's address

G Check here if the estate or filing trust made a section 645 election ... ► [ ]

Income	1	Interest income	1	142,485.
	2a	Total ordinary dividends	2a	
	b	Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate/trust _____		
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3	
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	18,091.
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6	
	7	Ordinary gain or (loss). Attach Form 4797	7	-119,687.
	8	Other income. List type and amount _____	8	
	9	**Total income.** Combine lines 1, 2a, and 3 through 8 ►	9	40,889.
Deductions	10	Interest. Check if Form 4952 is attached ► [ ]	10	
	11	Taxes	11	
	12	Fiduciary fees	12	
	13	Charitable deduction (from Schedule A, line 7)	13	
	14	Attorney, accountant, and return preparer fees	14	
	15a	Other deductions **not** subject to the 2% floor (attach schedule)	15a	6,095.
	b	Allowable miscellaneous itemized deductions subject to the 2% floor	15b	
	16	Add lines 10 through 15b ►	16	6,095.
	17	Adjusted total income or (loss). Subtract line 16 from line 9 | 17 | 34,794.		
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	34,794.
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19	
	20	Exemption	20	600.
	21	Add lines 18 through 20 ►	21	35,394.
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22	-600.
	23	**Total tax** (from Schedule G, line 7)	23	0.
	24	**Payments:** a 2008 estimated tax payments and amount applied from 2007 return	24a	
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	24b	
	c	Subtract line 24b from line 24a	24c	
	d	Tax paid with Form 7004 (see instructions)	24d	
	e	Federal income tax withheld. If any is from Form(s) 1099, check ► [ ]	24e	
		Other payments: f Form 2439 _____; g Form 4136 _____; Total ►	24h	
	25	**Total payments.** Add lines 24c through 24e, and 24h ►	25	
	26	Estimated tax penalty (see instructions)	26	
	27	**Tax due.** If line 25 is smaller than the total of lines 23 and 26, enter amount owed	27	0.
	28	**Overpayment.** If line 25 is larger than the total of lines 23 and 26, enter amount overpaid	28	
	29	Amount of line 28 to be: a Credited to 2009 estimated tax ► ; b Refunded ►	29	

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

► Signature of fiduciary or officer representing fiduciary | Date | ► EIN of fiduciary if a financial institution

May the IRS discuss this return with the preparer shown below (see instrs)? [ ] Yes [ ] No

Paid Preparer's Use Only

Preparer's signature ► | Date | Check if self-employed ► [ ] | Preparer's SSN or PTIN 255-74-2430

Firm's name (or yours if self-employed), address, and ZIP code ► DARRELL I. HARDY CPA PA, PO BOX 593, ANDERSON SC 29622 | EIN 57-0926595 | Phone number (864) 226-5109

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. FIFA0112 12/31/08 Form **1041** (2008)

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

2008

Attachment Sequence No. **27**

Name(s) shown on return	Identifying number
CHARLES H WHITFIELD ESTATE	26-6332542

1 Enter the gross proceeds from sales or exchanges reported to you for 2008 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) 1

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)

3	Gain, if any, from Form 4684, line 45	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	
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows **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.	7	
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	
14	Net gain or (loss) from Form 4684, lines 36 and 44a	14	-119,687.
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	-119,687.
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 41, 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	18a	
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	

661108

Schedule K-1 (Form 1041)
Department of the Treasury
Internal Revenue Service

2008

For calendar year 2008,
or tax year beginning _____, 2008
and ending _____, _____

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0092

Beneficiary's Share of Income, Deductions, Credits, etc.

► See separate instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

26-6332542

B Estate's or trust's name

CHARLES H WHITFIELD ESTATE

C Fiduciary's name, address, city, state, and ZIP code

HELEN D WHITFIELD
2833 W WHITNER STREET
ANDERSON SC 29626

D ☐ Check if Form 1041-T was filed and enter the date it was filed .....

E ☐ Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

251-40-9171

G Beneficiary's name, address, city, state, and ZIP code

HELEN D WHITFIELD

2833 W WHITNER STREET

ANDERSON SC 29626-1034

H ☒ Domestic beneficiary ☐ Foreign beneficiary

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

1	Interest income 30,874.	11	Final year deductions
2a	Ordinary dividends		
2b	Qualified dividends		
3	Net short-term capital gain		
4a	Net long-term capital gain		
4b	28% rate gain	12	Alternative minimum tax adjustment
		A	0.
4c	Unrecaptured section 1250 gain		
5	Other portfolio and nonbusiness income		
6	Ordinary business income		
7	Net rental real estate income 3,920.		
8	Other rental income	13	Credits and credit recapture
9	Directly apportioned deductions		
A *	3,519.		
		14	Other information
		E	30,874.
10	Estate tax deduction		

*See attached statement for additional information.

Note. A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

FOR IRS USE ONLY

DECEASED CHARLES H WHITFIELD 03/24/2008

Department of the Treasury — Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 2008

(99) IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2008, or other tax year beginning , 2008, ending , 20 — OMB No. 1545-0074

Label (See instructions.)

Your first name	MI	Last name	Your social security number
CHARLES	H	WHITFIELD	251-28-8217
If a joint return, spouse's first name	MI	Last name	Spouse's social security number
HELEN	D	WHITFIELD	251-40-9171

Use the IRS label. Otherwise, please print or type.

Home address (number and street). If you have a P.O. box, see instructions. — Apartment no.

2833 W. WHITNER STREET

City, town or post office. If you have a foreign address, see instructions. — State — ZIP code

ANDERSON SC 29624

You **must** enter your social security number(s) above.

Checking a box below will not change your tax or refund.

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund? (see instructions) ▶ ☐ You ☐ Spouse

Filing Status

Check only one box.

1 ☐ Single
2 ☒ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above & full name here ▶
4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 ☐ Qualifying widow(er) with dependent child (see instructions)

Exemptions

6a ☒ **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b ☒ **Spouse**

Boxes checked on 6a and 6b .. 2

c **Dependents:**

(1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions.

No. of children on 6c who:
- lived with you .....
- did not live with you due to divorce or separation (see instrs) ...

Dependents on 6c not entered above .

Add numbers on lines above ..... ▶ 2

d Total number of exemptions claimed 2

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2			7	
8a	**Taxable** interest. Attach Schedule B if required			8a	93,196.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b			
9a	Ordinary dividends. Attach Schedule B if required			9a	
b	Qualified dividends (see instrs)	9b			
10	Taxable refunds, credits, or offsets of state and local income taxes (see instructions)			10	180.
11	Alimony received			11	
12	Business income or (loss). Attach Schedule C or C-EZ			12	
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ▶ ☐			13	
14	Other gains or (losses). Attach Form 4797			14	0.
15a	IRA distributions	15a	b Taxable amount (see instrs)	15b	IRA 1,882.
16a	Pensions and annuities	16a	b Taxable amount (see instrs)	16b	2 1,503.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			17	Rent 6,767.
18	Farm income or (loss). Attach Schedule F			18	
19	Unemployment compensation			19	
20a	Social security benefits	20a 18,002.	b Taxable amount (see instrs)	20b	SS 15,302.
21	Other income			21	
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶			22	118,830.

Adjusted Gross Income

23	Educator expenses (see instructions)	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction (see instructions)	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid **b** Recipient's SSN ▶	31a	
32	IRA deduction (see instructions)	32	
33	Student loan interest deduction (see instructions)	33	
34	Tuition and fees deduction. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 - 31a and 32 - 35		36
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37 118,830.

Name(s) shown on Form 1040. Your social security number

CHARLES H & HELEN D WHITFIELD 251-28-8217

Schedule B — Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

		Amount
1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		
BB&T	1	26,775.
CAROLINA FIRST	1	448.
CAROLINA FIRST	1	1,872.
CAROLINA FIRST	1	2,201.
CAROLINA FIRST	1	4,953.
FIRST CITIZENS BANK	1	3,289.
WACHOVIA BANK NA-CUC	1	461.
COMMUNITY FIRST BANK	1	6,804.
SUNTRUST-4 CDS	1	2,981.
WACHOVIA BANK NA	1	31.
BANK OF ANDERSON	1	1,769.
JOHN MORGAN	1	215.
See Additional Interest	1	41,397.
2 Add the amounts on line 1	2	93,196.
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ►	4	93,196.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

		Amount
5 List name of payer ... ►		
	5	
6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; or **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

	Yes	No
7a At any time during 2008, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b If 'Yes,' enter the name of the foreign country ►		
8 During 2008, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

Schedule B
Additional Interest

Payer's Name	Amount
THE PALMETTO BANK	1,432.
THE PALMETTO BANK	1,305.
THE PALMETTO BANK	7,786.
CHARLES H WHITFIELD ESTATE	30,874.
Total	41,397.

Form **1040** Department of the Treasury — Internal Revenue Service
U.S. Individual Income Tax Return 2009

(99) IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2009, or other tax year beginning , 2009, ending , 20 — OMB No. 1545-0074

Label (See instructions.)	Your first name	MI	Last name	Your social security number
Use the IRS label. Otherwise, please print or type.	HELEN	D	WHITFIELD	251-40-9171
	If a joint return, spouse's first name	MI	Last name	Spouse's social security number
	Home address (number and street). If you have a P.O. box, see instructions.		Apartment no.	You must enter your social security number(s) above.
	2833 W. WHITNER STREET			
	City, town or post office. If you have a foreign address, see instructions.		State ZIP code	Checking a box below will not change your tax or refund.
Presidential Election Campaign	ANDERSON		SC 29624	

Check here if you, or your spouse if filing jointly, want $3 to go to this fund? (see instructions) ▶ ☐ You ☐ Spouse

Filing Status

Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here ▶
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 [ ] Qualifying widow(er) with dependent child (see instructions)

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

Boxes checked on 6a and 6b: 1

c **Dependents:**

(1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ▶ ☐

No. of children on 6c who:
- lived with you
- did not live with you due to divorce or separation (see instrs)

Dependents on 6c not entered above

Add numbers on lines above ▶ 1

d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	84,115.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends (see instrs)	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see instructions)		10	5,204.
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	-27,595.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ▶ ☐		13	
14	Other gains or (losses). Attach Form 4797		14	
15a	IRA distributions — 15a	b Taxable amount (see instrs)	15b	3,146.
16a	Pensions and annuities — 16a	b Taxable amount (see instrs)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	0.
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation in excess of $2,400 per recipient (see instructions)		19	
20a	Social security benefits — 20a 17,396.	b Taxable amount (see instrs)	20b	14,787.
21	Other income NET OPERATING LOSS - SEE STMT		21	-4,445.
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶		22	75,212.

Adjusted Gross Income

23	Educator expenses (see instructions)	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction (see instructions)	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction (see instructions)	32		
33	Student loan interest deduction (see instructions)	33		
34	Tuition and fees deduction. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 - 31a and 32 - 35		36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37	75,212.

SCHEDULE B
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040. ► See Instructions.

OMB No. 1545-0074

2009

Attachment Sequence No. **08**

Name(s) shown on return

HELEN D WHITFIELD

Your social security number

251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

		Amount
1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		
JESSICA LOWE		248.
CAROLINA FIRST		460.
PAUL CROMER INC		35,238.
WACHOVIA BANK		24.
THE PALMETTO BANK		15,904.
CHARLES H WHITFIELD FAMILY TRUST		32,241.
	1	
2 Add the amounts on line 1	2	84,115.
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	84,115.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

		Amount
5 List name of payer ... ►		
	5	
6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

	Yes	No
You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.		
7a At any time during 2009, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b If 'Yes,' enter the name of the foreign country. ►		
8 During 2009, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► Partnerships, joint ventures, etc, generally must file Form 1065 or 1065-B.
► Attach to Form 1040, 1040NR, or 1041. ► See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 09

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions) AUTO SALES	B Enter code from instructions ► 441120
C Business name. If no separate business name, leave blank.	D Employer ID number (EIN), if any

E Business address (including suite or room no.) ► 2833 W. WHITNER STREET
City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2009? If 'No,' see instructions for limit on losses . . [X] Yes [ ] No

H If you started or acquired this business during 2009, check here . . . . . ► [X]

Part I Income

1	Gross receipts or sales. **Caution.** See the instructions and check the box if: • This income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses. ► [ ]	1	193,118.
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	193,118.
4	Cost of goods sold (from line 42 on page 2)	4	215,585.
5	**Gross profit.** Subtract line 4 from line 3	5	-22,467.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-22,467.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8	Advertising	8		18	Office expense	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11			a Vehicles, machinery, and equipment	20a	
12	Depletion	12			b Other business property	20b	900.
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15	188.	23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
	a Mortgage (paid to banks, etc)	16a			a Travel	24a	
	b Other	16b			b Deductible meals and entertainment (see instructions)	24b	
17	Legal & professional services	17	950.	25	Utilities	25	3,090.
				26	Wages (less employment credits)	26	
				27	Other expenses (from line 48 on page 2)	27	

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27 ►	28	5,128.
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-27,595.
30	Expenses for business use of your home. Attach **Form 8829**	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12,** and **Schedule SE, line 2** or on **Form 1040NR, line 13** (if you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	-27,595.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3.**

32a [X] All investment is at risk.

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32b [ ] Some investment is not at risk.

PAUL W. CROMER, JR. INC.
2009

	<10,000	>10,000	TOTAL	$100	$175	TOTAL	EXTRA #Pmts	TOTAL PAID
JOSHUA VAUGHN	3	0	3	300	0	$300	3000	3300
RODNEY HARBIN	1	0	1	100	0	$100	100	200
SCOTT KAHLER	10	0	10	1000	0	$1,000	900	1900
RUFUS HACKETT	65	1	66	6500	175	$6,675	5700	12375
BILLY HARBIN	37	3	40	3700	525	$4,225	0	4225
TIM SAMMONS	244	46	290	24400	8050	$32,450	0	32450
DANNY MARTIN	61	3	64	6100	525	$6,625	0	6625
LARRY CRAFT	14	0	14	1400	0	$1,400	100	1500
LEONARD OSBORNE	2	0	2	200	0	$200	100	300
RAY GAINES	10	0	10	1000	0	$1,000	3900	4900
JOE OSBORNE	0	0	0	0	0	$0	2700	2700
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	447	53	500	44700	9275	$53,975	16500	70475

TOTAL $70,475

50% $35,237.50

Form **1040** Department of the Treasury — Internal Revenue Service **U.S. Individual Income Tax Return 2010** (99) IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2010, or other tax year beginning , 2010, ending , 20 OMB No. 1545-0074

Name, Address, and SSN

See separate instructions.

Your first name	MI	Last name	Your social security number
HELEN	D	WHITFIELD	251-40-9171
If a joint return, spouse's first name	MI	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

City, town or post office. If you have a foreign address, see instructions. State ZIP code

ANDERSON SC 29624

Make sure the SSN(s) above and on line 6c are correct.

Checking a box below will not change your tax or refund.

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund? ▶ ☐ You ☐ Spouse

Filing Status Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here ▶
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

c **Dependents:** (1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ▶ ☐

Boxes checked on 6a and 6b 1
No. of children on 6c who: ● lived with you ● did not live with you due to divorce or separation (see instrs)
Dependents on 6c not entered above
Add numbers on lines above ▶ 1

d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	**Taxable** interest. Attach Schedule B if required	8a	76,495.
b	**Tax-exempt** interest. **Do not** include on line 8a (8b)		
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (9b)		
10	Taxable refunds, credits, or offsets of state and local income taxes	10	0.
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	-9,487.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ▶ ☐	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions (15a) b Taxable amount	15b	
16a	Pensions and annuities (16a) b Taxable amount	16b	3,249.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	5,097.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits (20a) 17,394. b Taxable amount	20b	14,785.
21	Other income	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ▶	22	90,139.

Adjusted Gross Income

23	Educator expenses (23)		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ (24)		
25	Health savings account deduction. Attach Form 8889 (25)		
26	Moving expenses. Attach Form 3903 (26)		
27	One-half of self-employment tax. Attach Schedule SE (27)		
28	Self-employed SEP, SIMPLE, and qualified plans (28)		
29	Self-employed health insurance deduction (29)		
30	Penalty on early withdrawal of savings (30)		
31a	Alimony paid b Recipient's SSN ▶ (31a)		
32	IRA deduction (32)		
33	Student loan interest deduction (33)		
34	Tuition and fees. Attach Form 8917 (34)		
35	Domestic production activities deduction. Attach Form 8903 (35)		
36	Add lines 23 - 31a and 32 - 35	36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶	37	90,139.

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040. ► See instructions.

OMB No. 1545-0074

2010

Attachment Sequence No. 08

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

			Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		
	JESSICA LOWE		407.
	CAROLINA FIRST		108.
	CAROLINA FIRST BANK		4.
	PAUL CROMER INC		37,013.
	THE PALMETTO BANK		12,221.
	THE PEOPLES BANK		50.
	COMMUNITY FIRST BANK	1	4,656.
	CHARLES H WHITFIELD FAMILY TRUST		22,036.
2	Add the amounts on line 1	2	76,495.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	76,495.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

Note. If line 4 is over $1,500, you must complete Part III.

			Amount
5	List name of payer ... ►	5	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2010, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b	If 'Yes,' enter the name of the foreign country ►		
8	During 2010, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► Partnerships, joint ventures, etc, generally must file Form 1065 or 1065-B.
► Attach to Form 1040, 1040NR, or 1041. ► See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2010

Attachment Sequence No. 09

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions): AUTO SALES

B Enter code from instructions: ► 441120

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), if any

E Business address (including suite or room no.) ► 2833 W. WHITNER STREET

City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2010? If 'No,' see instructions for limit on losses .... [X] Yes [ ] No

H If you started or acquired this business during 2010, check here .... ► [ ]

Part I Income

1	Gross receipts or sales. **Caution.** See instructions and check the box if: • This income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses .... ► [ ]	1	17,400.
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	17,400.
4	Cost of goods sold (from line 42 on page 2)	4	26,287.
5	**Gross profit.** Subtract line 4 from line 3	5	-8,887.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-8,887.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8	Advertising	8	18	Office expense	18	
9	Car and truck expenses (see instructions)	9	19	Pension and profit-sharing plans	19	
10	Commissions and fees	10	20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11	a	Vehicles, machinery, and equipment	20a	
12	Depletion	12	b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14	22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15	23	Taxes and licenses	23	
16	Interest:		24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc)	16a	a	Travel	24a	
b	Other	16b	b	Deductible meals and entertainment (see instructions)	24b	
17	Legal & professional services	17 600.	25	Utilities	25	
			26	Wages (less employment credits)	26	
			27	Other expenses (from line 48 on page 2)	27	

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27 ►	28	600.
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-9,487.
30	Expenses for business use of your home. Attach **Form 8829**	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12,** and **Schedule SE, line 2** or on **Form 1040NR, line 13** (if you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	-9,487.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3.**

32a [X] All investment is at risk.

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32b [ ] Some investment is not at risk.

PAUL W. CROMER, JR. INC.
2010 82

	<10,000	>10,000	TOTAL	$100	$175	TOTAL	EXTRA #Pmts	TOTAL PAID	
RODNEY HARBIN	3	0	3	300	0	$300	0		300
SCOTT KAHLER	11	0	11	1100	0	$1,100	4200		5300
RUFUS HACKETT	90	1	91	9000	175	$9,175	8000		17175
BILLY HARBIN	101	1	102	10100	175	$10,275	0		10275
TIM SAMMONS	225	75	300	22500	13125	$35,625	0		35625
DANNY MARTIN	25	2	27	2500	350	$2,850	200		3050
LARRY CRAFT	19	0	19	1900	0	$1,900	0		1900
JOE OSBORNE	0	0	0	0	0	$0	400		400
	0	0	0	0	0	$0	0		0
	0	0	0	0	0	$0	0		0
	0	0	0	0	0	$0	0		0
	0	0	0	0	0	$0	0		0
	474	79	553	47400	13825	$61,225	12800		74025

TOTAL $74,025

50% $37,012.50

Form **1040** Department of the Treasury — Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2011** OMB No. 1545-0074 IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2011, or other tax year beginning , 2011, ending , 20 — See separate instructions.

Your first name	MI	Last name	Your social security number
HELEN	D	WHITFIELD	251-40-9171
If a joint return, spouse's first name	MI	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office. If you have a foreign address, also complete spaces below (see instructions). State ZIP code

ANDERSON SC 29624

Foreign country name Foreign province/county Foreign postal code

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want $3 to go to this fund? Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here . . ►
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here . ►
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a . . . .
b [ ] **Spouse** . . . .

c **Dependents:** (1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here . . . ► ☐

Boxes checked on 6a and 6b . . 1
No. of children on 6c who:
● lived with you . . . .
● did not live with you due to divorce or separation (see instrs) . . .
Dependents on 6c not entered above .
Add numbers on lines above . . . . ► 1

d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	44,560.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes		10	
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	-13,845.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, check here ► ☐		13	
14	Other gains or (losses). Attach Form 4797		14	
15a	IRA distributions	15a	b Taxable amount	15b
16a	Pensions and annuities	16a	b Taxable amount	16b 3,249.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	1,695.
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20a	Social security benefits	20a 17,394.	b Taxable amount	20b 13,178.
21	Other income		21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ►		22	48,837.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

Adjusted Gross Income

23	Educator expenses	23		
24	Certain business expenses of artists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	Deductible part of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction	29		
30	Penalty on early withdrawal of savings	30	147.	
31a	Alimony paid b Recipient's SSN ►	31a		
32	IRA deduction	32		
33	Student loan interest deduction	33		
34	Tuition and fees. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 35		36	147.
37	Subtract line 36 from line 22. This is your **adjusted gross income** ►		37	48,690.

COPY NOT FOR FILING

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040. ► See Instructions.

OMB No. 1545-0074

2011

Attachment Sequence No. **08**

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

	1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►	Amount
	JESSICA LOWE	282.
	PAUL CROMER INC	31,463.
	THE PALMETTO BANK	5,634.
	THE PEOPLES BANK	207.
	COMMUNITY FIRST BANK	1,223.
	CHARLES H WHITFIELD FAMILY TRUST	5,751.
1		
2	Add the amounts on line 1	44,560.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	44,560.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

	5 List name of payer ►	Amount
5		
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2011, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions		X
	If 'Yes,' are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements		
b	If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ►		
8	During 2011, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

DO NOT FILE

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► For information on Schedule C and its instructions, go to *www.irs.gov/schedulec.*
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2011

Attachment Sequence No. **09**

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions): AUTO SALES

B Enter code from instructions: ► 441120

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), (see instrs)

E Business address (including suite or room no.) ► 2833 W. WHITNER STREET

City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2011? If 'No,' see instructions for limit on losses ... [X] Yes [ ] No

H If you started or acquired this business during 2011, check here ► [ ]

I Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions) ... [ ] Yes [X] No

J If 'Yes,' did you or will you file all required Forms 1099? ... [ ] Yes [ ] No

DO NOT FILE

Part I Income

1a	Merchant card and third party payments. For 2011, enter -0-	1a	0.
b	Gross receipts or sales not entered on line 1a (see instructions)	1b	30,593.
c	Income reported to you on Form W-2 if the 'Statutory Employee' box on that form was checked. **Caution.** See instructions before completing this line	1c	
d	Total gross receipts. Add lines 1a through 1c	1d	30,593.
2	Returns and allowances plus any other adjustments (see instructions)	2	
3	Subtract line 2 from line 1d	3	30,593.
4	Cost of goods sold (from line 42)	4	44,438.
5	**Gross profit.** Subtract line 4 from line 3	5	-13,845.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-13,845.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8	18	Office expense (see instructions)	18
9	Car and truck expenses (see instructions)	9	19	Pension and profit-sharing plans	19
10	Commissions and fees	10	20	Rent or lease (see instructions):	
11	Contract labor (see instructions)	11	a	Vehicles, machinery, and equipment	20a
12	Depletion	12	b	Other business property	20b
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	21	Repairs and maintenance	21
14	Employee benefit programs (other than on line 19)	14	22	Supplies (not included in Part III)	22
15	Insurance (other than health)	15	23	Taxes and licenses	23
16	Interest:		24	Travel, meals, and entertainment:	
a	Mortgage (paid to banks, etc)	16a	a	Travel	24a
b	Other	16b	b	Deductible meals and entertainment (see instructions)	24b
17	Legal & professional services	17	25	Utilities	25
			26	Wages (less employment credits)	26
			27a	Other expenses (from line 48)	27a
			b	Reserved for future use	27b

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27a ►	28	
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-13,845.
30	Expenses for business use of your home. Attach **Form 8829.** Do **not** report such expenses elsewhere	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you entered an amount on line 1c, see instructions. Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	-13,845.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you entered an amount on line 1c, see the instructions for line 31. Estates and trusts, enter on **Form 1041, line 3.**

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32a [X] All investment is at risk.

32b [ ] Some investment is not at risk.

PAUL W. CROMER, JR. INC.
2011

	<10,000	>10,000	TOTAL	$100	$175	TOTAL	EXTRA #Pmts	TOTAL PAID
RODNEY HARBIN	19	1	20	1900	175	$2,075	400	2475
SCOTT KAHLER	2	0	2	200	0	$200	1500	1700
RUFUS HACKETT	88	0	88	8800	0	$8,800	3200	12000
BILLY HARBIN	76	2	78	7600	350	$7,950	0	7950
TIM SAMMONS	219	72	291	21900	12600	$34,500	0	34500
DANNY MARTIN	5	0	5	500	0	$500	0	500
LARRY CRAFT	6	0	6	600	0	$600	0	600
JOE OSBORNE	0	0	0	0	0	$0	3200	3200
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	415	75	490	41500	13125	$54,625	8300	62925

TOTAL	$62,925
50%	$31,462.50

DECEASED HELEN D WHITFIELD 02/25/2012

Form **1040** Department of the Treasury — Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2012** OMB No. 1545-0074 | IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2012, or other tax year beginning , 2012, ending , 20 — See separate instructions.

Your first name and initial	Last name	Your social security number
HELEN	D WHITFIELD	251-40-9171
If a joint return, spouse's first name and initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

ANDERSON SC 29624

Foreign country name | Foreign province/state/county | Foreign postal code

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want $3 to go to this fund? Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status

Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here . . . ►
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here . ►
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

Boxes checked on 6a and 6b . . 1
No. of children on 6c who:
• lived with you . . . .
• did not live with you due to divorce or separation (see instrs) . . . .
Dependents on 6c not entered above .
Add numbers on lines above . . . . ► 1

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)

If more than four dependents, see instructions and check here . . . ► [ ]

d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	**Taxable** interest. Attach Schedule B if required	8a	29,336.
b	**Tax-exempt** interest. **Do not** include on line 8a (8b)		
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends (9b)		
10	Taxable refunds, credits, or offsets of state and local income taxes	10	1,855.
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	-12,871.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ► [ ]	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions (15a) b Taxable amount	15b	
16a	Pensions and annuities (16a) b Taxable amount	16b	3,249.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	1,515.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits (20a) 3,004. b Taxable amount	20b	0.
21	Other income	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ►	22	23,084.

Adjusted Gross Income

23	Educator expenses (23)		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ (24)		
25	Health savings account deduction. Attach Form 8889 (25)		
26	Moving expenses. Attach Form 3903 (26)		
27	Deductible part of self-employment tax. Attach Schedule SE (27)		
28	Self-employed SEP, SIMPLE, and qualified plans (28)		
29	Self-employed health insurance deduction (29)		
30	Penalty on early withdrawal of savings (30)		
31a	Alimony paid b Recipient's SSN ► (31a)		
32	IRA deduction (32)		
33	Student loan interest deduction (33)		
34	Tuition and fees. Attach Form 8917 (34)		
35	Domestic production activities deduction. Attach Form 8903 (35)		
36	Add lines 23 through 35	36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ►	37	23,084.

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040.

► Information about Schedule B (Form 1040A or 1040) and its instructions is at *www.irs.gov/form1040*

OMB No. 1545-0074

2012

Attachment Sequence No. **08**

Name(s) shown on return

HELEN D WHITFIELD

Your social security number

251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

			Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		
	JESSICA LOWE	1	148.
	CROMER/WHITFIELD AUTO FINANCING	1	27,788.
	THE PALMETTO BANK	1	61.
	THE PEOPLES BANK	1	174.
	COMMUNITY FIRST BANK	1	246.
	DEPARTMENT OF THE TREASURY	1	29.
	CHARLES H WHITFIELD FAMILY TRUST	1	890.
2	Add the amounts on line 1	2	29,336.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	29,336.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

			Amount
5	List name of payer ►	5	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2012, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions		X
	If 'Yes,' are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements		
b	If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ►		
8	During 2012, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

► For information on Schedule C and its instructions, go to *www.irs.gov/schedulec.*
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2012

Attachment Sequence No. **09**

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions): USED VEHICLE SALES

B Enter code from instructions: ► 441120

C Business name. If no separate business name, leave blank.: WHITFIELD AUTO SALES

D Employer ID number (EIN), (see instrs)

E Business address (including suite or room no.) ► 2833 W WHITNER ST

City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2012? If 'No,' see instructions for limit on losses ... [X] Yes [ ] No

H If you started or acquired this business during 2012, check here ► [ ]

I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) ... [ ] Yes [X] No

J If 'Yes,' did you or will you file all required Forms 1099? ... [ ] Yes [ ] No

Part I Income

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked ► [ ]	1	14,238.
2	Returns and allowances (see instructions)	2	
3	Subtract line 2 from line 1	3	14,238.
4	Cost of goods sold (from line 42)	4	27,109.
5	**Gross profit.** Subtract line 4 from line 3	5	-12,871.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-12,871.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8	18	Office expense (see instructions)	18
9	Car and truck expenses (see instructions)	9	19	Pension and profit-sharing plans	19
10	Commissions and fees	10	20	Rent or lease (see instructions):	
11	Contract labor (see instructions)	11	a	Vehicles, machinery, and equipment	20 a
12	Depletion	12	b	Other business property	20 b
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	21	Repairs and maintenance	21
14	Employee benefit programs (other than on line 19)	14	22	Supplies (not included in Part III)	22
15	Insurance (other than health)	15	23	Taxes and licenses	23
16	Interest:		24	Travel, meals, and entertainment:	
a	Mortgage (paid to banks, etc)	16 a	a	Travel	24 a
b	Other	16 b	b	Deductible meals and entertainment (see instructions)	24 b
17	Legal & professional services	17	25	Utilities	25
			26	Wages (less employment credits)	26
			27 a	Other expenses (from line 48)	27 a
			b	**Reserved for future use**	27 b

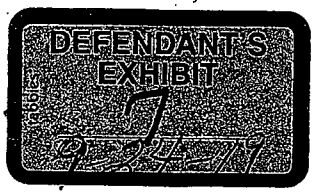
28	**Total expenses** before expenses for business use of home. Add lines 8 through 27a ►	28	
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-12,871.
30	Expenses for business use of your home. Attach **Form 8829.** Do **not** report such expenses elsewhere	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	-12,871.
32	If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both **Form 1040, line 12,** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** (If you checked the box on line 1, see the instructions for line 31). Estates and trusts, enter on **Form 1041, line 3.** • If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.	32 a	[X] All investment is at risk.
		32 b	[ ] Some investment is not at risk.

PAUL W. CROMER, JR. INC.
2012

	<10,000	>10,000	TOTAL	$100	$175	TOTAL	EXTRA #Pmts	TOTAL PAID
RODNEY HARBIN	10	0	10	1000	0	$1,000	0	1000
SCOTT KAHLER	13	0	13	1300	0	$1,300	200	1500
RUFUS HACKETT	65	0	65	6500	0	$6,500	7900	14400
BILLY HARBIN	47	1	48	4700	175	$4,875	0	4875
TIM SAMMONS	243	44	287	24300	7700	$32,000	0	32000
DANNY MARTIN	1	0	1	100	0	$100	0	100
LARRY CRAFT	1	0	1	100	0	$100	0	100
JOE OSBORNE	0	0	0	0	0	$0	1600	1600
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	0	0	0	0	0	$0	0	0
	380	45	425	38000	7875	$45,875	9700	55575

TOTAL $55,575

50% $27,787.50



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0.00 *

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Sold Cars
got Title

3,700.00 +
4,450.00 +
6,950.00 +
10,375.00 +
14,475.00 +

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39,950.00 *

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Sold Cars
No Title

15,675.00 +
15,175.00 +
11,275.00 +
13,275.00 +
18,175.00 +
25,875.00 +
17,475.00 +
25,175.00 +
10,000.00 +
19,975.00 +
11,675.00 +
15,675.00 +

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199,425.00 *

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39,950.00 +
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LOST 2008

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2008 282,142. +
2009 45,461.27 +
2010 18,092. +
2011 30,390. +
2012 25,743.09 +
401,828.36 *

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16,500.00 ✓ +
11,200.00 ✓ +
11,500.00 ✓ +
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14,000.00 ✓ +
12,500.00 ✓ +
9,380.00 ✓ +
11,500.00 ✓ +
7,335.00 ✓ +
9,600.00 ✓ +
9,600.00 ✓ +
19,200.00 ✓ +
10,500.00 ✓ +
12,000.00 ✓ +
3,600.00 ✓ +
6,700.00 ✓ +
5,000.00 ✓ +
3,600.00 ✓ +
8,500.00 ✓ +
14,000.00 ✓ +
4,500.00 ✓ +
4,255.00 ✓ +
8,000.00 +
4,950.00 ✓ +
11,610.00 ✓ +
10,500.00 ✓ +
5,000.00 ✓ +
6,000.00 ✓ +
4,500.00 ✓ +
8,030.00 ✓ +
6,500.00 ✓ +
4,700.00 ✓ +
6,000.00 ✓ +
6,100.00 ✓ +
16,000.00 ✓ +
14,500.00 ✓ +
7,635.00 ✓ +
6,740.00 ✓ +
6,500.00 ✓ +
8,000.00 ✓ +
3,700.00 ✓ +

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376,945.00 *

413,675.00 +
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36,730.00 *

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EXPENCE

3,500.00 +
10.00 +
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1,500.00 +
20.00 +
35.63 +
19.06 +
55.00 +
25.00 +
215.00 +
20.00 +
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12,495.00 +
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18,092.00 +

LOST 2010 0.C

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COST CHGS

14,145.00 +
5,300.00 +
15,875.00 +
11,675.00 +
6,100.00 +

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53,095.00 +

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SOLD CHGS

10,500.00 +
6,000.00 +
10,000.00 +
8,300.00 +
5,800.00 +

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53,095.00 +
40,600.00

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12,495.00 +

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Cost

15,375.00 +
7,900.00 +
16,175.00 +
11,075.00 +
18,175.00 +
10,175.00 +
3,900.00 -

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Sold

11,800.00 +
5,410.00 +
9,000.00 +
18,175.00 +
5,000.00 +
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82,775.00 +
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Cost 2011 0.C

EXPENCE

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1,474.96 +
25.00 +
292.00 +
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46.00 +
129.00 +
150.00 +
3,080.00 +
6,355.00 +

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COST

11,175.00 +
8,600.00 +
9,800.00 +
12,275.00 +

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41,850.00G+

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Sold

7,500.00 +
4,500.00 +
9,200.00 +
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41,850.00 +
28,475.00 -

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13,375.00G+

COST

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0.C

12,368.09 +
13,375.00 +

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25,743.09G+

Total

COST 2012

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8-6 2013
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0.C

400,000.00 +
211,954.18 -
000
188,045.82G+
7-19-13 -50,000.00
Vicki
Bal 138,045.82
0.C

Lost Cows
401,828.36 +
Nelson 3,000.00 +
Horton 250.00 +
Drawdy 250.00 +
004
405,328.36G+

0.C

1/2 202,664.18
1/2 202,664.18
405,328.36

Lost
Barrell/Mosses
Car 202,664.18 +
99 Mercedes 9,290.00 +
Nelson Car
211,954.18G+

0.C

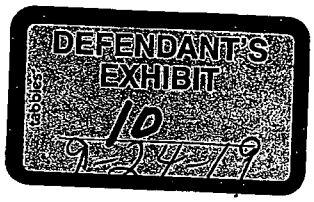
TIMELINE

1964	Arrangement started when Paul Cromer finished high school
1987 - 2006	Profit splitting
1995	IRS comes in
1996	Partnership Return filed
1/1/2007	Promissory Note
3/24/08	Charlie Whitfield died
12/31/08	50% of Massey losses $141,071.00
07/17/09	$258,855.75 paid from joint account
12/12/11	$200,000.00 paid
01/24/11	$200,000.00 paid
02/25/12	Helen Whitfield dies
12/31/12	50% of Massey losses $12,871.55
2013	Mercedes automobile to Helen Whitfield $9,290.00
07/09/13	$50,000.00 payment
07/05/13	last payment of fees on note

02/16/16 suit filed

TIMELINE

1964	Arrangement started when Paul Cromer finished high school
1987 - 2006	Profit splitting
1995	IRS comes in
1996	Partnership Return filed
1/1/2007	Promissory Note
3/24/08	Charlie Whitfield died
12/31/08	50% of Massey losses $141,071.00
07/17/09	$258,855.75 paid from joint account
12/12/11	$200,000.00 paid
01/24/11	$200,000.00 paid
02/25/12	Helen Whitfield dies
12/31/12	50% of Massey losses $12,871.55
2013	Mercedes automobile to Helen Whitfield $9,290.00
07/09/13	$50,000.00 payment
07/05/13	last payment of fees on note
02/16/16	suit filed



Tax Returns
2007 - 2014

DECEASED CHARLES H WHITFIELD 03/24/2008

Department of the Treasury — Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 2007

IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2007, or other tax year beginning , 2007, ending , 20

OMB No. 1545-0074

Label (See instructions.)

Use the IRS label. Otherwise, please print or type.

Your first name	MI	Last name	Your social security number
CHARLES	H	WHITFIELD	251-28-8217
If a joint return, spouse's first name	MI	Last name	Spouse's social security number
HELEN	D	WHITFIELD	251-40-9171

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

You **must** enter your social security number(s) above.

City, town or post office. If you have a foreign address, see instructions. State ZIP code

ANDERSON SC 29624

Checking a box below will not change your tax or refund.

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want $3 to go to this fund? (see instructions) ▶ ☐ You ☐ Spouse

Filing Status

Check only one box.

1 ☐ Single
2 ☒ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above & full name here ▶
4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 ☐ Qualifying widow(er) with dependent child (see instructions)

Exemptions

6a ☒ **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b ☒ **Spouse**

Boxes checked on 6a and 6b: 2

c Dependents: (1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions.

No. of children on 6c who:
- lived with you:
- did not live with you due to divorce or separation (see instrs):

Dependents on 6c not entered above:

d Total number of exemptions claimed — Add numbers on lines above ▶ 2

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	**Taxable** interest. Attach Schedule B if required	8a	227,565.
b	**Tax-exempt** interest. **Do not** include on line 8a (8b)		
9a	Ordinary dividends. Attach Schedule B if required	9a	190.
b	Qualified dividends (see instrs) (9b)		
10	Taxable refunds, credits, or offsets of state and local income taxes (see instructions)	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ▶ ☐	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions (15a) b Taxable amount (see instrs)	15b	3,292.
16a	Pensions and annuities (16a) b Taxable amount (see instrs)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	8,539.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits (20a) 22,186. b Taxable amount (see instrs)	20b	18,858.
21	Other income	21	
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶	22	258,444.

Adjusted Gross Income

23	Educator expenses (see instructions)	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	One-half of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction (see instructions)	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN ▶	31a	
32	IRA deduction (see instructions)	32	
33	Student loan interest deduction (see instructions)	33	
34	Tuition and fees deduction. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 - 31a and 32 - 35	36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶	37	258,444.

Tax and Credits

Standard Deduction for —
- People who checked any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
- All others:

Single or Married filing separately, $5,350

Married filing jointly or Qualifying widow(er), $10,700

Head of household, $7,850

38	Amount from line 37 (adjusted gross income)	38	258,444.
39a	Check if: [X] You were born before January 2, 1943, [ ] Blind. [X] Spouse was born before January 2, 1943, [ ] Blind. Total boxes checked ► 39a 2		
b	If your spouse itemizes on a separate return, or you were a dual-status alien, see instrs and ck here ► 39b [ ]		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	13,216.
41	Subtract line 40 from line 38	41	245,228.
42	If line 38 is $117,300 or less, multiply $3,400 by the total number of exemptions claimed on line 6d. If line 38 is over $117,300, see the instructions	42	5,893.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	239,335.
44	Tax (see instrs). Check if any tax is from: a [ ] Form(s) 8814 b [ ] Form 4972 c [ ] Form(s) 8889	44	58,181.
45	Alternative minimum tax (see instructions). Attach Form 6251	45	0.
46	Add lines 44 and 45 ►	46	58,181.
47	Credit for child and dependent care expenses. Attach Form 2441 — 47		
48	Credit for the elderly or the disabled. Attach Schedule R — 48		
49	Education credits. Attach Form 8863 — 49		
50	Residential energy credits. Attach Form 5695 — 50		
51	Foreign tax credit. Attach Form 1116 if required — 51		
52	Child tax credit (see instructions). Attach Form 8901 if required — 52		
53	Retirement savings contributions credit. Attach Form 8880 — 53		
54	Credits from: a [ ] Form 8396 b [ ] Form 8859 c [ ] Form 8839 — 54		
55	Other credits: a [ ] Form 3800 b [ ] Form 8801 c [ ] Form _____ — 55		
56	Add lines 47 through 55. These are your total credits	56	
57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0- ►	57	58,181.

Other Taxes

58	Self-employment tax. Attach Schedule SE	58	
59	Unreported social security and Medicare tax from: a [ ] Form 4137 b [ ] Form 8919	59	
60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	
61	Advance earned income credit payments from Form(s) W-2, box 9	61	
62	Household employment taxes. Attach Schedule H	62	
63	Add lines 57-62. This is your total tax ►	63	58,181.

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099 — 64		
65	2007 estimated tax payments and amount applied from 2006 return — 65	56,010.	
66a	Earned income credit (EIC) — 66a		
b	Nontaxable combat pay election ► 66b		
67	Excess social security and tier 1 RRTA tax withheld (see instructions) — 67		
68	Additional child tax credit. Attach Form 8812 — 68		
69	Amount paid with request for extension to file (see instructions) — 69		
70	Payments from: a [ ] Form 2439 b [ ] Form 4136 c [ ] Form 8885 — 70		
71	Refundable credit for prior year minimum tax from Form 8801, line 27 — 71		
72	Add lines 64, 65, 66a, and 67 through 71. These are your total payments ►	72	56,010.

Refund

Direct deposit? See instructions and fill in 74b, 74c, and 74d or Form 8888.

73	If line 72 is more than line 63, subtract line 63 from line 72. This is the amount you overpaid	73	
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here ► [ ]	74a	
b	► Routing number XXXXXXXXX ► c Type: [ ] Checking [ ] Savings		
d	► Account number XXXXXXXXXXXXXXXXX		
75	Amount of line 73 you want applied to your 2008 estimated tax ► 75		

Amount You Owe

76	Amount you owe. Subtract line 72 from line 63. For details on how to pay, see instructions ►	76	2,171.
77	Estimated tax penalty (see instructions) — 77		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete the following. [ ] No

Designee's name ► Preparer | Phone no. ► | Personal identification number (PIN) ►

Sign Here

Joint return? See instructions.

Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

	Date		
Your signature ► Filing as surviving spouse		Your occupation RETIRED	Daytime phone number (864) 224-3770
Spouse's signature. If a joint return, both must sign. ►	Date	Spouse's occupation RETIRED	

Paid Preparer's Use Only

Preparer's signature ►	Date	Check if self-employed [ ]	Preparer's SSN or PTIN 255-74-2430
Firm's name (or yours if self-employed), address, and ZIP code ►	DARRELL I. HARDY CPA PA PO BOX 593 ANDERSON SC 29622	EIN	57-0926595
		Phone no.	(864) 226-5109

SCHEDULE A (Form 1040)

Department of the Treasury
Internal Revenue Service

Itemized Deductions

► Attach to Form 1040.
► See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. **07**

Name(s) shown on Form 1040

CHARLES H & HELEN D WHITFIELD

Your social security number

251-28-8217

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.				
	1	Medical and dental expenses (see instructions)	1	2,986.		
	2	Enter amount from Form 1040, line 38 ..... 2 258,444.				
	3	Multiply line 2 by 7.5% (.075)	3	19,383.		
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	0.
Taxes You Paid	5	State and local **(check only one box):**				
	a	[X] Income taxes, **or**	5	14,667.		
	b	[ ] General sales taxes.				
	6	Real estate taxes (see instructions)	6			
(See instructions.)	7	Personal property taxes	7	90.		
	8	Other taxes. List type and amount ►	8			
	9	Add lines 5 through 8			9	14,757.
Interest You Paid	10	Home mtg interest and points reported to you on Form 1098	10			
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ►	11			
Note. Personal interest is not deductible.	12	Points not reported to you on Form 1098. See instrs for spcl rules	12			
	13	Qualified mortgage insurance premiums (see instructions)	13			
	14	Investment interest. Attach Form 4952 if required. (See instrs.)	14			
	15	Add lines 10 through 14			15	
Gifts to Charity	16	Gifts by cash or check. If you made any gift of $250 or more, see instrs	16	500.		
If you made a gift and got a benefit for it, see instructions.	17	Other than by cash or check. If any gift of $250 or more, see instructions. You **must** attach Form 8283 if over $500	17			
	18	Carryover from prior year	18			
	19	Add lines 16 through 18			19	500.
Casualty and Theft Losses	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20	
(See instructions.)	21	Unreimbursed employee expenses – job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►	21			
	22	Tax preparation fees	22			
	23	Other expenses – investment, safe deposit box, etc. List type and amount ►	23			
	24	Add lines 21 through 23	24			
	25	Enter amount from Form 1040, line 38 25				
	26	Multiply line 25 by 2% (.02)	26			
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27	
Other Miscellaneous Deductions	28	Other – from list in the instructions. List type and amount ►			28	
Total Itemized Deductions	29	Is Form 1040, line 38, over $156,400 (over $78,200 if married filing separately)?				
		[ ] **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			► 29	13,216.
		[X] **Yes.** Your deduction may be limited. See instructions for the amount to enter.				
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ► [ ]				

Itemized Deductions Limited per IRC Sec. 68.

Name(s) shown on Form 1040. | Your social security number

CHARLES H & HELEN D WHITFIELD | 251-28-8217

Schedule B — Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address		Amount
BB&T	1	22,149.
CAROLINA FIRST		1,308.
CAROLINA FIRST		7,812.
CAROLINA FIRST		4,690.
CAROLINA FIRST		5,484.
FIRST CITIZENS BANK		21,203.
PAUL W. CROMER, JR. INC.		101,138.
WACHOVIA BANK NA-CUC		2,780.
COMMUNITY FIRST BANK		28,652.
SUNTRUST-4 CDS		21,336.
WACHOVIA BANK NA		7,224.
BANK OF ANDERSON		3,573.
JOHN MORGAN		216.
2 Add the amounts on line 1	2	227,565.
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a	4	227,565.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

5 List name of payer		Amount
WACHOVIA SECURITIES INC	5	190.
6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a	6	190.

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; or **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

	Yes	No
7a At any time during 2007, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b If 'Yes,' enter the name of the foreign country		
8 During 2007, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE E (Form 1040)

Department of the Treasury
Internal Revenue Service

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.
► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H & HELEN D WHITFIELD

Your social security number: 251-28-8217

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and location of each **rental real estate property:**	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	SHOP BUILDINGS-CW COMMERCIAL WHITNER STREET ANDERSON SC 29624	A		X
B	TRAILER LOT-CHAPEL RESIDENTIAL CHAPEL AVENUE ANDERSON SC 29624 50.00%	B		X
C	OFFICE-COMMERCIAL WEST WHITNER STREET ANDERSON SC 29624 50.00%	C		X

Income:		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
3 Rents received	3	27,275.		2,100.	3	33,125.
4 Royalties received	4				4	
Expenses:						
5 Advertising	5		7,850.			
6 Auto and travel (see instructions)	6					
7 Cleaning and maintenance	7					
8 Commissions	8					
9 Insurance	9					
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc (see instructions)	12				12	
13 Other interest	13					
14 Repairs	14	1,760.				
15 Supplies	15					
16 Taxes	16	4,200.	1,208.			
17 Utilities	17	5,036.		1,366.		
18 Other (list) ►	18					
19 Add lines 5 through 18	19	10,996.	9,058.	1,366.	19	23,322.
20 Depreciation expense or depletion (see instructions)	20	614.		0.	20	1,264.
21 Total expenses. Add lines 19 and 20	21	11,610.	9,058.	1,366.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	15,665.	-9,058.	734.		
23 Deductible rental real estate loss. **Caution.** Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23		-9,058.			
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24	17,749.
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25	-9,210.
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	8,539.

SCHEDULE E (Form 1040)

Department of the Treasury
Internal Revenue Service

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.
► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2007

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H & HELEN D WHITFIELD

Your social security number: 251-28-8217

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and location of each **rental real estate property:**	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMMERCIAL CLEMSON BLVD BLDG 50.00%	A		X
B	COMMERCIAL BLECKLEY STREET ANDERSON SC 50.00%	B		X
C		C		

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3	2,400.	1,350.		3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9				
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16	1,902.			
17 Utilities	17				
18 Other (list) ►	18				
19 Add lines 5 through 18	19	1,902.			19
20 Depreciation expense or depletion (see instructions)	20	650.			20
21 Total expenses. Add lines 19 and 20	21	2,552.			
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	-152.	1,350.		
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	-152.			
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26

1030

Do not write in this space — OFFICE USE

SC1040

(Rev. 9/27/07) 3075

SCIA0112 10/30/07

SOUTH CAROLINA INDIVIDUAL INCOME TAX RETURN

2007

For the year January 1 - December 31, 2007, or fiscal tax year beginning 2007 and ending 2008

Print Your first name and Initial	(Sr, Jr, 2nd, 3rd, 4th) Last name	Check if Deceased	Your Social Security number
CHARLES H	WHITFIELD	[X]	251-28-8217
Spouse's first name and initial, if married filing jointly	**Spouse's last name**	**Check if Deceased**	**Spouse's Social Security number**
HELEN D	WHITFIELD	[ ]	251-40-9171

Check if new address	Present mailing address (number and street, Apt No or P.O. Box)	County code	Do not write in this space — OFFICE USE
[ ]	2833 W. WHITNER STREET	04	

City, state and ZIP code	Area Code Daytime telephone
ANDERSON SC 29624	(864) 224-3770

For Office Use Only ▶ [X]

Check this box if you are filing SC Schedule NR (Part year/Nonresident) ▶ [ ]

Check this box if you have filed a federal or state extension ▶ [ ]

Check this box if filing a composite return for partnership or 'S' corporation ▶ [ ]

CHECK YOUR FEDERAL FILING STATUS
(1) [ ] Single (3) [ ] Married filing separately. Enter spouse's social security number here: _____
(2) [X] Married filing jointly (4) [ ] Head-of-household (5) [ ] Widow(er) with dependent child

Federal Exemptions: Enter the number of exemptions from line 6(d) of your 2007 federal return ▶ 2
How many of the exemptions listed above were under the age of 6 years on December 31, 2007? ▶ 0
Enter the number of taxpayers age 65 or older, as of December 31, 2007 ▶ 2

STAPLE PAYMENT HERE

						Dollars
1	**Enter Federal taxable income from your federal Form 1040, line 43; 1040A, line 27; or 1040EZ, line 6. If zero or less, enter zero here.**					
	STOP! **Resident filers complete** lines 32 through 54. **Nonresident filers complete** Schedule NR and enter total from line 49 on line 5 below ▶			1		239,335.00
2	TOTAL ADDITIONS. Enter amount from line 37 ▶			2		416.00
3	Add lines 1 and 2. Enter total here			3		239,751.00
4	TOTAL SUBTRACTIONS. Enter amount from line 54 ▶			4		-48,858.00
5	South Carolina INCOME SUBJECT TO TAX. Residents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, line 49. If less than zero, enter zero ▶			5		190,893.00
6	**TAX:** Enter tax from SOUTH CAROLINA tax tables	6	12,915.00			
7	TAX on Lump Sum Distribution (Attach SC4972) ▶	7	00			
8	TAX on Active Trade or Business Income (Attach I-335) ▶	8	00			
9	TAX on Excess Withdrawals from Catastrophe Savings Accounts ▶	9	00			
10	TOTAL SC tax. Add lines 6, 7, 8 and 9. Enter the total			10		12,915.00
11	Child and Dependent Care (See instructions) ▶	11	00			
12	Two Wage Earner Credit (See instructions) ▶	12	00			
13	Other Non-refundable Credits (Attach SC1040TC) ▶	13	00			
14	TOTAL Non-refundable Credits. Add lines 11 through 13 and enter the total			14		00
15	SUBTRACT line 14 from line 10. Enter the difference BUT NOT LESS THAN ZERO			15		12,915.00

STAPLE W-2/1099 HERE

16	SC INCOME TAX WITHHELD (Attach W-2 or SC41) ▶		00	20	Other SC Withholding (Attach Form 1099) ▶	00
17	2007 Estimated Tax Payments ▶	13,173.	00	21	Tuition Tax Credit (Attach I-319) ▶	00
18	Amount Paid with extension ▶		00	22	Other Refundable Credit (Attach I-333 or I-334) ▶	00
19	NR sale of real estate ▶		00			

Tip — Make sure lines 16-22 are completed.

						Dollars
23	ADD lines 16 through 22 and enter the total			23		13,173.00
24	If line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT			24		258.00
25	If line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE			25		00
26	**USE TAX** (Due on Out-of-state Purchases. See instructions) ▶	26	00			
27	Amount of line 24 to be credited to your **2008 ESTIMATED TAX** ▶	27	258.00			
28	Total Contributions for Check-offs (Attach I-330) ▶	28	00			
29	ADD lines 26 through 28 and enter the total			29		258.00
30	NET REFUND: If line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the **AMOUNT TO BE REFUNDED TO YOU** **REFUND** ▶			30		0.00
31	NET DUE: ADD lines 25 and 29 and, if applicable, penalty amount. If line 29 is larger than line 24, subtract line 24 from line 29. Enter the AMOUNT YOU OWE. If subject to penalty for Underpayment of Estimated Tax, attach SC2210. (See instructions.) Penalty: $					
	Staple a check or money order for the full amount payable to **'SC Department of Revenue.'** Write your Social Security number and **'2007 SC1040'** on the payment **BALANCE DUE** ▶			31		

30751010

STOP! **Resident filers complete** lines 32 through 54.
Nonresident filers complete Schedule NR. Do not complete lines 32 through 54.

PART 1 ADDITIONS TO FEDERAL TAXABLE INCOME

					Dollars
32	State tax addback, if itemizing on federal return, (See instructions)	32	416.00		
33	Out-of-state losses – (See instructions)	33	00		
34	Expenses related to National Guard and Military Reserve income	34	00		
35	Interest income on obligations of states and political subdivisions **other than** South Carolina	35	00		
36	Other additions to income. Attach an explanation (See instructions)	36	00		
37	TOTAL ADDITIONS – add lines 32 through 36 and enter your total additions to income here and on line 2			37	416.00

PART 2 SUBTRACTIONS FROM FEDERAL TAXABLE INCOME

38	State tax refund, if included on line 10, on your federal Form 1040	38	00		
39	Total and permanent disability retirement income, if taxed on your federal return	39	00		
40	Out-of-state income/gain – Do not include personal service income. (See instructions.)	40	00		
41	44% of net capital gains held for more than one year (See instructions)	41	00		
42	Volunteer Firefighter/Rescue Squad Worker/Volunteer HAZMAT Team Member/Reserve Police Officer/DNR Deputy Enforcement Officer/State Guard Member deduction. (See instrs)	42	00		
43	Contributions to the SC Tuition Prepayment Program or the SC College Investment Program. (See instructions)	43	00		
44	Active Trade or Business Income Deduction (See instructions)	44	00		
45	Interest income from obligations of the U.S. government	45	00		
46	National Guard or Reserve annual training and drill pay. (See instructions)	46	00		
47	Social Security and/or railroad retirement, if taxed on your federal return	47	18,858.00		
48	**Caution: Retirement Deduction – (See instructions)**				
	a Taxpayer: Date of Birth 10/01/1925	48a	1,828.00		
	b Spouse: Date of Birth 08/11/1929	48b	1,464.00		
	c Surviving Spouse: Date of Birth of Deceased Spouse	48c	00		
49	Age 65 and older deduction – (See instructions)				
	a Taxpayer: Date of Birth 10/01/1925	49a	13,172.00		
	b Spouse: Date of Birth 08/11/1929	49b	13,536.00		
50	Negative amount of federal taxable income	50	00		
51	Subsistence Allowance _____ days @ $8.00	51	00		
52	Dependents under the age of 6 years on December 31, 2007. Date of Birth _____ Social security number _____ Date of Birth _____ Social security number _____	52	00		
53	Other subtractions. (See instructions)	53	00		
54	TOTAL SUBTRACTIONS – add lines 38 through 53 and enter the total here and on line 4			54	48,858.00

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Your Signature	Date	Spouse's Signature (if jointly, BOTH must sign)
Filing as Surviving Spouse		

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes [X] No [ ] Preparer's Printed Name DARRELL I HARDY CPA

If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Paid Preparer's Use Only

Prepared by	Date	Preparer's Name and Address
		DARRELL I. HARDY CPA PA
EI Number	Phone Number	PO BOX 593
57-0926595	(864) 226-5109	ANDERSON SC 29622

ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN ONLY IF you have income and/or (loss) on federal Schedules C, D, E, F or filed a SC Schedule NR, SC1040TC, I-319 or I-335.

MAIL RETURN TO THE PROPER ADDRESS

REFUNDS OR ZERO TAX:
SC1040 PROCESSING CENTER
P.O. BOX 101100
COLUMBIA SC 29211-0100

BALANCE DUE:
TAXABLE PROCESSING CENTER
P.O. BOX 101105
COLUMBIA SC 29211-0105

SCIA0112 12/04/07

30752018

DECEASED CHARLES H WHITFIELD 03/24/2008

Department of the Treasury — Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 2008

(99) IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2008, or other tax year beginning , 2008, ending , 20

OMB No. 1545-0074

Label (See instructions.)

Use the IRS label. Otherwise, please print or type.

Your first name	MI	Last name	Your social security number
CHARLES	H	WHITFIELD	251-28-8217
If a joint return, spouse's first name	MI	Last name	Spouse's social security number
HELEN	D	WHITFIELD	251-40-9171

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

City, town or post office. If you have a foreign address, see instructions. State ZIP code

ANDERSON SC 29624

You **must** enter your social security number(s) above.

Checking a box below will not change your tax or refund.

Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want $3 to go to this fund? (see instructions) ▶ ☐ You ☐ Spouse

Filing Status

Check only one box.

1 ☐ Single

2 ☒ Married filing jointly (even if only one had income)

3 ☐ Married filing separately. Enter spouse's SSN above & full name here ▶

4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶

5 ☐ Qualifying widow(er) with dependent child (see instructions)

Exemptions

6a ☒ **Yourself.** If someone can claim you as a dependent, **do not** check box 6a

b ☒ **Spouse**

Boxes checked on 6a and 6b . . 2

c **Dependents:**

(1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see instrs)
			☐
			☐
			☐
			☐

No. of children on 6c who:
- lived with you
- did not live with you due to divorce or separation (see instrs)

Dependents on 6c not entered above

If more than four dependents, see instructions.

Add numbers on lines above ▶ 2

d Total number of exemptions claimed 2

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	93,196.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends (see instrs)	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes (see instructions)		10	180.
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ▶ ☐		13	
14	Other gains or (losses). Attach Form 4797		14	0.
15a	IRA distributions	15a	b Taxable amount (see instrs)	15b IRA 1,882.
16a	Pensions and annuities	16a	b Taxable amount (see instrs)	16b 2 1,503.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	Rent 6,767.
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20a	Social security benefits 20a 18,002.		b Taxable amount (see instrs)	20b SIS 15,302.
21	Other income		21	
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶		22	118,830.

Adjusted Gross Income

23	Educator expenses (see instructions)	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction (see instructions)	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction (see instructions)	32		
33	Student loan interest deduction (see instructions)	33		
34	Tuition and fees deduction. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 - 31a and 32 - 35		36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37	118,830.

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	118,830.
39a	Check if: [X] You were born before January 2, 1944, [ ] Blind. [X] Spouse was born before January 2, 1944, [ ] Blind. Total boxes checked ► 39a 2		
b	If your spouse itemizes on a separate return, or you were a dual-status alien, see instrs and ck here ► 39b [ ]		
c	Check if standard deduction includes real estate taxes or disaster loss (see instructions) ► 39c [ ]		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	19,204.
41	Subtract line 40 from line 38	41	99,626.
42	If line 38 is over $119,975, or you provided housing to a Midwestern displaced individual, see instructions. Otherwise, multiply $3,500 by the total number of exemptions claimed on line 6d	42	7,000.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	92,626.
44	Tax (see instrs). Check if any tax is from: a [ ] Form(s) 8814 b [ ] Form 4972	44	15,844.
45	Alternative minimum tax (see instructions). Attach Form 6251	45	0.
46	Add lines 44 and 45 ►	46	15,844.
47	Foreign tax credit. Attach Form 1116 if required — 47		
48	Credit for child and dependent care expenses. Attach Form 2441 — 48		
49	Credit for the elderly or the disabled. Attach Schedule R — 49		
50	Education credits. Attach Form 8863 — 50		
51	Retirement savings contributions credit. Attach Form 8880 — 51		
52	Child tax credit (see instructions). Attach Form 8901 if required — 52		
53	Credits from Form: a [ ] 8396 b [ ] 8839 c [ ] 5695 — 53		
54	Other crs from Form: a [ ] 3800 b [ ] 8801 c [ ] — 54		
55	Add lines 47 through 54. These are your total credits	55	
56	Subtract line 55 from line 46. If line 55 is more than line 46, enter -0- ►	56	15,844.

Standard Deduction for —
- People who checked any box on line 39a, 39b, or 39c or who can be claimed as a dependent, see instructions.
- All others:

Single or Married filing separately, $5,450

Married filing jointly or Qualifying widow(er), $10,900

Head of household, $8,000

Other Taxes

57	Self-employment tax. Attach Schedule SE	57	
58	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919	58	
59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
60	Additional taxes: a [ ] AEIC payments b [ ] Household employment taxes. Attach Schedule H	60	
61	Add lines 56-60. This is your total tax ►	61	15,844.

Payments

If you have a qualifying child, attach Schedule EIC.

62	Federal income tax withheld from Forms W-2 and 1099	62		
63	2008 estimated tax payments and amount applied from 2007 return	63	48,000.	
64a	Earned income credit (EIC)	64a		
b	Nontaxable combat pay election ► 64b			
65	Excess social security and tier 1 RRTA tax withheld (see instructions)	65		
66	Additional child tax credit. Attach Form 8812	66		
67	Amount paid with request for extension to file (see instructions)	67		
68	Credits from Form: a [ ] 2439 b [ ] 4136 c [ ] 8801 d [ ] 8885	68		
69	First-time homebuyer credit. Attach Form 5405	69		
70	Recovery rebate credit (see worksheet)	70	1,200.	
71	Add lines 62 through 70. These are your total payments ►	71		49,200.

Refund

Direct deposit? See instructions and fill in 73b, 73c, and 73d or Form 8888.

72	If line 71 is more than line 61, subtract line 61 from line 71. This is the amount you overpaid	72	33,356.
73a	Amount of line 72 you want refunded to you. If Form 8888 is attached, check here .. ► [ ]	73a	18,676.
b	Routing number 053902197 ► c Type: [X] Checking [ ] Savings		
d	Account number 8100739318		
74	Amount of line 72 you want applied to your 2009 estimated tax ►	74	14,680.

Amount You Owe

75	Amount you owe. Subtract line 71 from line 61. For details on how to pay, see instructions ►	75	
76	Estimated tax penalty (see instructions) — 76		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete the following. [ ] No

Designee's name ► Preparer | Phone no. ► | Personal identification number (PIN) ►

Sign Here

Joint return? See instructions.

Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature ► Filing as surviving spouse	Date	Your occupation RETIRED	Daytime phone number (864) 224-3770
Spouse's signature. If a joint return, both must sign. ►	Date	Spouse's occupation RETIRED	

Paid Preparer's Use Only

Preparer's signature ►	Date	Check if self-employed [ ]	Preparer's SSN or PTIN 255-74-2430
Firm's name (or yours if self-employed), address, and ZIP code ► DARRELL I. HARDY CPA PA PO BOX 593 ANDERSON SC 29622		EIN 57-0926595 Phone no. (864) 226-5109	

Form 1040 (2008)

FDIA0112 10/13/08

SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Itemized Deductions

► Attach to Form 1040.
► See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074

2008

Attachment Sequence No. **07**

Name(s) shown on Form 1040

CHARLES H & HELEN D WHITFIELD

Your social security number

251-28-8217

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see instructions)	1	6,145.	
	2	Enter amount from Form 1040, line 38 ..... 2 118,830.			
	3	Multiply line 2 by 7.5% (.075)	3	8,912.	
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4 0.
Taxes You Paid	5	State and local **(check only one box):**			
	a	[X] Income taxes, or			
	b	[ ] General sales taxes	5	15,002.	
	6	Real estate taxes (see instructions)	6	2,780.	
(See instructions.)	7	Personal property taxes	7	137.	
	8	Other taxes. List type and amount ►	8		
	9	Add lines 5 through 8			9 17,919.
Interest You Paid	10	Home mtg interest and points reported to you on Form 1098	10		
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ►	11		
Note. Personal interest is not deductible.	12	Points not reported to you on Form 1098. See instrs for spcl rules	12		
	13	Qualified mortgage insurance premiums (see instructions)	13		
	14	Investment interest. Attach Form 4952 if required. (See instrs.)	14		
	15	Add lines 10 through 14			15
Gifts to Charity If you made a gift and got a benefit for it, see instructions.	16	Gifts by cash or check. If you made any gift of $250 or more, see instrs	16	1,000.	
	17	Other than by cash or check. If any gift of $250 or more, see instructions. You **must** attach Form 8283 if over $500	17	285.	
	18	Carryover from prior year	18		
	19	Add lines 16 through 18			19 1,285.
Casualty and Theft Losses	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20
(See instructions.)	21	Unreimbursed employee expenses – job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►	21		
	22	Tax preparation fees	22		
	23	Other expenses – investment, safe deposit box, etc. List type and amount ►	23		
	24	Add lines 21 through 23	24		
	25	Enter amount from Form 1040, line 38 25			
	26	Multiply line 25 by 2% (.02)	26		
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27
Other Miscellaneous Deductions	28	Other – from list in the instructions. List type and amount ►			28
Total Itemized Deductions	29	Is Form 1040, line 38, over $159,950 (over $79,975 if married filing separately)?			
		[X] **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40.			► 29 19,204.
		[ ] **Yes.** Your deduction may be limited. See instructions for the amount to enter.			
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ► [ ]			

Name(s) shown on Form 1040. | Your social security number

CHARLES H & HELEN D WHITFIELD | 251-28-8217

Schedule B — Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

(See instructions for Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address		Amount
BB&T	1	26,775.
CAROLINA FIRST		448.
CAROLINA FIRST		1,872.
CAROLINA FIRST		2,201.
CAROLINA FIRST		4,953.
FIRST CITIZENS BANK		3,289.
WACHOVIA BANK NA-CUC		461.
COMMUNITY FIRST BANK		6,804.
SUNTRUST-4 CDS		2,981.
WACHOVIA BANK NA		31.
BANK OF ANDERSON		1,769.
JOHN MORGAN		215.
See Additional Interest		41,397.
2 Add the amounts on line 1	2	93,196.
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a	4	93,196.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

5 List name of payer		Amount
	5	
6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; or **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

	Yes	No
7a At any time during 2008, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b If 'Yes,' enter the name of the foreign country ►		
8 During 2008, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2008

Attachment Sequence No. 13

Name(s) shown on return

CHARLES H & HELEN D WHITFIELD

Your social security number

251-28-8217

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each **rental real estate property:**	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	SHOP BUILDINGS-CW COMMERCIAL WHITNER STREET ANDERSON, SC 29624	A		X
B	TRAILER LOT-CHAPEL RESIDENTIAL 50.00% CHAPEL AVENUE ANDERSON, SC 29624	B		X
C	OFFICE-COMMERCIAL 50.00% W WHITNER STREET ANDERSON, SC 29624	C		X

Income:		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
3 Rents received	3	4,375.	113.	2,475.	3	8,463.
4 Royalties received	4				4	
Expenses:						
5 Advertising	5					
6 Auto and travel (see instructions)	6					
7 Cleaning and maintenance	7					
8 Commissions	8					
9 Insurance	9					
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc (see instructions)	12				12	
13 Other interest	13					
14 Repairs	14					
15 Supplies	15					
16 Taxes	16					
17 Utilities	17					
18 Other (list) ►	18					
19 Add lines 5 through 18	19				19	1,350.
20 Depreciation expense or depletion (see instructions)	20	612.		0.	20	747.
21 Total expenses. Add lines 19 and 20	21	612.		0.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file **Form 6198**	22	3,763.	113.	2,475.		
23 Deductible rental real estate loss. **Caution.** Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file **Form 8582.** Real estate professionals must complete line 43 on page 2	23					
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24	6,816.
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25	-450.
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	6,366.

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2008

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H & HELEN D WHITFIELD

Your social security number: 251-28-8217

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMMERCIAL 50.00% FORBES DRIVE SANDY SPRINGS, SC	A		X
B	COMMERCIAL 50.00% BLECKLEY STREET ANDERSON, SC 29264	B		X
C	RESIDENTIAL SUNSET FOREST RD ANDERSON, SC 29624	C		X

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3	600.		900.	3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9				
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16				
17 Utilities	17				
18 Other (list) ► CUT FALLEN TREE	18			1,350.	
Waste Management	18				
19 Add lines 5 through 18	19			1,350.	19
20 Depreciation expense or depletion (see instructions)	20	135.			20
21 Total expenses. Add lines 19 and 20	21	135.		1,350.	
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	465.		-450.	
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23			-450.	
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26

Name(s) shown on return. Do not enter name and social security number if shown on Page 1.

CHARLES H & HELEN D WHITFIELD

Your social security number: 251-28-8217

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column **(e)** on line 28 and attach **Form 6198.** See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No

If you answered 'Yes,' see instructions before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A			☐		☐
B			☐		☐
C			☐		☐
D			☐		☐

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach **Form 8582** if required)	(g) Passive income from **Schedule K-1**	(h) Nonpassive loss from **Schedule K-1**	(i) Section 179 expense deduction from **Form 4562**	(j) Nonpassive income from **Schedule K-1**
A					
B					
C					
D					
29a Totals					
b Totals					

30	Add columns (g) and (j) of line 29a	30	
31	Add columns (f), (h), and (i) of line 29b	31	
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer ID no.
A	CHARLES H WHITFIELD ESTATE	26-6332542
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach **Form 8582** if required)	(d) Passive income from **Schedule K-1**	(e) Deduction or loss from **Schedule K-1**	(f) Other income from **Schedule K-1**
A		401.		
B				
34a Totals		401.		
b Totals				

35	Add columns (d) and (f) of line 34a	35	401.
36	Add columns (c) and (e) of line 34b	36	
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	401.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from **Schedules Q,** line 1b	(e) Income from **Schedules Q,** line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835.** Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ►	41	6,767.
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code T; and Schedule K-1 (Form 1041), line 14, code F (see instructions)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

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

2008

Attachment Sequence No. **27**

Name(s) shown on return

CHARLES H & HELEN D WHITFIELD

Identifying number

251-28-8217

1 Enter the gross proceeds from sales or exchanges reported to you for 2008 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) 1

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)

3	Gain, if any, from Form 4684, line 45	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	0.
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows **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.	7	0.
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	0.
14	Net gain or (loss) from Form 4684, lines 37 and 44a	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	0.
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 41, 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	18a	
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	0.

BAA For Paperwork Reduction Act Notice, see separate instructions. Form **4797** (2008)

FDIZ1001 12/15/08

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 CLEMSON BLVD BLDG	01/01/2002	03/24/2008
B		
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	41,326.			
21 Cost or other basis plus expense of sale	21	45,333.			
22 Depreciation (or depletion) allowed or allowable	22	4,007.			
23 Adjusted basis. Subtract line 22 from line 21	23	41,326.			
24 Total gain. Subtract line 23 from line 20	24	0.			
25 **If section 1245 property:**					
a Depreciation allowed or allowable from line 22	25a				
b Enter the **smaller** of line 24 or 25a	25b				
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	0.			
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	0.			
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	0.			
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, and mining exploration costs (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	0.
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	0.
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 39. Enter the portion from other than casualty or theft on Form 4797, line 6	32	0.

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		

Form 1040 Line 10

State and Local Income Tax Refund Worksheet

2008

State and local taxes paid in 2007 or prior years and refunded in 2008
Keep for your records

Name(s) Shown on Return	Social Security Number
CHARLES H & HELEN D WHITFIELD	251-28-8217

Part I State and Local Income Tax Refunds from 2007 Tax Returns

1 (a) State or Local Code	(b) Refund Amount	(c) Estimated Tax Paid After 12/31/2007	(d) Extension Payments	(e) Total Payments and Withholding	(f) Refund Allocated to Column (c)	(g) Refund Allocated to Column (d)
SC	258.	4,000.		13,173.	78.	
Totals ...	258.	4,000.		13,173.	78.	

2	Total state and local refunds. Total line 1 column (b)	258.
3	Refund allocated to tax paid after 12/31/2007. Total line 1 columns (f) and (g). (Include net tax paid after 12/31/2007 on Schedule A, line 5.)	78.
4	Net refund. Line 2 less line 3	180.

Part II Recovery Amount

The **recovery amount** is the amount of the state and local income tax deducted in 2007 refunded in 2008.

5	Total state and local income tax deduction from line 5 of your 2007 Schedule A	14,667.
6	**Recovery amount.** Lesser of line 4 or line 5	180.

Part III Recovery Exclusion

The **recovery exclusion** is the part of the recovery amount which did **not** reduce tax in 2007.

7	**Recovery exclusion from standard deduction and/or sales tax deduction:**		
a	Allowable itemized deductions, from 2007 Schedule A, line 29		13,216.
b	Allowable itemized deductions, refigured by excluding recovery amount:		
	(1) Refigured state and local tax deduction:		
	(a) Refigured state income tax deduction	14,487.	
	(b) Sales tax deduction	1,788.	
	(c) Refigured deduction. Larger of (a) or (b)	14,487.	
	(2) Refigured total itemized deductions before limitation	15,077.	
	(3) Refigured reduction for limitation on itemized deductions	2,041.	
	(4) Refigured allowable itemized deductions. Line 7b(2) less line 7b(3)		13,036.
c	2007 standard deduction based on 2007 filing status		12,800.
d	Larger of lines 7b(4) or 7c		13,036.
e	Subtract line 7d from line 7a		180.
f	Subtract line 7e from line 6		0.
8	**Recovery exclusion from negative taxable income.** If 2007 taxable income was negative, enter here as a positive number, else enter zero		0.
9	**Recovery exclusion from alternative minimum tax.** If no alternative minimum tax (AMT) in 2007 enter zero. If did pay AMT in 2007, enter amount from line 25		0.
10	**Recovery exclusion from unused tax credits.** If no unused credits in 2007, enter zero. If there were unused credits in 2007, enter amount from line 33		0.
11	**Total recovery exclusion.** Add lines 7f, 8, 9, and 10		0.

Part IV Taxable Refund

The **recovery amount** less the **recovery exclusion** is a **taxable refund.**

12	**Taxable refund from 2007.** Line 6 less line 11	180.
13	Total taxable refunds from 2006 or prior tax returns. Total line 34 column (d)	
14	**Total taxable refunds.** Add lines 12 and 13. Enter here and on Form 1040, line 10	180.

Schedule B
Additional Interest

Payer's Name	Amount
THE PALMETTO BANK	1,432.
THE PALMETTO BANK	1,305.
THE PALMETTO BANK	7,786.
CHARLES H WHITFIELD ESTATE	30,874.
Total	41,397.

1030

Do not write in this space — OFFICE USE

SC1040

(Rev. 4/18/08) 3075

SCIA0112 09/30/08

SOUTH CAROLINA INDIVIDUAL INCOME TAX RETURN 2008

For the year January 1 - December 31, 2008, or fiscal tax year beginning 2008 and ending 2009

Print Your first name and Initial	(Sr, Jr, 2nd, 3rd, 4th) Last name	Check if Deceased	Your Social Security number
CHARLES H	WHITFIELD	X	251-28-8217
Spouse's first name and Initial, if married filing jointly	**Spouse's last name**	**Check if Deceased**	**Spouse's Social Security number**
HELEN D	WHITFIELD		251-40-9171

Check if new address	Present mailing address (number and street, Apt No or P.O. Box)	County code	Do not write in this space — OFFICE USE
	2833 W. WHITNER STREET	04	

City, state and ZIP code	Area Code Daytime telephone
ANDERSON SC 29624	(864) 224-3770

For Office Use Only ▶

Check this box if you are filing SC Schedule NR (Part year/Nonresident) ▶

Check this box if you have filed a federal or state extension ▶

Check this box if filing a composite return for partnership or 'S' corporation ▶

CHECK YOUR FEDERAL FILING STATUS
(1) [ ] Single (3) [ ] Married filing separately. Enter spouse's social security number here:
(2) [X] Married filing jointly (4) [ ] Head-of-household (5) [ ] Widow(er) with dependent child

Federal Exemptions: Enter the number of exemptions from line 6(d) of your 2008 federal return ▶ 2
How many of the exemptions listed above were under the age of 6 years on December 31, 2008? ▶ 0
Enter the number of taxpayers age 65 or older, as of December 31, 2008 ▶ 2

STAPLE PAYMENT HERE

				Dollars
1	**Enter Federal taxable income from your federal Form 1040, line 43; 1040A, line 27; or 1040EZ, line 6. If zero or less, enter zero here.** **STOP!** **Resident filers complete** lines 32 through 54. **Nonresident filers complete** Schedule NR and enter total from line 49 on line 5 below ▶		1	92,626.00
2	TOTAL ADDITIONS. Enter amount from line 37 of your SC1040 ▶		2	5,204.00
3	Add lines 1 and 2. Enter total here		3	97,830.00
4	TOTAL SUBTRACTIONS. Enter amount from line 54 of your SC1040 ▶		4	-45,482.00
5	South Carolina INCOME SUBJECT TO TAX. Residents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, line 49. If less than zero, enter zero ▶		5	52,348.00
6	**TAX:** Enter tax from SOUTH CAROLINA tax tables	6 3,211.00		
7	TAX on Lump Sum Distribution (Attach SC4972) ▶	7 00		
8	TAX on Active Trade or Business Income (Attach I-335) ▶	8 00		
9	TAX on Excess Withdrawals from Catastrophe Savings Accounts ▶	9 00		
10	TOTAL SC tax. Add lines 6, 7, 8 and 9. Enter the total		10	3,211.00
11	Child and Dependent Care (See instructions) ▶	11 00		
12	Two Wage Earner Credit (See instructions) ▶	12 00		
13	Other Non-refundable Credits (Attach SC1040TC) ▶	13 00		
14	TOTAL Non-refundable Credits. Add lines 11 through 13 and enter the total		14	00
15	SUBTRACT line 14 from line 10. Enter the difference BUT NOT LESS THAN ZERO		15	3,211.00

STAPLE W-2/1099 HERE

16	SC INCOME TAX WITHHELD (Attach W-2 or SC41) ▶	00	20	Other SC Withholding (Attach Form 1099) ▶	00
17	2008 Estimated Tax Payments ▶	11,080.00	21	Tuition Tax Credit (Attach I-319) ▶	00
18	Amount Paid with extension ▶	00	22	Other Refundable Credit (Attach I-333 or I-334) ▶	00
19	NR sale of real estate ▶	00			

Tip — Make sure lines 16-22 are completed.

23	ADD lines 16 through 22 and enter the total	23	11,080.	00
24	If line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT	24	7,869.	00
25	If line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE	25		00
26	**USE TAX** (Due on Out-of-state Purchases. See instructions) ▶ 26			00
27	Amount of line 24 to be credited to your **2009 ESTIMATED TAX** ▶ 27	3,240.		00
28	Total Contributions for Check-offs (Attach I-330) ▶ 28			00
29	ADD lines 26 through 28 and enter the total	29	3,240.	00
30	NET REFUND: If line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the **AMOUNT TO BE REFUNDED TO YOU** **REFUND** ▶	30	4,629.	00
31	NET DUE: ADD lines 25 and 29 and, if applicable, penalty amount. If line 29 is larger than line 24, subtract line 24 from line 29. Enter the AMOUNT YOU OWE. If subject to penalty for Underpayment of Estimated Tax, attach SC2210. (See instructions.) Penalty: $			
	Staple a check or money order for the full amount payable to **'SC Department of Revenue.'** Write your Social Security number and **'2008 SC1040'** on the payment **BALANCE DUE** ▶	31		00

30751010

STOP! **Resident filers complete** lines 32 through 54.
Nonresident filers complete Schedule NR. Do not complete lines 32 through 54.

PART 1 ADDITIONS TO FEDERAL TAXABLE INCOME

				Dollars
32	State tax addback, if itemizing on federal return, (See instructions)	32	5,204.00	
33	Out-of-state losses – (See instructions)	33	00	
34	Expenses related to National Guard and Military Reserve income	34	00	
35	Interest income on obligations of states and political subdivisions **other than** South Carolina	35	00	
36	Other additions to income. Attach an explanation (See instructions)	36	00	
37	TOTAL ADDITIONS – add lines 32 through 36 and enter your total additions to income here and on line 2		37	5,204.00

PART 2 SUBTRACTIONS FROM FEDERAL TAXABLE INCOME

38	State tax refund, if included on line 10, on your federal Form 1040	38	180.00	
39	Total and permanent disability retirement income, if taxed on your federal return	39	00	
40	Out-of-state income/gain – Do not include personal service income. (See instructions.)	40	00	
41	44% of net capital gains held for more than one year (See instructions)	41	00	
42	Volunteer Firefighter/Rescue Squad Worker/Volunteer HAZMAT Team Member/Reserve Police Officer/DNR Deputy Enforcement Officer/State Guard Member deduction. (See instrs)	42	00	
43	Contributions to the SC Tuition Prepayment Program or the SC College Investment Program. (See instructions)	43	00	
44	Active Trade or Business Income Deduction (See instructions)	44	00	
45	Interest income from obligations of the U.S. government	45	00	
46	National Guard or Reserve annual training and drill pay. (See instructions)	46	00	
47	Social Security and/or railroad retirement, if taxed on your federal return	47	15,302.00	
48	**Caution: Retirement Deduction – (See instructions)**			
	a Taxpayer: Date of Birth _____	48a	00	
	b Spouse: Date of Birth 08/11/1929	48b	3,385.00	
	c Surviving Spouse: Date of Birth of Deceased Spouse _____	48c	00	
49	Age 65 and older deduction – (See instructions)			
	a Taxpayer: Date of Birth 10/01/1925	49a	15,000.00	
	b Spouse: Date of Birth 08/11/1929	49b	11,615.00	
50	Negative amount of federal taxable income	50	00	
51	Subsistence Allowance _____ days @ $8.00	51	00	
52	Dependents under the age of 6 years on December 31 of the tax year.			
	Date of Birth _____ Social security number _____			
	Date of Birth _____ Social security number _____	52	00	
53	Other subtractions. (See instructions) _____	53	00	
54	TOTAL SUBTRACTIONS – add lines 38 through 53 and enter the total here and on line 4		54	45,482.00

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Your Signature	Date	Spouse's Signature (if jointly, BOTH must sign)
Filing as Surviving Spouse		

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer.	Yes [X] No [ ]	Preparer's Printed Name DARRELL I HARDY CPA

If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Paid Preparer's Use Only

Prepared by	Date	Preparer's Name and Address
		DARRELL I. HARDY CPA PA
EI Number	Phone Number	PO BOX 593
57-0926595	(864) 226-5109	ANDERSON SC 29622

ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN ONLY IF you have income and/or (loss) on federal Schedules C, D, E, F or filed a SC Schedule NR, SC1040TC, I-319 or I-335.

MAIL RETURN TO THE PROPER ADDRESS

REFUNDS OR ZERO TAX:
SC1040 PROCESSING CENTER
P.O. BOX 101100
COLUMBIA SC 29211-0100

BALANCE DUE:
TAXABLE PROCESSING CENTER
P.O. BOX 101105
COLUMBIA SC 29211-0105

SCIA0112 09/30/08

30752018

Department of the Treasury — Internal Revenue Service

Form 1041 · U.S. Income Tax Return for Estates and Trusts 2008

OMB No. 1545-0092

For calendar year 2008 or fiscal year beginning , 2008 and ending

A Type of entity (see instr):
- [X] Decedent's estate
- [ ] Simple trust
- [ ] Complex trust
- [ ] Qualified disability trust
- [ ] ESBT (S portion only)
- [ ] Grantor type trust
- [ ] Bankruptcy estate — Chapter 7
- [ ] Bankruptcy estate — Chapter 11
- [ ] Pooled income fund

Name of estate or trust (If a grantor type trust, see instructions.)
CHARLES H WHITFIELD ESTATE

Name and title of fiduciary
HELEN D WHITFIELD

Number, street, and room or suite number (If a P.O. box, see instructions.)
2833 W WHITNER STREET

City or town, state, and ZIP code
ANDERSON SC 29626

C Employer identification number: 26-6332542

D Date entity created: 03/24/08

E Nonexempt charitable and split-interest trusts, check applicable boxes (see instr):
- [ ] Described in section 4947(a)(1)
- [ ] Not a private foundation
- [ ] Described in section 4947(a)(2)

B Number of Schs K-1 attached (see instructions) ... ► 1

F Check applicable boxes: [ ] Initial return [ ] Final return [ ] Amended return [ ] Change in trust's name [ ] Change in fiduciary [ ] Change in fiduciary's name [ ] Change in fiduciary's address

G Check here if the estate or filing trust made a section 645 election ... ►

Income	1	Interest income	1	142,485.
	2a	Total ordinary dividends	2a	
	b	Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate/trust _____		
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3	
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	18,091.
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6	
	7	Ordinary gain or (loss). Attach Form 4797	7	-119,687.
	8	Other income. List type and amount _____	8	
	9	**Total income.** Combine lines 1, 2a, and 3 through 8 ►	9	40,889.
Deductions	10	Interest. Check if Form 4952 is attached ► [ ]	10	
	11	Taxes	11	
	12	Fiduciary fees	12	
	13	Charitable deduction (from Schedule A, line 7)	13	
	14	Attorney, accountant, and return preparer fees	14	
	15a	Other deductions **not** subject to the 2% floor (attach schedule)	15a	6,095.
	b	Allowable miscellaneous itemized deductions subject to the 2% floor	15b	
	16	Add lines 10 through 15b ►	16	6,095.
	17	Adjusted total income or (loss). Subtract line 16 from line 9 — 17: 34,794.		
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	34,794.
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19	
	20	Exemption	20	600.
	21	Add lines 18 through 20 ►	21	35,394.
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22	-600.
	23	**Total tax** (from Schedule G, line 7)	23	0.
	24	**Payments:** a 2008 estimated tax payments and amount applied from 2007 return	24a	
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	24b	
	c	Subtract line 24b from line 24a	24c	
	d	Tax paid with Form 7004 (see instructions)	24d	
	e	Federal income tax withheld. If any is from Form(s) 1099, check ► [ ]	24e	
		Other payments: f Form 2439 _____; g Form 4136 _____; Total ►	24h	
	25	**Total payments.** Add lines 24c through 24e, and 24h ►	25	
	26	Estimated tax penalty (see instructions)	26	
	27	**Tax due.** If line 25 is smaller than the total of lines 23 and 26, enter amount owed	27	0.
	28	**Overpayment.** If line 25 is larger than the total of lines 23 and 26, enter amount overpaid	28	
	29	Amount of line 28 to be: a Credited to 2009 estimated tax ► ; b Refunded ►	29	

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

► Signature of fiduciary or officer representing fiduciary | Date | ► EIN of fiduciary if a financial institution

May the IRS discuss this return with the preparer shown below (see instrs)? [ ] Yes [ ] No

Paid Preparer's Use Only

Preparer's signature ► | Date | Check if self-employed ► [ ] | Preparer's SSN or PTIN 255-74-2430

Firm's name (or yours if self-employed), address, and ZIP code ► DARRELL I. HARDY CPA PA
PO BOX 593
ANDERSON SC 29622

EIN 57-0926595

Phone number (864) 226-5109

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. FIFA0112 12/31/08 Form **1041** (2008)

Schedule A "Charitable Deduction. Do not complete for a simple trust or a pooled income fund.

1	Amounts paid or permanently set aside for charitable purposes from gross income (see instructions)	1	
2	Tax-exempt income allocable to charitable contributions (see instructions)	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes (see instructions)	6	
7	**Charitable deduction.** Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction

1	Adjusted total income (see instructions)	1	34,794.
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 15, column (1) (see instructions)	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1 (see instructions)	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	**Distributable net income.** Combine lines 1 through 6. If zero or less, enter -0-	7	34,794.
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law — 8		
9	Income required to be distributed currently	9	135,000.
10	Other amounts paid, credited, or otherwise required to be distributed	10	135,000.
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	270,000.
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	270,000.
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	34,794.
15	**Income distribution deduction.** Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	34,794.

Schedule G Tax Computation (see instructions)

1	**Tax:** a Tax on taxable income (see instructions)	1a			
	b Tax on lump-sum distributions. Attach Form 4972	1b			
	c Alternative minimum tax (from Schedule I, (Form 1041), line 56)	1c	0.		
	d **Total.** Add lines 1a through 1c			1d	0.
2a	Foreign tax credit. Attach Form 1116	2a			
	b Other nonbusiness credits (attach schedule)	2b			
	c General business credit. Attach Form 3800	2c			
	d Credit for prior year minimum tax. Attach Form 8801	2d			
3	**Total credits.** Add lines 2a through 2d			3	
4	Subtract line 3 from line 1d. If zero or less, enter -0-			4	0.
5	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611			5	
6	Household employment taxes. Attach Schedule H (Form 1040)			6	
7	**Total tax.** Add lines 4 through 6. Enter here and on page 1, line 23			7	0.

Other Information

		Yes	No
1	Did the estate or trust receive tax-exempt income? If 'Yes,' attach a computation of the allocation of expenses		X
	Enter the amount of tax-exempt interest income and exempt-interest dividends ► $		
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		X
3	At any time during the calendar year 2008, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►		
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the estate or trust may have to file Form 3520. See instructions		X
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If 'Yes,' see instructions for required attachment		X
6	If this is an estate or a complex trust making the section 663(b) election, check here (see instructions) ► ☐		
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here (see instructions) ► ☐		
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ► ☐		
9	Are any present or future trust beneficiaries skip persons? See instructions		X

SCHEDULE I (Form 1041)

Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax-Estates and Trusts

► Attach to Form 1041. See the separate instructions for Schedule I (Form 1041).

OMB No. 1545-0092

2008

Name of estate or trust

CHARLES H WHITFIELD ESTATE

Employer identification number

26-6332542

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

1	Adjusted total income or (loss) (from Form 1041, line 17)		1	34,794.
2	Interest		2	
3	Taxes		3	
4	Miscellaneous itemized deductions (from Form 1041, line 15b)		4	
5	Refund of taxes		5	( )
6	Depletion (difference between regular tax and AMT)		6	
7	Net operating loss deduction. Enter as a positive amount		7	
8	Interest from specified private activity bonds exempt from the regular tax		8	
9	Qualified small business stock (see the instructions)		9	
10	Exercise of incentive stock options (excess of AMT income over regular tax income)		10	
11	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)		11	
12	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)		12	
13	Disposition of property (difference between AMT and regular tax gain or loss)		13	
14	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)		14	
15	Passive activities (difference between AMT and regular tax income or loss)		15	
16	Loss limitations (difference between AMT and regular tax income or loss)		16	
17	Circulation costs (difference between regular tax and AMT)		17	
18	Long-term contracts (difference between AMT and regular tax income)		18	
19	Mining costs (difference between regular tax and AMT)		19	
20	Research and experimental costs (difference between regular tax and AMT)		20	
21	Income from certain installment sales before January 1, 1987		21	( )
22	Intangible drilling costs preference		22	
23	Other adjustments, including income-based related adjustments		23	
24	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)		24	( )
25	Adjusted alternative minimum taxable income. Combine lines 1 through 24 **Note:** *Complete Part II below before going to line 26.*		25	34,794.
26	Income distribution deduction from Part II, line 44	26 34,794.		
27	Estate tax deduction (from Form 1041, line 19)	27		
28	Add lines 26 and 27		28	34,794.
29	Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25		29	0.

If line 29 is:

- $22,500 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust is not liable for the alternative minimum tax.
- Over $22,500, but less than $165,000, go to line 45.
- $165,000 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis

30	Adjusted alternative minimum taxable income (see instructions)	30	34,794.
31	Adjusted tax-exempt interest (other than amounts included on line 8)	31	
32	Total net gain from Schedule D (Form 1041), line 15, column (1). If a loss, enter -0-	32	
33	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)	33	
34	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)	34	
35	Capital gains computed on a minimum tax basis included on line 25	35	( )
36	Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount	36	
37	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0-	37	34,794.
38	Income required to be distributed currently (from Form 1041, Schedule B, line 9)	38	135,000.
39	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)	39	135,000.
40	Total distributions. Add lines 38 and 39	40	270,000.
41	Tax-exempt income included on line 40 (other than amounts included on line 8)	41	
42	Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40	42	270,000.

Part III Income Distribution Deduction on a Minimum Tax Basis (continued)

43	Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0-	43	34,794.
44	**Income distribution deduction on a minimum tax basis.** Enter the smaller of line 42 or line 43. Enter here and on line 26	44	34,794.

Part IV Alternative Minimum Tax

45	Exemption amount			45	$22,500.
46	Enter the amount from line 29	46			
47	Phase-out of exemption amount	47	$75,000.		
48	Subtract line 47 from line 46. If zero or less, enter -0-	48			
49	Multiply line 48 by 25% (.25)			49	
50	Subtract line 49 from line 45. If zero or less, enter -0-			50	
51	Subtract line 50 from line 46			51	
52	Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 14a and 15 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is — • $175,000 or less, multiply line 51 by 26% (.26). • Over $175,000, multiply line 51 by 28% (.28) and subtract $3,500 from the result			52	
53	Alternative minimum foreign tax credit (see instructions)			53	
54	Tentative minimum tax. Subtract line 53 from line 52			54	
55	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)			55	
56	**Alternative minimum tax.** Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c			56	

Part V Line 52 Computation Using Maximum Capital Gains Rates

Caution: *If you did not complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet, see the instructions before completing this part.*

57	Enter the amount from line 51			57	
58	Enter the amount from Schedule D (Form 1041), line 22, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet, whichever applies (as refigured for the AMT, if necessary)	58			
59	Enter the amount from Schedule D (Form 1041), line 14b, column (2) (as refigured for the AMT, if necessary). If you did not complete Schedule D for the regular tax or the AMT, enter -0-	59			
60	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the **smaller** of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	60			
61	Enter the **smaller** of line 57 or line 60			61	
62	Subtract line 61 from line 57			62	
63	If line 62 is $175,000 or less, multiply line 62 by 26% (.26). Otherwise, multiply line 62 by 28% (.28) and subtract $3,500 from the result			63	
64	Maximum amount subject to the 0% rate	64	$2,200.		
65	Enter the amount from line 23 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, for Form 1041, whichever applies (as figured for the regular tax). If you did not complete Schedule D or either worksheet for the regular tax, enter -0-	65			
66	Subtract line 65 from line 64. If zero or less, enter -0-	66			
67	Enter the **smaller** of line 57 or line 58	67			
68	Enter the **smaller** of line 66 or line 67	68			
69	Subtract line 68 from line 67	69			
70	Multiply line 69 by 15% (.15)			70	
	If line 59 is zero or blank, skip lines 71 and 72 and go to line 73. Otherwise, go to line 71.				
71	Subtract line 67 from line 61	71			
72	Multiply line 71 by 25% (.25)			72	
73	Add lines 63, 70, and 72			73	
74	If line 57 is $175,000 or less, multiply line 57 by 26% (.26). Otherwise, multiply line 57 by 28% (.28) and subtract $3,500 from the result			74	
75	Enter the **smaller** of line 73 or line 74 here and on line 52			75	

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► **Attach to Form 1040, 1040NR, or Form 1041.**
► **See Instructions for Schedule E (Form 1040).**

OMB No. 1545-0074

2008

Attachment Sequence No. **13**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Your social security number

26-6332542

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

			Yes	No
1	List the type and address of each **rental real estate property:**			
A	COMMERCIAL W WHITNER ST ANDERSON SC 29624	A		X
B	RESIDENTIAL CHAPEL AVENUE ANDERSON SC 29621	B		X
C	COMMERCIAL W WHITNER ST ANDERSON SC 29624	C		X

2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:
- 14 days, or
- 10% of the total days rented at fair rental value?

(See instructions.)

Income:		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
3 Rents received	3	13,575.	338.	6,425.	3	24,951.
4 Royalties received	4				4	
Expenses:						
5 Advertising	5					
6 Auto and travel (see instructions)	6					
7 Cleaning and maintenance	7					
8 Commissions	8					
9 Insurance	9					
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc (see instructions)	12				12	
13 Other interest	13					
14 Repairs	14			347.		
15 Supplies	15					
16 Taxes	16	4,277.		932.		
17 Utilities	17			1,026.		
18 Other (list) ►	18					
19 Add lines 5 through 18	19	4,277.		2,305.	19	6,860.
20 Depreciation expense or depletion (see instructions)	20	0.	0.	0.	20	0.
21 Total expenses. Add lines 19 and 20	21	4,277.	0.	2,305.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	9,298.	338.	4,120.		
23 Deductible rental real estate loss. **Caution.** Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file **Form 8582.** Real estate professionals must complete line 43 on page 2	23					
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24	18,091.
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25	
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	18,091.

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2008

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD ESTATE

Your social security number: 26-6332542

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMERCIAL BLECKLEY ST ANDERSON SC 29624	A		X
B	RESIDENTIAL SUNSET FOREST ANDERSON SC 29626	B		X
C	COMMERCIAL FORBES DR SANDY SPRINGS SC	C		X

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3	1,800.	1,013.	1,800.	3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9				
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16	?		278.	
17 Utilities	17				
18 Other (list) ►	18				
19 Add lines 5 through 18	19			278.	19
20 Depreciation expense or depletion (see instructions)	20	0.	0.		20
21 Total expenses. Add lines 19 and 20	21	0.	0.	278.	
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	1,800.	1,013.	1,522.	
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23				
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172

2008

Attachment Sequence No. **67**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Identifying number

26-6332542

Business or activity to which this form relates

Sch E COMMERCIAL

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (**Do not** include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (**Do not** include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B – Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27.5 yrs	MM	S/L	
				27.5 yrs	MM	S/L	
i	Nonresidential real property	03/08	100,000.	39 yrs	MM	S/L	2,030.
					MM	S/L	

Section C – Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	2,030.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172

2008

Attachment Sequence No. **67**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Identifying number

26-6332542

Business or activity to which this form relates

Sch E COMERCIAL

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B – Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
			27.5 yrs	MM	S/L	
i Nonresidential real property	03/08	5,000.	39 yrs	MM	S/L	101.
				MM	S/L	

Section C – Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	101.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172

2008

Attachment Sequence No. **67**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Identifying number

26-6332542

Business or activity to which this form relates

Sch E RESIDENTIAL

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B — Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27.5 yrs	MM	S/L	
				27.5 yrs	MM	S/L	
i	Nonresidential real property	03/08	20,000.	39 yrs	MM	S/L	406.
					MM	S/L	

Section C — Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	406.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172

2008

Attachment Sequence No. **67**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Identifying number

26-6332542

Business or activity to which this form relates

Sch E RESIDENTIAL

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B – Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property	03/08	20,000.	27.5 yrs	MM	S/L	576.
				27.5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C – Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year			12 yrs	S/L	
c	40-year			40 yrs	MM	S/L

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	576.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172

2008

Attachment Sequence No. **67**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Identifying number

26-6332542

Business or activity to which this form relates

Sch E COMMERCIAL

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B – Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27.5 yrs	MM	S/L	
				27.5 yrs	MM	S/L	
i	Nonresidential real property	03/08	20,000.	39 yrs	MM	S/L	406.
					MM	S/L	

Section C – Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	406.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Name(s) shown on tax return. Do not enter name and identifying number if shown on page 1.

	Identifying number
CHARLES H WHITFIELD ESTATE	26-6332542

SECTION B — Business and Income-Producing Property

Part I Casualty or Theft Gain or Loss (Use a separate Part I for each casualty or theft.)

25 Description of properties (show type, location, and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft.

Property A 17 CARS FINANCED TO MASSEY THAT HE SOLD TO OTHERS AND DID NOT PAY LOAN 06/01/08

Property B

Property C

Property D

		Properties A	B	C	D
26 Cost or adjusted basis of each property	26	119,687.			
27 Insurance or other reimbursement (whether or not you filed a claim). See the instructions for line 3. **Note:** *If ln 26 is* **more** *than ln 27, skip ln 28.*	27	0.			
28 Gain from casualty or theft. If line 27 is **more** than line 26, enter the difference here and on line 35 or line 40, column (c), except as provided in the instructions for line 39. Also, skip lines 29 through 33 for that column. See the instructions for line 4 if line 27 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year	28				
29 Fair market value **before** casualty or theft	29	119,687.			
30 Fair market value **after** casualty or theft	30	0.			
31 Subtract line 30 from line 29	31	119,687.			
32 Enter the **smaller** of line 26 or line 31 **Note:** *If the property was totally destroyed by casualty or lost from theft, enter on line 32 the amount from line 26.*	32	119,687.			
33 Subtract ln 27 from ln 32. If zero or less, enter -0-	33	119,687.			
34 Casualty or theft loss. Add the amounts on line 33. Enter the total here and on line 35 or line 40 (see instructions)	34				119,687.

Part II Summary of Gains & Losses (from separate Parts I)

(a) Identify casualty or theft	(b) Losses from casualties or thefts (i) Trade, business, rental or royalty property	(b) Losses from casualties or thefts (ii) Income-producing and employee property	(c) Gains from casualties or thefts includible in income
Casualty or Theft of Property Held One Year or Less			
35 FINANCED 17 CARS FOR MASSEY THAT WERE SOLD AND NOT PAID FOR	119,687.		
36 Totals. Add the amounts on line 35 — 36	119,687.		
37 Combine line 36, columns (b)(i) and (c). Enter the net gain or (loss) here and on Form 4797, line 14. If Form 4797 is not otherwise required, see instructions — 37			-119,687.
38 Enter the amount from line 36, column (b)(ii) here. Individuals, enter the amount from income-producing property on Schedule A (Form 1040), line 28, or Form 1040NR, Schedule A, line 16, and enter the amount from property used as an employee on Schedule A (Form 1040), line 23, or Form 1040NR, Schedule A, line 11. Estates and trusts, partnerships, and S corporations, see instructions — 38			
Casualty or Theft of Property Held More Than One Year			
39 Casualty or theft gains from Form 4797, line 32 — 39			
40			
41 Total losses. Add amounts on line 40, columns (b)(i) and (b)(ii) — 41			
42 Total gains. Add lines 39 and 40, column (c) — 42			
43 Add amounts on line 41, columns (b)(i) and (b)(ii) — 43			
44 If the loss on line 43 is **more** than the gain on line 42:			
a Combine line 41, column (b)(i) and line 42, and enter the net gain or (loss) here. Partnerships (except electing large partnerships) and S corporations, see the note below. All others, enter this amount on Form 4797, line 14. If Form 4797 is not otherwise required, see instructions — 44a			
b Enter the amount from line 41, column (b)(ii) here. Individuals, enter the amount from income-producing property on Schedule A (Form 1040), line 28, or Form 1040NR, Schedule A, line 16, and enter the amount from property used as an employee on Schedule A (Form 1040), line 23, or Form 1040NR, Schedule A, line 11. Estates and trusts, enter on the 'Other deductions' line of your tax return. Partnerships (except electing large partnerships) and S corporations, see the note below. Electing large partnerships, enter on Form 1065-B, Part II, line 11 — 44b			
45 If the loss on line 43 is **less** than or **equal** to the gain on line 42, combine lines 42 and 43 and enter here. Partnerships (except electing large partnerships), see the note below. All others, enter this amount on Form 4797, line 3 — 45			
Note: *Partnerships, enter the amount from line 44a, 44b, or line 45 on Form 1065, Schedule K, line 11. S corporations, enter the amount from line 44a or 44b on Form 1120S, Schedule K, line 10.*			

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

2008

Attachment Sequence No. **27**

Name(s) shown on return

CHARLES H WHITFIELD ESTATE

Identifying number

26-6332542

1 Enter the gross proceeds from sales or exchanges reported to you for 2008 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) 1

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)

3	Gain, if any, from Form 4684, line 45	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
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows **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.	7
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	
14	Net gain or (loss) from Form 4684, lines 36 and 44a	14	-119,687.
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	-119,687.
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 41, 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	18a	
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	

661108

Schedule K-1 (Form 1041) — Department of the Treasury, Internal Revenue Service

2008

For calendar year 2008, or tax year beginning _____, 2008 and ending _____, _____

☐ Final K-1 ☐ Amended K-1 — OMB No. 1545-0092

Beneficiary's Share of Income, Deductions, Credits, etc.

► See separate instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

26-6332542

B Estate's or trust's name

CHARLES H WHITFIELD ESTATE

C Fiduciary's name, address, city, state, and ZIP code

HELEN D WHITFIELD
2833 W WHITNER STREET
ANDERSON SC 29626

D ☐ Check if Form 1041-T was filed and enter the date it was filed .....

E ☐ Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

251-40-9171

G Beneficiary's name, address, city, state, and ZIP code

HELEN D WHITFIELD

2833 W WHITNER STREET

ANDERSON SC 29626-1034

H ☒ Domestic beneficiary ☐ Foreign beneficiary

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

1	Interest income: 30,874.	11	Final year deductions
2a	Ordinary dividends		
2b	Qualified dividends		
3	Net short-term capital gain		
4a	Net long-term capital gain		
4b	28% rate gain	12	Alternative minimum tax adjustment: A 0.
4c	Unrecaptured section 1250 gain		
5	Other portfolio and nonbusiness income		
6	Ordinary business income		
7	Net rental real estate income: 3,920.	13	Credits and credit recapture
8	Other rental income		
9	Directly apportioned deductions: A * 3,519.		
		14	Other information: E 30,874.
10	Estate tax deduction		

*See attached statement for additional information.

Note. A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

FOR IRS USE ONLY

Sch K-1, (HELEN D WHITFIELD) Attachment

Sch K-1, Supplemental Information

Box 9, Code A - Depreciation:	
Apportioned to Box 7	3,519.
Total	3,519.

Form 1041
Page 1, Line 15a

Other Deductions Statement
(Not Subject to the 2% Floor)

2008

Name	Employer Identification Number
CHARLES H WHITFIELD ESTATE	26-6332542

Other Deductions Not Subject to the 2% Floor
(Form 1041, page 1, line 15a)

Depreciation, Amortization, and Domestic Production Activities Deduction Only

	Description	(a) Amounts totally allocable to taxable income	(b) Amounts totally allocable to tax-exempt income	(c) Amounts to be allocated between tax-exempt and taxable income	(d) Total
1	Amortization				
2	Depreciation				
3	Domestic Prod Act deduction				

Other Deductions Excluding Depreciation, Amortization, and Domestic Production Activities

	Description	(a) Amounts totally allocable to taxable income	(b) Amounts totally allocable to tax-exempt income	(c) Amounts to be allocated between tax-exempt and taxable income	(d) Total
1	PROBATE	5,682.			5,682.
2	PROFESSIONAL FEES	413.			413.
3					
4					
5					
6					
7					
8					
9					
10					
	Total	6,095.			6,095.
	Grand totals *	6,095.			6,095.

*Grand totals includes depreciation, amortization, domestic production activities, and other deductions.

FIFW0101.SCR 02/03/09

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

FIDUCIARY INCOME TAX RETURN

SC1041
(Rev. 8/7/08)
3084

For the calendar year 2008 or Fiscal Taxable Year Beginning 3/24/08, 2008 and ending 12/31/08, 2009 **2008**

Name of Estate or Trust: Charles H. Whitfield Estate

Name and Title of Fiduciary: Helen D. Whitfield

Address of Fiduciary (Number and Street): 2833 W. Whitner Street

City, State, ZIP Code and County: Anderson SC 29626 Anderson

File this Return by the 15th Day of the 4th Month after close of Taxable Year With SC DEPARTMENT OF REVENUE Fiduciary Tax Return Columbia, SC 29214-0009

Federal Employer I.D. No.: 26-6332542

DO NOT WRITE IN THIS SPACE

14-0828

ATTACH COPY OF FEDERAL FORM 1041 AND ALL ITS SCHEDULES, INCLUDING SCHEDULES K-1. Extension Requested: ☐ Yes ☐ No

A. Check whether:	B. If trust, check whether:	C. Also check if:	D. Has final distribution of assets been made during the year?
☐ Amended ☐ Simple trust	☒ Testamentary	☒ Resident estate or trust	☐ Yes
☒ Estate ☐ Complex trust	☐ Inter vivos	☐ Nonresident estate or trust	☒ No
☐ Grantor Trust			
☐ Electing Small Business Trust			

E. During this taxable year, was this estate or trust notified of any federal change for any prior years? ☐ YES or ☒ NO If YES, attach copy.

F. Is a federal Schedule K-1 attached for each beneficiary? ☒ YES or ☐ NO If YES, how many? 1 If NO, attach explanation.

- Does the estate or trust have any South Carolina modifications? ☐ YES or ☒ NO
- If the estate or trust has any nonresident beneficiaries, is any income from SC sources? ☐ YES or ☒ NO (or not applicable)
- Does line 22, federal Form 1041 reflect any taxable income of the fiduciary? ☐ YES or ☒ NO
- If NO to ALL three questions, do NOT complete the remainder of this form.

If a NONRESIDENT estate or trust with income from both South Carolina and Non-South Carolina sources - complete and attach Part III, page 3 of Form SC1041.

1. FEDERAL TAXABLE INCOME (Residents: federal Form 1041; Nonresidents: line 22, column D, Part III)			1
2. Federal fiduciary exemption included in line 1 above			2
3. South Carolina Modifications relating to gains allocated to principal or relating to other items not affecting federal distributable net income (attach explanation)			3
4. Fiduciary's Share of SC Fiduciary Adjustment (from line 1i, Part II) ☐ Addition ☐ Subtraction			4
5. NET (combine lines 1 to 4)			5
6. South Carolina fiduciary exemption (see instructions)			6 < >
7. SOUTH CAROLINA TAXABLE INCOME (line 5 less line 6)			7
8. SOUTH CAROLINA TAX (tax computation schedule on page 2)	8		
9. TAX on Lump Sum Distribution (attach SC4972) and/or Active Trade or Business Income (I-335)	9		
10. Less NON-REFUNDABLE CREDITS (attach SC1040TC)	10 < >		
11. Combine lines 8 - 10 and enter the results here BUT NOT LESS THAN ZERO			11
12. South Carolina income tax withheld for nonresident beneficiaries (From Part IV)			12
13. TOTAL TAX (add lines 11 and 12 and enter here)		▶	13
14. Amount paid with request for extension and other credits	14	▶	
15. 2008 Estimated Payments (and amount applied from 2007 return)	15	▶	
16. Total Payments (add lines 14 and 15)		▶	16
17. Overpayment (line 16 less line 13)		▶	17
18. If subject to penalty for Underpayment of Estimated Tax, attach a Form SC2210. (see instructions)	Penalty 18	▶	
19. Balance Due (line 13 less line 16 plus line 18, if applicable) Pay in full to SC Department of Revenue — **BALANCE DUE**		▶	19
20. Amount of line 17 to be credited to 2009 Estimated Tax		▶	20
21. Net Refund (subtract line 20 from line 17 and enter the amount to be refunded) — **REFUND**		▶	21

Please Sign Here

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

▶ Signature of fiduciary or officer representing fiduciary — Date — ▶ EI # of Fiduciary

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes ☒ No ☐ Preparer's Printed Name: DARRELL I HARDY

Paid Preparer's Use Only

Preparer's signature: Darrell I Hardy CPA Date: 4/14/09 Check if self-employed ▶ ☐ Preparer's telephone number: 864-226-5709

Firm's name (or yours if self-employed) and address: Darrell I HARDY CPA PA, PO Box 593, Anderson, SC EI # ▶ 57-0926595 ZIP Code ▶ 29622

Department of the Treasury — Internal Revenue Service

Form 1041 U.S. Income Tax Return for Estates and Trusts 2009

OMB No. 1545-0092

For calendar year 2009 or fiscal year beginning , 2009 and ending ,

A Type of entity (see instr):
- [ ] Decedent's estate
- [X] Simple trust
- [ ] Complex trust
- [ ] Qualified disability trust
- [ ] ESBT (S portion only)
- [ ] Grantor type trust
- [ ] Bankruptcy estate — Chapter 7
- [ ] Bankruptcy estate — Chapter 11
- [ ] Pooled income fund

Name of estate or trust (If a grantor type trust, see instructions.)
CHARLES H WHITFIELD FAMILY TRUST

Name and title of fiduciary
HELEN D WHITFIELD

Number, street, and room or suite number (If a P.O. box, see instructions.)
2833 W WHITNER STREET

City or town, state, and ZIP code
ANDERSON SC 29626

C Employer identification number
26-6776290

D Date entity created
01/01/09

E Nonexempt charitable and split-interest trusts, check applicable boxes (see instr):
- [ ] Described in section 4947(a)(1)
- [ ] Not a private foundation
- [ ] Described in section 4947(a)(2)

B Number of Schs K-1 attached (see instructions) ... ► 1

F Check applicable boxes:
- [ ] Initial return
- [ ] Final return
- [ ] Amended return
- [ ] Change in trust's name
- [ ] Change in fiduciary
- [ ] Change in fiduciary's name
- [ ] Change in fiduciary's address

G Check here if the estate or filing trust made a section 645 election. ... ► [ ]

Income	1	Interest income	1	37,351.
	2a	Total ordinary dividends	2a	
	b	Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate/trust _____		
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3	
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	6,227.
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6	
	7	Ordinary gain or (loss). Attach Form 4797	7	
	8	Other income. List type and amount _____	8	
	9	**Total income.** Combine lines 1, 2a, and 3 through 8 ►	9	43,578.
Deductions	10	Interest. Check if Form 4952 is attached ► [ ]	10	
	11	Taxes	11	764.
	12	Fiduciary fees	12	
	13	Charitable deduction (from Schedule A, line 7)	13	
	14	Attorney, accountant, and return preparer fees	14	5,198.
	15a	Other deductions **not** subject to the 2% floor (attach schedule)	15a	
	b	Allowable miscellaneous itemized deductions subject to the 2% floor	15b	
	16	Add lines 10 through 15b ►	16	5,962.
	17	Adjusted total income or (loss). Subtract line 16 from line 9 — 17: 37,616.		
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	37,616.
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19	
	20	Exemption	20	300.
	21	Add lines 18 through 20 ►	21	37,916.
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22	-300.
	23	**Total tax** (from Schedule G, line 7)	23	0.
	24	**Payments:** a 2009 estimated tax payments and amount applied from 2008 return	24a	
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	24b	
	c	Subtract line 24b from line 24a	24c	
	d	Tax paid with Form 7004 (see instructions)	24d	
	e	Federal income tax withheld. If any is from Form(s) 1099, check ► [ ]	24e	
		Other payments: f Form 2439 _____; g Form 4136 _____; Total ►	24h	
	25	**Total payments.** Add lines 24c through 24e, and 24h ►	25	
	26	Estimated tax penalty (see instructions)	26	
	27	**Tax due.** If line 25 is smaller than the total of lines 23 and 26, enter amount owed	27	0.
	28	**Overpayment.** If line 25 is larger than the total of lines 23 and 26, enter amount overpaid	28	
	29	Amount of line 28 to be: **a Credited to 2010 estimated tax** ► ; **b Refunded** ►	29	

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

► Signature of fiduciary or officer representing fiduciary | Date | ► EIN of fiduciary if a financial institution

May the IRS discuss this return with the preparer shown below (see instrs)? [X] Yes [ ] No

Paid Preparer's Use Only

Preparer's signature ► | Date 04/09/10 | Check if self-employed ► [ ] | Preparer's SSN or PTIN 255-74-2430

Firm's name (or yours if self-employed), address, and ZIP code ► Financial and Accounting Services Inc.
PO BOX 593
ANDERSON SC 29622

EIN 58-2279762
Phone number (864) 226-5109

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. FIFA0112 11/30/09 Form **1041** (2009)

Schedule A Charitable Deduction. Do not complete for a simple trust or a pooled income fund.

1	Amounts paid or permanently set aside for charitable purposes from gross income (see instructions)	1	
2	Tax-exempt income allocable to charitable contributions (see instructions)	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes (see instructions)	6	
7	**Charitable deduction.** Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction

1	Adjusted total income (see instructions)	1	37,616.
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 15, column (1) (see instructions)	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1 (see instructions)	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	**Distributable net income.** Combine lines 1 through 6. If zero or less, enter -0-	7	37,616.
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law (8)		
9	Income required to be distributed currently	9	38,380.
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	38,380.
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	38,380.
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	37,616.
15	**Income distribution deduction.** Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	37,616.

Schedule G Tax Computation (see instructions)

1	**Tax:** a Tax on taxable income (see instructions)	1a			
	b Tax on lump-sum distributions. Attach Form 4972	1b			
	c Alternative minimum tax (from Schedule I, (Form 1041), line 56)	1c	0.		
	d **Total.** Add lines 1a through 1c			1d	0.
2a	Foreign tax credit. Attach Form 1116	2a			
b	Other nonbusiness credits (attach schedule)	2b			
c	General business credit. Attach Form 3800	2c			
d	Credit for prior year minimum tax. Attach Form 8801	2d			
3	**Total credits.** Add lines 2a through 2d			3	
4	Subtract line 3 from line 1d. If zero or less, enter -0-			4	0.
5	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611			5	
6	Household employment taxes. Attach Schedule H (Form 1040)			6	
7	**Total tax.** Add lines 4 through 6. Enter here and on page 1, line 23			7	0.

Other Information

		Yes	No
1	Did the estate or trust receive tax-exempt income? If 'Yes,' attach a computation of the allocation of expenses. Enter the amount of tax-exempt interest income and exempt-interest dividends ► $		X
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		X
3	At any time during the calendar year 2009, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►		X
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the estate or trust may have to file Form 3520. See instructions		X
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If 'Yes,' see instructions for required attachment		X
6	If this is an estate or a complex trust making the section 663(b) election, check here (see instructions) ► ☐		
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here (see instructions) ► ☐		
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ► ☐		
9	Are any present or future trust beneficiaries skip persons? See instructions		X

SCHEDULE I (Form 1041)

Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax-Estates and Trusts

► Attach to Form 1041. See the separate instructions for Schedule I (Form 1041).

OMB No. 1545-0092

2009

Name of estate or trust

CHARLES H WHITFIELD FAMILY TRUST

Employer identification number

26-6776290

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

1	Adjusted total income or (loss) (from Form 1041, line 17)	1	37,616.
2	Interest	2	
3	Taxes	3	764.
4	Miscellaneous itemized deductions (from Form 1041, line 15b)	4	
5	Refund of taxes	5	( )
6	Depletion (difference between regular tax and AMT)	6	
7	Net operating loss deduction. Enter as a positive amount	7	
8	Interest from specified private activity bonds exempt from the regular tax	8	
9	Qualified small business stock (see the instructions)	9	
10	Exercise of incentive stock options (excess of AMT income over regular tax income)	10	
11	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	11	
12	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	12	
13	Disposition of property (difference between AMT and regular tax gain or loss)	13	
14	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	14	
15	Passive activities (difference between AMT and regular tax income or loss)	15	
16	Loss limitations (difference between AMT and regular tax income or loss)	16	
17	Circulation costs (difference between regular tax and AMT)	17	
18	Long-term contracts (difference between AMT and regular tax income)	18	
19	Mining costs (difference between regular tax and AMT)	19	
20	Research and experimental costs (difference between regular tax and AMT)	20	
21	Income from certain installment sales before January 1, 1987	21	( )
22	Intangible drilling costs preference	22	
23	Other adjustments, including income-based related adjustments	23	
24	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)	24	( )
25	Adjusted alternative minimum taxable income. Combine lines 1 through 24	25	38,380.
	Note: *Complete Part II below before going to line 26.*		
26	Income distribution deduction from Part II, line 44 — 26: 38,380.		
27	Estate tax deduction (from Form 1041, line 19) — 27:		
28	Add lines 26 and 27	28	38,380.
29	Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25	29	0.

If line 29 is:

- $22,500 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust is not liable for the alternative minimum tax.
- Over $22,500, but less than $165,000, go to line 45.
- $165,000 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis

30	Adjusted alternative minimum taxable income (see instructions)	30	38,380.
31	Adjusted tax-exempt interest (other than amounts included on line 8)	31	
32	Total net gain from Schedule D (Form 1041), line 15, column (1). If a loss, enter -0-	32	
33	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)	33	
34	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)	34	
35	Capital gains computed on a minimum tax basis included on line 25	35	( )
36	Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount	36	
37	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0-	37	38,380.
38	Income required to be distributed currently (from Form 1041, Schedule B, line 9)	38	38,380.
39	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)	39	
40	Total distributions. Add lines 38 and 39	40	38,380.
41	Tax-exempt income included on line 40 (other than amounts included on line 8)	41	
42	Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40	42	38,380.

Part II Income Distribution Deduction on a Minimum Tax Basis (continued)

43	Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0-			43	38,380.
44	**Income distribution deduction on a minimum tax basis.** Enter the smaller of line 42 or line 43. Enter here and on line 26			44	38,380.

Part III Alternative Minimum Tax

45	Exemption amount			45	$22,500.
46	Enter the amount from line 29	46			
47	Phase-out of exemption amount	47	$75,000.		
48	Subtract line 47 from line 46. If zero or less, enter -0-	48			
49	Multiply line 48 by 25% (.25)			49	
50	Subtract line 49 from line 45. If zero or less, enter -0-			50	
51	Subtract line 50 from line 46			51	
52	Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 14a and 15 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is — • $175,000 or less, multiply line 51 by 26% (.26). • Over $175,000, multiply line 51 by 28% (.28) and subtract $3,500 from the result			52	
53	Alternative minimum foreign tax credit (see instructions)			53	
54	Tentative minimum tax. Subtract line 53 from line 52			54	
55	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)			55	
56	**Alternative minimum tax.** Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c			56	

Part IV Line 52 Computation Using Maximum Capital Gains Rates

Caution: *If you did not complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet, see the instructions before completing this part.*

57	Enter the amount from line 51			57	
58	Enter the amount from Schedule D (Form 1041), line 22, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet, whichever applies (as refigured for the AMT, if necessary)	58			
59	Enter the amount from Schedule D (Form 1041), line 14b, column (2) (as refigured for the AMT, if necessary). If you did not complete Schedule D for the regular tax or the AMT, enter -0-	59			
60	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the **smaller** of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	60			
61	Enter the **smaller** of line 57 or line 60			61	
62	Subtract line 61 from line 57			62	
63	If line 62 is $175,000 or less, multiply line 62 by 26% (.26). Otherwise, multiply line 62 by 28% (.28) and subtract $3,500 from the result			63	
64	Maximum amount subject to the 0% rate	64	$2,300.		
65	Enter the amount from line 23 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, for Form 1041, whichever applies (as figured for the regular tax). If you did not complete Schedule D or either worksheet for the regular tax, enter -0-	65			
66	Subtract line 65 from line 64. If zero or less, enter -0-	66			
67	Enter the **smaller** of line 57 or line 58	67			
68	Enter the **smaller** of line 66 or line 67	68			
69	Subtract line 68 from line 67	69			
70	Multiply line 69 by 15% (.15)			70	
	If line 59 is zero or blank, skip lines 71 and 72 and go to line 73. Otherwise, go to line 71.				
71	Subtract line 67 from line 61	71			
72	Multiply line 71 by 25% (.25)			72	
73	Add lines 63, 70, and 72			73	
74	If line 57 is $175,000 or less, multiply line 57 by 26% (.26). Otherwise, multiply line 57 by 28% (.28) and subtract $3,500 from the result			74	
75	Enter the **smaller** of line 73 or line 74 here and on line 52			75	

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMMERCIAL W WHITNER ST ANDERSON SC 29624	A		X
B	RESIDENTIAL-50% CHAPEL AVENUE ANDERSON SC 29621	B		X
C	COMMERCIAL-50% W WHITNER ST ANDERSON SC 29624	C		X

Income:		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C.)
3 Rents received	3	11,400.	6,300.	2,100.	3	28,800.
4 Royalties received	4				4	
Expenses:						
5 Advertising	5					
6 Auto and travel (see instructions)	6					
7 Cleaning and maintenance	7	2,040.				
8 Commissions	8					
9 Insurance	9					
10 Legal and other professional fees	10					
11 Management fees	11					
12 Mortgage interest paid to banks, etc (see instructions)	12				12	
13 Other interest	13					
14 Repairs	14	8,975.		1,220.		
15 Supplies	15					
16 Taxes	16		235.			
17 Utilities	17	7,234.		821.		
18 Other (list) ►	18					
19 Add lines 5 through 18	19	18,249.	235.	2,041.	19	22,573.
20 Depreciation expense or depletion (see instructions)	20	0.	0.	0.	20	0.
21 Total expenses. Add lines 19 and 20	21	18,249.	235.	2,041.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	-6,849.	6,065.	59.		
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	-6,849.				
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24	13,076.
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25	-6,849.
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26	6,227.

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMERCIAL-50% BLECKLEY ST ANDERSON SC 29624	A		X
B	RESIDENTIAL SUNSET FOREST ANDERSON SC 29626	B		X
C	COMMERCIAL-50% FORBES DR SANDY SPRINGS SC	C		X

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3	1,350.	3,600.	2,400.	3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9				
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16	284.	561.	922.	
17 Utilities	17				
18 Other (list) ►	18				
19 Add lines 5 through 18	19	284.	561.	922.	19
20 Depreciation expense or depletion (see instructions)	20	0.	0.	0.	20
21 Total expenses. Add lines 19 and 20	21	284.	561.	922.	
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	1,066.	3,039.	1,478.	
23 Deductible rental real estate loss. **Caution.** Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23				
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMMERCIAL-LOT-50% CHAPEL AVE, ANDERSON, SC	A		X
B	RESIDENTIAL-MARTIN CHAPEL AVE, ANDERSON SC	B		X
C		C		

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3	450.	1,200.		3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9		190.		
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16		91.		
17 Utilities	17				
18 Other (list) ►	18				
19 Add lines 5 through 18	19		281.		19
20 Depreciation expense or depletion (see instructions)	20		0.		20
21 Total expenses. Add lines 19 and 20	21		281.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	450.	919.		
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23				
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

► See separate instructions. ► Attach to your tax return.

OMB No. 1545-0172

2009

Attachment Sequence No. **67**

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Identifying number: 26-6776290

Business or activity to which this form relates: Sch E RESIDENTIAL-MARTIN

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	$250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2010. Add lines 9 and 10, less line 12 ►	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► ☐		

Section B — Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property	01/09	2,000.	27.5 yrs	MM	S/L	70.
				27.5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C — Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	70.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

661109

Schedule K-1 (Form 1041)
Department of the Treasury
Internal Revenue Service

2009

For calendar year 2009,
or tax year beginning _____, 2009
and ending _____, _____

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0092

Beneficiary's Share of Income, Deductions, Credits, etc.

► See separate instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

26-6776290

B Estate's or trust's name

CHARLES H WHITFIELD FAMILY TRUST

C Fiduciary's name, address, city, state, and ZIP code

HELEN D WHITFIELD
2833 W WHITNER STREET
ANDERSON SC 29626

D ☐ Check if Form 1041-T was filed and enter the date it was filed. .....

E ☐ Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

251-40-9171

G Beneficiary's name, address, city, state, and ZIP code

HELEN D WHITFIELD

2833 W WHITNER STREET

ANDERSON SC 29626-1034

H ☒ Domestic beneficiary ☐ Foreign beneficiary

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

1	Interest income 32,241.	11	Final year deductions
2a	Ordinary dividends		
2b	Qualified dividends		
3	Net short-term capital gain		
4a	Net long-term capital gain		
4b	28% rate gain	12 A	Alternative minimum tax adjustment 764.
4c	Unrecaptured section 1250 gain		
5	Other portfolio and nonbusiness income		
6	Ordinary business income		
7	Net rental real estate income 5,375.		
8	Other rental income	13	Credits and credit recapture
9 A*	Directly apportioned deductions 5,947.		
		14 E	Other information 32,241.
10	Estate tax deduction		

*See attached statement for additional information.

Note. A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

FOR IRS USE ONLY

Sch K-1, (HELEN D WHITFIELD) Attachment
Sch K-1, Supplemental Information

Box 9, Code A - Depreciation:	
Apportioned to Box 7	5,947.
Total	5,947.

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

FIDUCIARY INCOME TAX RETURN

SC1041
(Rev. 8/25/09)
3084

For the calendar year 2009 or Fiscal Taxable Year Beginning _____, 2009 and ending _____, 2010 **2009**

Name of Estate or Trust: Charles H. whitfield Family TRUST

Name and Title of Fiduciary: Helen D. whitfield

Address of Fiduciary (Number and Street): 2833 W whitner STREET

City, State, ZIP Code and County: Anderson, SC 29621 Anderson

File this Return by the 15th Day of the 4th Month after close of Taxable Year With SC DEPARTMENT OF REVENUE Fiduciary Tax Return Columbia, SC 29214-0009

FEIN: 26-6776290

DO NOT WRITE IN THIS SPACE

14-0828

ATTACH COPY OF FEDERAL FORM 1041 AND ALL ITS SCHEDULES, INCLUDING SCHEDULES K-1. Extension Requested: ☐ Yes ☒ No

A. Check whether:	B. If trust, check whether:	C. Also check if:	D. Has final distribution of assets been made during the year?
☐ Amended ☒ Simple trust ☐ Estate ☐ Complex trust ☐ Grantor Trust ☐ Electing Small Business Trust	☒ Testamentary ☐ Inter vivos	☒ Resident estate or trust ☐ Nonresident estate or trust	☐ Yes ☒ No

E. During this taxable year, was this estate or trust notified of any federal change for any prior years? ☐ YES or ☒ NO If YES, attach copy.

F. Is a federal Schedule K-1 attached for each beneficiary? ☒ YES or ☐ NO If YES, how many? 1 If NO, attach explanation.

- Does the estate or trust have any South Carolina modifications? ☐ YES or ☒ NO
- If the estate or trust has any nonresident beneficiaries, is any income from SC sources? ☐ YES or ☒ NO (or not applicable)
- Does line 22, federal Form 1041 reflect any taxable income of the fiduciary? ☐ YES or ☒ NO
- If NO to ALL three questions, do NOT complete the remainder of this form.

If a NONRESIDENT estate or trust with income from both South Carolina and Non-South Carolina sources - complete and attach Part III, page 3 of Form SC1041.

1. FEDERAL TAXABLE INCOME (Residents: federal Form 1041; Nonresidents: line 22, column D, Part III)		1	
2. Federal fiduciary exemption included in line 1 above		2	
3. South Carolina Modifications relating to gains allocated to principal or relating to other items not affecting federal distributable net income (attach explanation)		3	
4. Fiduciary's Share of SC Fiduciary Adjustment (from line 1i, Part II) ☐ Addition ☐ Subtraction		4	
5. NET (combine lines 1 to 4)		5	
6. South Carolina fiduciary exemption (see instructions)		6	< >
7. SOUTH CAROLINA TAXABLE INCOME (line 5 less line 6)		7	
8. SOUTH CAROLINA TAX (tax computation schedule on page 2)	8		
9. TAX on Lump Sum Distribution (attach SC4972) and/or Active Trade or Business Income (I-335)	9		
10. Less NON-REFUNDABLE CREDITS (attach SC1040TC)	10 < >		
11. Combine lines 8 - 10 and enter the results here BUT NOT LESS THAN ZERO		11	
12. South Carolina income tax withheld for nonresident beneficiaries (From Part IV)		12	
13. TOTAL TAX (add lines 11 and 12 and enter here)		13	
14. Amount paid with request for extension and other credits	14		
15. 2009 Estimated Payments (and amount applied from 2008 return)	15		
16. Total Payments (add lines 14 and 15)		16	
17. Overpayment (line 16 less line 13)		17	
18. If subject to penalty for Underpayment of Estimated Tax, attach a Form SC2210. (see instructions)	18 Penalty		
19. Balance Due (line 13 less line 16 plus line 18, if applicable) Pay in full to SC Department of Revenue **BALANCE DUE**		19	
20. Amount of line 17 to be credited to 2010 Estimated Tax		20	
21. Net Refund (subtract line 20 from line 17 and enter the amount to be refunded) **REFUND**		21	

Please Sign Here

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Signature of fiduciary or officer representing fiduciary _____ Date _____ FEIN of Fiduciary _____

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes ☐ No ☐ Preparer's Printed Name

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed ☐ Preparer's telephone number 864-226-5109

Firm's name (or yours if self-employed) and address: Financial & Accounting Services Inc. P.O. Box 593 Anderson SC FEIN 58-2279762 ZIP Code 29622

Name and FEIN on page 1 _____

Part I - SOUTH CAROLINA FIDUCIARY ADJUSTMENT

			Adjustments to amount included in federal distributable net income
1.	Additions to federal taxable income:		
a.	State and local interest	1a	
b.	State or local taxes measured by income deducted on the federal return	1b	
c.	Federal net operating loss carryover	1c	
d.	Out-of state losses	1d	
e.	Other additions to income (see instructions) - **ATTACH AN EXPLANATION**	1e	
f.	Total additions to federal income (add lines 1a through 1e)	1f	
2.	Subtractions from federal taxable income		
a.	Interest on US Government obligations	2a	
b.	State income tax refunds reported as income on federal return	2b	
c.	South Carolina net operating loss carry-forward (attach schedule)	2c	
d.	Active Trade or Business Income Deduction (I-335, line 5)	2d	
e.	Other subtractions from income (see instructions) - **ATTACH AN EXPLANATION**	2e	
f.	Total subtractions from federal taxable income (add lines 2a through 2e)	2f	
3.	Total (subtract line 2f from line 1f)	3	
4.	Fiduciary adjustment from other estates or trusts and partnership adjustment (attach schedule)	4	
5.	South Carolina fiduciary adjustment (add lines 3 and 4) Addition ☐ or Subtraction ☐	5	

Part II - ALLOCATION OF SOUTH CAROLINA FIDUCIARY ADJUSTMENT

Complete ONLY if Part I indicates a South Carolina Fiduciary Adjustment. It is allocated among all beneficiaries and fiduciary in the same ratio as their relative shares of Federal Distributable Net Income. Nonresident beneficiaries see parts III and IV for computation of income.

1. Name of each beneficiary. Check box if beneficiary is a nonresident. All beneficiaries receiving federal K-1 must be listed. Use attachment if more than eight beneficiaries.	Social Security Number	Shares of Federal Distributable Net Income 2. Amount	3. Percent	4. Shares of South Carolina Fiduciary Adjustment Addition ☐ or Subtraction ☐
a)	☐		%	
b)	☐		%	
c)	☐		%	
d)	☐		%	
e)	☐		%	
f)	☐		%	
g)	☐		%	
h)	☐		%	
i) Fiduciary			%	
Totals			100%	

COLUMN 2 - Total federal distributable net income must be the same as line 7, Schedule B Form 1041.
COLUMN 3 - Indicate percentages with two numbers, such as 32%, 3.2% and .32%.
COLUMN 4 - Enter South Carolina Fiduciary Adjustment from line 5, Part I as the total of Column 4. Multiply each percentage in Column 3 times the total in Column 4. Indicate at the top of Column 4, whether the adjustments are additions or subtractions. If the adjustment is a subtraction, it may not offset more than the amount reportable from the fiduciary for federal tax purposes (except in the final or termination year).
COLUMNS 2, 3, AND 4 - Attach a detailed explanation of the allocation method used if there is no federal distributable net income, or, if the percentages do not agree with the relative shares indicated on Form 1041, Schedules B and K-1.
COLUMN 4 - The amount after each name is reported as a modification, either an addition to or subtraction from federal taxable income. Each resident beneficiary should add the explanation: "fiduciary adjustment - (name of estate or trust)". A copy of this schedule (or its information) must be provided to each resident beneficiary. The fiduciary's share of the adjustment is entered on line 4 of page 1.

2009 TAX COMPUTATION SCHEDULE
ESTATES AND TRUSTS TAX RATE

If the income is: Compute your tax as follows and enter the results on SC1041 line 8.

OVER -	BUT NOT OVER -	COMPUTATION
-0-	$ 2,740	$0
$ 2,740	5,480	3% less $82
5,480	8,220	4% less $137
8,220	10,960	5% less $220
10,960	13,700	6% less $329
13,700	or more	7% less $466

EXAMPLE OF COMPUTATION:
South Carolina taxable income on SC1041 line 7 is $15,240.

	$15,240	income from line 7
x	.07	percent from tax computation schedule
	1,067	(1,066.80 rounded to the nearest whole dollar)
-	466	subtract amount from tax computation schedule
	601	

$601 is the amount of tax to be entered on SC1041, Line 8.

Department of the Treasury — Internal Revenue Service

Form 1041 U.S. Income Tax Return for Estates and Trusts 2009

OMB No. 1545-0092

A Type of entity (see instr):	For calendar year 2009 or fiscal year beginning , 2009 and ending ,	C Employer identification number
[X] Decedent's estate	Name of estate or trust (If a grantor type trust, see instructions.)	26-6332542
[ ] Simple trust	CHARLES H WHITFIELD ESTATE	D Date entity created
[ ] Complex trust	Name and title of fiduciary	03/24/08
[ ] Qualified disability trust	HELEN D WHITFIELD	E Nonexempt charitable and split-interest trusts, check applicable boxes (see instr):
[ ] ESBT (S portion only)	Number, street, and room or suite number (If a P.O. box, see instructions.)	[ ] Described in section 4947(a)(1)
[ ] Grantor type trust	2833 W WHITNER STREET	[ ] Not a private foundation
[ ] Bankruptcy estate — Chapter 7	City or town, state, and ZIP code	[ ] Described in section 4947(a)(2)
[ ] Bankruptcy estate — Chapter 11	ANDERSON SC 29626	
[ ] Pooled income fund		

B Number of Schs K-1 attached (see instructions) ... ► 1	F Check applicable boxes: [ ] Initial return [X] Final return [ ] Amended return [ ] Change in trust's name [ ] Change in fiduciary [ ] Change in fiduciary's name [ ] Change in fiduciary's address
G Check here if the estate or filing trust made a section 645 election ► [ ]	

Income	1	Interest income	1	
	2a	Total ordinary dividends	2a	
	b	Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate/trust _____		
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3	
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	-4,445.
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6	
	7	Ordinary gain or (loss). Attach Form 4797	7	
	8	Other income. List type and amount _____	8	
	9	**Total income.** Combine lines 1, 2a, and 3 through 8 ►	9	-4,445.
Deductions	10	Interest. Check if Form 4952 is attached ► [ ]	10	
	11	Taxes	11	
	12	Fiduciary fees	12	
	13	Charitable deduction (from Schedule A, line 7)	13	
	14	Attorney, accountant, and return preparer fees	14	
	15a	Other deductions **not** subject to the 2% floor (attach schedule)	15a	
	b	Allowable miscellaneous itemized deductions subject to the 2% floor	15b	
	16	Add lines 10 through 15b ►	16	
	17	Adjusted total income or (loss). Subtract line 16 from line 9 — 17: -4,445.		
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	0.
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19	
	20	Exemption	20	600.
	21	Add lines 18 through 20 ►	21	600.
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22	-5,045.
	23	**Total tax** (from Schedule G, line 7)	23	0.
	24	Payments: a 2009 estimated tax payments and amount applied from 2008 return	24a	
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	24b	
	c	Subtract line 24b from line 24a	24c	
	d	Tax paid with Form 7004 (see instructions)	24d	
	e	Federal income tax withheld. If any is from Form(s) 1099, check ► [ ]	24e	
		Other payments: f Form 2439 _____; g Form 4136 _____; Total ►	24h	
	25	**Total payments.** Add lines 24c through 24e, and 24h ►	25	
	26	Estimated tax penalty (see instructions)	26	
	27	**Tax due.** If line 25 is smaller than the total of lines 23 and 26, enter amount owed	27	0.
	28	**Overpayment.** If line 25 is larger than the total of lines 23 and 26, enter amount overpaid	28	
	29	Amount of line 28 to be: **a** Credited to 2010 estimated tax ► **; b** Refunded ►	29	

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

► Signature of fiduciary or officer representing fiduciary | Date | ► EIN of fiduciary if a financial institution

May the IRS discuss this return with the preparer shown below (see instrs)? [ ] Yes [ ] No

Paid Preparer's Use Only

Preparer's signature ►	Date	Check if self-employed ► [ ]	Preparer's SSN or PTIN
			255-74-2430

Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone number
Financial and Accounting Services Inc. PO BOX 593 ANDERSON SC 29622	58-2279762	(864) 226-5109

Schedule A Charitable Deduction. Do not complete for a simple trust or a pooled income fund.

1	Amounts paid or permanently set aside for charitable purposes from gross income (see instructions)	1	
2	Tax-exempt income allocable to charitable contributions (see instructions)	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes (see instructions)	6	
7	Charitable deduction. Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction

1	Adjusted total income (see instructions)	1	0.
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 15, column (1) (see instructions)	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1 (see instructions)	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	**Distributable net income.** Combine lines 1 through 6. If zero or less, enter -0-	7	0.
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law 8		
9	Income required to be distributed currently	9	
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	0.
15	**Income distribution deduction.** Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	0.

Schedule G Tax Computation (see instructions)

1	**Tax:** a Tax on taxable income (see instructions)	1a			
	b Tax on lump-sum distributions. Attach Form 4972	1b			
	c Alternative minimum tax (from Schedule I, (Form 1041), line 56)	1c	0.		
	d **Total.** Add lines 1a through 1c ►			1d	0.
2a	Foreign tax credit. Attach Form 1116	2a			
b	Other nonbusiness credits (attach schedule)	2b			
c	General business credit. Attach Form 3800	2c			
d	Credit for prior year minimum tax. Attach Form 8801	2d			
3	**Total credits.** Add lines 2a through 2d ►			3	
4	Subtract line 3 from line 1d. If zero or less, enter -0-			4	0.
5	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611			5	
6	Household employment taxes. Attach Schedule H (Form 1040)			6	
7	**Total tax.** Add lines 4 through 6. Enter here and on page 1, line 23 ►			7	0.

Other Information

		Yes	No
1	Did the estate or trust receive tax-exempt income? If 'Yes,' attach a computation of the allocation of expenses		X
	Enter the amount of tax-exempt interest income and exempt-interest dividends. ► $		
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		X
3	At any time during the calendar year 2009, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►		
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the estate or trust may have to file Form 3520. See instructions		X
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If 'Yes,' see instructions for required attachment		X
6	If this is an estate or a complex trust making the section 663(b) election, check here (see instructions) ► ☐		
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here (see instructions) ► ☐		
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ► ☐		
9	Are any present or future trust beneficiaries skip persons? See instructions		X

SCHEDULE I (Form 1041)

Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax-Estates and Trusts

► Attach to Form 1041. See the separate instructions for Schedule I (Form 1041).

OMB No. 1545-0092

2009

Name of estate or trust: CHARLES H WHITFIELD ESTATE

Employer identification number: 26-6332542

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

1	Adjusted total income or (loss) (from Form 1041, line 17)		1	-4,445.
2	Interest		2	
3	Taxes		3	
4	Miscellaneous itemized deductions (from Form 1041, line 15b)		4	
5	Refund of taxes		5	( )
6	Depletion (difference between regular tax and AMT)		6	
7	Net operating loss deduction. Enter as a positive amount		7	
8	Interest from specified private activity bonds exempt from the regular tax		8	
9	Qualified small business stock (see the instructions)		9	
10	Exercise of incentive stock options (excess of AMT income over regular tax income)		10	
11	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)		11	
12	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)		12	
13	Disposition of property (difference between AMT and regular tax gain or loss)		13	
14	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)		14	0.
15	Passive activities (difference between AMT and regular tax income or loss)		15	
16	Loss limitations (difference between AMT and regular tax income or loss)		16	
17	Circulation costs (difference between regular tax and AMT)		17	
18	Long-term contracts (difference between AMT and regular tax income)		18	
19	Mining costs (difference between regular tax and AMT)		19	
20	Research and experimental costs (difference between regular tax and AMT)		20	
21	Income from certain installment sales before January 1, 1987		21	( )
22	Intangible drilling costs preference		22	
23	Other adjustments, including income-based related adjustments		23	
24	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)		24	( )
25	Adjusted alternative minimum taxable income. Combine lines 1 through 24		25	-4,445.
	Note: *Complete Part II below before going to line 26.*			
26	Income distribution deduction from Part II, line 44	26 0.		
27	Estate tax deduction (from Form 1041, line 19)	27		
28	Add lines 26 and 27		28	0.
29	Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25		29	-4,445.

If line 29 is:

- $22,500 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust is not liable for the alternative minimum tax.
- Over $22,500, but less than $165,000, go to line 45.
- $165,000 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis

30	Adjusted alternative minimum taxable income (see instructions)		30	0.
31	Adjusted tax-exempt interest (other than amounts included on line 8)		31	
32	Total net gain from Schedule D (Form 1041), line 15, column (1). If a loss, enter -0-		32	
33	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)		33	
34	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)		34	
35	Capital gains computed on a minimum tax basis included on line 25		35	( )
36	Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount		36	
37	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0-		37	0.
38	Income required to be distributed currently (from Form 1041, Schedule B, line 9)		38	
39	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)		39	
40	Total distributions. Add lines 38 and 39		40	
41	Tax-exempt income included on line 40 (other than amounts included on line 8)		41	
42	Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40		42	

Part II Income Distribution Deduction on a Minimum Tax Basis *(continued)*

43	Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0-		43	0.
44	**Income distribution deduction on a minimum tax basis.** Enter the smaller of line 42 or line 43. Enter here and on line 26		44	0.

Part III Alternative Minimum Tax

45	Exemption amount		45	$22,500.
46	Enter the amount from line 29	46		
47	Phase-out of exemption amount	47	$75,000.	
48	Subtract line 47 from line 46. If zero or less, enter -0-	48		
49	Multiply line 48 by 25% (.25)		49	
50	Subtract line 49 from line 45. If zero or less, enter -0-		50	
51	Subtract line 50 from line 46		51	
52	Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 14a and 15 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is – • $175,000 or less, multiply line 51 by 26% (.26). • Over $175,000, multiply line 51 by 28% (.28) and subtract $3,500 from the result		52	
53	Alternative minimum foreign tax credit (see instructions)		53	
54	Tentative minimum tax. Subtract line 53 from line 52		54	
55	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)		55	
56	**Alternative minimum tax.** Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c		56	

Part IV Line 52 Computation Using Maximum Capital Gains Rates

Caution: *If you did not complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet, see the instructions before completing this part.*

57	Enter the amount from line 51		57	
58	Enter the amount from Schedule D (Form 1041), line 22, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet, whichever applies (as refigured for the AMT, if necessary)	58		
59	Enter the amount from Schedule D (Form 1041), line 14b, column (2) (as refigured for the AMT, if necessary). If you did not complete Schedule D for the regular tax or the AMT, enter -0-	59		
60	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the **smaller** of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	60		
61	Enter the **smaller** of line 57 or line 60		61	
62	Subtract line 61 from line 57		62	
63	If line 62 is $175,000 or less, multiply line 62 by 26% (.26). Otherwise, multiply line 62 by 28% (.28) and subtract $3,500 from the result		63	
64	Maximum amount subject to the 0% rate	64	$2,300.	
65	Enter the amount from line 23 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet, for Form 1041, whichever applies (as figured for the regular tax). If you did not complete Schedule D or either worksheet for the regular tax, enter -0-	65		
66	Subtract line 65 from line 64. If zero or less, enter -0-	66		
67	Enter the **smaller** of line 57 or line 58	67		
68	Enter the **smaller** of line 66 or line 67	68		
69	Subtract line 68 from line 67	69		
70	Multiply line 69 by 15% (.15)		70	
	If line 59 is zero or blank, skip lines 71 and 72 and go to line 73. Otherwise, go to line 71.			
71	Subtract line 67 from line 61	71		
72	Multiply line 71 by 25% (.25)		72	
73	Add lines 63, 70, and 72		73	
74	If line 57 is $175,000 or less, multiply line 57 by 26% (.26). Otherwise, multiply line 57 by 28% (.28) and subtract $3,500 from the result		74	
75	Enter the **smaller** of line 73 or line 74 here and on line 52		75	

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD ESTATE

Your social security number: 26-6332542

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMMERCIAL W WHITNER ST ANDERSON SC 29624	A		X
B	RESIDENTIAL CHAPEL AVENUE ANDERSON SC 29621	B		X
C	COMMERCIAL W WHITNER ST ANDERSON SC 29624	C		X

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3				3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9				
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16				
17 Utilities	17				
18 Other (list) ►	18				
19 Add lines 5 through 18	19				19
20 Depreciation expense or depletion (see instructions)	20	2,564.	513.	513.	20 4,445.
21 Total expenses. Add lines 19 and 20	21	2,564.	513.	513.	
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	-2,564.	-513.	-513.	
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	-2,564.	-513.	-513.	
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25 -4,445.
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26 -4,445.

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD ESTATE

Your social security number: 26-6332542

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

	1 List the type and address of each rental real estate property:	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value? (See instructions.)	Yes	No
A	COMERCIAL BLECKLEY ST ANDERSON SC 29624	A		X
B	RESIDENTIAL SUNSET FOREST ANDERSON SC 29626	B		X
C	COMMERCIAL FORBES DR SANDY SPRINGS SC	C		X

Income:		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C.)
3 Rents received	3				3
4 Royalties received	4				4
Expenses:					
5 Advertising	5				
6 Auto and travel (see instructions)	6				
7 Cleaning and maintenance	7				
8 Commissions	8				
9 Insurance	9				
10 Legal and other professional fees	10				
11 Management fees	11				
12 Mortgage interest paid to banks, etc (see instructions)	12				12
13 Other interest	13				
14 Repairs	14				
15 Supplies	15				
16 Taxes	16				
17 Utilities	17				
18 Other (list) ►	18				
19 Add lines 5 through 18	19				19
20 Depreciation expense or depletion (see instructions)	20	128.	727.		20
21 Total expenses. Add lines 19 and 20	21	128.	727.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see instructions to find out if you must file Form 6198	22	-128.	-727.		
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See instructions to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	-128.	-727.		
24 **Income.** Add positive amounts shown on line 22. **Do not** include any losses					24
25 **Losses.** Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here					25
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2					26

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

► See separate instructions.
► Attach to Form 1040 or Form 1041.

OMB No. 1545-1008

2009

Attachment Sequence No. 88

Name(s) shown on return: CHARLES H WHITFIELD ESTATE

Identifying number: 26-6332542

Part I 2009 Passive Activity Loss

Caution: *Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.*

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	-4,445.	
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c		
d	Combine lines 1a, 1b, and 1c			1d -4,445.

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c	Add lines 2a and 2b			2c

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d	Combine lines 3a, 3b, and 3c			3d

4 Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. **Do not** complete Form 8582. Report the losses on the forms and schedules normally used. **4 -4,445.**

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: *If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.*

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: *Enter all numbers in Part II as positive amounts. See the instructions for an example.*

5	Enter the **smaller** of the loss on line 1d or the loss on line 4			5 4,445.
6	Enter $150,000. If married filing separately, see the instructions	6	150,000.	
7	Enter modified adjusted gross income, but not less than zero (see instructions)	7	0.	
	Note: *If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.*			
8	Subtract line 7 from line 6	8	150,000.	
9	Multiply line 8 by 50% (.5). **Do not** enter more than $25,000. If married filing separately, see instructions			9 25,000.
10	Enter the **smaller** of line 5 or line 9			10 4,445.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: *Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.*

11	Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12	Enter the loss from line 4	12	
13	Reduce line 12 by the amount on line 10	13	
14	Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15	
16	**Total losses allowed from all passive activities for 2009.** Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	4,445.

Caution: *The worksheets must be filed with your tax return. Keep a copy for your records.*

Worksheet 1 – For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year (a) Net income (line 1a)	Current year (b) Net loss (line 1b)	Prior years (c) Unallowed loss (line 1c)	Overall gain or loss (d) Gain	Overall gain or loss (e) Loss
COMMERCIAL		2,564.			2,564.
RESIDENTIAL		513.			513.
COMMERCIAL		513.			513.
COMERCIAL		128.			128.
RESIDENTIAL		727.			727.
Total. Enter on Form 8582, lines 1a, 1b, and 1c ►		4,445.			

Worksheet 2 – For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b ►			

Worksheet 3 – For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year (a) Net income (line 3a)	Current year (b) Net loss (line 3b)	Prior years (c) Unallowed loss (line 3c)	Overall gain or loss (d) Gain	Overall gain or loss (e) Loss
Total. Enter on Form 8582, lines 3a, 3b, and 3c ►					

Worksheet 4 – Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
COMMERCIAL	E Ln 23	2,564.	0.5768279	2,564.	0.
RESIDENTIAL	E Ln 23	513.	0.1154106	513.	0.
COMMERCIAL	E Ln 23	513.	0.1154106	513.	0.
COMERCIAL	E Ln 23	128.	0.0287964	128.	0.
RESIDENTIAL	E Ln 23	727.	0.1635546	727.	0.
Total ►		4,445.	1.00	4,445.	0.

Worksheet 5 – Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total ►			1.00	

661109

Schedule K-1 (Form 1041) — Department of the Treasury, Internal Revenue Service

2009

For calendar year 2009, or tax year beginning _____, 2009 and ending _____, _____

[X] Final K-1 [ ] Amended K-1 OMB No. 1545-0092

Beneficiary's Share of Income, Deductions, Credits, etc.

► See separate instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

26-6332542

B Estate's or trust's name

CHARLES H WHITFIELD ESTATE

C Fiduciary's name, address, city, state, and ZIP code

HELEN D WHITFIELD
2833 W WHITNER STREET
ANDERSON SC 29626

D [ ] Check if Form 1041-T was filed and enter the date it was filed.....

E [X] Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

251-40-9171

G Beneficiary's name, address, city, state, and ZIP code

HELEN D WHITFIELD

2833 W WHITNER STREET

ANDERSON SC 29626-1034

H [X] Domestic beneficiary [ ] Foreign beneficiary

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

1	Interest income	11 D	Final year deductions 4,445.
2a	Ordinary dividends		
2b	Qualified dividends		
3	Net short-term capital gain		
4a	Net long-term capital gain		
4b	28% rate gain	12	Alternative minimum tax adjustment
4c	Unrecaptured section 1250 gain		
5	Other portfolio and nonbusiness income		
6	Ordinary business income		
7	Net rental real estate income		
8	Other rental income	13	Credits and credit recapture
9	Directly apportioned deductions		
		14	Other information
10	Estate tax deduction		
	[redacted]		

*See attached statement for additional information.

Note. A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

FOR IRS USE ONLY

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

FIDUCIARY INCOME TAX RETURN

SC1041
(Rev. 8/25/09)
3084

For the calendar year 2009 or Fiscal Taxable Year Beginning _____, 2009 and ending _____, 2010 **2009**

Name of Estate or Trust: Charles H. Whitfield Estate

Name and Title of Fiduciary: Helen D. Whitfield

Address of Fiduciary (Number and Street): 2833 W. Whitner ST

City, State, ZIP Code and County: Anderson SC 29626

File this Return by the 15th Day of the 4th Month after close of Taxable Year With SC DEPARTMENT OF REVENUE Fiduciary Tax Return Columbia, SC 29214-0009

FEIN: 26-6332542

DO NOT WRITE IN THIS SPACE

14-0828

ATTACH COPY OF FEDERAL FORM 1041 AND ALL ITS SCHEDULES, INCLUDING SCHEDULES K-1. Extension Requested: ☐ Yes ☐ No

A. Check whether:	B. If trust, check whether:	C. Also check if:	D. Has final distribution of assets been made during the year?
☐ Amended ☐ Simple trust ☒ Estate ☐ Complex trust ☐ Grantor Trust ☐ Electing Small Business Trust	☐ Testamentary ☐ Inter vivos	☒ Resident estate or trust ☐ Nonresident estate or trust	☒ Yes ☐ No

E. During this taxable year, was this estate or trust notified of any federal change for any prior years? ☐ YES or ☒ NO If YES, attach copy.

F. Is a federal Schedule K-1 attached for each beneficiary? ☒ YES or ☐ NO If YES, how many? 1 If NO, attach explanation.

- Does the estate or trust have any South Carolina modifications? ☐ YES or ☒ NO
- If the estate or trust has any nonresident beneficiaries, is any income from SC sources? ☐ YES or ☒ NO (or not applicable)
- Does line 22, federal Form 1041 reflect any taxable income of the fiduciary? ☐ YES or ☒ NO
- If NO to ALL three questions, do NOT complete the remainder of this form.

If a NONRESIDENT estate or trust with income from both South Carolina and Non-South Carolina sources - complete and attach Part III, page 3 of Form SC1041.

1. FEDERAL TAXABLE INCOME (Residents: federal Form 1041; Nonresidents: line 22, column D, Part III)			1
2. Federal fiduciary exemption included in line 1 above			2
3. South Carolina Modifications relating to gains allocated to principal or relating to other items not affecting federal distributable net income (attach explanation)			3
4. Fiduciary's Share of SC Fiduciary Adjustment (from line 1i, Part II) ☐ Addition ☐ Subtraction			4
5. NET (combine lines 1 to 4)			5
6. South Carolina fiduciary exemption (see instructions)			6 < >
7. SOUTH CAROLINA TAXABLE INCOME (line 5 less line 6)			7
8. SOUTH CAROLINA TAX (tax computation schedule on page 2)	8		
9. TAX on Lump Sum Distribution (attach SC4972) and/or Active Trade or Business Income (I-335)	9		
10. Less NON-REFUNDABLE CREDITS (attach SC1040TC)	10 < >		
11. Combine lines 8 - 10 and enter the results here BUT NOT LESS THAN ZERO			11
12. South Carolina income tax withheld for nonresident beneficiaries (From Part IV)			12
13. TOTAL TAX (add lines 11 and 12 and enter here)			13
14. Amount paid with request for extension and other credits	14		
15. 2009 Estimated Payments (and amount applied from 2008 return)	15		
16. Total Payments (add lines 14 and 15)			16
17. Overpayment (line 16 less line 13)			17
18. If subject to penalty for Underpayment of Estimated Tax, attach a Form SC2210. (see instructions)	18 Penalty		
19. Balance Due (line 13 less line 16 plus line 18, if applicable) Pay in full to SC Department of Revenue **BALANCE DUE**			19
20. Amount of line 17 to be credited to 2010 Estimated Tax			20
21. Net Refund (subtract line 20 from line 17 and enter the amount to be refunded) **REFUND**			21

Please Sign Here

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Signature of fiduciary or officer representing fiduciary | Date | FEIN of Fiduciary

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes ☐ No ☐ | Preparer's Printed Name

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ☐ | Preparer's telephone number

Firm's name (or yours if self-employed) and address | FEIN | ZIP Code

Name and FEIN on page 1 _____

Part I - SOUTH CAROLINA FIDUCIARY ADJUSTMENT

			Adjustments to amount included in federal distributable net income
1. Additions to federal taxable income:			
a. State and local interest	1a		
b. State or local taxes measured by income deducted on the federal return	1b		
c. Federal net operating loss carryover	1c		
d. Out-of state losses	1d		
e. Other additions to income (see instructions) - **ATTACH AN EXPLANATION**	1e		
f. Total additions to federal income (add lines 1a through 1e)		1f	
2. Subtractions from federal taxable income			
a. Interest on US Government obligations	2a		
b. State income tax refunds reported as income on federal return	2b		
c. South Carolina net operating loss carry-forward (attach schedule)	2c		
d. Active Trade or Business Income Deduction (I-335, line 5)	2d		
e. Other subtractions from income (see instructions) - **ATTACH AN EXPLANATION**	2e		
f. Total subtractions from federal taxable income (add lines 2a through 2e)		2f	
3. Total (subtract line 2f from line 1f)		3	
4. Fiduciary adjustment from other estates or trusts and partnership adjustment (attach schedule)		4	
5. South Carolina fiduciary adjustment (add lines 3 and 4) Addition ☐ or Subtraction ☐		5	

Part II - ALLOCATION OF SOUTH CAROLINA FIDUCIARY ADJUSTMENT

Complete ONLY if Part I indicates a South Carolina Fiduciary Adjustment. It is allocated among all beneficiaries and fiduciary in the same ratio as their relative shares of Federal Distributable Net Income. Nonresident beneficiaries see parts III and IV for computation of income.

1. Name of each beneficiary. Check box if beneficiary is a nonresident. All beneficiaries receiving federal K-1 must be listed. Use attachment if more than eight beneficiaries. Social Security Number	Shares of Federal Distributable Net Income 2. Amount	3. Percent	4. Shares of South Carolina Fiduciary Adjustment Addition ☐ or Subtraction ☐
a) ☐		%	
b) ☐		%	
c) ☐		%	
d) ☐		%	
e) ☐		%	
f) ☐		%	
g) ☐		%	
h) ☐		%	
i) Fiduciary		%	
Totals		100%	

COLUMN 2 - Total federal distributable net income must be the same as line 7, Schedule B Form 1041.
COLUMN 3 - Indicate percentages with two numbers, such as 32%, 3.2% and .32%.
COLUMN 4 - Enter South Carolina Fiduciary Adjustment from line 5, Part I as the total of Column 4. Multiply each percentage in Column 3 times the total in Column 4. Indicate at the top of Column 4, whether the adjustments are additions or subtractions. If the adjustment is a subtraction, it may not offset more than the amount reportable from the fiduciary for federal tax purposes (except in the final or termination year).
COLUMNS 2, 3, AND 4 - Attach a detailed explanation of the allocation method used if there is no federal distributable net income, or, if the percentages do not agree with the relative shares indicated on Form 1041, Schedules B and K-1.
COLUMN 4 - The amount after each name is reported as a modification, either an addition to or subtraction from federal taxable income. Each resident beneficiary should add the explanation: "fiduciary adjustment - (name of estate or trust)". A copy of this schedule (or its information) must be provided to each resident beneficiary. The fiduciary's share of the adjustment is entered on line 4 of page 1.

2009 TAX COMPUTATION SCHEDULE
ESTATES AND TRUSTS TAX RATE

If the income is: Compute your tax as follows and enter the results on SC1041 line 8.

OVER -	BUT NOT OVER -	COMPUTATION
-0-	$ 2,740	$0
$ 2,740	5,480	3% less $82
5,480	8,220	4% less $137
8,220	10,960	5% less $220
10,960	13,700	6% less $329
13,700	or more	7% less $466

EXAMPLE OF COMPUTATION:
South Carolina taxable income on SC1041 line 7 is $15,240.

	$15,240	income from line 7
x	.07	percent from tax computation schedule
	1,067	(1,066.80 rounded to the nearest whole dollar)
-	466	subtract amount from tax computation schedule
	601	

$601 is the amount of tax to be entered on SC1041, Line 8.

Department of the Treasury — Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 2009

(99) IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2009, or other tax year beginning , 2009, ending , 20

OMB No. 1545-0074

Label (See instructions.)

Use the IRS label. Otherwise, please print or type.

Your first name	MI	Last name	Your social security number
HELEN	D	WHITFIELD	251-40-9171
If a joint return, spouse's first name	MI	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

City, town or post office. If you have a foreign address, see instructions. State ZIP code

ANDERSON SC 29624

You **must** enter your social security number(s) above.

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want $3 to go to this fund? (see instructions) ▶ ☐ You ☐ Spouse

Checking a box below will not change your tax or refund.

Filing Status

Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here ▶
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ▶
5 [ ] Qualifying widow(er) with dependent child (see instructions)

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

Boxes checked on 6a and 6b . . 1

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ▶ ☐

No. of children on 6c who:
- lived with you
- did not live with you due to divorce or separation (see instrs)

Dependents on 6c not entered above

Add numbers on lines above ▶ 1

d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2			7	
8a	**Taxable** interest. Attach Schedule B if required			8a	84,115.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b			
9a	Ordinary dividends. Attach Schedule B if required			9a	
b	Qualified dividends (see instrs)	9b			
10	Taxable refunds, credits, or offsets of state and local income taxes (see instructions)			10	5,204.
11	Alimony received			11	
12	Business income or (loss). Attach Schedule C or C-EZ			12	-27,595.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ▶ ☐			13	
14	Other gains or (losses). Attach Form 4797			14	
15a	IRA distributions	15a	b Taxable amount (see instrs)	15b	3,146.
16a	Pensions and annuities	16a	b Taxable amount (see instrs)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			17	0.
18	Farm income or (loss). Attach Schedule F			18	
19	Unemployment compensation in excess of $2,400 per recipient (see instructions)			19	
20a	Social security benefits	20a 17,396.	b Taxable amount (see instrs)	20b	14,787.
21	Other income NET OPERATING LOSS - SEE STMT			21	-4,445.
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶			22	75,212.

Adjusted Gross Income

23	Educator expenses (see instructions)	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction (see instructions)	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction (see instructions)	32		
33	Student loan interest deduction (see instructions)	33		
34	Tuition and fees deduction. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 - 31a and 32 - 35		36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37	75,212.

Tax and Credits

Standard Deduction for —
- People who check any box on line 39a, 39b, or 40b or who can be claimed as a dependent, see instructions.
- All others:

Single or Married filing separately, $5,700

Married filing jointly or Qualifying widow(er), $11,400

Head of household, $8,350

38	Amount from line 37 (adjusted gross income)		38	75,212.
39a	Check if: [X] You were born before January 2, 1945, [ ] Blind. [ ] Spouse was born before January 2, 1945, [ ] Blind.	Total boxes checked ► 39a 1		
b	If your spouse itemizes on a separate return, or you were a dual-status alien, see instrs and ck here ► 39b [ ]			
40a	Itemized deductions (from Schedule A) or your standard deduction (see left margin)		40a	7,600.
b	If you are increasing your standard deduction by certain real estate taxes, new motor vehicle taxes, or a net disaster loss, attach Schedule L and check here (see instructions) ► 40b [X]			
41	Subtract line 40a from line 38		41	67,612.
42	Exemptions. If line 38 is $125,100 or less and you did not provide housing to a Midwestern displaced individual, multiply $3,650 by the number on line 6d. Otherwise, see instructions		42	3,650.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-		43	63,962.
44	Tax (see instrs). Check if any tax is from: a [ ] Form(s) 8814 b [ ] Form 4972		44	12,181.
45	Alternative minimum tax (see instructions). Attach Form 6251		45	0.
46	Add lines 44 and 45		46	12,181.
47	Foreign tax credit. Attach Form 1116 if required	47		
48	Credit for child and dependent care expenses. Attach Form 2441	48		
49	Education credits from Form 8863, line 29	49		
50	Retirement savings contributions credit. Attach Form 8880	50		
51	Child tax credit (see instructions)	51		
52	Credits from Form: a [ ] 8396 b [ ] 8839 c [ ] 5695	52		
53	Other crs from Form: a [ ] 3800 b [ ] 8801 c [ ]	53		
54	Add lines 47 through 53. These are your total credits		54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0-		55	12,181.

Other Taxes

56	Self-employment tax. Attach Schedule SE		56	
57	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919		57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		58	
59	Additional taxes: a [ ] AEIC payments b [ ] Household employment taxes. Attach Schedule H		59	
60	Add lines 55-59. This is your total tax		60	12,181.

Payments

If you have a qualifying child, attach Schedule EIC.

61	Federal income tax withheld from Forms W-2 and 1099	61		
62	2009 estimated tax payments and amount applied from 2008 return	62	14,680.	
63	Making work pay and government retiree credit. Attach Schedule M	63	0.	
64a	Earned income credit (EIC)	64a		
b	Nontaxable combat pay election ► 64b			
65	Additional child tax credit. Attach Form 8812	65		
66	Refundable education credit from Form 8863, line 16	66		
67	First-time homebuyer credit. Attach Form 5405	67		
68	Amount paid with request for extension to file (see instructions)	68		
69	Excess social security and tier 1 RRTA tax withheld (see instructions)	69		
70	Credits from Form: a [ ] 2439 b [ ] 4136 c [ ] 8801 d [ ] 8885	70		
71	Add lns 61-63, 64a, & 65-70. These are your total pmts		71	14,680.

Refund

Direct deposit? See instructions and fill in 73b, 73c, and 73d or Form 8888.

72	If line 71 is more than line 60, subtract line 60 from line 71. This is the amount you overpaid		72	2,499.
73a	Amount of line 72 you want refunded to you. If Form 8888 is attached, check here ► [ ]		73a	0.
b	Routing number ► XXXXXXXXX ► c Type: [ ] Checking [ ] Savings			
d	Account number ► XXXXXXXXXXXXXXXXX			
74	Amount of line 72 you want applied to your 2010 estimated tax ►	74	2,499.	

Amount You Owe

75	Amount you owe. Subtract line 71 from line 60. For details on how to pay, see instructions ►		75	
76	Estimated tax penalty (see instructions)	76		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete the following. [ ] No

Designee's name ► DARRELL I HARDY CPA Phone no. ► (864) 226-5109 Personal identification number (PIN) ► 54321

Sign Here

Joint return? See instructions.

Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
►		RETIRED	(864) 224-3770
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	
►			

Paid Preparer's Use Only

Preparer's signature ►	Date 04/09/2010	Check if self-employed [ ]	Preparer's SSN or PTIN 255-74-2430
Firm's name (or yours if self-employed), address, and ZIP code	Financial and Accounting Services Inc. PO BOX 593 ANDERSON SC 29622	EIN 58-2279762 Phone no. (864) 226-5109	

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040. ► See Instructions.

OMB No. 1545-0074

2009

Attachment Sequence No. 08

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

			Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		
	JESSICA LOWE		248.
	CAROLINA FIRST		460.
	PAUL CROMER INC		35,238.
	WACHOVIA BANK		24.
	THE PALMETTO BANK		15,904.
	CHARLES H WHITFIELD FAMILY TRUST		32,241.
		1	
2	Add the amounts on line 1	2	84,115.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	84,115.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

			Amount
5	List name of payer ... ►		
		5	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

		Yes	No
	You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.		
7a	At any time during 2009, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b	If 'Yes,' enter the name of the foreign country ►		
8	During 2009, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► Partnerships, joint ventures, etc, generally must file Form 1065 or 1065-B.
► Attach to Form 1040, 1040NR, or 1041. ► See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2009

Attachment Sequence No. 09

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171
A Principal business or profession, including product or service (see instructions)	**B** Enter code from Instructions
AUTO SALES	► 441120
C Business name. If no separate business name, leave blank.	**D** Employer ID number (EIN), if any

E Business address (including suite or room no.) ► 2833 W. WHITNER STREET

City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2009? If 'No,' see instructions for limit on losses . . [X] Yes [ ] No

H If you started or acquired this business during 2009, check here . . . . . ► [X]

Part I Income

1	Gross receipts or sales. **Caution.** See the instructions and check the box if: • This income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses. ► [ ]	1	193,118.
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	193,118.
4	Cost of goods sold (from line 42 on page 2)	4	215,585.
5	**Gross profit.** Subtract line 4 from line 3	5	-22,467.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-22,467.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8	Advertising	8		18	Office expense	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11			a Vehicles, machinery, and equipment	20a	
12	Depletion	12			b Other business property	20b	900.
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15	188.	23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
	a Mortgage (paid to banks, etc)	16a			a Travel	24a	
	b Other	16b			b Deductible meals and entertainment (see instructions)	24b	
17	Legal & professional services	17	950.	25	Utilities	25	3,090.
				26	Wages (less employment credits)	26	
				27	Other expenses (from line 48 on page 2)	27	
28	**Total expenses** before expenses for business use of home. Add lines 8 through 27 ►					28	5,128.
29	Tentative profit or (loss). Subtract line 28 from line 7					29	-27,595.
30	Expenses for business use of your home. Attach **Form 8829**					30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12,** and **Schedule SE, line 2** or on **Form 1040NR, line 13** (if you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.					31	-27,595.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3.**

32a [X] All investment is at risk.

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32b [ ] Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☒ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation ☐ Yes ☒ No

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	0.
36	Purchases less cost of items withdrawn for personal use	36	399,710.
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs	39	4,448.
40	Add lines 35 through 39	40	404,158.
41	Inventory at end of year	41	188,573.
42	**Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on page 1, line 4	42	215,585.

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ► _____.

44 Of the total number of miles you drove your vehicle during 2009, enter the number of miles you used your vehicle for:
a Business _____ b Commuting (see instructions) _____ c Other _____

45 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

47a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If 'Yes,' is the evidence written? ☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

48 **Total other expenses.** Enter here and on page 1, line 27 — 48

Name(s) shown on return. Do not enter name and social security number if shown on Page 1. | Your social security number

HELEN D WHITFIELD | 251-40-9171

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column **(e)** on line 28 and attach **Form 6198.** See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ... ☐ Yes ☒ No

If you answered 'Yes,' see instructions before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A			☐		☐
B			☐		☐
C			☐		☐
D			☐		☐

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach **Form 8582** if required)	(g) Passive income from **Schedule K-1**	(h) Nonpassive loss from **Schedule K-1**	(i) Section 179 expense deduction from **Form 4562**	(j) Nonpassive income from **Schedule K-1**
A					
B					
C					
D					
29a Totals					
b Totals					

30	Add columns (g) and (j) of line 29a	30	
31	Add columns (f), (h), and (i) of line 29b	31	
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer ID no.
A	CHARLES H WHITFIELD FAMILY TRUST	26-6776290
B	CHARLES H WHITFIELD ESTATE	26-6332542

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach **Form 8582** if required)	(d) Passive income from **Schedule K-1**	(e) Deduction or loss from **Schedule K-1**	(f) Other income from **Schedule K-1**
A	0.			
B				
34a Totals				
b Totals	0.			

35	Add columns (d) and (f) of line 34a	35	
36	Add columns (c) and (e) of line 34b	36	0.
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	0.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from **Schedules Q,** line 1b	(e) Income from **Schedules Q,** line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835.** Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ►	41	0.
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see instructions)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

SCHEDULE L
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

Standard Deduction for Certain Filers

► Attach to Form 1040A or 1040. ► See instructions.

OMB No. 1545-0074

2009

Attachment Sequence No. 57

Name(s) shown on return

HELEN D WHITFIELD

Your social security number

251-40-9171

Caution! *File this form **only** if you are increasing your standard deduction by certain state or local real estate taxes, new motor vehicle taxes, or a net disaster loss.*

1	Enter the amount shown below for your filing status. • Single or married filing separately — $5,700 • Married filing jointly or Qualifying widow(er) — $11,400 • Head of household — $8,350	1	5,700.	
2	Can you (or your spouse if filing jointly) be claimed as a dependent on someone else's return? [X] **No.** Enter the amount from line 1 on line 4, skip line 3, and go to line 5. [ ] **Yes.** Go to line 3.			
3	Is your earned income more than $650 (see instructions)? [ ] Yes. Add $300 to your earned income. Enter the total [ ] No. Enter $950	3		
4	Enter the **smaller** of line 1 or line 3			4 5,700.
5	Multiply the number on Form 1040, line 39a, or Form 1040A, line 23a, by $1,100 ($1,400 if single or head of household). If blank, enter -0-			5 1,400.
6	Form 1040 filers only, enter any net disaster loss from Form 4684, line 18			6
7	Enter the state and local real estate taxes you paid. **Do not** include foreign real estate taxes (see instructions)	7	766.	
8	Enter $500 ($1,000 if married filing jointly)	8	500.	
9	Enter the smaller of line 7 or line 8			9 500.
10	Did you (or your spouse if filing jointly) pay any state or local sales or excise taxes in 2009 for the purchase of a new motor vehicle after February 16, 2009 (see instructions)? [X] **No.** Skip lines 10 through 19, enter -0- on line 20, and go to line 21. [ ] **Yes.** If Form 1040, line 38, or Form 1040A, line 22, is less than $135,000 ($260,000 if married filing jointly), enter the amount of these taxes paid. Otherwise, skip lines 10 through 19, enter -0- on line 20, and go to line 21.	10		
11	Enter the purchase price (before taxes) of the new motor vehicle(s) (see instructions)	11		
12	Is the amount on line 11 more than $49,500? [ ] **No.** Enter the amount from line 10. [ ] **Yes.** Figure the portion of the tax from line 10 that is attributable to the first $49,500 of the purchase price of each new motor vehicle (see instructions)	12		
13	Enter the amount from Form 1040, line 38, or Form 1040A, line 22	13		
14	Form 1040 filers only, enter the total of any – • Amounts from Form 2555, lines 45 and 50; Form 2555-EZ, line 18; and Form 4563, line 15, and • Exclusion of income from Puerto Rico	14		
15	Add lines 13 and 14	15		
16	Enter $125,000 ($250,000 if married filing jointly)	16		
17	Is the amount on line 15 more than the amount on line 16? [ ] **No.** Skip lines 17 through 19, enter the amount from line 12 on line 20, and go to line 21. [ ] **Yes.** Subtract line 16 from line 15	17		
18	Divide line 17 by $10,000. Enter the result as a decimal (rounded to at least three places). If the result is 1.000 or more, enter 1.000	18		
19	Multiply line 12 by line 18	19		
20	Subtract line 19 from line 12			20 0.
21	Add lines 4, 5, 6, 9, and 20. Enter the total here and on Form 1040, line 40a, or Form 1040A, line 24a. Also check the box on Form 1040, line 40b, or Form 1040A, line 24b			21 7,600.

BAA For Paperwork Reduction Act Notice, see Form 1040A or 1040 instructions. Schedule L (Form 1040A or 1040) 2009

FDIA8401 10/21/09

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

► See separate instructions.
► Attach to Form 1040 or Form 1041.

OMB No. 1545-1008

2009

Attachment Sequence No. 88

Name(s) shown on return

HELEN D WHITFIELD

Identifying number

251-40-9171

Part I 2009 Passive Activity Loss

Caution: *Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.*

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b		
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c		
d	Combine lines 1a, 1b, and 1c		1d	

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c	Add lines 2a and 2b		2c	

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a	0.	
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	-572.	
c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d	Combine lines 3a, 3b, and 3c		3d	-572.

4	Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. **Do not** complete Form 8582. Report the losses on the forms and schedules normally used	4	-572.

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: *If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.*

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: *Enter all numbers in Part II as positive amounts. See the instructions for an example.*

5	Enter the **smaller** of the loss on line 1d or the loss on line 4		5	
6	Enter $150,000. If married filing separately, see the instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instructions)	7		
	Note: *If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.*			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (.5). **Do not** enter more than $25,000. If married filing separately, see instructions		9	
10	Enter the **smaller** of line 5 or line 9		10	0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: *Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.*

11	Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12	Enter the loss from line 4	12	
13	Reduce line 12 by the amount on line 10	13	
14	Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15	0.
16	**Total losses allowed from all passive activities for 2009.** Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	0.

Caution: *The worksheets must be filed with your tax return. Keep a copy for your records.*

Worksheet 1 — For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year (a) Net income (line 1a)	Current year (b) Net loss (line 1b)	Prior years (c) Unallowed loss (line 1c)	Overall gain or loss (d) Gain	Overall gain or loss (e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c ►					

Worksheet 2 — For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b ►			

Worksheet 3 — For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year (a) Net income (line 3a)	Current year (b) Net loss (line 3b)	Prior years (c) Unallowed loss (line 3c)	Overall gain or loss (d) Gain	Overall gain or loss (e) Loss
CHARLES H WHITFIELD FAMILY TRUST	0.	572.			572.
Total. Enter on Form 8582, lines 3a, 3b, and 3c ►	0.	572.			

Worksheet 4 — Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total ►			1.00		

Worksheet 5 — Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
CHARLES H WHITFIELD FAMILY TRUST	E Ln 33A	572.	1.00000000	572.
Total ►		572.	1.00	572.

Worksheet 6 — Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
CHARLES H WHITFIELD FAMILY TRUST	E Ln 33A	572.	572.	0.
Total ▶		572.	572.	0.

Worksheet 7 — Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Name of activity ...					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Total ▶			1.00		
Name of activity ...					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions)					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Total ▶			1.00		

Form 1040
Line 10

State and Local Income Tax Refund Worksheet

2009

State and local taxes paid in 2008 or prior years and refunded in 2009
Keep for your records

Name(s) Shown on Return	Social Security Number
HELEN D WHITFIELD	251-40-9171

Part I State and Local Income Tax Refunds from 2008 Tax Returns

1 (a) State or Local Code	(b) Refund Amount	(c) Estimated Tax Paid After 12/31/2008	(d) Extension Payments	(e) Total Payments and Withholding	(f) Refund Allocated to Column (c)	(g) Refund Allocated to Column (d)
SC	7,869.			11,080.		
Totals ...	7,869.			11,080.		

2	Total state and local refunds. Total line 1 column (b)	7,869.
3	Refund allocated to tax paid after 12/31/2008. Total line 1 columns (f) and (g). (Include net tax paid after 12/31/2008 on Schedule A, line 5.)	
4	Net refund. Line 2 less line 3	7,869.

Part II Recovery Amount

The **recovery amount** is the amount of the state and local income tax deducted in 2008 refunded in 2009.

5	Total state and local income tax deduction from line 5 of your 2008 Schedule A	15,002.
6	**Recovery amount.** Lesser of line 4 or line 5	7,869.

Part III Recovery Exclusion

The **recovery exclusion** is the part of the recovery amount which did**not** reduce tax in 2008.

7	**Recovery exclusion from standard deduction and/or sales tax deduction:**		
a	Allowable itemized deductions, from 2008 Schedule A, line 29		19,204.
b	Allowable itemized deductions, refigured by excluding recovery amount:		
	(1) Refigured state and local tax deduction:		
	(a) Refigured state income tax deduction	7,133.	
	(b) Sales tax deduction	1,121.	
	(c) Refigured deduction. Larger of (a) or (b)	7,133.	
	(2) Refigured total itemized deductions before limitation	11,335.	
	(3) Refigured reduction for limitation on itemized deductions	0.	
	(4) Refigured allowable itemized deductions. Line 7b(2) less line 7b(3)		11,335.
c	2008 standard deduction based on 2008 filing status, exemptions and deductions		14,000.
d	Larger of lines 7b(4) or 7c		14,000.
e	Subtract line 7d from line 7a		5,204.
f	Subtract line 7e from line 6		2,665.
8	**Recovery exclusion from negative taxable income.** If 2008 taxable income was negative, enter here as a positive number, else enter zero		0.
9	**Recovery exclusion from alternative minimum tax.** If no alternative minimum tax (AMT) in 2008 enter zero. If did pay AMT in 2008, enter amount from line 22		0.
10	**Recovery exclusion from unused tax credits.** If no unused credits in 2008, enter zero. If there were unused credits in 2008, enter amount from line 33		0.
11	**Total recovery exclusion.** Add lines 7f, 8, 9, and 10		2,665.

Part IV Taxable Refund

The **recovery amount** less the **recovery exclusion** is a **taxable refund.**

12	**Taxable refund from 2008.** Line 6 less line 11	5,204.
13	Total taxable refunds from 2007 or prior tax returns. Total line 34 column (d)	
14	**Total taxable refunds.** Add lines 12 and 13. Enter here and on Form 1040, line 10	5,204.

Explanation Statement

Form/Line: **Form 1040 Line 21, Other Income Statement 7**
Explanation of: **Net Operating Loss Carryforward**

NOL CARRYFORWARD FROM 2008 ON THE CHARLES H WHITFIELD ESTATE

Supporting Statement of:

Schedule C (AUTO SALES)/Line 39

Description	Amount
VEHICLE PARTS	4,368.00
TITLE/REGISTRATION	80.00
Total	4,448.00

1030

Do not write in this space — OFFICE USE

SC1040

SCIA0112 12/18/09

SOUTH CAROLINA INDIVIDUAL INCOME TAX RETURN

(Rev. 7/21/09) 3075

2009

For the year January 1 - December 31, 2009, or fiscal tax year beginning 2009 and ending 2010

Enter Your first name and Initial	(Sr, Jr, 2nd, 3rd, 4th) Last name	Check if Deceased	Your Social Security number
HELEN D	WHITFIELD	☐	251-40-9171
Spouse's first name and Initial, if married filing jointly	Spouse's last name	Check if Deceased ☐	Spouse's Social Security number

Check if new address ☐	Mailing address (number and street, Apt No or P.O. Box)	County code	Do not write in this space — OFFICE USE
	2833 W. WHITNER STREET	04	
City, state and ZIP code		Area Code Daytime telephone	
ANDERSON SC 29624		(864) 224-3770	

For Office Use Only ►

Check this box if you are filing SC Schedule NR (Part year/Nonresident) ☐

Check this box if you have filed a federal or state extension ►

Check this box if filing a composite return for partnership or 'S' corporation ►

CHECK YOUR FEDERAL FILING STATUS
(1) [X] Single (3) ☐ Married filing separately. **Enter spouse's SSN here:**
(2) ☐ Married filing jointly (4) ☐ Head-of-household (5) ☐ Widow(er) with dependent child

Federal Exemptions: Enter the number of exemptions from line 6(d) of your 2009 federal return ► 1
How many of the exemptions listed above were under the age of 6 years on December 31, 2009? ► 0
Enter the number of taxpayers age 65 or older, as of December 31, 2009 ► 1

STAPLE PAYMENT HERE

				Dollars
1	**Enter Federal taxable income from your federal Form 1040, line 43; 1040A, line 27; or 1040EZ, line 6. If zero or less, enter zero here.** **STOP!** **Resident filers complete** lines 32 through 54. **Nonresident filers complete** Schedule NR and enter total from line 49 on line 5 below. ►		1	63,962.00
2	TOTAL ADDITIONS. Enter amount from line 37 of your SC1040. ►		2	.00
3	Add lines 1 and 2. Enter total here		3	63,962.00
4	TOTAL SUBTRACTIONS. Enter amount from line 54 of your SC1040. ►		4	-34,991.00
5	South Carolina INCOME SUBJECT TO TAX. Residents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, line 49. If less than zero, enter zero. ►		5	28,971.00
6	**TAX:** Enter tax from SOUTH CAROLINA tax tables	6 1,561.00		
7	TAX on Lump Sum Distribution (Attach SC4972) ►	7 .00		
8	TAX on Active Trade or Business Income (Attach I-335) ►	8 .00		
9	TAX on Excess Withdrawals from Catastrophe Savings Accounts ►	9 .00		
10	TOTAL SC tax. Add lines 6, 7, 8 and 9. Enter the total		10	1,561.00
11	Child and Dependent Care (See instructions) ►	11 .00		
12	Two Wage Earner Credit (See instructions) ►	12 .00		
13	Other Non-refundable Credits (Attach SC1040TC) ►	13 .00		
14	TOTAL Non-refundable Credits. Add lines 11 through 13 and enter the total		14	.00
15	SUBTRACT line 14 from line 10. Enter the difference BUT NOT LESS THAN ZERO		15	1,561.00

STAPLE W-2/1099 HERE

16	SC INCOME TAX WITHHELD (Attach W-2 or SC41) ►	.00	20	Other SC Withholding (Attach Form 1099) ►	.00
17	2009 Estimated Tax Payments ►	3,240.00	21	Tuition Tax Credit (Attach I-319) ►	.00
18	Amount Paid with extension ►	.00	22	Other Refundable Credit (Attach I-333 or I-334) ►	.00
19	NR sale of real estate ►	.00			

Tip — Make sure lines 16-22 are completed.

				Dollars
23	ADD lines 16 through 22 and enter the total. **TOTAL OF LINES 16-22**		23	3,240.00
24	If line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT		24	1,679.00
25	If line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE		25	.00
26	**USE TAX** (Due on Out-of-state Purchases. See instructions) ►	26 .00		
27	Amount of line 24 to be credited to your **2010 ESTIMATED TAX** ►	27 1,679.00		
28	Total Contributions for Check-offs (Attach I-330) ►	28 .00		
29	ADD lines 26 through 28 and enter the total		29	1,679.00
30	NET REFUND: If line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the **AMOUNT TO BE REFUNDED TO YOU** **REFUND** ►		30	0.00
31	NET DUE: ADD lines 25 and 29 and, if applicable, penalty amount. If line 29 is larger than line 24, subtract line 24 from line 29. Enter the AMOUNT YOU OWE. If subject to penalty for Underpayment of Estimated Tax, attach SC2210. (See instructions) Penalty: $			
	Staple a check or money order for the full amount payable to **'SC Department of Revenue.'** Write your Social Security number and **'2009 SC1040'** on the payment ..... **BALANCE DUE** ►		31	.00

30751010

STOP! **Resident filers complete** lines 32 through 54.
Nonresident filers complete Schedule NR. Do not complete lines 32 through 54.

PART 1 ADDITIONS TO FEDERAL TAXABLE INCOME				Dollars
32 State tax addback, if itemizing on federal return, (See instructions)	32		00	
33 Out-of-state losses – (See instructions)	33		00	
34 Expenses related to National Guard and Military Reserve income	34		00	
35 Interest income on obligations of states and political subdivisions **other than** South Carolina	35		00	
36 Other additions to income. Attach an explanation (See instructions)	36		00	
37 TOTAL ADDITIONS – add lines 32 through 36 and enter your total additions to income here and on line 2				37 00
PART 2 SUBTRACTIONS FROM FEDERAL TAXABLE INCOME				
38 State tax refund, if included on line 10, on your federal Form 1040	38	5,204.	00	
39 Total and permanent disability retirement income, if taxed on your federal return	39		00	
40 Out-of-state income/gain – Do not include personal service income. (See instructions.)	40		00	
41 44% of net capital gains held for more than one year (See instructions)	41		00	
42 Volunteer Deductions. (See instructions)	42		00	
43 Contributions to the SC College Investment Program ('Future Scholar') or the SC Tuition Prepayment Program. (See instructions)	43		00	
44 Active Trade or Business Income Deduction (See instructions)	44		00	
45 Interest income from obligations of the U.S. government	45		00	
46 National Guard or Reserve annual training and drill pay. (See instructions)	46		00	
47 Social Security and/or railroad retirement, if taxed on your federal return	47	14,787.	00	
48 **Caution: Retirement Deduction – (See instructions)**				
a Taxpayer: Date of Birth 08/11/1929	48a	3,146.	00	
b Spouse: Date of Birth	48b		00	
c Surviving Spouse: Date of Birth of Deceased Spouse	48c		00	
49 Age 65 and older deduction – (See instructions)				
a Taxpayer: Date of Birth 08/11/1929	49a	11,854.	00	
b Spouse: Date of Birth	49b		00	
50 Negative amount of federal taxable income	50		00	
51 Subsistence Allowance ____ days @ $8.00	51		00	
52 Dependents under the age of 6 years on December 31 of the tax year. Date of Birth ____ Social security number ____ Date of Birth ____ Social security number ____	52		00	
53 Other subtractions. (See instructions)	53		00	
54 TOTAL SUBTRACTIONS – add lines 38 through 53 and enter the total here and on line 4				54 34,991. 00

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Your Signature	Date	Spouse's Signature (if jointly, BOTH must sign)

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes [X] No [ ]

Preparer's Printed Name: DARRELL I HARDY CPA

If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Paid Preparer's Use Only

Prepared by ____ Date ____

Preparer's Name and Address: Financial and Accounting Services Inc.
PO BOX 593
ANDERSON SC 29622

EI Number: 58-2279762
Phone Number: (864) 226-5109

ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN ONLY IF you have income and/or (loss) on federal Schedules C, D, E, F or filed a SC Schedule NR, SC1040TC, I-319 or I-335.

MAIL RETURN TO THE PROPER ADDRESS

REFUNDS OR ZERO TAX:
SC1040 PROCESSING CENTER
P.O. BOX 101100
COLUMBIA SC 29211-0100

BALANCE DUE:
TAXABLE PROCESSING CENTER
P.O. BOX 101105
COLUMBIA SC 29211-0105

SCIA0112 12/18/09

30752018

Department of the Treasury — Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return 2010

(99) IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2010, or other tax year beginning , 2010, ending , 20

OMB No. 1545-0074

Name, Address, and SSN

See separate instructions.

Your first name	MI	Last name	Your social security number
HELEN	D	WHITFIELD	251-40-9171
If a joint return, spouse's first name	MI	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

City, town or post office. If you have a foreign address, see instructions. State ZIP code

ANDERSON SC 29624

Make sure the SSN(s) above and on line 6c are correct.

Checking a box below will not change your tax or refund.

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want $3 to go to this fund? ► ☐ You ☐ Spouse

Filing Status

Check only one box.

1 [X] Single

2 [ ] Married filing jointly (even if only one had income)

3 [ ] Married filing separately. Enter spouse's SSN above & full name here ►

4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ►

5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a

b [ ] **Spouse**

Boxes checked on 6a and 6b .. 1

No. of children on 6c who:
- lived with you
- did not live with you due to divorce or separation (see instrs)

Dependents on 6c not entered above

Add numbers on lines above ► 1

c **Dependents:**

(1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ... ►☐

d Total number of exemptions claimed

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2			7	
8a	**Taxable** interest. Attach Schedule B if required			8a	76,495.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b			
9a	Ordinary dividends. Attach Schedule B if required			9a	
b	Qualified dividends	9b			
10	Taxable refunds, credits, or offsets of state and local income taxes			10	0.
11	Alimony received			11	
12	Business income or (loss). Attach Schedule C or C-EZ			12	-9,487.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ► ☐			13	
14	Other gains or (losses). Attach Form 4797			14	
15a	IRA distributions	15a	b Taxable amount	15b	
16a	Pensions and annuities	16a	b Taxable amount	16b	3,249.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			17	5,097.
18	Farm income or (loss). Attach Schedule F			18	
19	Unemployment compensation			19	
20a	Social security benefits	20a 17,394.	b Taxable amount	20b	14,785.
21	Other income			21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ►			22	90,139.

Adjusted Gross Income

23	Educator expenses	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ►	31a		
32	IRA deduction	32		
33	Student loan interest deduction	33		
34	Tuition and fees. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 - 31a and 32 - 35		36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ►		37	90,139.

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	90,139.
	39a	Check if: [X] You were born before January 2, 1946, [ ] Blind. [ ] Spouse was born before January 2, 1946, [ ] Blind. Total boxes checked ► 39a 1		
	b	If your spouse itemizes on a separate return, or you were a dual-status alien, check here ► 39b [ ]		
	40	Itemized deductions (from Schedule A) or your standard deduction (see instructions)	40	7,100.
	41	Subtract line 40 from line 38	41	83,039.
	42	**Exemptions.** Multiply $3,650 by the number on line 6d	42	3,650.
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	79,389.
	44	**Tax** (see instrs). Check if any tax is from: a [ ] Form(s) 8814 b [ ] Form 4972	44	16,025.
	45	**Alternative minimum tax** (see instructions). Attach Form 6251	45	
	46	Add lines 44 and 45 ►	46	16,025.
	47	Foreign tax credit. Attach Form 1116 if required — 47		
	48	Credit for child and dependent care expenses. Attach Form 2441 — 48		
	49	Education credits from Form 8863, line 23 — 49		
	50	Retirement savings contributions credit. Attach Form 8880 — 50		
	51	Child tax credit (see instructions) — 51		
	52	Residential energy credits. Attach Form 5695 — 52: 984.		
	53	Other crs from Form: a [ ] 3800 b [ ] 8801 c [ ] — 53		
	54	Add lines 47 through 53. These are your **total credits**	54	984.
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- ►	55	15,041.
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	
	57	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	59a	[ ] Form(s) W-2, box 9 b [ ] Schedule H c [ ] Form 5405, line 16	59	
	60	Add lines 55-59. This is your **total tax** ►	60	15,041.
Payments	61	Federal income tax withheld from Forms W-2 and 1099 — 61: 325.		
	62	2010 estimated tax payments and amount applied from 2009 return — 62: 12,200.		
If you have a qualifying child, attach Schedule EIC.	63	Making work pay credit. Attach Schedule M — 63: 0.		
	64a	**Earned income credit (EIC)** — 64a		
	b	Nontaxable combat pay election ► 64b		
	65	Additional child tax credit. Attach Form 8812 — 65		
	66	American opportunity credit from Form 8863, line 14 — 66		
	67	First-time homebuyer credit from Form 5405, line 10 — 67		
	68	Amount paid with request for extension to file — 68		
	69	Excess social security and tier 1 RRTA tax withheld — 69		
	70	Credit for federal tax on fuels. Attach Form 4136 — 70		
	71	Credits from Form: a [ ] 2439 b [ ] 8839 c [ ] 8801 d [ ] 8885 — 71		
	72	Add lns 61-63, 64a, & 65-71. These are your **total pmts** ►	72	12,525.
Refund	73	If line 72 is more than line 60, subtract line 60 from line 72. This is the amount you **overpaid**	73	
	74a	Amount of line 73 you want **refunded to you.** If Form 8888 is attached, check here ► [ ]	74a	
Direct deposit? See instructions.	b	► Routing number XXXXXXXXX ► c Type: [ ] Checking [ ] Savings		
	d	► Account number XXXXXXXXXXXXXXXXX		
	75	Amount of line 73 you want **applied to your 2011 estimated tax** ► 75		
Amount You Owe	76	Amount you owe. Subtract line 72 from line 60. For details on how to pay see instructions ►	76	2,516.
	77	Estimated tax penalty (see instructions) — 77		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] **Yes.** Complete below. [ ] **No**

Designee's name ► DARRELL I. HARDY Phone no. ► (864) 226-5109 Personal identification number (PIN) ► 54321

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions.

Your signature	Date	Your occupation	Daytime phone number
		RETIRED	(864) 224-3770

Keep a copy for your records.

Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation

Paid Preparer's Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
DARRELL I. HARDY	DARRELL I. HARDY			P01086036

Firm's name ► FINANCIAL AND ACCOUNTING SERVICES INC

Firm's address ► PO BOX 593, ANDERSON SC 29622-0593

Firm's EIN ► 57-2279762

Phone no. (864) 226-5109

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040. ► See Instructions.

OMB No. 1545-0074

2010

Attachment Sequence No. 08

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

	1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		Amount
	JESSICA LOWE		407.
	CAROLINA FIRST		108.
	CAROLINA FIRST BANK		4.
	PAUL CROMER INC		37,013.
	THE PALMETTO BANK		12,221.
	THE PEOPLES BANK		50.
	COMMUNITY FIRST BANK	1	4,656.
	CHARLES H WHITFIELD FAMILY TRUST		22,036.
2	Add the amounts on line 1	2	76,495.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	76,495.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

	5 List name of payer ... ►		Amount
		5	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

	You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.	Yes	No
7a	At any time during 2010, did you 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 instructions for exceptions and filing requirements for Form TD F 90-22.1		X
b	If 'Yes,' enter the name of the foreign country .. ►		
8	During 2010, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► Partnerships, joint ventures, etc, generally must file Form 1065 or 1065-B.
► Attach to Form 1040, 1040NR, or 1041. ► See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074

2010

Attachment Sequence No. 09

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions): AUTO SALES	**B** Enter code from instructions ► 441120
C Business name. If no separate business name, leave blank.	**D** Employer ID number (EIN), if any

E Business address (including suite or room no.) ► 2833 W. WHITNER STREET
City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2010? If 'No,' see instructions for limit on losses .... [X] Yes [ ] No

H If you started or acquired this business during 2010, check here .... ► [ ]

Part I Income

1	Gross receipts or sales. **Caution.** See instructions and check the box if: • This income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked, or • You are a member of a qualified joint venture reporting only rental real estate income not subject to self-employment tax. Also see instructions for limit on losses .... ► [ ]	1	17,400.
2	Returns and allowances	2	
3	Subtract line 2 from line 1	3	17,400.
4	Cost of goods sold (from line 42 on page 2)	4	26,287.
5	**Gross profit.** Subtract line 4 from line 3	5	-8,887.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-8,887.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8	Advertising	8		18	Office expense	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc)	16a		a	Travel	24a	
b	Other	16b		b	Deductible meals and entertainment (see instructions)	24b	
17	Legal & professional services	17	600.	25	Utilities	25	
				26	Wages (less employment credits)	26	
				27	Other expenses (from line 48 on page 2)	27	

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27 ►	28	600.
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-9,487.
30	Expenses for business use of your home. Attach **Form 8829**	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12,** and **Schedule SE, line 2** or on **Form 1040NR, line 13** (if you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	-9,487.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** and **Schedule SE, line 2,** or on **Form 1040NR, line 13** (if you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on **Form 1041, line 3.**

32a [X] All investment is at risk.

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32b [ ] Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☒ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation ☐ Yes ☒ No

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	188,573.
36	Purchases less cost of items withdrawn for personal use	36	
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs	39	2,789.
40	Add lines 35 through 39	40	191,362.
41	Inventory at end of year	41	165,075.
42	**Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on page 1, line 4	42	26,287.

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ►_____.

44 Of the total number of miles you drove your vehicle during 2010, enter the number of miles you used your vehicle for:
a Business _____ b Commuting (see instructions) _____ c Other _____

45 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

47a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If 'Yes,' is the evidence written? ☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

48	**Total other expenses.** Enter here and on page 1, line 27	48

FDIZ0112 12/27/10

Name(s) shown on return. Do not enter name and social security number if shown on Page 1. | Your social security number

HELEN D WHITFIELD | 251-40-9171

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column **(e)** on line 28 and attach **Form 6198.** See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No

If you answered 'Yes,' see instructions before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A			☐		☐
B			☐		☐
C			☐		☐
D			☐		☐

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A					
B					
C					
D					
29a Totals					
b Totals					

30	Add columns (g) and (j) of line 29a	30	
31	Add columns (f), (h), and (i) of line 29b	31	
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer ID no.
A	CHARLES H WHITFIELD FAMILY TRUST	26-6776290
B	PYA	26-6776290

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A		5,669.		
B	572.			
34a Totals		5,669.		
b Totals	572.			

35	Add columns (d) and (f) of line 34a	35	5,669.
36	Add columns (c) and (e) of line 34b	36	-572.
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	5,097.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835.** Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ►	41	5,097.
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see instructions)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

Form **5695**

Department of the Treasury
Internal Revenue Service

Residential Energy Credits

► See instructions.
► Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2010

Attachment Sequence No. 158

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Nonbusiness Energy Property Credit (See instructions before completing this part.)

1	Were the qualified energy efficiency improvements or residential energy property costs for your main home located in the United States? (see instructions) ►	1	[X] Yes [ ] No
	Caution: *If you checked the 'No' box, you cannot claim the nonbusiness energy property credit. Do not complete Part I.*		
2	Qualified energy efficiency improvements (see instructions).		
a	Insulation material or system specifically and primarily designed to reduce the heat loss or gain of your home	2a	
b	Exterior windows (including certain storm windows) and skylights	2b	
c	Exterior doors (including certain storm doors)	2c	
d	Metal roof with appropriate pigmented coatings or asphalt roof with appropriate cooling granules that are specifically and primarily designed to reduce the heat gain of your home, and the roof meets or exceeds the Energy Star program requirements in effect at the time of purchase or installation	2d	
3	Residential energy property costs (see instructions).		
a	Energy-efficient building property	3a	
b	Qualified natural gas, propane, or oil furnace or hot water boiler	3b	3,280.
c	Advanced main air circulating fan used in a natural gas, propane, or oil furnace	3c	
4	Add lines 2a through 3c	4	3,280.
5	Multiply line 4 by 30% (.30)	5	984.
6	Maximum credit amount. (If you jointly occupied the home, see instructions)	6	1,500.
7	Enter the amount, if any, from your 2009 Form 5695, line 11. Otherwise enter -0-	7	0.
8	Subtract line 7 from line 6	8	1,500.
9	Enter the smaller of line 5 or line 8	9	984.
10	Limitation based on tax liability. Enter the amount from the Credit Limit Worksheet (see instructions)	10	16,025.
11	**Nonbusiness energy property credit.** Enter the smaller of line 9 or line 10. Also include this amount on Form 1040, line 52, or Form 1040NR, line 49	11	984.

Part II Residential Energy Efficient Property Credit (See instructions before completing this part.)

Note. *Skip lines 12 through 21 if you only have a* ***credit carryforward from 2009.***

12	Qualified solar electric property costs		12	
13	Qualified solar water heating property costs		13	
14	Qualified small wind energy property costs		14	
15	Qualified geothermal heat pump property costs		15	
16	Add lines 12 through 15		16	
17	Multiply line 16 by 30% (.30)		17	
18	Qualified fuel cell property costs	18		
19	Multiply line 18 by 30% (.30)	19		
20	Kilowatt capacity of property on line 18 above ► _____ X $1,000	20		
21	Enter the smaller of line 19 or line 20		21	
22	Credit carryforward from 2009. Enter the amount, if any, from your 2009 Form 5695, line 28		22	
23	Add lines 17, 21, and 22		23	
24	Enter the amount from Form 1040, line 46, or Form 1040NR, line 44	24		
25	**1040 filers:** Enter the total, if any, of your credits from Form 1040, lines 47 through 50; line 11 of this form; line 12 of the Line 11 worksheet in Pub 972 (see instructions); Form 8396, line 9; Form 8859, line 3; Form 8834, line 22; Form 8910, line 21; Form 8936, line 14; and Schedule R, line 22. **1040NR filers:** Enter the amount, if any, from Form 1040NR, lines 45 through 47; line 11 of this form; line 12 of the Line 11 worksheet in Pub 972 (see instructions); Form 8396, line 9; Form 8859, line 3; Form 8834, line 22; Form 8910, line 21; and Form 8936, line 14.	25		
26	Subtract line 25 from line 24. If zero or less, enter -0- here and on line 27		26	
27	**Residential energy efficient property credit.** Enter the smaller of line 23 or line 26. Also include this amount on Form 1040, line 52, or Form 1040NR, line 49		27	
28	Credit carryforward to 2011. If line 27 is less than line 23, subtract line 27 from line 23	28		

Form **5695** (2010)

Department of the Treasury — Internal Revenue Service

Form 1041 U.S. Income Tax Return for Estates and Trusts 2011

OMB No. 1545-0092

A Check all that apply:
- [ ] Decedent's estate
- [X] Simple trust
- [ ] Complex trust
- [ ] Qualified disability trust
- [ ] ESBT (S portion only)
- [ ] Grantor type trust
- [ ] Bankruptcy estate — Chapter 7
- [ ] Bankruptcy estate — Chapter 11
- [ ] Pooled income fund

For calendar year 2011 or fiscal year beginning , 2011 and ending ,

Name of estate or trust (If a grantor type trust, see instructions.)
CHARLES H WHITFIELD FAMILY TRUST

Name and title of fiduciary
HELEN D WHITFIELD

Number, street, and room or suite number (If a P.O. box, see the instructions.)
2833 W WHITNER STREET

City or town, state, and ZIP code
ANDERSON SC 29626

C Employer identification number
26-6776290

D Date entity created
01/01/09

E Nonexempt charitable and split-interest trusts, check applicable box(es), see instr:
- [X] Described in section 4947(a)(1). Check here if not a private foundation . . ▶ [ ]
- [ ] Described in section 4947(a)(2)

B Number of Schs K-1 attached (see instructions) . . . ▶ 1

F Check applicable boxes: [ ] Initial return [ ] Final return [ ] Amended return [ ] Change in trust's name [ ] Change in fiduciary [ ] Change in fiduciary's name [ ] Change in fiduciary's address

G Check here if the estate or filing trust made a section 645 election . . . . . ▶ [ ]

Income	1	Interest income	1	6,202.
	2a	Total ordinary dividends	2a	
	b	Qualified dividends allocable to: (1) Beneficiaries _____ (2) Estate/trust _____		
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3	
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	7,407.
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6	
	7	Ordinary gain or (loss). Attach Form 4797	7	
	8	Other income. List type and amount _____	8	
	9	**Total income.** Combine lines 1, 2a, and 3 through 8 ▶	9	13,609.
Deductions	10	Interest. Check if Form 4952 is attached ▶ [ ]	10	
	11	Taxes	11	313.
	12	Fiduciary fees	12	
	13	Charitable deduction (from Schedule A, line 7)	13	
	14	Attorney, accountant, and return preparer fees	14	675.
	15a	Other deductions **not** subject to the 2% floor (attach schedule)	15a	
	b	Allowable miscellaneous itemized deductions subject to the 2% floor	15b	
	16	Add lines 10 through 15b ▶	16	988.
	17	Adjusted total income or (loss). Subtract line 16 from line 9	17	12,621.
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	12,621.
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19	
	20	Exemption	20	300.
	21	Add lines 18 through 20 ▶	21	12,921.
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22	-300.
	23	**Total tax** (from Schedule G, line 7)	23	0.
	24	**Payments:** a 2011 estimated tax payments and amount applied from 2010 return	24a	
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	24b	
	c	Subtract line 24b from line 24a	24c	
	d	Tax paid with Form 7004 (see instructions)	24d	
	e	Federal income tax withheld. If any is from Form(s) 1099, check ▶ [ ]	24e	
		Other payments: f Form 2439 _____; g Form 4136 _____; Total ▶	24h	
	25	**Total payments.** Add lines 24c through 24e, and 24h ▶	25	
	26	Estimated tax penalty (see instructions)	26	
	27	**Tax due.** If line 25 is smaller than the total of lines 23 and 26, enter amount owed	27	0.
	28	**Overpayment.** If line 25 is larger than the total of lines 23 and 26, enter amount overpaid	28	
	29	Amount of line 28 to be: **a Credited to 2012 estimated tax** ▶ **; b Refunded** ▶	29	

DO NOT FILE

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

▶ _____ 04/14/12 ▶
Signature of fiduciary or officer representing fiduciary — Date — EIN of fiduciary if a financial institution

May the IRS discuss this return with the preparer shown below (see instrs)? [X] Yes [ ] No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
DARRELL I. HARDY	DARRELL I. HARDY	04/14/12		P01086036

Firm's name ▶ FINANCIAL AND ACCOUNTING SERVICES INC — Firm's EIN ▶ 57-2279762

Firm's address ▶ PO BOX 593, ANDERSON SC 29622-0593 — Phone no. (864) 226-5109

BAA For Paperwork Reduction Act Notice, see the separate instructions. FIFA0112 01/06/12 Form 1041 (2011)

Schedule A Charitable Deduction. Do not complete for a simple trust or a pooled income fund.

1	Amounts paid or permanently set aside for charitable purposes from gross income (see instructions)	1	
2	Tax-exempt income allocable to charitable contributions (see instructions)	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes (see instructions)	6	
7	**Charitable deduction.** Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction

1	Adjusted total income (see instructions)	1	12,621.
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 15, column (1) (see instructions)	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1 (see instructions)	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	**Distributable net income.** Combine lines 1 through 6. If zero or less, enter -0-	7	12,621.
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law — 8		
9	Income required to be distributed currently	9	12,621.
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	12,621.
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	12,621.
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	12,621.
15	**Income distribution deduction.** Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	12,621.

Schedule G Tax Computation (see instructions)

1	**Tax:** a Tax on taxable income (see instructions)	1a		
	b Tax on lump-sum distributions. Attach Form 4972	1b		
	c Alternative minimum tax (from Schedule I (Form 1041), line 56)	1c	0.	
	d **Total.** Add lines 1a through 1c			1d 0.
2a	Foreign tax credit. Attach Form 1116	2a		
b	General business credit. Attach Form 3800	2b		
c	Credit for prior year minimum tax. Attach Form 8801	2c		
d	Bond credits. Attach Form 8912	2d		
3	**Total credits.** Add lines 2a through 2d			3
4	Subtract line 3 from line 1d. If zero or less, enter -0-			4 0.
5	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611			5
6	Household employment taxes. Attach Schedule H (Form 1040)			6
7	**Total tax.** Add lines 4 through 6. Enter here and on page 1, line 23			7 0.

Other Information

		Yes	No
1	Did the estate or trust receive tax-exempt income? If 'Yes,' attach a computation of the allocation of expenses		X
	Enter the amount of tax-exempt interest income and exempt-interest dividends ► $		
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		X
3	At any time during the calendar year 2011, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►		
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the estate or trust may have to file Form 3520. See instructions		X
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If 'Yes,' see instructions for required attachment		X
6	If this is an estate or a complex trust making the section 663(b) election, check here (see instructions) ► ☐		
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here (see instructions) ► ☐		
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ► ☐		
9	Are any present or future trust beneficiaries skip persons? See instructions		X

DO NOT FILE

SCHEDULE I
(Form 1041)
Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax – Estates and Trusts

► Attach to Form 1041. See the separate instructions for Schedule I (Form 1041).

OMB No. 1545-0092

2011

Name of estate or trust: CHARLES H WHITFIELD FAMILY TRUST

Employer identification number: 26-6776290

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

1	Adjusted total income or (loss) (from Form 1041, line 17)		1	12,621.
2	Interest		2	
3	Taxes		3	313.
4	Miscellaneous itemized deductions (from Form 1041, line 15b)		4	
5	Refund of taxes		5	
6	Depletion (difference between regular tax and AMT)		6	
7	Net operating loss deduction. Enter as a positive amount		7	
8	Interest from specified private activity bonds exempt from the regular tax		8	
9	Qualified small business stock (see instructions)		9	
10	Exercise of incentive stock options (excess of AMT income over regular tax income)		10	
11	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)		11	
12	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)		12	
13	Disposition of property (difference between AMT and regular tax gain or loss)		13	
14	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)		14	
15	Passive activities (difference between AMT and regular tax income or loss)		15	
16	Loss limitations (difference between AMT and regular tax income or loss)		16	
17	Circulation costs (difference between regular tax and AMT)		17	
18	Long-term contracts (difference between AMT and regular tax income)		18	
19	Mining costs (difference between regular tax and AMT)		19	
20	Research and experimental costs (difference between regular tax and AMT)		20	
21	Income from certain installment sales before January 1, 1987		21	
22	Intangible drilling costs preference		22	
23	Other adjustments, including income-based related adjustments		23	
24	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)		24	
25	Adjusted alternative minimum taxable income. Combine lines 1 through 24		25	12,934.
	Note: *Complete Part II below before going to line 26.*			
26	Income distribution deduction from Part II, line 44	26 12,621.		
27	Estate tax deduction (from Form 1041, line 19)	27		
28	Add lines 26 and 27		28	12,621.
29	Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25		29	313.

If line 29 is:

- $22,500 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust is not liable for the alternative minimum tax.
- Over $22,500, but less than $165,000, go to line 45.
- $165,000 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis

30	Adjusted alternative minimum taxable income (see instructions)	30	12,934.
31	Adjusted tax-exempt interest (other than amounts included on line 8)	31	
32	Total net gain from Schedule D (Form 1041), line 16, column (1). If a loss, enter -0-	32	
33	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)	33	
34	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)	34	
35	Capital gains computed on a minimum tax basis included on line 25	35	
36	Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount	36	
37	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0-	37	12,934.
38	Income required to be distributed currently (from Form 1041, Schedule B, line 9)	38	12,621.
39	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)	39	
40	Total distributions. Add lines 38 and 39	40	12,621.
41	Tax-exempt income included on line 40 (other than amounts included on line 8)	41	
42	Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40	42	12,621.

DO NOT FILE

Part II Income Distribution Deduction on a Minimum Tax Basis *(continued)*

43	Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0-		43	12,934.
44	**Income distribution deduction on a minimum tax basis.** Enter the smaller of line 42 or line 43. Enter here and on line 26		44	12,621.

Part III Alternative Minimum Tax

45	Exemption amount		45	$22,500.
46	Enter the amount from line 29	46		
47	Phase-out of exemption amount	47	$75,000.	
48	Subtract line 47 from line 46. If zero or less, enter -0-	48		
49	Multiply line 48 by 25% (.25)		49	
50	Subtract line 49 from line 45. If zero or less, enter -0-		50	
51	Subtract line 50 from line 46		51	
52	Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 14a and 15 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is – • $175,000 or less, multiply line 51 by 26% (.26). • Over $175,000, multiply line 51 by 28% (.28) and subtract $3,500 from the result		52	
53	Alternative minimum foreign tax credit (see instructions)		53	
54	Tentative minimum tax. Subtract line 53 from line 52		54	
55	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)		55	
56	**Alternative minimum tax.** Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c		56	

Part IV Line 52 Computation Using Maximum Capital Gains Rates

Caution: *If you did not complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet, see the instructions before completing this part.*

57	Enter the amount from line 51		57	
58	Enter the amount from Schedule D (Form 1041), line 22, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet, whichever applies (as refigured for the AMT, if necessary)	58		
59	Enter the amount from Schedule D (Form 1041), line 14b, column (2) (as refigured for the AMT, if necessary). If you did not complete Schedule D for the regular tax or the AMT, enter -0-	59		
60	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the **smaller** of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	60		
61	Enter the **smaller** of line 57 or line 60		61	
62	Subtract line 61 from line 57		62	
63	If line 62 is $175,000 or less, multiply line 62 by 26% (.26). Otherwise, multiply line 62 by 28% (.28) and subtract $3,500 from the result ►		63	
64	Maximum amount subject to the 0% rate	64	$2,300.	
65	Enter the amount from line 23 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as figured for the regular tax). If you did not complete Schedule D or either worksheet for the regular tax, enter -0-	65		
66	Subtract line 65 from line 64. If zero or less, enter -0-	66		
67	Enter the **smaller** of line 57 or line 58	67		
68	Enter the **smaller** of line 66 or line 67	68		
69	Subtract line 68 from line 67	69		
70	Multiply line 69 by 15% (.15) ►		70	
	If line 59 is zero or blank, skip lines 71 and 72 and go to line 73. Otherwise, go to line 71.			
71	Subtract line 67 from line 61	71		
72	Multiply line 71 by 25% (.25) ►		72	
73	Add lines 63, 70, and 72		73	
74	If line 57 is $175,000 or less, multiply line 57 by 26% (.26). Otherwise, multiply line 57 by 28% (.28) and subtract $3,500 from the result		74	
75	Enter the **smaller** of line 73 or line 74 here and on line 52		75	

DO NOT FILE

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See separate instructions.

OMB No. 1545-0074

2011

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

A Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If 'Yes,' did you or will you file all required Forms 1099? ☐ Yes ☐ No

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

Caution. For each rental property listed on line 1, check the box in the last column only if you owned that property as a member of a qualified joint venture (QJV) reporting income not subject to self-employment tax.

1	Physical address of each property — street, city, state, zip	Type — from list below	2 For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.	Fair Rental Days	Personal use Days	QJV
A	1.66 ACRES, LOTS 9,30,31,8-W WHITNER ST ANDERSON SC 29624	4	A			
B	LOTS 32&33 CHAPEL AVENUE ANDERSON SC 29621	5	B			
C	LOTS 12,37&39-50%-2300 W WHITNER ANDERSON SC 29624	4	C			

Type of Property:
1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:		Properties A	B	C
3a Merchant card and third party payments. For 2011, enter -0-	3a	0.	0.	0.
b Payments not reported to you on line 3a	3b			
4 Total not including amounts on line 3a that are not income (see instructions)	4	10,500.	450.	6,450.
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			1,100.
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc (see instructions)	12			
13 Other interest	13			
14 Repairs	14			2,471.
15 Supplies	15			
16 Taxes	16	3,827.	206.	760.
17 Utilities	17		2,604.	645.
18 Depreciation expense or depletion	18	0.		0.
19 Other (list) ► * STMT	19			3,462.
20 Total expenses. Add lines 5 through 19	20	3,827.	2,810.	8,438.
21 Subtract line 20 from line 4. If result is a (loss), see instructions to find out if you must file Form 6198	21	6,673.	-2,360.	-1,988.
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22		-2,360.	-1,988.

23a Total of all amounts reported on line 3a for all rental properties	23a	0.	
b Total of all amounts reported on line 3a for all royalty properties	23b		
c Total of all amounts reported on line 4 for all rental properties	23c	25,200.	
d Total of all amounts reported on line 4 for all royalty properties	23d		
e Total of all amounts reported on line 12 for all properties	23e		
f Total of all amounts reported on line 18 for all properties	23f	0.	
g Total of all amounts reported on line 20 for all properties	23g	17,793.	
24 **Income.** Add positive amounts shown on line 21. **Do not** include any losses	24		11,755.
25 **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25		-4,348.
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		7,407.

DO NOT FILE

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► See separate instructions.

OMB No. 1545-0074

2011

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

A Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If 'Yes,' did you or will you file all required Forms 1099? ☐ Yes ☐ No

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

Caution. For each rental property listed on line 1, check the box in the last column only if you owned that property as a member of a qualified joint venture (QJV) reporting income not subject to self-employment tax.

	1 Physical address of each property – street, city, state, zip	Type – from list below	2 For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.	Fair Rental Days	Personal use Days	QJV
A	840 BLECKLEY ST-50% ANDERSON SC 29624	4	A			
B	2848 SUNSET FOREST ANDERSON SC 29626	1	B			
C	FORBES DRIVE-50% SANDY SPRINGS SC 29670	4	C			

Type of Property:
1 Single Family Residence 2 Multi-Family Residence 3 Vacation/Short-Term Rental 4 Commercial 5 Land 6 Royalties 7 Self-Rental 8 Other (describe)

Income:		Properties A	B	C
3a Merchant card and third party payments. For 2011, enter -0-	3a	0.	0.	0.
b Payments not reported to you on line 3a	3b			
4 Total not including amounts on line 3a that are not income (see instructions)	4	1,350.	3,600.	2,400.
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7		500.	
8 Commissions	8			
9 Insurance	9		190.	
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc (see instructions)	12			
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16	311.	564.	1,061.
17 Utilities	17			
18 Depreciation expense or depletion	18	0.	0.	0.
19 Other (list) ►	19			
20 Total expenses. Add lines 5 through 19	20	311.	1,254.	1,061.
21 Subtract line 20 from line 4. If result is a (loss), see instructions to find out if you must file Form 6198	21	1,039.	2,346.	1,339.
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22			

23a Total of all amounts reported on line 3a for all rental properties	23a		
b Total of all amounts reported on line 3a for all royalty properties	23b		
c Total of all amounts reported on line 4 for all rental properties	23c		
d Total of all amounts reported on line 4 for all royalty properties	23d		
e Total of all amounts reported on line 12 for all properties	23e		
f Total of all amounts reported on line 18 for all properties	23f		
g Total of all amounts reported on line 20 for all properties	23g		
24 **Income.** Add positive amounts shown on line 21. **Do not** include any losses	24		
25 **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25		
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		

DO NOT FILE

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► **Attach to Form 1040, 1040NR, or Form 1041.**
► **See separate instructions.**

OMB No. 1545-0074

2011

Attachment Sequence No. **13**

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

A Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If 'Yes,' did you or will you file all required Forms 1099? ☐ Yes ☐ No

Part I Income or Loss From Rental Real Estate and Royalties

Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

Caution. For each rental property listed on line 1, check the box in the last column only if you owned that property as a member of a qualified joint venture (QJV) reporting income not subject to self-employment tax.

	1 Physical address of each property — street, city, state, zip	Type — from list below	2 For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.	Fair Rental Days	Personal use Days	QJV
A			A			
B	LOTS 32&33 CHAPEL AVE ANDERSON SC	1	B			
C			C			

Type of Property:
1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:		Properties A	B	C
3a Merchant card and third party payments. For 2011, enter -0-	3a		0.	
b Payments not reported to you on line 3a	3b			
4 Total not including amounts on line 3a that are not income (see instructions)	4		450.	
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc (see instructions)	12			
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16		92.	
17 Utilities	17			
18 Depreciation expense or depletion	18		0.	
19 Other (list) ►	19			
20 Total expenses. Add lines 5 through 19	20		92.	
21 Subtract line 20 from line 4. If result is a (loss), see instructions to find out if you must file **Form 6198**	21		358.	
22 Deductible rental real estate loss after limitation, if any, on **Form 8582** (see instructions)	22			

23a Total of all amounts reported on line 3a for all rental properties	23a		
b Total of all amounts reported on line 3a for all royalty properties	23b		
c Total of all amounts reported on line 4 for all rental properties	23c		
d Total of all amounts reported on line 4 for all royalty properties	23d		
e Total of all amounts reported on line 12 for all properties	23e		
f Total of all amounts reported on line 18 for all properties	23f		
g Total of all amounts reported on line 20 for all properties	23g		
24 **Income.** Add positive amounts shown on line 21. **Do not** include any losses	24		
25 **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25		
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		

DO NOT FILE

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

► See separate instructions.
► Attach to Form 1040 or Form 1041.

OMB No. 1545-1008

2011

Attachment Sequence No. **88**

Name(s) shown on return

CHARLES H WHITFIELD FAMILY TRUST

Identifying number

26-6776290

Part I 2011 Passive Activity Loss

Caution: *Complete Worksheets 1, 2, and 3 before completing Part I.*

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b		
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c		
d	Combine lines 1a, 1b, and 1c		1d	

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c	Add lines 2a and 2b		2c	

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a	11,755.	
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	-4,348.	
c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d	Combine lines 3a, 3b, and 3c		3d	7,407.

4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used ..... 4 7,407.

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: *If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.*

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: *Enter all numbers in Part II as positive amounts. See the instructions for an example.*

5	Enter the **smaller** of the loss on line 1d or the loss on line 4		5	
6	Enter $150,000. If married filing separately, see the instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instructions)	7		
	Note: *If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.*			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (.5). **Do not** enter more than $25,000. If married filing separately, see instructions		9	
10	Enter the **smaller** of line 5 or line 9		10	0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: *Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.*

11	Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12	Enter the loss from line 4	12	
13	Reduce line 12 by the amount on line 10	13	
14	Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15	
16	**Total losses allowed from all passive activities for 2011.** Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	

DO NOT FILE

Schedule K-1 (Form 1041)
Department of the Treasury
Internal Revenue Service

2011

For calendar year 2011,
or tax year beginning _____, 2011
and ending _____, _____

☐ Final K-1 ☐ Amended K-1 OMB No. 1545-0092

Beneficiary's Share of Income, Deductions, Credits, etc.

► See separate instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

26-6776290

B Estate's or trust's name

CHARLES H WHITFIELD FAMILY TRUST

C Fiduciary's name, address, city, state, and ZIP code

HELEN D WHITFIELD
2833 W WHITNER STREET
ANDERSON SC 29626

D ☐ Check if Form 1041-T was filed and enter the date it was filed .....

E ☐ Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

251-40-9171

G Beneficiary's name, address, city, state, and ZIP code

HELEN D WHITFIELD

2833 W WHITNER STREET

ANDERSON SC 29626-1034

H ☒ Domestic beneficiary ☐ Foreign beneficiary

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

1	Interest income 5,751.	11	Final year deductions
2a	Ordinary dividends		
2b	Qualified dividends		
3	Net short-term capital gain		
4a	Net long-term capital gain		
4b	28% rate gain	12	Alternative minimum tax adjustment A 0.
4c	Unrecaptured section 1250 gain		
5	Other portfolio and nonbusiness income		
6	Ordinary business income		
7	Net rental real estate income 6,870.		
8	Other rental income	13	Credits and credit recapture
9	Directly apportioned deductions A* 5,175.		
		14	Other information E 5,751.
10	Estate tax deduction		

*See attached statement for additional information.

Note. A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

FOR IRS USE ONLY

DO NOT FILE

This list identifies the codes used on Schedule K-1 for beneficiaries and provides summarized reporting information for beneficiaries who file Form 1040. For detailed reporting and filing information, see the Instructions for Beneficiary Filing Form 1040 and the instructions for your income tax return.

		Report on
1	Interest income	Form 1040, line 8a
2a	Ordinary dividends	Form 1040, line 9a
2b	Qualified dividends	Form 1040, line 9b
3	Net short-term capital gain	Schedule D, line 5
4a	Net long-term capital gain	Schedule D, line 12
4b	28% rate gain	Line 4 of the worksheet for Schedule D, line 18
4c	Unrecaptured section 1250 gain	Line 11 of the worksheet for Schedule D, line 19
5	Other portfolio and nonbusiness income	Schedule E, line 33, column (f)
6	Ordinary business income	Schedule E, line 33, column (d) or (f)
7	Net rental real estate income	Schedule E, line 33, column (d) or (f)
8	Other rental income	Schedule E, line 33, column (d) or (f)
9	Directly apportioned deductions	
	Code	
	A Depreciation	Form 8582 or Schedule E, line 33, column (c) or (e)
	B Depletion	Form 8582 or Schedule E, line 33, column (c) or (e)
	C Amortization	Form 8582 or Schedule E, line 33, column (c) or (e)
10	Estate tax deduction	Schedule A, line 28
11	Final year deductions	
	A Excess deductions	Schedule A, line 23
	B Short-term capital loss carryover	Schedule D, line 5
	C Long-term capital loss carryover	Schedule D, line 12; line 5 of the worksheet for Schedule D, line 18; and line 16 of the worksheet for Schedule D, line 19
	D Net operating loss carryover — regular tax	Form 1040, line 21
	E Net operating loss carryover — minimum tax	Form 6251, line 11

		Report on
12	Alternative minimum tax (AMT) items	
	Code	
	A Adjustment for minimum tax purposes	Form 6251, line 15
	B AMT adjustment attributable to qualified dividends	See the beneficiary's instructions and the instructions for Form 6251
	C AMT adjustment attributable to net short-term capital gain	
	D AMT adjustment attributable to net long-term capital gain	
	E AMT adjustment attributable to unrecaptured section 1250 gain	
	F AMT adjustment attributable to 28% rate gain	
	G Accelerated depreciation	
	H Depletion	
	I Amortization	
	J Exclusion items	2012 Form 8801
13	Credits and credit recapture	
	A Credit for estimated taxes	Form 1040, line 63
	B Credit for backup withholding	Form 1040, line 62
	C Low-income housing credit	See the beneficiary's instructions
	D Rehabilitation credit and energy credit	
	E Other qualifying investment credit	
	F Work opportunity credit	
	G Credit for small employer health insurance premiums	
	H Alcohol and cellulosic biofuel fuels credit	
	I Credit for increasing research activities	
	J Renewable electricity, refined coal, and Indian coal production credit	
	K Empowerment zone and renewal community employment credit	
	L Indian employment credit	
	M Orphan drug credit	
	N Credit for employer-provided child care and facilities	
	O Biodiesel and renewable diesel fuels credit	
	P Nonconventional source fuel credit	
	Q Credit to holders of tax credit bonds	
	R Agricultural chemicals security credit	
	S Energy efficient appliance credit	
	T Credit for employer differential wage payments	
	U Recapture of credits	
14	Other information	
	A Tax-exempt interest	Form 1040, line 8b
	B Foreign taxes	Form 1040, line 47 or Schedule A, line 8
	C Qualified production activities income	Form 8903, line 7, column (b) (also see the beneficiary's instructions)
	D Form W-2 wages	Form 8903, line 17
	E Net investment income	Form 4952, line 4a
	F Gross farm and fishing income	Schedule E, line 42
	G Foreign trading gross receipts (IRC 942(a))	See the instructions for Form 8873
	H Other information	See the beneficiary's instructions

Note. If you are a beneficiary who does not file a Form 1040, see instructions for the type of income tax return you are filing.

DO NOT FILE

Sch K-1, (HELEN D WHITFIELD) Attachment
Sch K-1, Supplemental Information

Box 9, Code A - Depreciation:	
Apportioned to Box 7	5,175.
Total	5,175.

DO NOT FILE

Schedule E (Schedule E, Copy 1), Page 1, Line 19
Other Expenses Statement

OFFICE EXPENSE/PHONE			3,462.
Total			3,462.

DO NOT FILE

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

FIDUCIARY INCOME TAX RETURN

SC1041
(Rev. 7/28/11)
3084

For the calendar year 2011 or Fiscal Taxable Year Beginning _____, 2011 and ending _____, 2012 **2011**

Name of Estate or Trust: CHARLES H WHITFIELD FAMILY TRUST

Name and Title of Fiduciary: Helen D Whitfield

Address of Fiduciary (Number and Street): 2833 W WHITNER STREET

City, State, ZIP Code and County: ANDERSON, SC 29626

File this Return by the 15th Day of the 4th Month after close of Taxable Year With SC DEPARTMENT OF REVENUE Fiduciary Tax Return Columbia, SC 29214-0009

FEIN: 26-6776290

DO NOT WRITE IN THIS SPACE

14-0828

ATTACH COPY OF FEDERAL FORM 1041 AND ALL ITS SCHEDULES, INCLUDING SCHEDULES K-1. Extension Requested: ☐ Yes ☐ No

A. Check whether:	B. If trust, check whether:	C. Also check if:	D. Has final distribution of assets been made during the year?
☐ Amended ☒ Simple trust ☐ Estate ☐ Complex trust ☐ Grantor Trust ☐ Electing Small Business Trust	☒ Testamentary ☐ Inter vivos	☒ Resident estate or trust ☐ Nonresident estate or trust	☐ Yes ☒ No

E. During this taxable year, was this estate or trust notified of any federal change for any prior years? ☐ YES or ☒ NO If YES, attach copy.

F. Is a federal Schedule K-1 attached for each beneficiary? ☒ YES or ☐ NO If YES, how many? _____ If NO, attach explanation.

- Does the estate or trust have any South Carolina modifications? ☐ YES or ☒ NO
- If the estate or trust has any nonresident beneficiaries, is any income from SC sources? ☐ YES or ☒ NO (or not applicable)
- Does line 22, federal Form 1041 reflect any taxable income of the fiduciary? ☐ YES or ☒ NO
- If NO to ALL three questions, do NOT complete the remainder of this form.

If a NONRESIDENT estate or trust with income from both South Carolina and Non-South Carolina sources - complete and attach Part III, page 3 of SC1041.

1. FEDERAL TAXABLE INCOME (Residents: federal Form 1041; Nonresidents: line 22, column D, Part III)		1	
2. Federal fiduciary exemption included in line 1 above		2	
3. South Carolina Modifications relating to gains allocated to principal or relating to other items not affecting federal distributable net income (attach explanation)		3	
4. Fiduciary's Share of SC Fiduciary Adjustment (from line 1i, Part II) ☐ Addition ☐ Subtraction		4	
5. NET (combine lines 1 to 4)		5	
6. South Carolina fiduciary exemption (see instructions)		6	< >
7. SOUTH CAROLINA TAXABLE INCOME (line 5 less line 6)		7	
8. SOUTH CAROLINA TAX (see instructions for tax computation schedule)	8		
9. TAX on Lump Sum Distribution (attach SC4972) and/or Active Trade or Business Income (I-335)	9		
10. Less NON-REFUNDABLE CREDITS (attach SC1040TC)	10 < >		
11. Combine lines 8 - 10 and enter the results here BUT NOT LESS THAN ZERO		11	
12. South Carolina income tax withheld for nonresident beneficiaries (From Part IV)		12	
13. TOTAL TAX (add lines 11 and 12 and enter here)		13	
14. Amount paid with request for extension and other credits	14		
15. 2011 Estimated Payments from SC1041ES (and amount applied from 2010 return)	15		
16. Total Payments (add lines 14 and 15)		16	
17. Overpayment (line 16 less line 13)		17	
18. If subject to penalty for Underpayment of Estimated Tax, attach SC2210. (see instructions)	18 Penalty		
19. Balance Due (line 13 less line 16 plus line 18, if applicable) Pay in full to SC Department of Revenue **BALANCE DUE**		19	
20. Amount of line 17 to be credited to 2012 Estimated Tax.		20	
21. Net Refund (subtract line 20 from line 17 and enter the amount to be refunded) **REFUND**		21	

Please Sign Here

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Signature of fiduciary or officer representing fiduciary | Date | FEIN of Fiduciary

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes ☐ No ☐ | Preparer's Printed Name

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ☐ | Preparer's telephone number

Firm's name (or yours if self-employed) and address | PTIN or FEIN | ZIP Code

Department of the Treasury — Internal Revenue Service (99)

Form 1040 U.S. Individual Income Tax Return 2011

OMB No. 1545-0074 | IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2011, or other tax year beginning , 2011, ending , 20 | See separate instructions.

Your first name	MI	Last name	Your social security number
HELEN	D	WHITFIELD	251-40-9171
If a joint return, spouse's first name	MI	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. | Apartment no.

2833 W. WHITNER STREET

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office. If you have a foreign address, also complete spaces below (see instructions). | State | ZIP code

ANDERSON | SC | 29624

Foreign country name | Foreign province/county | Foreign postal code

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want $3 to go to this fund? Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status

Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here . ►
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here . ►
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ... ► ☐

d Total number of exemptions claimed

Boxes checked on 6a and 6b . . 1
No. of children on 6c who:
• lived with you . . . . .
• did not live with you due to divorce or separation (see instrs) . . .
Dependents on 6c not entered above .
Add numbers on lines above . . . . ► 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	44,560.
b	**Tax-exempt** interest. **Do not** include on line 8a	8b		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes		10	
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	-13,845.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, check here ► ☐		13	
14	Other gains or (losses). Attach Form 4797		14	
15a	IRA distributions 15a	b Taxable amount	15b	
16a	Pensions and annuities 16a	b Taxable amount	16b	3,249.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	1,695.
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20a	Social security benefits 20a 17,394.	b Taxable amount	20b	13,178.
21	Other income		21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ►		22	48,837.

Adjusted Gross Income

23	Educator expenses	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	Deductible part of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction	29		
30	Penalty on early withdrawal of savings	30	147.	
31a	Alimony paid b Recipient's SSN ►	31a		
32	IRA deduction	32		
33	Student loan interest deduction	33		
34	Tuition and fees. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 35		36	147.
37	Subtract line 36 from line 22. This is your **adjusted gross income** ►		37	48,690.

DO NOT FILE

Tax and Credits

38	Amount from line 37 (adjusted gross income)	38	48,690.
39a	Check if: [X] You were born before January 2, 1947, [ ] Blind. [ ] Spouse was born before January 2, 1947, [ ] Blind. Total boxes checked ► 39a 1		
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ► 39b [ ]		
40	Itemized deductions (from Schedule A) or your standard deduction (see instructions)	40	9,187.
41	Subtract line 40 from line 38	41	39,503.
42	Exemptions. Multiply $3,700 by the number on line 6d	42	3,700.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	35,803.
44	Tax (see instrs). Check if any from: a [ ] Form(s) 8814 b [ ] Form 4972 c [ ] 962 election	44	5,081.
45	Alternative minimum tax (see instructions). Attach Form 6251	45	
46	Add lines 44 and 45 ►	46	5,081.
47	Foreign tax credit. Attach Form 1116 if required — 47		
48	Credit for child and dependent care expenses. Attach Form 2441 — 48		
49	Education credits from Form 8863, line 23 — 49		
50	Retirement savings contributions credit. Attach Form 8880 — 50		
51	Child tax credit (see instructions) — 51		
52	Residential energy credits. Attach Form 5695 — 52		
53	Other crs from Form: a [ ] 3800 b [ ] 8801 c [ ] — 53		
54	Add lines 47 through 53. These are your total credits	54	
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- ►	55	5,081.

Standard Deduction for —
- People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
- All others: Single or Married filing separately, $5,800 Married filing jointly or Qualifying widow(er), $11,600 Head of household, $8,500

Other Taxes

56	Self-employment tax. Attach Schedule SE	56	
57	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919	57	
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
59a	Household employment taxes from Schedule H	59a	
b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
60	Other taxes. Enter code(s) from instructions	60	
61	Add lines 55-60. This is your total tax ►	61	5,081.

Payments

If you have a qualifying child, attach Schedule EIC.

62	Federal income tax withheld from Forms W-2 and 1099 — 62	325.	
63	2011 estimated tax payments and amount applied from 2010 return — 63	11,037.	
64a	Earned income credit (EIC) — 64a		
b	Nontaxable combat pay election ► 64b		
65	Additional child tax credit. Attach Form 8812 — 65		
66	American opportunity credit from Form 8863, line 14 — 66		
67	First-time homebuyer credit from Form 5405, line 10 — 67		
68	Amount paid with request for extension to file — 68		
69	Excess social security and tier 1 RRTA tax withheld — 69		
70	Credit for federal tax on fuels. Attach Form 4136 — 70		
71	Credits from Form: a [ ] 2439 b [X] 8885 c [X] 8801 d [ ] 8885 — 71		
72	Add lns 62, 63, 64a, & 65-71. These are your total pmts ►	72	11,362.

Refund

73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	73	6,281.
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here ► [ ]	74a	0.
b	Routing number XXXXXXXXX ► c Type: [ ] Checking [ ] Savings		
d	Account number XXXXXXXXXXXXXXXX		
75	Amount of line 73 you want applied to your 2012 estimated tax ► 75 6,273.		

Amount You Owe

76	Amount you owe. Subtract line 72 from line 61. For details on how to pay see instructions ►	76	
77	Estimated tax penalty (see instructions) — 77 8.		

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete below. [ ] No

Designee's name ► DARRELL I. HARDY Phone no. ► (864) 226-5109 Personal identification number (PIN) ► 54321

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions.

Your signature | Date | Your occupation: RETIRED | Daytime phone number: (864) 224-3770

Keep a copy for your records.

Spouse's signature. If a joint return, both must sign. | Date | Spouse's occupation | If the IRS sent you an Identity Protection PIN, enter it here (see inst)

Paid Preparer's Use Only

Print/Type preparer's name: DARRELL I. HARDY	Preparer's signature: DARRELL I. HARDY	Date	Check [ ] if self-employed	PTIN: P01086036

Firm's name ► FINANCIAL AND ACCOUNTING SERVICES INC

Firm's address ► PO BOX 593, ANDERSON SC 29622-0593

Firm's EIN ► 57-2279762

Phone no. (864) 226-5109

DO NOT FILE

SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Itemized Deductions

► Attach to Form 1040. ► See Instructions for Schedule A (Form 1040).

OMB No. 1545-0074

2011

Attachment Sequence No. **07**

Name(s) shown on Form 1040: HELEN D WHITFIELD

Your social security number: 251-40-9171

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.				
	1	Medical and dental expenses (see instructions)		1	9,004.	
	2	Enter amount from Form 1040, line 38	2 48,690.			
	3	Multiply line 2 by 7.5% (.075)		3	3,652.	
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-				4 5,352.
Taxes You Paid	5	State and local **(check only one box):**				
	a	[X] Income taxes, **or**		5	2,851.	
	b	[ ] General sales taxes				
	6	Real estate taxes (see instructions)		6	732.	
	7	Personal property tax		7	152.	
	8	Other taxes. List type and amount ►		8		
	9	Add lines 5 through 8				9 3,735.
Interest You Paid	10	Home mtg interest and points reported to you on Form 1098		10		
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ►		11		
Note. Your mortgage interest deduction may be limited (see instrs).	12	Points not reported to you on Form 1098. See instrs for spcl rules		12		
	13	Mortgage insurance premiums (see instructions)		13		
	14	Investment interest. Attach Form 4952 if required. (See instrs.)		14		
	15	Add lines 10 through 14				15
Gifts to Charity	16	Gifts by cash or check. If you made any gift of $250 or more, see instrs		16	100.	
If you made a gift and got a benefit for it, see instructions.	17	Other than by cash or check. If any gift of $250 or more, see instructions. You **must** attach Form 8283 if over $500		17		
	18	Carryover from prior year		18		
	19	Add lines 16 through 18				19 100.
Casualty and Theft Losses	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)				20
Job Expenses and Certain Miscellaneous Deductions	21	Unreimbursed employee expenses – job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ►		21		
	22	Tax preparation fees		22		
	23	Other expenses – investment, safe deposit box, etc. List type and amount ►		23		
	24	Add lines 21 through 23		24		
	25	Enter amount from Form 1040, line 38	25			
	26	Multiply line 25 by 2% (.02)		26		
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-				27
Other Miscellaneous Deductions	28	Other – from list in instructions. List type and amount ►				28
Total Itemized Deductions	29	Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40				29 9,187.
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ► [ ]				

DO NOT FILE

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040. ► See instructions.

OMB No. 1545-0074

2011

Attachment Sequence No. 08

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

	1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		Amount
	JESSICA LOWE		282.
	PAUL CROMER INC		31,463.
	THE PALMETTO BANK		5,634.
	THE PEOPLES BANK		207.
	COMMUNITY FIRST BANK		1,223.
	CHARLES H WHITFIELD FAMILY TRUST		5,751.
		1	
2	Add the amounts on line 1	2	44,560.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	44,560.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

	5 List name of payer ►		Amount
		5	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2011, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions		X
	If 'Yes,' are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements		
b	If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ►		
8	During 2011, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

DO NOT FILE

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business
(Sole Proprietorship)

► For information on Schedule C and its instructions, go to *www.irs.gov/schedulec.*
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2011

Attachment Sequence No. **09**

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions): AUTO SALES

B Enter code from instructions: ► 441120

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), (see instrs)

E Business address (including suite or room no.) ► 2833 W. WHITNER STREET

City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2011? If 'No,' see instructions for limit on losses ... [X] Yes [ ] No

H If you started or acquired this business during 2011, check here ► [ ]

I Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions) ... [ ] Yes [X] No

J If 'Yes,' did you or will you file all required Forms 1099? ... [ ] Yes [ ] No

Part I Income

1a	Merchant card and third party payments. For 2011, enter -0-	1a	0.	
b	Gross receipts or sales not entered on line 1a (see instructions)	1b	30,593.	
c	Income reported to you on Form W-2 if the 'Statutory Employee' box on that form was checked. **Caution.** See instructions before completing this line	1c		
d	Total gross receipts. Add lines 1a through 1c			1d 30,593.
2	Returns and allowances plus any other adjustments (see instructions)			2
3	Subtract line 2 from line 1d			3 30,593.
4	Cost of goods sold (from line 42)			4 44,438.
5	**Gross profit.** Subtract line 4 from line 3			5 -13,845.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)			6
7	**Gross income.** Add lines 5 and 6 ►			7 -13,845.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8	18	Office expense (see instructions)	18
9	Car and truck expenses (see instructions)	9	19	Pension and profit-sharing plans	19
10	Commissions and fees	10	20	Rent or lease (see instructions):	
11	Contract labor (see instructions)	11	a	Vehicles, machinery, and equipment	20a
12	Depletion	12	b	Other business property	20b
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	21	Repairs and maintenance	21
14	Employee benefit programs (other than on line 19)	14	22	Supplies (not included in Part III)	22
15	Insurance (other than health)	15	23	Taxes and licenses	23
16	Interest:		24	Travel, meals, and entertainment:	
a	Mortgage (paid to banks, etc)	16a	a	Travel	24a
b	Other	16b	b	Deductible meals and entertainment (see instructions)	24b
17	Legal & professional services	17	25	Utilities	25
			26	Wages (less employment credits)	26
			27a	Other expenses (from line 48)	27a
			b	Reserved for future use	27b

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27a ►	28
29	Tentative profit or (loss). Subtract line 28 from line 7	29 -13,845.
30	Expenses for business use of your home. Attach **Form 8829.** Do **not** report such expenses elsewhere	30
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you entered an amount on line 1c, see instructions. Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31 -13,845.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you entered an amount on line 1c, see the instructions for line 31. Estates and trusts, enter on **Form 1041, line 3.**

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32a [X] All investment is at risk.

32b [ ] Some investment is not at risk.

DO NOT FILE

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☒ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation ☐ Yes ☒ No

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	165,075.
36	Purchases less cost of items withdrawn for personal use	36	-99,712.
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs	39	0.
40	Add lines 35 through 39	40	65,363.
41	Inventory at end of year	41	20,925.
42	**Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4	42	44,438.

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) _____

44 Of the total number of miles you drove your vehicle during 2011, enter the number of miles you used your vehicle for:

a Business _____ b Commuting (see instructions) _____ c Other _____

45 Was your vehicle available for personal use during off-duty hours? ☐ Yes ☐ No

46 Do you (or your spouse) have another vehicle available for personal use? ☐ Yes ☐ No

47a Do you have evidence to support your deduction? ☐ Yes ☐ No

b If 'Yes,' is the evidence written? ☐ Yes ☐ No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

48 **Total other expenses.** Enter here and on line 27a	48

DO NOT FILE

Name(s) shown on return. Do not enter name and social security number if shown on Page 1. | Your social security number

HELEN D WHITFIELD | 251-40-9171

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column **(e)** on line 28 and attach **Form 6198**. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ..... ☐ Yes ☒ No

If you answered 'Yes,' see instructions before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A			☐		☐
B			☐		☐
C			☐		☐
D			☐		☐

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A					
B					
C					
D					
29a Totals					
b Totals					

30	Add columns (g) and (j) of line 29a	30	
31	Add columns (f), (h), and (i) of line 29b	31	
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer ID no.
A	CHARLES H WHITFIELD FAMILY TRUST	26-6776290
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A		1,695.		
B				
34a Totals		1,695.		
b Totals				

35	Add columns (d) and (f) of line 34a	35	1,695.
36	Add columns (c) and (e) of line 34b	36	
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	1,695.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835**. Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ►	41	1,695.
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), line 14, code F (see instructions)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

DO NOT FILE

1030

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

2011 INDIVIDUAL INCOME TAX RETURN

SC1040
(Rev. 9/13/11)
3075

Your social security number	Check if deceased
251-40-9171	☐
Spouse's social security number	Check if deceased
	☐

DO NOT FILE

For the year January 1 - December 31, 2011, or fiscal tax year beginning 2011 and ending 2012

Enter your first name and initial	Last name	Suff.
HELEN D	WHITFIELD	
Spouse's first name, if married filing jointly	Last name	

Check if new address ☐	Mailing address (number and street, Apt No or P.O. Box) Foreign address, see instructions	County code
	2833 W. WHITNER STREET	04

City	State	Zip	Area Code Daytime telephone
ANDERSON	SC	29624	(864) 224-3770

Check if address is outside US ☐	Foreign country address including Postal code (see instructions)

Check this box if you are filing SC Schedule NR (Part year/Nonresident) ..... ▶ ☐
Check this box if filing a composite return for partnership or S corporation ..... ▶ ☐
Check this box if you have filed a federal or state extension ..... ▶ ☐
Check this box if you served in a Military COMBAT ZONE during the filing period ..... ☐
Enter the name of the combat zone:
Check this box if this return is affected by a federally declared DISASTER AREA ..... ☐
Enter the name of the disaster area:

CHECK YOUR FEDERAL FILING STATUS
(1) ☒ Single (3) ☐ Married filing separately. **Enter spouse's SSN here:** ____
(2) ☐ Married filing jointly (4) ☐ Head-of-household (5) ☐ Widow(er) with dependent child

Federal Exemptions
Enter the number of exemptions from your 2011 federal return ..... ▶ 1
Enter the number of exemptions listed above that were under the age of 6 years on December 31, 2011 ..... ▶ ____
Enter the number of taxpayers age 65 or older as of December 31, 2011 ..... ▶ 1

Dependents:

First name	Last name	Social security number	Relationship	Date of birth (MM/DD/YYYY)

SCIA0112 11/08/11

30751028

INCOME AND ADJUSTMENTS

				Dollars
1	**Enter federal taxable income from your federal form. If zero or less, enter zero here.** **Nonresident filers complete** Schedule NR and enter total from line 49 on line 5 below ►		1	35,803.00

ADDITIONS TO FEDERAL TAXABLE INCOME

a	State tax addback, if itemizing on federal return (See instructions) ►	a	1,937.00	
b	Out-of-state losses (See instructions) Check type of loss: ☐ Rental ☐ Business ☐ Other _____ ►	b	00	
c	Expenses related to Nation Guard and Military Reserve income ►	c	00	
d	Interest income on obligations of states and political subdivisions **other than** South Carolina ►	d	00	
e	Other additions to income. Attach an explanation (See instructions) ►	e	00	
2	Add lines **a through e** and enter the total here. These are your **total additions** ►		2	1,937.00
3	Add lines 1 and 2 and enter the total here		3	37,740.00

SUBTRACTIONS FROM FEDERAL TAXABLE INCOME

				Dollars
f	State tax refund, if included on your federal return ►	f	00	
g	Total and permanent disability retirement income, if taxed on your federal return ►	g	00	
h	Out-of-state income/gain – Do not include personal service income (See instructions) Check type of income/gain: ☐ Rental ☐ Business ☐ Other _____ ►	h	00	
i	44% of net capital gains held for more than **one year** (See instructions) ►	i	00	
j	Volunteer deductions (See instructions) Check type of deduction: ☐ Firefighter ☐ HazMat ☐ Rescue Squad ☐ DNR ☐ Reserve Police ☐ Other _____ ►	j	00	
k	Contributions to the SC college Investment Program ('Future Scholar') or the SC Tuition Prepayment Program (See instructions) ►	k	00	
l	Active Trade or Business Income deduction (See Instructions) ►	l	00	
m	Interest income from obligations of the US government ►	m	00	
n	Certain nontaxable Nation Guard or Reserve Pay (See Instructions) ►	n	00	
o	Social security and/or railroad retirement, it taxed on your federal return ►	o	13,178.00	
p	**Caution: Retirement Deduction** (See instructions)			
p-1	Taxpayer: date of birth 08/11/1929 ►	p-1	3,249.00	
p-2	Spouse: date of birth _____ ►	p-2	00	
p-3	Surviving spouse #1: date of birth of deceased spouse ►	p-3	00	
p-4	Surviving spouse #2: date of birth of deceased spouse ►	p-4	00	
q	Age 65 and older deduction (See instructions)			
q-1	Taxpayer: date of birth 08/11/1929 ►	q-1	11,751.00	
q-2	Spouse: date of birth _____ ►	q-2	00	
r	Negative amount of federal taxable income ►	r	00	
s	Subsistence allowance _____ days @ $8.00 ►	s	00	
t	Dependents under the age of 6 years on December 31 of the tax year ►	t	00	
u	Other subtractions (See instructions) ►	u	00	
4	Add lines **f through u** and enter here. These are your **total subtractions** ►		4	28,178.00
5	Residents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, line 49. If less than zero, enter zero here. This is your **South Carolina INCOME SUBJECT TO TAX** ►		5	9,562.00
6	**TAX:** enter tax from SOUTH CAROLINA tax tables	6	257.00	
7	TAX on Lump Sum Distribution (Attach SC4972) ►	7	00	
8	TAX on Active Trade or Business Income (Attach I-335) ►	8	00	
9	TAX on excess withdrawls from Catastrophe Savings Accounts ►	9	00	
10	Add lines 6 through 9 and enter the total here. This is your **TOTAL SOUTH CAROLINA TAX**		10	257.00
11	Child and Dependent Care (See Instructions) ►	11	00	
12	Two Wage Earner Credit (See instructions) ►	12	00	
13	Other non-refundable credits. Attach SC1040TC and other state return(s) ►	13	00	
14	TOTAL non-refundable credits. Add lines 11 though 13 and enter the total here		14	00
15	SUBTRACT line 14 from line 10. Enter the difference here BUT NOT LESS THAN ZERO here		15	257.00

DO NOT FILE

SCIA0112 11/08/11

30752026

PAYMENTS AND REFUNDABLE CREDITS

16	SC INCOME TAX WITHHELD (Attach W-2 or SC41)		00	20 Other SC withholding (Attach Form 1099)		00	
17	2011 estimated tax payments	2,280.	00	21 Tuition tax credit (Attach I-319)		00	
18	Amount paid with extention		00				
19	NR sale of real estate		00	22 Other refundable credit(s)		00	

Check type: ☐ Anhydrous Ammonia (Attach I-333) ☐ Milk Credit (Attach I-334)

23	Add lines 16 through 22 and enter the total here ..... These are your **TOTAL PAYMENTS**			23	2,280. 00
24	If line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT			24	2,023. 00
25	If line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE			25	00
26	**USE TAX:** (Due on out-of-state purchases. See instructions)	26	0. 00		
27	Amount of line 24 to be credited to your **2012 Estimated Tax**	27	2,023. 00		
28	Total Contributions for Check-offs (Attach I-330)	28	00		
29	Add lines 26 through 28 and enter the total here			29	2,023. 00
30	If line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the **AMOUNT TO BE REFUNDED TO YOU** (see refund check box below) ..... **REFUND**			30	0. 00
31	Tax Due: Add lines 25 and 29. If line 29 is larger than line 24, subtract line 24 from line 29 and enter the amount			31	0. 00
32	Late filing and/or late payment: Penalties _____ Interest _____ (See Instructions) Enter total here			32	00
33	Penalty for Underpayment of Estimated Tax (Attach SC2210) ..... (See instructions and enter letter in box if applicable) Exception to Underpayment of Estimated Tax ☐			33	00
34	Add lines 31 through 33 and enter the **AMOUNT YOU OWE** here ..... **BALANCE DUE**			34	00

Pay electronically free of charge at www.sctax.org. Click on DORePay and pay with Visa, MasterCard or by Electronic Funds Withdrawal (EFW) or include SC1040-V with your check or money order for the full amount payable to 'SC Department of Revenue'. Write your social security number and '2011 SC1040' on the payment.

Note: A taxpayer owing fifteen thousand dollars or more in connection with any return to be filed with the department must pay electronically per SC Code of Laws Section 12-54-250(A)(1).

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Your Signature	Date	Spouse's signature (if married filing jointly, BOTH must sign)

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes [X] No [ ]

Preparer's Printed Name: DARRELL I. HARDY

If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

Paid Preparer's Use Only	Preparer signature	Date	Check if self-employed	PTIN
	DARRELL I. HARDY		☐	P01086036
	Firm name (or yours if self-employed) and address and Zip Code: FINANCIAL AND ACCOUNTING SERVICES INC, PO BOX 593, ANDERSON SC 29622			FEIN 57-2279762, Phone No. (864) 226-5109

MAIL TO: **REFUNDS OR ZERO TAX** — **SC1040 Processing Center, PO Box 101100, Columbia, SC 29211-0100**

BALANCE DUE — **Taxable Processing Center, PO Box 101105, Columbia, SC 29211-0105**

☐ **REFUND NOTICE: South Carolina will soon offer the option for taxpayers to receive their refund on a VISA Debit Card!** If you are not using the direct deposit option for your refund and you still prefer to receive a paper check in the mail, please check this box. **Otherwise, if available you will receive a Visa Debit Card.**

Go Paperless! SCDOR will soon offer the option to receive your Form 1099-G/INT on its secure, confidential website **www.sctax.org** instead of receiving it in the mail. Form 1099-G/INT is used when preparing your federal tax return. The website information would allow you to print a copy of the form if needed. Check the box below and provide a valid email address to receive more information and instructions about this new program when available.

☐ Yes, I wish to receive information about accessing 1099-G/INT information through the SCDOR website.	Email Address

E-FILE COPY

Department of the Treasury — Internal Revenue Service

Form 1041 U.S. Income Tax Return for Estates and Trusts

► Information about Form 1041 and its separate instructions is at *www.irs.gov/form1041.*

2012 OMB No. 1545-0092

A Check all that apply:
- [ ] Decedent's estate
- [X] Simple trust
- [ ] Complex trust
- [ ] Qualified disability trust
- [ ] ESBT (S portion only)
- [ ] Grantor type trust
- [ ] Bankruptcy estate — Chapter 7
- [ ] Bankruptcy estate — Chapter 11
- [ ] Pooled income fund

For calendar year 2012 or fiscal year beginning Jan 1, 2012 and ending Feb 25, 2012

Name of estate or trust (If a grantor type trust, see instructions.)
CHARLES H WHITFIELD FAMILY TRUST

Name and title of fiduciary
HELEN D WHITFIELD

Number, street, and room or suite number (If a P.O. box, see the instructions.)
2833 W WHITNER STREET

City or town, state, and ZIP code
ANDERSON SC 29626

C Employer identification number: 26-6776290

D Date entity created: 01/01/09

E Nonexempt charitable and split-interest trusts, check applicable box(es), see instr:
- [ ] Described in section 4947(a)(1). Check here if not a private foundation ... ► [ ]
- [ ] Described in section 4947(a)(2)

B Number of Schs K-1 attached (see instructions) ... ► 1

F Check applicable boxes: [ ] Initial return [X] Final return [ ] Amended return [ ] Change in trust's name [ ] Change in fiduciary [ ] Change in fiduciary's name [ ] Change in fiduciary's address

G Check here if the estate or filing trust made a section 645 election ► [ ]

Income	1	Interest income	1	1,152.
	2a	Total ordinary dividends	2a	
	b	Qualified dividends allocable to: (1) Beneficiaries (2) Estate/trust		
	3	Business income or (loss). Attach Schedule C or C-EZ (Form 1040)	3	
	4	Capital gain or (loss). Attach Schedule D (Form 1041)	4	
	5	Rents, royalties, partnerships, other estates and trusts, etc. Attach Schedule E (Form 1040)	5	2,810.
	6	Farm income or (loss). Attach Schedule F (Form 1040)	6	
	7	Ordinary gain or (loss). Attach Form 4797	7	0.
	8	Other income. List type and amount	8	
	9	**Total income.** Combine lines 1, 2a, and 3 through 8 ►	9	3,962.
Deductions	10	Interest. Check if Form 4952 is attached ► [ ]	10	
	11	Taxes	11	53.
	12	Fiduciary fees	12	
	13	Charitable deduction (from Schedule A, line 7)	13	
	14	Attorney, accountant, and return preparer fees	14	800.
	15a	Other deductions **not** subject to the 2% floor (attach schedule)	15a	
	b	Allowable miscellaneous itemized deductions subject to the 2% floor	15b	
	16	Add lines 10 through 15b ►	16	853.
	17	Adjusted total income or (loss). Subtract line 16 from line 9 — 17: 3,109.		
	18	Income distribution deduction (from Schedule B, line 15). Attach Schedules K-1 (Form 1041)	18	3,056.
	19	Estate tax deduction including certain generation-skipping taxes (attach computation)	19	
	20	Exemption	20	300.
	21	Add lines 18 through 20 ►	21	3,356.
Tax and Payments	22	Taxable income. Subtract line 21 from line 17. If a loss, see instructions	22	-247.
	23	**Total tax** (from Schedule G, line 7)	23	0.
	24a	Payments: a 2012 estimated tax payments and amount applied from 2011 return	24a	
	b	Estimated tax payments allocated to beneficiaries (from Form 1041-T)	24b	
	c	Subtract line 24b from line 24a	24c	
	d	Tax paid with Form 7004 (see instructions)	24d	
	e	Federal income tax withheld. If any is from Form(s) 1099, check ► [ ]	24e	
		Other payments: f Form 2439 ; g Form 4136 ; Total ►	24h	
	25	**Total payments.** Add lines 24c through 24e, and 24h ►	25	
	26	Estimated tax penalty (see instructions)	26	
	27	**Tax due.** If line 25 is smaller than the total of lines 23 and 26, enter amount owed	27	0.
	28	**Overpayment.** If line 25 is larger than the total of lines 23 and 26, enter amount overpaid	28	
	29	Amount of line 28 to be: a Credited to 2013 estimated tax ► ; b **Refunded** ►	29	

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

► Signature of fiduciary or officer representing fiduciary — Date: 04/08/13 — EIN of fiduciary if a financial institution

May the IRS discuss this return with the preparer shown below (see instrs)? [X] Yes [ ] No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
DARRELL I. HARDY	DARRELL I. HARDY	04/08/13		P01086036

Firm's name ► FINANCIAL AND ACCOUNTING SERVICES INC — Firm's EIN ► 57-2279762

Firm's address ► PO BOX 593, ANDERSON SC 29622-0593 — Phone no. (864) 226-5109

BAA For Paperwork Reduction Act Notice, see the separate instructions. FIFA0112 12/31/12 Form **1041** (2012)

Schedule A Charitable Deduction. Do not complete for a simple trust or a pooled income fund.

1	Amounts paid or permanently set aside for charitable purposes from gross income (see instructions)	1	
2	Tax-exempt income allocable to charitable contributions (see instructions)	2	
3	Subtract line 2 from line 1	3	
4	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes	4	
5	Add lines 3 and 4	5	
6	Section 1202 exclusion allocable to capital gains paid or permanently set aside for charitable purposes (see instructions)	6	
7	**Charitable deduction.** Subtract line 6 from line 5. Enter here and on page 1, line 13	7	

Schedule B Income Distribution Deduction

1	Adjusted total income (see instructions)	1	3,109.
2	Adjusted tax-exempt interest	2	
3	Total net gain from Schedule D (Form 1041), line 15, column (1) (see instructions)	3	
4	Enter amount from Schedule A, line 4 (minus any allocable section 1202 exclusion)	4	
5	Capital gains for the tax year included on Schedule A, line 1 (see instructions)	5	
6	Enter any gain from page 1, line 4, as a negative number. If page 1, line 4, is a loss, enter the loss as a positive number	6	
7	**Distributable net income.** Combine lines 1 through 6. If zero or less, enter -0-	7	3,109.
8	If a complex trust, enter accounting income for the tax year as determined under the governing instrument and applicable local law 8		
9	Income required to be distributed currently	9	3,056.
10	Other amounts paid, credited, or otherwise required to be distributed	10	
11	Total distributions. Add lines 9 and 10. If greater than line 8, see instructions	11	3,056.
12	Enter the amount of tax-exempt income included on line 11	12	
13	Tentative income distribution deduction. Subtract line 12 from line 11	13	3,056.
14	Tentative income distribution deduction. Subtract line 2 from line 7. If zero or less, enter -0-	14	3,109.
15	**Income distribution deduction.** Enter the smaller of line 13 or line 14 here and on page 1, line 18	15	3,056.

Schedule G Tax Computation (see instructions)

1	**Tax:** a Tax on taxable income (see instructions)	1a			
	b Tax on lump-sum distributions. Attach Form 4972	1b			
	c Alternative minimum tax (from Schedule I (Form 1041), line 56)	1c	0.		
	d **Total.** Add lines 1a through 1c ►			1d	0.
2a	Foreign tax credit. Attach Form 1116	2a			
b	General business credit. Attach Form 3800	2b			
c	Credit for prior year minimum tax. Attach Form 8801	2c			
d	Bond credits. Attach Form 8912	2d			
3	**Total credits.** Add lines 2a through 2d ►			3	
4	Subtract line 3 from line 1d. If zero or less, enter -0-			4	0.
5	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611			5	
6	Household employment taxes. Attach Schedule H (Form 1040)			6	
7	**Total tax.** Add lines 4 through 6. Enter here and on page 1, line 23 ►			7	0.

Other Information

		Yes	No
1	Did the estate or trust receive tax-exempt income? If 'Yes,' attach a computation of the allocation of expenses		X
	Enter the amount of tax-exempt interest income and exempt-interest dividends ► $		
2	Did the estate or trust receive all or any part of the earnings (salary, wages, and other compensation) of any individual by reason of a contract assignment or similar arrangement?		X
3	At any time during the calendar year 2012, did the estate or trust have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►		
4	During the tax year, did the estate or trust receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the estate or trust may have to file Form 3520. See instructions		X
5	Did the estate or trust receive, or pay, any qualified residence interest on seller-provided financing? If 'Yes,' see instructions for required attachment		X
6	If this is an estate or a complex trust making the section 663(b) election, check here (see instructions) ► ☐		
7	To make a section 643(e)(3) election, attach Schedule D (Form 1041), and check here (see instructions) ► ☐		
8	If the decedent's estate has been open for more than 2 years, attach an explanation for the delay in closing the estate, and check here ► ☐		
9	Are any present or future trust beneficiaries skip persons? See instructions		X

SCHEDULE I
(Form 1041)
Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax – Estates and Trusts

► Attach to Form 1041.
► Information about Schedule I (Form 1041) and its separate instructions is at *www.irs.gov/form1041.*

OMB No. 1545-0092

2012

Name of estate or trust: CHARLES H WHITFIELD FAMILY TRUST

Employer identification number: 26-6776290

Part I Estate's or Trust's Share of Alternative Minimum Taxable Income

1	Adjusted total income or (loss) (from Form 1041, line 17)		1	3,109.
2	Interest		2	
3	Taxes		3	53.
4	Miscellaneous itemized deductions (from Form 1041, line 15b)		4	
5	Refund of taxes		5	
6	Depletion (difference between regular tax and AMT)		6	
7	Net operating loss deduction. Enter as a positive amount		7	
8	Interest from specified private activity bonds exempt from the regular tax		8	
9	Qualified small business stock (see instructions)		9	
10	Exercise of incentive stock options (excess of AMT income over regular tax income)		10	
11	Other estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)		11	
12	Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)		12	
13	Disposition of property (difference between AMT and regular tax gain or loss)		13	0.
14	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)		14	
15	Passive activities (difference between AMT and regular tax income or loss)		15	
16	Loss limitations (difference between AMT and regular tax income or loss)		16	
17	Circulation costs (difference between regular tax and AMT)		17	
18	Long-term contracts (difference between AMT and regular tax income)		18	
19	Mining costs (difference between regular tax and AMT)		19	
20	Research and experimental costs (difference between regular tax and AMT)		20	
21	Income from certain installment sales before January 1, 1987		21	
22	Intangible drilling costs preference		22	
23	Other adjustments, including income-based related adjustments		23	
24	Alternative tax net operating loss deduction (See the instructions for the limitation that applies.)		24	
25	Adjusted alternative minimum taxable income. Combine lines 1 through 24		25	3,162.
	Note: *Complete Part II below before going to line 26.*			
26	Income distribution deduction from Part II, line 44	26 3,056.		
27	Estate tax deduction (from Form 1041, line 19)	27		
28	Add lines 26 and 27		28	3,056.
29	Estate's or trust's share of alternative minimum taxable income. Subtract line 28 from line 25		29	106.

If line 29 is:

- $22,500 or less, stop here and enter -0- on Form 1041, Schedule G, line 1c. The estate or trust is not liable for the alternative minimum tax.
- Over $22,500, but less than $165,000, go to line 45.
- $165,000 or more, enter the amount from line 29 on line 51 and go to line 52.

Part II Income Distribution Deduction on a Minimum Tax Basis

30	Adjusted alternative minimum taxable income (see instructions)		30	3,162.
31	Adjusted tax-exempt interest (other than amounts included on line 8)		31	
32	Total net gain from Schedule D (Form 1041), line 15, column (1). If a loss, enter -0-		32	
33	Capital gains for the tax year allocated to corpus and paid or permanently set aside for charitable purposes (from Form 1041, Schedule A, line 4)		33	
34	Capital gains paid or permanently set aside for charitable purposes from gross income (see instructions)		34	
35	Capital gains computed on a minimum tax basis included on line 25		35	
36	Capital losses computed on a minimum tax basis included on line 25. Enter as a positive amount		36	
37	Distributable net alternative minimum taxable income (DNAMTI). Combine lines 30 through 36. If zero or less, enter -0-		37	3,162.
38	Income required to be distributed currently (from Form 1041, Schedule B, line 9)		38	3,056.
39	Other amounts paid, credited, or otherwise required to be distributed (from Form 1041, Schedule B, line 10)		39	
40	Total distributions. Add lines 38 and 39		40	3,056.
41	Tax-exempt income included on line 40 (other than amounts included on line 8)		41	
42	Tentative income distribution deduction on a minimum tax basis. Subtract line 41 from line 40		42	3,056.

Part III Income Distribution Deduction on a Minimum Tax Basis (continued)

43	Tentative income distribution deduction on a minimum tax basis. Subtract line 31 from line 37. If zero or less, enter -0-		43	3,162.
44	**Income distribution deduction on a minimum tax basis.** Enter the smaller of line 42 or line 43. Enter here and on line 26		44	3,056.

Part IV Alternative Minimum Tax

45	Exemption amount		45	$22,500.
46	Enter the amount from line 29	46		
47	Phase-out of exemption amount	47	$75,000.	
48	Subtract line 47 from line 46. If zero or less, enter -0-	48		
49	Multiply line 48 by 25% (.25)		49	
50	Subtract line 49 from line 45. If zero or less, enter -0-		50	
51	Subtract line 50 from line 46		51	
52	Go to Part IV of Schedule I to figure line 52 if the estate or trust has qualified dividends or has a gain on lines 14a and 15 of column (2) of Schedule D (Form 1041) (as refigured for the AMT, if necessary). Otherwise, if line 51 is – • $175,000 or less, multiply line 51 by 26% (.26). • Over $175,000, multiply line 51 by 28% (.28) and subtract $3,500 from the result		52	
53	Alternative minimum foreign tax credit (see instructions)		53	
54	Tentative minimum tax. Subtract line 53 from line 52		54	
55	Enter the tax from Form 1041, Schedule G, line 1a (minus any foreign tax credit from Schedule G, line 2a)		55	
56	**Alternative minimum tax.** Subtract line 55 from line 54. If zero or less, enter -0-. Enter here and on Form 1041, Schedule G, line 1c		56	

Part V Line 52 Computation Using Maximum Capital Gains Rates

Caution: *If you did not complete Part V of Schedule D (Form 1041), the Schedule D Tax Worksheet, or the Qualified Dividends Tax Worksheet, see the instructions before completing this part.*

57	Enter the amount from line 51		57	
58	Enter the amount from Schedule D (Form 1041), line 22, line 13 of the Schedule D Tax Worksheet, or line 4 of the Qualified Dividends Tax Worksheet, whichever applies (as refigured for the AMT, if necessary)	58		
59	Enter the amount from Schedule D (Form 1041), line 14b, column (2) (as refigured for the AMT, if necessary). If you did not complete Schedule D for the regular tax or the AMT, enter -0-	59		
60	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 58. Otherwise, add lines 58 and 59 and enter the **smaller** of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary)	60		
61	Enter the **smaller** of line 57 or line 60		61	
62	Subtract line 61 from line 57		62	
63	If line 62 is $175,000 or less, multiply line 62 by 26% (.26). Otherwise, multiply line 62 by 28% (.28) and subtract $3,500 from the result		63	
64	Maximum amount subject to the 0% rate	64	$2,400.	
65	Enter the amount from line 23 of Schedule D (Form 1041), line 14 of the Schedule D Tax Worksheet, or line 5 of the Qualified Dividends Tax Worksheet in the Instructions for Form 1041, whichever applies (as figured for the regular tax). If you did not complete Schedule D or either worksheet for the regular tax, enter -0-	65		
66	Subtract line 65 from line 64. If zero or less, enter -0-	66		
67	Enter the **smaller** of line 57 or line 58	67		
68	Enter the **smaller** of line 66 or line 67	68		
69	Subtract line 68 from line 67	69		
70	Multiply line 69 by 15% (.15)		70	
	If line 59 is zero or blank, skip lines 71 and 72 and go to line 73. Otherwise, go to line 71.			
71	Subtract line 67 from line 61	71		
72	Multiply line 71 by 25% (.25)		72	
73	Add lines 63, 70, and 72		73	
74	If line 57 is $175,000 or less, multiply line 57 by 26% (.26). Otherwise, multiply line 57 by 28% (.28) and subtract $3,500 from the result		74	
75	Enter the **smaller** of line 73 or line 74 here and on line 52		75	

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► Information about Schedule E and its separate instructions is at *www.irs.gov/form1040.*

OMB No. 1545-0074

2012

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If 'Yes,' did you or will you file required Forms 1099? ☐ Yes ☐ No

	1 a Physical address of each property (street, city, state, ZIP code)
A	1.66 ACRES, LOTS 9,30,31,8-W WHITNER ST ANDERSON SC 29624
B	LOTS 32&33 CHAPEL AVENUE ANDERSON SC 29621
C	LOTS 12,37&39-50%-2300 W WHITNER ANDERSON SC 29624

	1 b Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the **QJV** box only if you meet the requirements to file as a qualified joint venture. See instructions.		Fair Rental Days	Personal Use Days	QJV
A	4		A			
B	5		B			
C	4		C			

Type of Property:
1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:	Properties:		A	B	C
3	Rents received	3	1,800.	300.	1,009.
4	Royalties received	4			
Expenses:					
5	Advertising	5			
6	Auto and travel (see instructions)	6			
7	Cleaning and maintenance	7			30.
8	Commissions	8			
9	Insurance	9			
10	Legal and other professional fees	10			
11	Management fees	11			
12	Mortgage interest paid to banks, etc (see instructions)	12			
13	Other interest	13			
14	Repairs	14			
15	Supplies	15			
16	Taxes	16	560.	104.	129.
17	Utilities	17	318.		97.
18	Depreciation expense or depletion	18	0.		0.
19	Other (list) ► * STMT	19			
20	Total expenses. Add lines 5 through 19	20	878.	104.	256.
21	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file **Form 6198**	21	922.	196.	753.
22	Deductible rental real estate loss after limitation, if any, on **Form 8582** (see instructions)	22			

23 a	Total of all amounts reported on line 3 for all rental properties	23 a	4,409.	
b	Total of all amounts reported on line 4 for all royalty properties	23 b		
c	Total of all amounts reported on line 12 for all properties	23 c		
d	Total of all amounts reported on line 18 for all properties	23 d	0.	
e	Total of all amounts reported on line 20 for all properties	23 e	1,599.	
24	**Income.** Add positive amounts shown on line 21. **Do not** include any losses	24		2,810.
25	**Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25		
26	**Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		2,810.

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► Information about Schedule E and its separate instructions is at *www.irs.gov/form1040.*

OMB No. 1545-0074

2012

Attachment Sequence No. **13**

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If 'Yes,' did you or will you file required Forms 1099? ☐ Yes ☐ No

	1 a Physical address of each property (street, city, state, ZIP code)
A	840 BLECKLEY ST-50% ANDERSON SC 29624
B	2848 SUNSET FOREST ANDERSON SC 29626
C	FORBES DRIVE-50% SANDY SPRINGS SC 29670

	1 b Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the **QJV** box only if you meet the requirements to file as a qualified joint venture. See instructions.		Fair Rental Days	Personal Use Days	QJV
A	4		A			
B	1		B			
C	4		C			

Type of Property:
1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:	Properties:	A	B	C
3 Rents received	3	225.	600.	400.
4 Royalties received	4			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc (see instructions)	12			
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16	52.	96.	179.
17 Utilities	17			
18 Depreciation expense or depletion	18	0.	0.	0.
19 Other (list) ►	19			
20 Total expenses. Add lines 5 through 19	20	52.	96.	179.
21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file **Form 6198**	21	173.	504.	221.
22 Deductible rental real estate loss after limitation, if any, on **Form 8582** (see instructions)	22			

23 a Total of all amounts reported on line 3 for all rental properties	23 a		
b Total of all amounts reported on line 4 for all royalty properties	23 b		
c Total of all amounts reported on line 12 for all properties	23 c		
d Total of all amounts reported on line 18 for all properties	23 d		
e Total of all amounts reported on line 20 for all properties	23 e		
24 **Income.** Add positive amounts shown on line 21. **Do not** include any losses	24		
25 **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25		
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		

SCHEDULE E (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc)

► Attach to Form 1040, 1040NR, or Form 1041.

► Information about Schedule E and its separate instructions is at *www.irs.gov/form1040.*

OMB No. 1545-0074

2012

Attachment Sequence No. 13

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Your social security number: 26-6776290

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If 'Yes,' did you or will you file required Forms 1099? ☐ Yes ☐ No

	1 a Physical address of each property (street, city, state, ZIP code)
A	
B	LOTS 32&33 CHAPEL AVE ANDERSON SC-50%
C	

	1 b Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.		Fair Rental Days	Personal Use Days	QJV
A			A			
B	1		B			
C			C			

Type of Property:
1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:	Properties:		A	B	C
3 Rents received		3		75.	
4 Royalties received		4			
Expenses:					
5 Advertising		5			
6 Auto and travel (see instructions)		6			
7 Cleaning and maintenance		7			
8 Commissions		8			
9 Insurance		9			
10 Legal and other professional fees		10			
11 Management fees		11			
12 Mortgage interest paid to banks, etc (see instructions)		12			
13 Other interest		13			
14 Repairs		14			
15 Supplies		15			
16 Taxes		16		34.	
17 Utilities		17			
18 Depreciation expense or depletion		18		0.	
19 Other (list) ►		19			
20 Total expenses. Add lines 5 through 19		20		34.	
21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file **Form 6198**		21		41.	
22 Deductible rental real estate loss after limitation, if any, on **Form 8582** (see instructions)		22			

23 a Total of all amounts reported on line 3 for all rental properties	23 a		
b Total of all amounts reported on line 4 for all royalty properties	23 b		
c Total of all amounts reported on line 12 for all properties	23 c		
d Total of all amounts reported on line 18 for all properties	23 d		
e Total of all amounts reported on line 20 for all properties	23 e		
24 **Income.** Add positive amounts shown on line 21. **Do not** include any losses		24	
25 **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here		25	
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2		26	

Form **4797**

Department of the Treasury
Internal Revenue Service

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

► Attach to your tax return.

► Information about Form 4797 and its separate instructions is at *www.irs.gov/form4797*.

OMB No. 1545-0184

2012

Attachment Sequence No. **27**

Name(s) shown on return	Identifying number
CHARLES H WHITFIELD FAMILY TRUST	26-6776290

1 Enter the gross proceeds from sales or exchanges reported to you for 2012 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) 1

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)
LOT-Land	03/25/08	02/25/12	2500		2500	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	0.
7	Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:	7	0.
	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	0.
12	Gain, if any, from line 7 or amount from line 8, if applicable	12	
13	Gain, if any, from line 31	13	
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	0.
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	18 a	
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	18 b	

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 SHOP BUILDINGS	03/25/08	02/25/12
B BUILDINGS & LAND	03/25/08	02/25/12
C BLECKLEY	03/25/08	02/25/12
D SUNSET FOREST	03/25/08	02/25/12

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	142,504.	37,991.	9,999.	29,652.
21 Cost or other basis plus expense of sale	21	155,000.	40,000.	10,500.	32,500.
22 Depreciation (or depletion) allowed or allowable	22	12,496.	2,009.	501.	2,848.
23 Adjusted basis. Subtract line 22 from line 21	23	142,504.	37,991.	9,999.	29,652.
24 Total gain. Subtract line 23 from line 20	24	0.	0.	0.	0.
25 **If section 1245 property:**					
a Depreciation allowed or allowable from line 22	25a				
b Enter the **smaller** of line 24 or 25a	25b				
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	0.	0.	0.	0.
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	0.	0.	0.	0.
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	0.
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
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	0.

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		

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 FORBES DRIVE	03/25/08	02/25/12
B CHAPEL AVE	01/01/09	02/25/12
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	64,732.	2,275.		
21 Cost or other basis plus expense of sale	21	65,000.	2,500.		
22 Depreciation (or depletion) allowed or allowable	22	268.	225.		
23 Adjusted basis. Subtract line 22 from line 21	23	64,732.	2,275.		
24 Total gain. Subtract line 23 from line 20	24	0.	0.		
25 **If section 1245 property:**					
a Depreciation allowed or allowable from line 22	25a				
b Enter the **smaller** of line 24 or 25a	25b				
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	0.	0.		
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	0.	0.		
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	
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
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	

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		

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

► See separate instructions.
► Attach to Form 1040 or Form 1041.
► Information about Form 8582 and its instructions is available at *www.irs.gov/form8582.*

OMB No. 1545-1008

2012

Attachment Sequence No. **88**

Name(s) shown on return: CHARLES H WHITFIELD FAMILY TRUST

Identifying number: 26-6776290

Part I 2012 Passive Activity Loss

Caution: *Complete Worksheets 1, 2, and 3 before completing Part I.*

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b		
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c		
d	Combine lines 1a, 1b, and 1c			1d

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c	Add lines 2a and 2b			2c

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a	2,614.	
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d	Combine lines 3a, 3b, and 3c			3d 2,614.

4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used ..... 4 2,614.

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: *If your filing status is married filing separately and you lived with your spouse at any time during the year,* ***do not*** *complete Part II or Part III. Instead, go to line 15.*

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: *Enter all numbers in Part II as positive amounts. See instructions for an example.*

5	Enter the **smaller** of the loss on line 1d or the loss on line 4			5
6	Enter $150,000. If married filing separately, see the instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instrs)	7		
	Note: *If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.*			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (.5). **Do not** enter more than $25,000. If married filing separately, see instructions			9
10	Enter the **smaller** of line 5 or line 9			10 0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: *Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.*

11	Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12	Enter the loss from line 4	12	
13	Reduce line 12 by the amount on line 10	13	
14	Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15	
16	**Total losses allowed from all passive activities for 2012.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16	

661112

Schedule K-1 (Form 1041)
Department of the Treasury
Internal Revenue Service

2012

For calendar year 2012,
or tax year beginning Jan 1, 2012
and ending Feb 25, 2012

[X] Final K-1 [ ] Amended K-1

OMB No. 1545-0092

Beneficiary's Share of Income, Deductions, Credits, etc.

► See separate instructions.

Part I Information About the Estate or Trust

A Estate's or trust's employer identification number

26-6776290

B Estate's or trust's name

CHARLES H WHITFIELD FAMILY TRUST

C Fiduciary's name, address, city, state, and ZIP code

HELEN D WHITFIELD
2833 W WHITNER STREET
ANDERSON SC 29626

D [ ] Check if Form 1041-T was filed and enter the date it was filed .....

E [X] Check if this is the final Form 1041 for the estate or trust

Part II Information About the Beneficiary

F Beneficiary's identifying number

251-40-9171

G Beneficiary's name, address, city, state, and ZIP code

HELEN D WHITFIELD

2833 W WHITNER STREET

ANDERSON SC 29626-1034

H [X] Domestic beneficiary [ ] Foreign beneficiary

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

1	Interest income 890.	11	Final year deductions
2a	Ordinary dividends		
2b	Qualified dividends		
3	Net short-term capital gain		
4a	Net long-term capital gain		
4b	28% rate gain	12 A	Alternative minimum tax adjustment 0.
4c	Unrecaptured section 1250 gain		
5	Other portfolio and nonbusiness income 150.		
6	Ordinary business income		
7	Net rental real estate income 2,016.		
8	Other rental income	13	Credits and credit recapture
9 A *	Directly apportioned deductions 651.		
		14 E	Other information 890.
10	Estate tax deduction		

*See attached statement for additional information.

Note. A statement must be attached showing the beneficiary's share of income and directly apportioned deductions from each business, rental real estate, and other rental activity.

FOR IRS USE ONLY

1350

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

FIDUCIARY INCOME TAX RETURN

SC1041
(Rev. 7/25/12)
3084

For the calendar year 2012 or Fiscal Taxable Year Beginning _____, 2012 and ending _____, 2013 **2012**

Name of Estate or Trust: Charles H. Whitfield Family Trust

Name and Title of Fiduciary: Helen D. Whitfield

Address of Fiduciary (Number and Street): 2833 W. Whitner Street

City, State, ZIP Code and County: Anderson, SC 29625

File this Return by the 15th Day of the 4th Month after close of Taxable Year With SC DEPARTMENT OF REVENUE Fiduciary Tax Return Columbia, SC 29214-0009

FEIN: 26-6776290

DO NOT WRITE IN THIS SPACE

14-0828

ATTACH COPY OF FEDERAL FORM 1041 AND ALL ITS SCHEDULES, INCLUDING SCHEDULES K-1. Extension Requested: ☐ Yes ☐ No

A. Check whether:	B. If trust, check whether:	C. Also check if:	D. Has final distribution of assets been made during the year?
☐ Amended ☒ Simple trust	☒ Testamentary	☒ Resident estate or trust	☒ Yes
☐ Estate ☐ Complex trust	☐ Inter vivos	☐ Nonresident estate or trust	☐ No
☐ Grantor Trust			
☐ Electing Small Business Trust			

E. During this taxable year, was this estate or trust notified of any federal change for any prior years? ☐YES or ☒NO If YES, attach copy.

F. Is a federal Schedule K-1 attached for each beneficiary? ☒YES or ☐NO If YES, how many? 1 If NO, attach explanation.

- Does the estate or trust have any South Carolina modifications? ☐YES or ☒ NO
- If the estate or trust has any nonresident beneficiaries, is any income from SC sources? ☐YES or ☒ NO (or not applicable)
- Does line 22, federal Form 1041 reflect any taxable income of the fiduciary? ☐YES or ☒ NO
- If NO to ALL three questions, do NOT complete the remainder of this form.

If a NONRESIDENT estate or trust with income from both South Carolina and Non-South Carolina sources - complete and attach Part III, page 3 of SC1041.

1. FEDERAL TAXABLE INCOME (Residents: federal Form 1041; Nonresidents: line 22, column D, Part III)			1
2. Federal fiduciary exemption included in line 1 above			2
3. South Carolina Modifications relating to gains allocated to principal or relating to other items not affecting federal distributable net income (attach explanation)			3
4. Fiduciary's Share of SC Fiduciary Adjustment (from line 1i, Part II) ☐ Addition ☐ Subtraction			4
5. NET (combine lines 1 to 4)			5
6. South Carolina fiduciary exemption (see instructions)			6 < >
7. SOUTH CAROLINA TAXABLE INCOME (line 5 less line 6)			7
8. SOUTH CAROLINA TAX (see instructions for tax computation schedule)	8		
9. TAX on Lump Sum Distribution (attach SC4972) and/or Active Trade or Business Income (I-335)	9		
10. Less NON-REFUNDABLE CREDITS (attach SC1040TC)	10 < >		
11. Combine lines 8 - 10 and enter the results here BUT NOT LESS THAN ZERO			11
12. South Carolina income tax withheld for nonresident beneficiaries (From Part IV)			12
13. TOTAL TAX (add lines 11 and 12 and enter here)			13
14. Amount paid with request for extension and other credits	14		
15. 2012 Estimated Payments from SC1041ES (and amount applied from 2011 return)	15		
16. Total Payments (add lines 14 and 15)			16
17. Overpayment (line 16 less line 13)			17
18. If subject to penalty for Underpayment of Estimated Tax, attach SC2210. (see instructions)	18 Penalty		
19. Balance Due (line 13 less line 16 plus line 18, if applicable) Pay in full to SC Department of Revenue **BALANCE DUE**			19
20. Amount of line 17 to be credited to 2013 Estimated Tax.			20
21. Net Refund (subtract line 20 from line 17 and enter the amount to be refunded) **REFUND**			21

Please Sign Here

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Signature of fiduciary or officer representing fiduciary | Date | FEIN of Fiduciary

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes ☒ No ☐ | Preparer's Printed Name

Paid Preparer's Use Only

Preparer's signature: Darrell I Hardy | Date: 4/8/13 | Check if self-employed ☐ | Preparer's telephone number: 864-226-5109

Firm's name (or yours if self-employed) and address: DARRELL I HARDY, PO BOX 593 ANDERSON, SC 29622 | PTIN or FEIN: P0108603b | ZIP Code: 29622

30841027

DECEASED HELEN D WHITFIELD 02/25/2012

Department of the Treasury — Internal Revenue Service (99)

Form 1040 U.S. Individual Income Tax Return 2012

OMB No. 1545-0074 | IRS Use Only — Do not write or staple in this space.

For the year Jan 1 - Dec 31, 2012, or other tax year beginning , 2012, ending , 20

See separate instructions.

Your first name and initial	Last name	Your social security number
HELEN	D WHITFIELD	251-40-9171
If a joint return, spouse's first name and initial	Last name	Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. Apartment no.

2833 W. WHITNER STREET

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

ANDERSON SC 29624

Foreign country name | Foreign province/state/county | Foreign postal code

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want $3 to go to this fund? Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status

Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above & full name here . . . ►
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here . ►
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a . . . . . Boxes checked on 6a and 6b . . 1

b [ ] **Spouse** . . . . . No. of children on 6c who:

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax cr (see instrs)

If more than four dependents, see instructions and check here . . . ► [ ]

- lived with you . . . . .
- did not live with you due to divorce or separation (see instrs) . . .

Dependents on 6c not entered above .

Add numbers on lines above . . . . . ► 1

d Total number of exemptions claimed 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8 a	**Taxable** interest. Attach Schedule B if required	8 a	29,336.
b	**Tax-exempt** interest. **Do not** include on line 8a (8 b)		
9 a	Ordinary dividends. Attach Schedule B if required	9 a	
b	Qualified dividends (9 b)		
10	Taxable refunds, credits, or offsets of state and local income taxes	10	1,855.
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	-12,871.
13	Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here ► [ ]	13	
14	Other gains or (losses). Attach Form 4797	14	
15 a	IRA distributions (15 a) b Taxable amount	15 b	
16 a	Pensions and annuities (16 a) b Taxable amount	16 b	3,249.
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	1,515.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20 a	Social security benefits (20 a) 3,004. b Taxable amount	20 b	0.
21	Other income	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ►	22	23,084.

Adjusted Gross Income

23	Educator expenses (23)		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ (24)		
25	Health savings account deduction. Attach Form 8889 (25)		
26	Moving expenses. Attach Form 3903 (26)		
27	Deductible part of self-employment tax. Attach Schedule SE (27)		
28	Self-employed SEP, SIMPLE, and qualified plans (28)		
29	Self-employed health insurance deduction (29)		
30	Penalty on early withdrawal of savings (30)		
31 a	Alimony paid b Recipient's SSN ► (31 a)		
32	IRA deduction (32)		
33	Student loan interest deduction (33)		
34	Tuition and fees. Attach Form 8917 (34)		
35	Domestic production activities deduction. Attach Form 8903 (35)		
36	Add lines 23 through 35	36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ►	37	23,084.

Tax and Credits

38	Amount from line 37 (adjusted gross income)		23,084.
39a	Check if: [X] You were born before January 2, 1948, [ ] Blind. [ ] Spouse was born before January 2, 1948, [ ] Blind. Total boxes checked ► 39a	1	
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ► 39b [ ]		
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)		7,400.
41	Subtract line 40 from line 38		15,684.
42	Exemptions. Multiply $3,800 by the number on line 6d		3,800.
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-		11,884.
44	Tax (see instrs). Check if any from: a [ ] Form(s) 8814 b [ ] Form 4972 c [ ] 962 election		1,346.
45	Alternative minimum tax (see instructions). Attach Form 6251		
46	Add lines 44 and 45 ►		1,346.
47	Foreign tax credit. Attach Form 1116 if required	47	
48	Credit for child and dependent care expenses. Attach Form 2441	48	
49	Education credits from Form 8863, line 19	49	
50	Retirement savings contributions credit. Attach Form 8880	50	
51	Child tax credit. Attach Schedule 8812, if required	51	
52	Residential energy credits. Attach Form 5695	52	
53	Other crs from Form: a [ ] 3800 b [ ] 8801 c [ ]	53	
54	Add lines 47 through 53. These are your total credits		
55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- ►		1,346.

Standard Deduction for –
- People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.
- All others:

Single or Married filing separately, $5,950
Married filing jointly or Qualifying widow(er), $11,900
Head of household, $8,700

Other Taxes

56	Self-employment tax. Attach Schedule SE		
57	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919		
58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		
59a	Household employment taxes from Schedule H		
b	First-time homebuyer credit repayment. Attach Form 5405 if required		
60	Other taxes. Enter code(s) from instructions		
61	Add lines 55-60. This is your total tax ►		1,346.

Payments

If you have a qualifying child, attach Schedule EIC.

62	Federal income tax withheld from Forms W-2 and 1099	62	325.
63	2012 estimated tax payments and amount applied from 2011 return	63	6,273.
64a	Earned income credit (EIC)	64a	
b	Nontaxable combat pay election ► 64b		
65	Additional child tax credit. Attach Schedule 8812	65	
66	American opportunity credit from Form 8863, line 8	66	
67	Reserved	67	
68	Amount paid with request for extension to file	68	
69	Excess social security and tier 1 RRTA tax withheld	69	
70	Credit for federal tax on fuels. Attach Form 4136	70	
71	Credits from Form: a [ ] 2439 b [ ] Reserved c [ ] 8801 d [ ] 8885	71	
72	Add lns 62, 63, 64a, & 65-71. These are your total pmts ►		6,598.

Refund

73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid	5,252.
74a	Amount of line 73 you want refunded to you. If Form 8888 is attached, check here ... ► [ ]	5,252.
b	► Routing number ..... 053207533 ► c Type: [X] Checking [ ] Savings	
d	► Account number 721517027	
75	Amount of line 73 you want applied to your 2013 estimated tax ► 75	

Direct deposit? See instructions.

Amount You Owe

76	Amount you owe. Subtract line 72 from line 61. For details on how to pay see instructions ►	
77	Estimated tax penalty (see instructions) 77	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete below. [ ] No

Designee's name ► DARRELL I. HARDY Phone no. ► (864) 226-5109 Personal identification number (PIN) ► 54321

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions.

Your signature | Date | Your occupation: RETIRED | Daytime phone number: (864) 224-3770

Keep a copy for your records.

Spouse's signature. If a joint return, both must sign. | Date | Spouse's occupation | If the IRS sent you an Identity Protection PIN, enter it here (see instrs)

Paid Preparer Use Only

Print/Type preparer's name: DARRELL I. HARDY	Preparer's signature: DARRELL I. HARDY	Date	Check [ ] if self-employed	PTIN: P01086036

Firm's name ► FINANCIAL AND ACCOUNTING SERVICES INC

Firm's address ► PO BOX 593, ANDERSON SC 29622-0593

Firm's EIN ► 57-2279762

Phone no. (864) 226-5109

SCHEDULE C (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

► For information on Schedule C and its instructions, go to *www.irs.gov/schedulec.*
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2012

Attachment Sequence No. **09**

Name of proprietor	Social security number (SSN)
HELEN D WHITFIELD	251-40-9171

A Principal business or profession, including product or service (see instructions): USED VEHICLE SALES

B Enter code from instructions: ► 441120

C Business name. If no separate business name, leave blank.: WHITFIELD AUTO SALES

D Employer ID number (EIN), (see instrs)

E Business address (including suite or room no.) ► 2833 W WHITNER ST

City, town or post office, state, and ZIP code ANDERSON, SC 29624

F Accounting method: (1) [X] Cash (2) [ ] Accrual (3) [ ] Other (specify) ►

G Did you 'materially participate' in the operation of this business during 2012? If 'No,' see instructions for limit on losses ... [X] Yes [ ] No

H If you started or acquired this business during 2012, check here ► [ ]

I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) ... [ ] Yes [X] No

J If 'Yes,' did you or will you file all required Forms 1099? ... [ ] Yes [ ] No

Part I Income

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked ► [ ]	1	14,238.
2	Returns and allowances (see instructions)	2	
3	Subtract line 2 from line 1	3	14,238.
4	Cost of goods sold (from line 42)	4	27,109.
5	**Gross profit.** Subtract line 4 from line 3	5	-12,871.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	**Gross income.** Add lines 5 and 6 ►	7	-12,871.

Part II Expenses. Enter expenses for business use of your home only on line 30.

8	Advertising	8		18	Office expense (see instructions)	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20 a	
12	Depletion	12		b	Other business property	20 b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc)	16 a		a	Travel	24 a	
b	Other	16 b		b	Deductible meals and entertainment (see instructions)	24 b	
17	Legal & professional services	17		25	Utilities	25	
				26	Wages (less employment credits)	26	
				27 a	Other expenses (from line 48)	27 a	
				b	**Reserved for future use**	27 b	

28	**Total expenses** before expenses for business use of home. Add lines 8 through 27a ►	28	
29	Tentative profit or (loss). Subtract line 28 from line 7	29	-12,871.
30	Expenses for business use of your home. Attach **Form 8829.** Do **not** report such expenses elsewhere	30	
31	**Net profit or (loss).** Subtract line 30 from line 29. • If a profit, enter on both **Form 1040, line 12** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** If you checked the box on line 1, see instructions). Estates and trusts, enter on **Form 1041, line 3.** • If a loss, you **must** go to line 32.	31	-12,871.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

• If you checked 32a, enter the loss on both **Form 1040, line 12,** (or **Form 1040NR, line 13**) and on **Schedule SE, line 2.** (If you checked the box on line 1, see the instructions for line 31). Estates and trusts, enter on **Form 1041, line 3.**

• If you checked 32b, you **must** attach **Form 6198.** Your loss may be limited.

32 a [X] All investment is at risk.

32 b [ ] Some investment is not at risk.

SCHEDULE B (Form 1040A or 1040)

Department of the Treasury Internal Revenue Service (99)

Interest and Ordinary Dividends

► Attach to Form 1040A or 1040.

► Information about Schedule B (Form 1040A or 1040) and its instructions is at *www.irs.gov./form1040*

OMB No. 1545-0074

2012

Attachment Sequence No. **08**

Name(s) shown on return: HELEN D WHITFIELD

Your social security number: 251-40-9171

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

	1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►		Amount
	JESSICA LOWE		148.
	CROMER/WHITFIELD AUTO FINANCING		27,788.
	THE PALMETTO BANK		61.
	THE PEOPLES BANK		174.
	COMMUNITY FIRST BANK		246.
	DEPARTMENT OF THE TREASURY		29.
	CHARLES H WHITFIELD FAMILY TRUST	1	890.
2	Add the amounts on line 1	2	29,336.
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ►	4	29,336.

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

	5 List name of payer ►		Amount
		5	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ►	6	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2012, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions		X
	If 'Yes,' are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements		
b	If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ►		
8	During 2012, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If 'Yes,' you may have to file Form 3520. See instructions		X

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a [X] Cost b [ ] Lower of cost or market c [ ] Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If 'Yes,' attach explanation ..... [ ] Yes [ ] No

35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35	20,925.
36	Purchases less cost of items withdrawn for personal use	36	
37	Cost of labor. Do not include any amounts paid to yourself	37	
38	Materials and supplies	38	
39	Other costs	39	6,184.
40	Add lines 35 through 39	40	27,109.
41	Inventory at end of year	41	0.
42	**Cost of goods sold.** Subtract line 41 from line 40. Enter the result here and on line 4	42	27,109.

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ► _____

44 Of the total number of miles you drove your vehicle during 2012, enter the number of miles you used your vehicle for:

a Business _____ b Commuting (see instructions) _____ c Other _____

45 Was your vehicle available for personal use during off-duty hours? ..... [ ] Yes [ ] No

46 Do you (or your spouse) have another vehicle available for personal use? ..... [ ] Yes [ ] No

47 a Do you have evidence to support your deduction? ..... [ ] Yes [ ] No

b If 'Yes,' is the evidence written? ..... [ ] Yes [ ] No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

48	**Total other expenses.** Enter here and on line 27a	48

Name(s) shown on return. Do not enter name and social security number if shown on Page 1. | Your social security number

HELEN D WHITFIELD | 251-40-9171

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column **(e)** on line 28 and attach **Form 6198**. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No

If you answered 'Yes,' see instructions before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
A					
B					
C					
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach **Form 8582** if required)	(g) Passive income from **Schedule K-1**	(h) Nonpassive loss from **Schedule K-1**	(i) Section 179 expense deduction from **Form 4562**	(j) Nonpassive income from **Schedule K-1**
A					
B					
C					
D					
29a Totals					
b Totals					

30	Add columns (g) and (j) of line 29a	30	
31	Add columns (f), (h), and (i) of line 29b	31	
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer ID no.
A	CHARLES H WHITFIELD FAMILY TRUST	26-6776290
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach **Form 8582** if required)	(d) Passive income from **Schedule K-1**	(e) Deduction or loss from **Schedule K-1**	(f) Other income from **Schedule K-1**
A		1,365.		150.
B				
34a Totals		1,365.		150.
b Totals				

35	Add columns (d) and (f) of line 34a	35	1,515.
36	Add columns (c) and (e) of line 34b	36	
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	1,515.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

38	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from **Schedules Q**, line 1b	(e) Income from **Schedules Q**, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary

40	Net farm rental income or (loss) from **Form 4835**. Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ►	41	1,515.
42	**Reconciliation of farming and fishing income.** Enter your **gross** farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), box 14, code F (see instructions)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

Form **1310**
(Rev November 2005)
Department of the Treasury
Internal Revenue Service

Statement of Person Claiming Refund Due a Deceased Taxpayer

► See instructions.

OMB No. 1545-0074

Attachment Sequence No. **87**

Tax year decedent was due a refund:
Calendar year 2012 , or other tax year beginning , , and ending ,

Please print or type

Name of decedent	Date of death	Decedent's social security number
HELEN D WHITFIELD	02/25/2012	251-40-9171

Name of person claiming refund	Your social security number
VICKIE W LITTLEFIELD	250-86-1115

Home address (number and street). If you have a P.O. box, see instructions — Apartment number
681 MICHELIN BLVD

City, town or post office. If you have a foreign address, see instructions — State — ZIP code
ANDERSON SC 29625

Part I **Check the box that applies to you.** Check only one box. **Be sure to complete Part III below.**

A ☐ Surviving spouse requesting reissuance of a refund check (see instructions).

B ☐ Court-appointed or certified personal representative (see instructions). Attach a court certificate showing your appointment, unless previously filed (see instructions).

C ☒ Person, **other** than A or B, claiming refund for the decedent's estate (see instructions). Also, complete Part II.

Part II **Complete this part only if you checked the box on line C above.**

	Yes	No
1 Did the decedent leave a will?	X	
2a Has a court appointed a personal representative for the estate of the decedent?	X	
b If you answered **'No'** to 2a, will one be appointed?		
If you answered **'Yes'** to 2a or 2b, the personal representative must file for the refund.		
3 As the person claiming the refund for the decedent's estate, will you pay out the refund according to the laws of the state where the decedent was a legal resident?	X	

If you answered **'No'** to 3, a refund cannot be made until you submit a court certificate showing your appointment as personal representative or other evidence that you are entitled under state law to receive the refund.

Part III **Signature and verification. All filers must complete this part.**

I request a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined this claim, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of person claiming refund ► **Date** ►

BAA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Form **1310** (Rev 11-2005)

Valid Proof of Death is in my Possession

FDIA2001 11/08/05

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

► See separate instructions.
► Attach to Form 1040 or Form 1041.
► Information about Form 8582 and its instructions is available at *www.irs.gov/form8582.*

OMB No. 1545-1008

2012

Attachment Sequence No. **88**

Name(s) shown on return	Identifying number
HELEN D WHITFIELD	251-40-9171

Part I 2012 Passive Activity Loss

Caution: *Complete Worksheets 1, 2, and 3 before completing Part I.*

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a	1,365.	
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	0.	
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c		
d	Combine lines 1a, 1b, and 1c			1d 1,365.

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c	Add lines 2a and 2b			2c

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d	Combine lines 3a, 3b, and 3c			3d

4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used ..... 4 1,365.

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: *If your filing status is married filing separately and you lived with your spouse at any time during the year,* ***do not*** *complete Part II or Part III. Instead, go to line 15.*

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: *Enter all numbers in Part II as positive amounts. See instructions for an example.*

5	Enter the **smaller** of the loss on line 1d or the loss on line 4			5
6	Enter $150,000. If married filing separately, see the instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instrs)	7		
	Note: *If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.*			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (.5). **Do not** enter more than $25,000. If married filing separately, see instructions			9
10	Enter the **smaller** of line 5 or line 9			10 0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: *Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.*

11	Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12	Enter the loss from line 4	12	
13	Reduce line 12 by the amount on line 10	13	
14	Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15	
16	**Total losses allowed from all passive activities for 2012.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16	

Caution: *The worksheets must be filed with your tax return. Keep a copy for your records.*

Worksheet 1 — For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year (a) Net income (line 1a)	Current year (b) Net loss (line 1b)	Prior years (c) Unallowed loss (line 1c)	Overall gain or loss (d) Gain	Overall gain or loss (e) Loss
CHARLES H WHITFIELD FAMILY TRUST	1,365.	0.		1,365.	
Total. Enter on Form 8582, lines 1a, 1b, and 1c ►	1,365.	0.			

Worksheet 2 — For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b ►			

Worksheet 3 — For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year (a) Net income (line 3a)	Current year (b) Net loss (line 3b)	Prior years (c) Unallowed loss (line 3c)	Overall gain or loss (d) Gain	Overall gain or loss (e) Loss
Total. Enter on Form 8582, lines 3a, 3b, and 3c ►					

Worksheet 4 — Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total ►			1.00		

Worksheet 5 — Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total ►			1.00	

Form **8948**
(Rev September 2012)
Department of the Treasury
Internal Revenue Service

Preparer Explanation for Not Filing Electronically

► Attach to taxpayer's Form 1040, 1040A, 1040EZ, or Form 1041
► Information about Form 8948 and its instruction is available at *www.irs.gov/form8948.*

OMB No. 1545-2200

Attachment Sequence No. **173**

Name(s) on tax return	Tax year of return	Taxpayer's identifying number
HELEN D WHITFIELD	2012	251-40-9171

Preparer's name	Preparer's Tax Identification Number (PTIN)
FINANCIAL AND ACCOUNTING SERVICES INC	P01086036

Three out of four taxpayers now use IRS e-file. Go to *www.irs.gov/efile* for details on using IRS e-file. The benefits of electronic filing include the following:
• Fast refunds • Secure transmissions • E-payment options
• Mail acquisition • Easier filing method • Receipt acknowledged

Check the applicable box to indicate the reason this return is not being filed electronically. Do not check more than one box.

1 ☐ Taxpayer chose to file this return on paper.

2 ☐ The preparer received a waiver from the requirement to electronically file the tax return.

Waiver Reference Number _____ Approval Letter Date _____

3 ☐ The preparer is a member of a recognized religious group that is conscientiously opposed to filing electronically.

4 ☐ This return was rejected by IRS *e-file* and the reject condition could not be resolved.

Reject code: _____ Number of attempts to resolve reject: _____

5 ☐ The preparer's e-file software package does not support Form _____ or Schedule _____ attached to this return.

6 Check the box that applies and provide additional information if requested.

a ☐ The preparer is ineligible to file electronically because IRS *e-file* does not accept foreign preparers without social security numbers who live and work abroad.

b ☐ The preparer is ineligible to participate in IRS *e-file*

c ☒ Other: Describe below the circumstances that prevented the preparer from filing this return electronically.

FORM 1310 FILED BY DAUGHTER OF DECEASED PARENT.

Form 1040
Line 10

State and Local Income Tax Refund Worksheet

State and local taxes paid in 2011 or prior years and refunded in 2012

2012

Name(s) Shown on Return	Social Security Number
HELEN D WHITFIELD	251-40-9171

Part I State and Local Income Tax Refunds from 2011 Tax Returns

1 (a) State or Local Code	(b) Refund Amount	(c) Estimated Tax Paid After 12/31/2011	(d) Extension Payments	(e) Total Payments and Withholding	(f) Refund Allocated to Column (c)	(g) Refund Allocated to Column (d)
SC	2,783.	760.		2,280.	928.	
Totals ...	2,783.	760.		2,280.	928.	

2	Total state and local refunds. Total line 1 column (b)	2,783.
3	Refund allocated to tax paid after 12/31/2011. Total line 1 columns (f) and (g). (Include net tax paid after 12/31/2011 on Schedule A, line 5.)	928.
4	Net refund. Line 2 less line 3	1,855.

Part II Recovery Amount

The **recovery amount** is the state and local income tax deducted in 2011 refunded in 2012.

5	Total state and local income tax deduction from line 5 of your 2011 Schedule A	2,851.
6	**Recovery amount.** Lesser of line 4 or line 5	1,855.

Part III Recovery Exclusion

The **recovery exclusion** is the part of the recovery amount which did **not** reduce tax in 2011.

7	**Recovery exclusion from standard deduction and/or sales tax deduction:**		
a	Allowable itemized deductions, from 2011 Schedule A, line 29		9,187.
b	Allowable itemized deductions, refigured by excluding recovery amount:		
	(1) Refigured state and local tax deduction:		
	(a) Refigured state income tax deduction	996.	
	(b) Sales tax deduction	618.	
	(c) Refigured deduction. Larger of (a) or (b)	996.	
	(2) Refigured total itemized deductions		7,332.
c	2011 standard deduction based on 2011 filing stat, exemptns, and deductns.		7,250.
d	Larger of lines 7b(2) or 7c		7,332.
e	Subtract line 7d from line 7a		1,855.
f	Subtract line 7e from line 6		0.
8	**Recovery exclusion from negative taxable income.** If 2011 taxable income was negative, enter here as a positive number, else enter zero.		0.
9	**Recovery exclusion from alternative minimum tax.** If no alternative minimum tax (AMT) in 2011 enter zero. If did pay AMT in 2011, enter amt from line 22		0.
10	**Recovery exclusion from unused tax credits.** If no unused credits in 2011, enter zero. If there were unused credits in 2011, enter amount from line 33		0.
11	**Total recovery exclusion.** Add lines 7f, 8, 9, and 10		0.

Part IV Taxable Refund

The **recovery amount** less the **recovery exclusion** is a **taxable refund.**

12	**Taxable refund from 2011.** Line 6 less line 11	1,855.
13	Total taxable refunds from 2010 or prior tax returns. Total line 34 column (d)	
14	**Total taxable refunds.** Add lines 12 and 13. Enter here and on Form 1040, line 10	1,855.

Supporting Statement of:

Schedule C (USED VEHICLE SALES)/Line 39

Description	Amount
AUTO REPAIRS	6,184.00
Total	6,184.00

1030

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

2012 INDIVIDUAL INCOME TAX RETURN

SC1040
(Rev. 8/10/12)
3075

Your social security number	Check if deceased
251-40-9171	X
Spouse's social security number	Check if deceased

DO NOT USE THIS FORM TO FILE A CORRECTED RETURN. SEE SC1040 INSTRUCTIONS FOR ADDITIONAL INFORMATION.

For the year January 1 - December 31, 2012, or fiscal tax year beginning 2012 and ending 2013

Enter your first name and initial	Last name	Suff.
HELEN D	WHITFIELD	
Spouse's first name, if married filing jointly	Last name	

Check if new address	Mailing address (number and street, Apt. No or P.O. Box) Foreign address, see instructions	County code
	2833 W. WHITNER STREET	04

City	State	Zip	Area Code Daytime telephone
ANDERSON	SC	29624	(864) 224-3770

Check if address is outside US ☐ Foreign country address including Postal code (see instructions)

Check this box if you are filing SC Schedule NR (Part year/Nonresident) ▶ ☐

Check this box if filing a composite return for partnership or 'S' corporation ▶ ☐

Check this box if you have filed a federal or state extension ▶ ☐

Check this box if you served in a Military COMBAT ZONE during the filing period ☐

Enter the name of the combat zone:

Check this box if this return is affected by a federally declared DISASTER AREA ☐

Enter the name of the disaster area:

CHECK YOUR FEDERAL FILING STATUS

(1) ☒ Single (3) ☐ Married filing separately. **Enter spouse's SSN here:** _____

(2) ☐ Married filing jointly (4) ☐ Head-of-household (5) ☐ Widow(er) with dependent child

Federal Exemptions

Enter the number of exemptions from your 2012 federal return ▶ 1

Enter the number of exemptions listed above that were under the age of 6 years on December 31, 2012 ▶ _____

Enter the number of taxpayers age 65 or older, as of December 31, 2012 ▶ 1

Dependents:

First name	Last name	Social security number	Relationship	Date of birth (MM/DD/YYYY)

INCOME AND ADJUSTMENTS 2012

				Dollars
1	**Enter federal taxable income from your federal form. If zero or less, enter zero here.** **Nonresident filers complete** Schedule NR and enter total from line 49 on line 5 below		1	11,884.00

ADDITIONS TO FEDERAL TAXABLE INCOME

a	State tax addback, if itemizing on federal return (See instructions)	a		00
b	Out-of-state losses (See instructions) Check type of loss: ☐ Rental ☐ Business ☐ Other _____	b		00
c	Expenses related to National Guard and Military Reserve income	c		00
d	Interest income on obligations of states and political subdivisions **other than** South Carolina	d		00
e	Other additions to income. Attach an explanation (See instructions)	e		00
2	Add lines **a through e** and enter the total here. These are your **total additions**		2	00
3	Add lines 1 and 2 and enter the total here		3	11,884.00

SUBTRACTIONS FROM FEDERAL TAXABLE INCOME

				Dollars
f	State tax refund, if included on your federal return	f	1,855.00	
g	Total and permanent disability retirement income, if taxed on your federal return	g	00	
h	Out-of-state income/gain — Do not include personal service income (See instructions) Check type of income/gain: ☐ Rental ☐ Business ☐ Other _____	h	00	
i	44% of net capital gains held for more than **one year** (See instructions)	i	00	
j	Volunteer deductions (See instructions) Check type of deduction: ☐ Firefighter ☐ HazMat ☐ Rescue Squad ☐ DNR ☐ Reserve Police ☐ Other _____	j	00	
k	Contributions to the SC College Investment Program ('Future Scholar') or the SC Tuition Prepayment Program (See instructions)	k	00	
l	Active Trade or Business Income deduction (See instructions)	l	00	
m	Interest income from obligations of the US government	m	00	
n	Certain nontaxable National Guard or Reserve Pay (See instructions)	n	00	
o	Social security and/or railroad retirement, it taxed on your federal return	o	0.00	
p	**Caution: Retirement Deduction** (See instructions)			
p-1	Taxpayer: date of birth 08/11/1929	p-1	3,249.00	
p-2	Spouse: date of birth _____	p-2	00	
p-3	Surviving spouse #1: date of birth of deceased spouse _____	p-3	00	
p-4	Surviving spouse #2: date of birth of deceased spouse _____	p-4	00	
q	Age 65 and older deduction (See instructions)			
q-1	Taxpayer: date of birth 08/11/1929	q-1	11,751.00	
q-2	Spouse: date of birth _____	q-2	00	
r	Negative amount of federal taxable income	r	00	
s	Subsistence allowance _____ days @ $8.00	s	00	
t	Dependents under the age of 6 years on December 31 of the tax year	t	00	
u	Other subtractions (See instructions)	u	00	
4	Add lines **f through u** and enter here. These are your **total subtractions**		4	16,855.00
5	Residents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, line 49. If less than zero enter zero here. This is your **South Carolina INCOME SUBJECT TO TAX**		5	0.00
6	**TAX:** enter tax from SOUTH CAROLINA tax tables	6	0.00	
7	TAX on Lump Sum Distribution (Attach SC4972)	7	00	
8	TAX on Active Trade or Business Income (Attach I-335)	8	00	
9	TAX on excess withdrawals from Catastrophe Savings Accounts	9	00	
10	Add lines 6 through 9 and enter the total here. This is your TOTAL SOUTH CAROLINA TAX		10	0.00
11	Child and Dependent Care (See instructions)	11	00	
12	Two Wage Earner Credit (See instructions)	12	00	
13	Other non-refundable credits. Attach SC1040TC and other state return(s)	13	00	
14	TOTAL non-refundable credits. Add lines 11 though 13 and enter the total here		14	00
15	SUBTRACT line 14 from line 10. Enter the difference BUT NOT LESS THAN ZERO here		15	0.00

2012

PAYMENTS AND REFUNDABLE CREDITS

16	SC INCOME TAX WITHHELD (Attach W-2 or SC41) ▶		00	20 Other SC withholding (Attach Form 1099) ▶		00	
17	2012 estimated tax payments ▶	2,783.	00	21 Tuition tax credit (Attach I-319) ▶		00	
18	Amount paid with extension ▶		00				
19	NR sale of real estate ▶		00	22 Other refundable credit(s) ▶		00	
				Check type: ☐ Anhydrous Ammonia (Attach I-333) ☐ Milk Credit (Attach I-334)			
23	Add lines 16 through 22 and enter the total here ... These are your **TOTAL PAYMENTS**						23 2,783. 00
24	If line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT						24 2,783. 00
25	If line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE						25 00
26	**USE TAX:** (See instructions) ▶				26	0. 00	
27	Amount of line 24 to be credited to your **2013 Estimated Tax** ▶				27	00	
28	Total Contributions for Check-offs (Attach I-330) ▶				28	00	
29	Add lines 26 through 28 and enter the total here						29 0. 00
30	If line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the AMOUNT TO BE REFUNDED TO YOU (line 30a check box entry is required) ... **REFUND** ▶						30 2,783. 00

REFUND OPTIONS (subject to program limitations)

30a Mark one refund choice: ▶ ☒ Direct Deposit (30b required) ▶ ☐ Debit Card* ▶ ☐ Paper Check

**SCDOR Income Tax Refund Prepaid Debit Card issued by Bank Of America*

30b Direct Deposit (for US Accounts Only) Type: ☒ Checking ☐ Savings

Routing Number (RTN): 053207533 — **Must be 9 digits.** The first two numbers of the RTN must be 01 through 12 or 21 through 32

Bank Account Number (BAN): 721517027 — 1-17 digits

31	Tax Due: Add lines 25 and 29. If line 29 is larger than line 24, subtract line 24 from line 29 and enter the amount	31	00
32	Late filing and/or late payment: Penalties _____ Interest _____ (See Instructions) Enter total here ▶	32	00
33	Penalty for Underpayment of Estimated Tax (Attach SC2210) ... (See instructions and enter letter in box if applicable) Exception to Underpayment of Estimated Tax ☐ ▶	33	00
34	Add lines 31 through 33 and enter the **AMOUNT YOU OWE** here ... **BALANCE DUE** ▶	34	00

Pay electronically free of charge at www.sctax.org. Click on DORePay and pay with Visa, MasterCard or by Electronic Funds Withdrawal (EFW) or include SC1040-V with your check or money order for the full amount payable to 'SC Department of Revenue'. Write your social security number and '2012 SC1040' on the payment.

Go Paperless! SCDOR will soon offer the option to receive your Form 1099-G/INT on its secure, confidential website **www.sctax.org** instead of receiving it in the mail. Form 1099-G/INT is used when preparing your federal tax return. The website information would allow you to print a copy of the form if needed. Check the box below and provide a valid email address to receive more information and instructions about this new program when available.

☐ Yes, I wish to receive information about accessing 1099-G/INT information through the SCDOR website. | Email Address

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Your signature	Date	Spouse's signature (if married filing jointly, BOTH must sign)

I **authorize** the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer. Yes ☒ No ☐ | Preparer's printed name: DARRELL I. HARDY

If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

Paid Preparer's Use Only				
Preparer signature: DARRELL I. HARDY		Date	Check if self-employed ☐	PTIN: P01086036
Firm name (or yours if self-employed) and address and Zip Code: FINANCIAL AND ACCOUNTING SERVICES INC, PO BOX 593, ANDERSON, SC 29622				FEIN: 57-2279762
				Phone No. (864) 226-5109

MAIL TO:

REFUNDS OR ZERO TAX	**SC1040 Processing Center, PO Box 101100, Columbia, SC 29211-0100**
BALANCE DUE	**Taxable Processing Center, PO Box 101105, Columbia, SC 29211-0105**

Form **1040** Department of the Treasury - Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2013** OMB No. 1545-0074 IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2013, or other tax year beginning , 2013, ending , 20 — See separate instructions.

Your first name and initial	Last name	Your social security number
Vicki W	Littlefield	250-86-1115
If a joint return, spouse's first name and initial	Last name	Spouse's social security number

Home address (number and street). Apt. no. — Make sure the SSN(s) above and on line 6c are correct.

2833 W Whitner

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Anderson SC 29626

Foreign country name | Foreign province/state/county | Foreign postal code

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above and full name here. ▶
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

c **Dependents:**

(1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Chk if child under age 17 qualifying for child tax credit (see instructions)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ▶ ☐

Boxes checked on 6a and 6b: 1
No. of children on 6c who:
- lived with you
- did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above
Add numbers on lines above ▶: 1

d Total number of exemptions claimed: 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	80,413
b	**Tax-exempt** interest. **Do not** include on line 8a	8b		
9a	Ordinary dividends. Attach Schedule B if required		9a	
b	Qualified dividends	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes		10	668
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	(174)
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐		13	
14	Other gains or (losses). Attach Form 4797		14	(13,223)
15a	IRA distributions — 15a — b Taxable amount		15b	
16a	Pensions and annuities — 16a — b Taxable amount		16b	477
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	(11,777)
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20a	Social security benefits — 20a — b Taxable amount		20b	
21	Other income		21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ▶		22	56,384

Adjusted Gross Income

23	Educator expenses	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	Deductible part of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction	29	5,330	
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction	32		
33	Student loan interest deduction	33		
34	Tuition and fees. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 35		36	5,330
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37	51,054

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	51,054
	39a	Check if: [X] You were born before January 2, 1949, [ ] Blind. [ ] Spouse was born before January 2, 1949, [ ] Blind. Total boxes checked ▶ 39a	1	
Standard Deduction for - • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, $6,100; Married filing jointly or Qualifying widow(er), $12,200; Head of household, $8,950	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b [ ]		
	40	**Itemized deductions** (from Schedule A) **or** your **standard deduction** (see left margin)	40	30,002
	41	Subtract line 40 from line 38	41	21,052
	42	**Exemptions.** If line 38 is $150,000 or less, multiply $3,900 by the number on line 6d. Otherwise, see instructions	42	3,900
	43	**Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	17,152
	44	**Tax** (see instructions). Check if any from: a [ ] Form(s) 8814 b [ ] Form 4972 c [ ]	44	2,130
	45	**Alternative minimum tax** (see instructions). Attach Form 6251	45	
	46	Add lines 44 and 45 ▶	46	2,130
	47	Foreign tax credit. Attach Form 1116 if required — 47		
	48	Credit for child and dependent care expenses. Attach Form 2441 — 48		
	49	Education credits from Form 8863, line 19 — 49		
	50	Retirement savings contributions credit. Attach Form 8880 — 50		
	51	Child tax credit. Attach Schedule 8812, if required — 51		
	52	Residential energy credits. Attach Form 5695 — 52		
	53	Other credits from Form: a [ ] 3800 b [ ] 8801 c [ ] — 53		
	54	Add lines 47 through 53. These are your **total credits**	54	
	55	Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- ▶	55	2,130
Other Taxes	56	Self-employment tax. Attach Schedule SE	56	
	57	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919	57	
	58	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	58	
	59 a	Household employment taxes from Schedule H	59a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	59b	
	60	Taxes from: a [ ] Form 8959 b [ ] Form 8960 c [ ] Instructions; enter code(s)	60	
	61	Add lines 55 through 60. This is your **total tax** ▶	61	2,130
Payments	62	Federal income tax withheld from Forms W-2 and 1099 — 62	4	
If you have a qualifying child, attach Schedule EIC.	63	2013 estimated tax payments and amount applied from 2012 return — 63	4,788	
	64a	**Earned income credit (EIC)** — 64a		
	b	Nontaxable combat pay election — 64b		
	65	Additional child tax credit. Attach Schedule 8812 — 65		
	66	American opportunity credit from Form 8863, line 8 — 66		
	67	Reserved — 67		
	68	Amount paid with request for extension to file — 68		
	69	Excess social security and tier 1 RRTA tax withheld — 69		
	70	Credit for federal tax on fuels. Attach Form 4136 — 70		
	71	Credits from Form: a [ ] 2439 b [ ] Reserved c [ ] 8885 d [ ] — 71		
	72	Add lines 62, 63, 64a, and 65 through 71. These are your **total payments** ▶	72	4,792
Refund	73	If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you **overpaid**	73	2,662
	74a	Amount of line 73 you want **refunded to you.** If Form 8888 is attached, check here ▶ [ ]	74a	501
Direct deposit? See instructions.	▶ b	Routing number X X X X X X X X X ▶ c Type: [ ] Checking [ ] Savings		
	▶ d	Account number X X X X X X X X X X X X X X X X		
	75	Amount of line 73 you want **applied to your 2014 estimated tax** ▶ — 75	2,160	
Amount You Owe	76	**Amount you owe.** Subtract line 72 from line 61. For details on how to pay, see instructions ▶	76	
	77	Estimated tax penalty (see instructions) — 77	1	

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? [ ] Yes. Complete below. [X] No

Designee's name ▶ | Phone no. ▶ | Personal identification number (PIN) ▶

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records.

Your signature	Date	Your occupation	Daytime phone number
61115	04-10-2014	Sales	864-226-9951
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	Identity Protection PIN (see inst.)

Paid Preparer Use Only

Preparer's signature	Date 04-15-2014	Check [X] if self-employed	PTIN P00559622
Print/Type preparer's name Gregory A Owens			
Firm's name ▶ Gregory A Owens CPA		Firm's EIN ▶	20-3382125
Firm's address ▶ 2406 N Main Street Suite G Anderson, SC 29621		Phone no.	864-224-0771

EA

SCHEDULE A (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Itemized Deductions

▶ Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.
▶ Attach to Form 1040.

OMB No. 1545-0074

2013
Attachment Sequence No. **07**

Name(s) shown on Form 1040: Vicki W Littlefield

Your social security number: 250-86-1115

Medical and Dental Expenses		**Caution.** Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see instructions)	1	1,718	
	2	Enter amount from Form 1040, line 38	2	51,054	
	3	Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1949, multiply line 2 by 7.5% (.075) instead	3	3,829	
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4 — 0
Taxes You Paid	5	State and local (**check only one box**): a ☒ Income taxes, or b ☐ General sales taxes	5	668	
	6	Real estate taxes (see instructions)	6	4,469	
	7	Personal property taxes	7	681	
	8	Other taxes. List type and amount ▶	8		
	9	Add lines 5 through 8			9 — 5,818
Interest You Paid	10	Home mortgage interest and points reported to you on Form 1098	10	5,785	
Note. Your mortgage interest deduction may be limited (see instructions).	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11		
	12	Points not reported to you on Form 1098. See instructions for special rules	12		
	13	Mortgage insurance premiums (see instructions)	13		
	14	Investment interest. Attach Form 4952 if required. (See instructions.)	14		
	15	Add lines 10 through 14			15 — 5,785
Gifts to Charity If you made a gift and got a benefit for it, see instructions.	16	Gifts by cash or check. If you made any gift of $250 or more, see instructions	16	18,399	
	17	Other than by cash or check. If any gift of $250 or more, see instructions. You **must** attach Form 8283 if over $500	17		
	18	Carryover from prior year	18		
	19	Add lines 16 through 18			19 — 18,399
Casualty and Theft Losses	20	Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20
Job Expenses and Certain Miscellaneous Deductions	21	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instr.) ▶	21		
	22	Tax preparation fees	22		
	23	Other expenses - investment, safe deposit box, etc. List type and amount ▶ Safe Deposit Box 65; IRA Trustee Fee 15	23	80	
	24	Add lines 21 through 23	24	80	
	25	Enter amount from Form 1040, line 38	25	51,054	
	26	Multiply line 25 by 2% (.02)	26	1,021	
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27 — 0
Other Miscellaneous Deductions	28	Other - from list in instructions. List type and amount ▶			28
Total Itemized Deductions	29	Is Form 1040, line 38, over $150,000? ☒ **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. ☐ **Yes.** Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.			29 — 30,002
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ ☐			

For Paperwork Reduction Act Notice, see Form 1040 instructions. — Schedule A (Form 1040) 2013

(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040A or 1040.

▶ Information about Sch. B (Form 1040A or 1040) & its instructions is at www.irs.gov/scheduleb.

2013
Attachment Sequence No. 08

Name(s) shown on return

Vicki W Littlefield

Your social security number

250-86-1115

Part I Interest

(See instructions for Form 1040A, or Form 1040, line 8a.)

Note. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

		Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see instructions and list this interest first. Also, show that buyer's social security number and address ▶ Statement #1 INTEREST SUBTOTAL 80,413	80,413
2	Add the amounts on line 1	80,413
3	Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	
4	Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ▶	80,413

Note. If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

(See instructions for Form 1040A, or Form 1040, line 9a.)

Note. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

		Amount
5	List name of payer ▶	
6	Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶	

Note. If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

(See instructions.)

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

		Yes	No
7a	At any time during 2013, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions		X
	If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), formerly TD F 90-22.1 to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements		X
b	If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶		
8	During 2013, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions		X

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule B (Form 1040A or 1040) 2013

Name(s) as shown on return: Vicki W Littlefield

Your Social Security Number: 250-86-1115

SCHEDULE B - INTEREST

Statement #1

PAYER	AMOUNT
81 AUTO SALES LLC	7,250
ANDY CROFT	264
BONEYARD CYCLES	21,370
COMMUNITY FIRST BANK	1,067
COMMUNITY FIRST BANK	4,723
CROMER ENTERPRISE	24,240
EL MOTORS LLC	11,370
Internal Revenue Service	41
JOEY OSBORNE AUTO SALES	500
PALMETTO BANK - SAVINGS	238
PEOPLES BANK	50
PEOPLES BANK	70
PEOPLES BANK	58
SAMMONS AUTO SALES	2,200
SAMMY BROWN	3,177
SC AUTO SALES LLC	3,795
TOTAL	80,413

PG01

Schedule E - Line 19 - Other Expenses

Statement #2

Other Expenses	Property A	Property B	Property C
PERMITS	135		
DEMOLITION OF PROP	15,300		
TOTAL	15,435		

MENT.LD

SCHEDULE E (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Information about Schedule E and its separate instructions is at www.irs.gov/schedulee.

2013

Attachment Sequence No. 13

Name(s) shown on return: Vicki W Littlefield

Your social security number: 250-86-1115

Part I **Income or Loss From Rental Real Estate and Royalties** **Note.** If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2013 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☒ No

B If "Yes," did you or will you file required Forms 1099? ☐ Yes ☐ No

1a	Physical address of each property (street, city, state, ZIP code)
A	2848 Sunset Forest Anderson SC 29626
B	
C	

1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.		Fair Rental Days	Personal Use Days	QJV
A	1		A	360	0	☐
B			B			☐
C			C			☐

Type of Property:

1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental

2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income: / Properties:		A	B	C
3 Rents received	3	2,400		
4 Royalties received	4			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9	208		
10 Legal and other professional fees	10	200		
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see instructions)	12			
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16	466		
17 Utilities	17			
18 Depreciation expense or depletion	18	630		
19 Other (list) ▶ Statement #2	19	15,435		
20 Total expenses. Add lines 5 through 19	20	16,939		
21 Subtract line 20 from line 3 (rents) and/or 4(royalties). If result is a (loss), see instructions to find out if you must file **Form 6198**	21	(14,539)		
22 Deductible rental real estate loss after limitation, if any, on **Form 8582** (see instructions)	22	(11,777)	( )	( )

23a Total of all amounts reported on line 3 for all rental properties	23a	2,400	
b Total of all amounts reported on line 4 for all royalty properties	23b		
c Total of all amounts reported on line 12 for all properties	23c		
d Total of all amounts reported on line 18 for all properties	23d	630	
e Total of all amounts reported on line 20 for all properties	23e	16,939	

24 **Income.** Add positive amounts shown on line 21. **Do not** include any losses	24	0
25 **Losses.** Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	(11,777)
26 **Total rental real estate and royalty income or (loss).** Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26	(11,777)

For **Paperwork Reduction Act Notice, see the separate instructions.** Schedule E (Form 1040) 2013

EA

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
2013 INDIVIDUAL INCOME TAX RETURN

SC1040
(Rev. 8/20/13)
3075

Your social security number	Check if deceased ☐
250-86-1115	
ouse's social security number	Check if deceased ☐

DO NOT USE THIS FORM TO FILE A CORRECTED RETURN, SEE SC1040 INSTRUCTIONS FOR ADDITIONAL INFORMATION.

ear January 1 - December 31, 2013, or fiscal tax year beginning 2013 and ending 2014

first name and initial	Last name	Suff.
ki W	Littlefield	
first name, if married filing jointly	Last name	

☐	Mailing address (number and street, Apt. no or P.O. Box) Foreign address, see instructions	County code
ss	2833 W Whitner	04

	State	Zip	Area code Daytime telephone
erson	SC	29626	864-226-9951

☐	Foreign country address including Postal code (see instructions)
ddress US	

his box if you are filing SC Schedule NR (Part year/Nonresident) . . . . . ▶ ☐
is box ONLY if filing a composite return on behalf of the nonresident partners/ shareholders of a partnership or "S" corporation . . . ▶ ☐
his box if you have filed a federal or state extension . . . . . ▶ ☐
his box if you served in a Military COMBAT ZONE during the filing period . . . . . ☐
ie name of the combat zone:
his box if this return is affected by a federally declared DISASTER AREA . . . . . ☐
ie name of the disaster area:

YOUR FILING STATUS
(1) ☒ Single (3) ☐ Married filing separately. **Enter spouse's SSN here:** _____
(2) ☐ Married filing jointly (4) ☐ Head-of-household (5) ☐ Widow(er) with dependent child

Exemptions

e number of exemptions from your 2013 federal return . . . . . ▶ 1
e number of exemptions listed above that were under the age of 6 years on December 31, 2013 . . ▶
e number of taxpayers age 65 or older, as of December 31, 2013 . . . . . ▶ 1

lents:

ame	Last name	Social security number	Relationship	Date of birth (MM/DD/YYYY)

30751028

Littlefield 250-86-1115

OME AND ADJUSTMENTS

2013

				Dollars
nter federal taxable income from your federal form. If zero or less, enter zero here. onresident filers complete Schedule NR and enter total from line 49 on line 5 below			1	17,152 00
TIONS TO FEDERAL TAXABLE INCOME				
State tax addback, if itemizing on federal return (See instructions)	a	668 00		
Out-of-state losses (See instructions)				
Check type of loss: ☐ Rental ☐ Business ☐ Other	b	00		
Expenses related to National Guard and Military Reserve income	c	00		
Interest income on obligations of states and political subdivisions **other than** South Carolina	d	00		
Other additions to income. Attach an explanation (See instructions)	e	00		
dd lines **a through e** and enter the total here. These are your **total additions**			2	668 00
dd lines 1 and 2 and enter the total here			3	17,820 00
RACTIONS FROM FEDERAL TAXABLE INCOME				
State tax refund, if included on your federal return	f	668 00		Dollars
Total and permanent disability retirement income, if taxed on your federal return	g	00		
Out-of-state income/gain - Do not include personal service income (See instructions)				
Check type of income/gain: ☐ Rental ☐ Business ☐ Other	h	00		
44% of net capital gains held for more than **one year** (See instructions)	i	00		
Volunteer deductions (See instructions) Check type of deduction: ☐ Firefighter ☐ HazMat ☐ Rescue Squad ☐ DNR ☐ Reserve Police ☐ Other	j	00		
Contributions to the SC College Investment Program ("Future Scholar") or the SC Tuition Prepayment Program (See instructions)	k	00		
Active Trade or Business Income deduction (See instructions)	l	00		
Interest income from obligations of the US government	m	00		
Certain nontaxable National Guard or Reserve Pay (See instructions)	n	00		
Social security and/or railroad retirement, if taxed on your federal return	o	00		
Caution: Retirement Deduction (See instructions)				
p-1 Taxpayer: date of birth 04-12-1948	p-1	477 00		
p-2 Spouse: date of birth	p-2	00		
p-3 Surviving spouse #1: date of birth of deceased spouse	p-3	00		
p-4 Surviving spouse #2: date of birth of deceased spouse	p-4	00		
Age 65 and older deduction (See instructions)				
q-1 Taxpayer: date of birth 04-12-1948	q-1	14,523 00		
q-2 Spouse: date of birth	q-2	00		
Negative amount of federal taxable income	r	00		
Subsistence allowance _____ days @ $8.00	s	00		
Dependents under the age of 6 years on December 31 of the tax year	t	00		
Consumer Protection Services	u	00		
Other subtractions (See instructions) FD/ST. Depr. Diff.	v	385 00		
d lines **f through v** and enter here. These are your **total subtractions**			4	< 16,053 00>
sidents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, e 50. If less than zero, enter zero here. This is your **South Carolina INCOME SUBJECT TO TAX**			5	1,767 00
: enter tax from SOUTH CAROLINA tax tables	6	00		
: on Lump Sum Distribution (Attach SC4972)	7	00		
: on Active Trade or Business Income (Attach I-335)	8	00		
: on excess withdrawals from Catastrophe Savings Accounts	9	00		
lines 6 through 9 and enter the total here. This is your **TOTAL SOUTH CAROLINA TAX**			10	00
d and Dependent Care (See instructions)	11	00		
Wage Earner Credit (See instructions)	12	00		
er non-refundable credits. Attach SC1040TC and other state return(s)	13	00		
AL non-refundable credits. Add lines 11 through 13 and enter the total here			14	00
TRACT line 14 from line 10. Enter the difference BUT NOT LESS THAN ZERO here			15	0 00

30752026

:tlefield

250-86-1115

2013

MENTS AND REFUNDABLE CREDITS

16	SC INCOME TAX WITHHELD (Attach W-2 or SC41)		00	20	Other SC withholding (Attach Form 1099)		00	
17	2013 estimated tax payments	968	00	21	Tuition tax credit (Attach I-319)		00	
18	Amount paid with extension		00					
19	NR sale of real estate		00	22	Other refundable credit(s)		00	

Check type: ☐ Anhydrous Ammonia (Attach I-333) ☐ Milk Credit (Attach I-334) ☐ Classroom Teacher Expense (Attach I-360)

dd lines 16 through 22 and enter the total here . . . These are your **TOTAL PAYMENTS**	23	968	00	
line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT	24	968	00	
line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE	25		00	
ISE TAX: (See instructions)	26	0	00	
mount of line 24 to be credited to your **2014 Estimated Tax**	27		00	
otal Contributions for Check-offs (Attach I-330)	28		00	
dd lines 26 through 28 and enter the total here	29		00	
line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the **AMOUNT TO BE REFUNDED TO YOU (line 30a check box entry is required)** . . . **REFUND** ▶	30	968	00	

REFUND OPTIONS (subject to program limitations)

30a Mark one refund choice: ▶ ☐ Direct Deposit (30b required) ▶ ☐ Debit Card ▶ ☒ Paper Check

*SCDOR Income Tax Refund Prepaid Debit Card issued by Bank of America

30b Direct Deposit (for US Accounts Only) Type: ☐ Checking ☐ Savings

Routing Number (RTN) — Must be 9 digits. The first two numbers of the RTN must be 01 through 12 or 21 through 32

Bank Account Number (BAN) — 1-17 digits

ax Due: Add lines 25 and 29. If line 29 is larger than line 24, subtract line 24 from line 29 and enter the amount	31		00
ate filing and/or late payment: Penalties _____ Interest _____ (See instructions) Enter total here . . ▶	32		00
enalty for Underpayment of Estimated Tax (Attach SC2210)			
(See instructions and enter letter in box if applicable) Exception to Underpayment of Estimated Tax ▶	33		00
dd lines 31 through 33 and enter the **AMOUNT YOU OWE** here . . . **BALANCE DUE** ▶	34		00

ectronically free of charge at www.sctax.org. Click on DORePay and pay with Visa, MasterCard or by Electronic Funds Withdrawal or include SC1040-V with your check or money order for the full amount payable to "SC Department of Revenue". Write your social ty number and "2013 SC1040" on the payment.

aperless! SCDOR will soon offer the option to receive your Form 1099-G/INT electronically instead of receiving it in the mail. Form 1099-G/INT is when preparing your federal tax return.

heck here and enter your email address if you wish receive information about obtaining your 1099-G/IT Income Tax Refund statement electronically. | Email Address

re that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Signature	Date	Spouse's signature (if married filing jointly, BOTH must sign)
	04-15-2014	

orize the Director of the Department of Revenue or delegate to s this return, attachments and related tax matters with the preparer. Yes ☐ No ☒ Preparer's printed name

ared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

	Preparer signature	Date	Check if self-employed	PTIN
		04-15-2014	☒	P00559622

arer's Only	Firm name (or yours if self-employed) and address and Zip Code	Gregory A Owens CPA 2406 N Main Street Suite G Anderson SC 29621	FEIN 20-3382125 Phone No. 864-224-0771

TO: REFUNDS OR ZERO TAX — **SC1040 Processing Center, PO Box 101100, Columbia, SC 29211-0100**

BALANCE DUE — **Taxable Processing Center, PO Box 101105, Columbia, SC 29211-0105**

30753024

Form **1040** Department of the Treasury - Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2014** OMB No. 1545-0074 IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2014, or other tax year beginning , 2014, ending , 20 — See separate instructions.

Your first name and initial: Vicki W	Last name: Littlefield	Your social security number: 250-86-1115
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
Home address (number and street): 2833 W Whitner	Apt. no.	⚠ Make sure the SSN(s) above and on line 6c are correct.
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions): Anderson SC 29626		Presidential Election Campaign: Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse
Foreign country name	Foreign province/state/county / Foreign postal code	

Filing Status Check only one box.

1 [X] Single
2 [ ] Married filing jointly (even if only one had income)
3 [ ] Married filing separately. Enter spouse's SSN above and full name here. ▶
4 [ ] Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
5 [ ] Qualifying widow(er) with dependent child

Exemptions

6a [X] **Yourself.** If someone can claim you as a dependent, **do not** check box 6a
b [ ] **Spouse**

Boxes checked on 6a and 6b: 1

c **Dependents:** (1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) Chk if child under age 17 qualifying for child tax credit (see instructions)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ▶ ☐

No. of children on 6c who:
- lived with you: ___
- did not live with you due to divorce or separation (see instructions): ___

Dependents on 6c not entered above: ___

Add numbers on lines above ▶: 1

d Total number of exemptions claimed: 7 — 1

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

7	Wages, salaries, tips, etc. Attach Form(s) W-2		8a	69,383
8a	**Taxable** interest. Attach Schedule B if required		9a	
b	**Tax-exempt** interest. **Do not** include on line 8a	8b 3,062		
9a	Ordinary dividends. Attach Schedule B if required		10	968
b	Qualified dividends	9b		
10	Taxable refunds, credits, or offsets of state and local income taxes		11	
11	Alimony received		12	(2,980)
12	Business income or (loss). Attach Schedule C or C-EZ		13	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐		14	(3,082)
14	Other gains or (losses). Attach Form 4797		15b	
15a	IRA distributions	15a / b Taxable amount	16b	1,406
16a	Pensions and annuities	16a / b Taxable amount	17	1,382
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		18	
18	Farm income or (loss). Attach Schedule F		19	
19	Unemployment compensation		20b	7,248
20a	Social security benefits	20a 8,527 / b Taxable amount	21	
21	Other income		22	74,325
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ▶			

Adjusted Gross Income

23	Educator expenses	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
25	Health savings account deduction. Attach Form 8889	25		
26	Moving expenses. Attach Form 3903	26		
27	Deductible part of self-employment tax. Attach Schedule SE	27		
28	Self-employed SEP, SIMPLE, and qualified plans	28		
29	Self-employed health insurance deduction	29		
30	Penalty on early withdrawal of savings	30	50	
31a	Alimony paid b Recipient's SSN ▶	31a		
32	IRA deduction	32		
33	Student loan interest deduction	33		
34	Tuition and fees. Attach Form 8917	34		
35	Domestic production activities deduction. Attach Form 8903	35		
36	Add lines 23 through 35		36	50
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶		37	74,275

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Form **1040** (2014)

EEA

Tax and Credits	38	Amount from line 37 (adjusted gross income)		38	74,275
	39a	Check if: [X] You were born before January 2, 1950, [ ] Blind. [ ] Spouse was born before January 2, 1950, [ ] Blind. } Total boxes checked ▶ 39a	1		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b [ ]			
Standard Deduction for - • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, $6,200 Married filing jointly or Qualifying widow(er), $12,400 Head of household, $9,100	40	**Itemized deductions** (from Schedule A) or your **standard deduction** (see left margin)		40	17,914
	41	Subtract line 40 from line 38		41	56,361
	42	**Exemptions.** If line 38 is $152,525 or less, multiply $3,950 by the number on line 6d. Otherwise, see instructions		42	3,950
	43	**Taxable income.** Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-		43	52,411
	44	**Tax** (see instructions). Check if any from: a [ ] Form(s) 8814 b [ ] Form 4972 c [ ]		44	8,963
	45	**Alternative minimum tax** (see instructions). Attach Form 6251		45	
	46	Excess advance premium tax credit repayment. Attach Form 8962		46	
	47	Add lines 44, 45, and 46 ▶		47	8,963
	48	Foreign tax credit. Attach Form 1116 if required	48		
	49	Credit for child and dependent care expenses. Attach Form 2441	49		
	50	Education credits from Form 8863, line 19	50		
	51	Retirement savings contributions credit. Attach Form 8880	51		
	52	Child tax credit. Attach Schedule 8812, if required	52		
	53	Residential energy credit. Attach Form 5695	53		
	54	Other credits from Form: a [ ] 3800 b [ ] 8801 c [ ]	54		
	55	Add lines 48 through 54. These are your **total credits**		55	
	56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0- ▶		56	8,963
Other Taxes	57	Self-employment tax. Attach Schedule SE		57	
	58	Unreported social security and Medicare tax from Form: a [ ] 4137 b [ ] 8919		58	
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required		59	
	60 a	Household employment taxes from Schedule H		60a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required		60b	
	61	Health care: individual responsibility (see instructions) Full-year coverage [X]		61	
	62	Taxes from: a [ ] Form 8959 b [ ] Form 8960 c [ ] Instructions; enter code(s)		62	
	63	Add lines 56 through 62. This is your **total tax** ▶		63	8,963
Payments	64	Federal income tax withheld from Forms W-2 and 1099	64		
If you have a qualifying child, attach Schedule EIC.	65	2014 estimated tax payments and amount applied from 2013 return	65	2,160	
	66a	**Earned income credit (EIC)**	66a		
	b	Nontaxable combat pay election 66b			
	67	Additional child tax credit. Attach Schedule 8812	67		
	68	American opportunity credit from Form 8863, line 8	68		
	69	Net premium tax credit. Attach Form 8962	69		
	70	Amount paid with request for extension to file	70		
	71	Excess social security and tier 1 RRTA tax withheld	71		
	72	Credit for federal tax on fuels. Attach Form 4136	72		
	73	Credits from Form: a [ ] 2439 b [ ] Reserved c [ ] Reserved d [ ]	73		
	74	Add lines 64, 65, 66a, and 67 through 73. These are your **total payments** ▶		74	2,160
Refund	75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you **overpaid**		75	
	76a	Amount of line 75 you want **refunded to you.** If Form 8888 is attached, check here ▶ [ ]		76a	
Direct deposit? See instructions.	▶ b	Routing number ▶c Type: [ ] Checking [ ] Savings			
	▶ d	Account number			
	77	Amount of line 75 you want **applied to your 2015 estimated tax** ▶	77		
Amount You Owe	78	**Amount you owe.** Subtract line 74 from line 63. For details on how to pay, see instructions ▶		78	6,803
	79	Estimated tax penalty (see instructions)	79		

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? [ ] Yes. Complete below. [X] No

Designee's name ▶ Phone no. ▶ Personal identification number (PIN) ▶

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	Daytime phone number
61115	04-15-2015	Retired	864-224-7616
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	Identity Protection PIN (see inst.)

Joint return? See instructions. Keep a copy for your records.

Paid Preparer Use Only

Preparer's signature	Date	Check [X] if self-employed	PTIN
	04-15-2015		P00559622
Print/Type preparer's name Gregory A Owens			
Firm's name ▶ Gregory A Owens CPA Inc		Firm's EIN ▶	20-3382125
Firm's address ▶ 2406-G N Main Street Anderson, SC 29621		Phone no.	864-224-0771

EEA

Form **1040** (2014)

SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Itemized Deductions

▶ Information about Schedule A and its separate instructions is at www.irs.gov/scheduleA.

▶ Attach to Form 1040.

OMB No. 1545-0074

2014

Attachment Sequence No. **07**

Name(s) shown on Form 1040: Vicki W Littlefield

Your social security number: 250-86-1115

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.				
	1 Medical and dental expenses (see instructions)	1	7,258		
	2 Enter amount from Form 1040, line 38	2	74,275		
	3 Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1950, multiply line 2 by 7.5% (.075) instead	3	5,571		
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			4	1,687
Taxes You Paid	5 State and local (check only one box): a ☐ Income taxes, or b ☒ General sales taxes	5	736		
	6 Real estate taxes (see instructions)	6	4,398		
	7 Personal property taxes	7	483		
	8 Other taxes. List type and amount ▶	8			
	9 Add lines 5 through 8			9	5,617
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098	10	3,420		
Note. Your mortgage interest deduction may be limited (see instructions).	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11			
	12 Points not reported to you on Form 1098. See instructions for special rules	12			
	13 Mortgage insurance premiums (see instructions)	13			
	14 Investment interest. Attach Form 4952 if required. (See instructions.)	14			
	15 Add lines 10 through 14			15	3,420
Gifts to Charity If you made a gift and got a benefit for it, see instructions.	16 Gifts by cash or check. If you made any gift of $250 or more, see instructions	16	7,190		
	17 Other than by cash or check. If any gift of $250 or more, see instructions. You must attach Form 8283 if over $500	17			
	18 Carryover from prior year	18			
	19 Add lines 16 through 18			19	7,190
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)			20	
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instr.) ▶	21			
	22 Tax preparation fees	22			
	23 Other expenses - investment, safe deposit box, etc. List type and amount ▶ Safe Deposit Box 142; IRA Trustee Fee 15	23	157		
	24 Add lines 21 through 23	24	157		
	25 Enter amount from Form 1040, line 38	25	74,275		
	26 Multiply line 25 by 2% (.02)	26	1,486		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-			27	0
Other Miscellaneous Deductions	28 Other - from list in instructions. List type and amount ▶			28	
Total Itemized Deductions	29 Is Form 1040, line 38, over $152,525? ☒ No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. ☐ Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.			29	17,914
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ ☐				

For Paperwork Reduction Act Notice, see Form 1040 instructions.

EEA

Schedule A (Form 1040) 2014

Name(s) as shown on return: Vicki W Littlefield

Your Social Security Number: 250-86-1115

SCHEDULE B - INTEREST

Statement #1

PAYER	AMOUNT
81 AUTO SALES LLC	9,535
BONEYARD CYCLES	29,630
COMMUNITY FIRST BANK	819
COMMUNITY FIRST BANK	26
COMMUNITY FIRST BANK	228
COMMUNITY FIRST BANK	796
EL MOTORS LLC	11,645
HARBIN AND SONS	1,800
JOEY OSBORNE AUTO SALES	400
PALMETTO BANK - SAVINGS	75
Peoples Financial Group	1
RONALD LARSON	800
SAMMONS AUTO SALES	3,040
SAMMY BROWN	4,907
SC AUTO SALES LLC	5,670
THE PEOPLES BANK	11
TOTAL	69,383

1024

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
2014 INDIVIDUAL INCOME TAX RETURN

SC1040
(Rev. 7/29/14)
3075

Your social security number	Check if deceased ☐
250-86-1115	
Spouse's social security number	Check if deceased ☐

DO NOT USE THIS FORM TO FILE A CORRECTED RETURN. SEE SC1040 INSTRUCTIONS FOR ADDITIONAL INFORMATION.

r the year January 1 - December 31, 2014, or fiscal tax year beginning 2014 and ending 2015

rint your first name and initial	Last name	Suff.
Vicki W	Littlefield	
ouse's first name, if married filing jointly	Last name	

heck if w address ☐	Mailing address (number and street, Apt. no or P.O. Box) Foreign address, see instructions	County code
	2833 W Whitner	04

ty	State	Zip	Area code	Daytime telephone
Anderson	SC	29626	864	224-7616

heck if address outside US ☐	Foreign country address including Postal code (see instructions)

heck this box if you are filing SC Schedule NR (Part year/Nonresident) . . . . . ▶ ☐
ck this box ONLY if filing a composite return on behalf of a partnership or "S" corporation. Do not check this box if you are an individual ▶ ☐
eck this box if you have filed a federal or state extension . . . . . ▶ ☐
eck this box if you served in a Military COMBAT ZONE during the filing period . . . . . ☐
er the name of the combat zone:
eck this box if this return is affected by a federally declared DISASTER AREA . . . . . ☐
er the name of the disaster area:

IECK YOUR DERAL FILING STATUS
(1) ☒ Single (3) ☐ Married filing separately. Enter spouse's SSN here: _____
(2) ☐ Married filing jointly (4) ☐ Head-of-household (5) ☐ Widow(er) with dependent child

eral Exemptions

r the number of exemptions from your 2014 federal return	▶	1
r the number of exemptions listed above that were under the age of 6 years on December 31, 2014	▶	
r the number of taxpayers age 65 or older, as of December 31, 2014	▶	1

endents:

t name	Last name	Social security number	Relationship	Date of birth (MM/DD/YYYY)

30751028

Littlefield 250-86-1115

OME AND ADJUSTMENTS 2014

			Dollars
Enter federal taxable income from your federal form. If zero or less, enter zero here. Nonresident filers complete Schedule NR and enter total from line 50 on line 5 below		1	52,411 00

ITIONS TO FEDERAL TAXABLE INCOME

State tax addback, if itemizing on federal return (See instructions)	a	736 00	
Out-of-state losses (See instructions) Check type of loss: ☐ Rental ☐ Business ☐ Other	b	00	
Expenses related to National Guard and Military Reserve income	c	00	
Interest income on obligations of states and political subdivisions **other than** South Carolina	d	00	
Other additions to income. Attach an explanation (See instructions)	e	1,132 00	S Corp Differ
Add lines **a through e** and enter the total here. These are your **total additions**	2	1,868 00	
Add lines 1 and 2 and enter the total here	3	54,279 00	

TRACTIONS FROM FEDERAL TAXABLE INCOME

			Dollars
State tax refund, if included on your federal return	f	968 00	
Total and permanent disability retirement income, if taxed on your federal return	g	00	
Out-of-state income/gain - Do not include personal service income (See instructions) Check type of income/gain: ☐ Rental ☐ Business ☐ Other	h	00	
44% of net capital gains held for more than **one year** (See instructions)	i	00	
Volunteer deductions (See instructions) Check type of deduction: ☐ Firefighter ☐ HazMat ☐ Rescue Squad ☐ DNR ☐ Reserve Police ☐ Other	j	00	
Contributions to the SC College Investment Program ("Future Scholar") or the SC Tuition Prepayment Program (See instructions)	k	00	
Active Trade or Business Income deduction (See instructions)	l	00	
Interest income from obligations of the US government	m	00	
Certain nontaxable National Guard or Reserve Pay (See instructions)	n	00	
Social security and/or railroad retirement, if taxed on your federal return	o	7,248 00	
Caution: Retirement Deduction (See instructions)			
p-1 Taxpayer: date of birth 04-12-1948	p-1	1,406 00	
p-2 Spouse: date of birth	p-2	00	
p-3 Surviving spouse #1: date of birth of deceased spouse	p-3	00	
p-4 Surviving spouse #2: date of birth of deceased spouse	p-4	00	
Age 65 and older deduction (See instructions)			
q-1 Taxpayer: date of birth 04-12-1948	q-1	13,594 00	
q-2 Spouse: date of birth	q-2	00	
Negative amount of federal taxable income	r	00	
Subsistence allowance ____ days @ $8.00	s	00	
Dependents under the age of 6 years on December 31 of the tax year	t	00	
Consumer Protection Services	u	00	
Other subtractions (See instructions) . FD/ST. Depr. Diff.	v	107 00	
Add lines **f through v** and enter here. These are your **total subtractions**	4	< 23,323 00 >	
Residents subtract line 4 from line 3 and enter the difference. Nonresidents enter amount from Schedule NR, line 50. If less than zero, enter zero here . . . . This is your **South Carolina INCOME SUBJECT TO TAX**	5	30,956 00	
TAX: enter tax from SOUTH CAROLINA tax tables	6	1,677 00	
TAX on Lump Sum Distribution (Attach SC4972)	7	00	
TAX on Active Trade or Business Income (Attach I-335)	8	00	
TAX on excess withdrawals from Catastrophe Savings Accounts	9	00	
Add lines 6 through 9 and enter the total here . . . . This is your **TOTAL SOUTH CAROLINA TAX**	10	1,677 00	
Child and Dependent Care (See instructions)	11	00	
Exo Wage Earner Credit (See instructions)	12	00	
Other non-refundable credits. Attach SC1040TC and other state return(s)	13	00	
TOTAL non-refundable credits. Add lines 11 through 13 and enter the total here	14	00	
SUBTRACT line 14 from line 10. Enter the difference BUT NOT LESS THAN ZERO here	15	1,677 00	

30752026

Littlefield 250-86-1115

2014

PAYMENTS AND REFUNDABLE CREDITS

16 SC INCOME TAX WITHHELD (Attach W-2 or SC41)	00	20 Other SC withholding (Attach Form 1099)	00		
17 2014 estimated tax payments	00	21 Tuition tax credit (Attach I-319)	00		
18 Amount paid with extension	00				
19 NR sale of real estate	00	22 Other refundable credit(s)	00		

Check type: ☐ Anhydrous Ammonia (Attach I-333) ☐ Milk Credit (Attach I-334) ☐ Classroom Teacher Expenses (Attach I-360)

23 Add lines 16 through 22 and enter the total here . . . These are your **TOTAL PAYMENTS**	23		00
24 If line 23 is LARGER than line 15, subtract line 15 from line 23 and enter the OVERPAYMENT	24		00
25 If line 15 is LARGER than line 23, subtract line 23 from line 15 and enter the AMOUNT DUE	25	1,677	00
26 **USE TAX** due on internet, mail-order or out-of-state purchases . . . 26 0 00			
Use tax is based on your county's sales tax rate. See instructions for more information.			
If you certify that no use tax is due, check here [X]			
27 Amount of line 24 to be credited to your **2015 Estimated Tax** . . . 27 00			
28 Total Contributions for Check-offs (Attach I-330) . . . 28 00			
29 Add lines 26 through 28 and enter the total here	29		00
30 If line 29 is larger than line 24, go to line 31. Otherwise, subtract line 29 from line 24 and enter the **AMOUNT TO BE REFUNDED TO YOU (line 30a check box entry is required)** . . . REFUND	30		00

REFUND OPTIONS (subject to program limitations)

30a **Mark one refund choice:** ☐ Direct Deposit (30b required) ☐ Debit Card* ☐ Paper Check

*SCDOR Income Tax Refund Prepaid Debit Card issued by Bank of America

30b **Direct Deposit (for US Accounts Only) Type:** ☐ Checking ☐ Savings

Routing Number (RTN) — Must be 9 digits. The first two numbers of the RTN must be 01 through 12 or 21 through 32

Bank Account Number (BAN) — 1-17 digits

31 Tax Due: Add lines 25 and 29. If line 29 is larger than line 24, subtract line 24 from line 29 and enter the amount	31	1,677	00
32 Late filing and/or late payment: Penalties _____ Interest _____ (See instructions) Enter total here	32		00
33 Penalty for Underpayment of Estimated Tax (Attach SC2210) (See instructions and enter letter in box if applicable) Exception to Underpayment of Estimated Tax	33		00
34 Add lines 31 through 33 and enter the AMOUNT YOU OWE here. Attach Form SC1040-V with payment. **BALANCE DUE**	34	1,677	00

Pay electronically free of charge at www.dor.sc.gov. Click on DORePay and pay with Visa, MasterCard or by Electronic Funds Withdrawal (EFW) or include SC1040-V with your check or money order for the full amount payable to "SC Department of Revenue". Write your social security number and "2014 SC1040" on the payment.

I declare that this return and all attachments are true, correct and complete to the best of my knowledge and belief.

Your signature	Date	Spouse's signature (if married filing jointly, BOTH must sign)
	04-15-2015	
Taxpayer's Email		
I authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer.	Yes ☐ No ☒	Preparer's printed name

If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

Paid Preparer's Use Only	Preparer signature	Date	Check if self-employed	PTIN
		04-15-2015	☒	P00559622
	Firm name (or yours if self-employed) and address and Zip Code	Gregory A Owens CPA Inc 2406-G N Main Street Anderson SC 29621	FEIN	20-3382125
			Phone No.	864-224-0771

MAIL TO: REFUNDS OR ZERO TAX — **SC1040 Processing Center, PO Box 101100, Columbia, SC 29211-0100**

BALANCE DUE — **Taxable Processing Center, PO Box 101105, Columbia, SC 29211-0105**

30753024

CHARLIE WHITFIELD/PAUL CROMER NOTE

LESS 50% LOSS MASSEY-2008	$ (141,071.00)
LESS 50% LOSS MASSEY 2009	$ (22,730.50)
LESS 50% LOSS MASSEY 2010	$ (9,046.00)
LESS 50% LOSS MASSEY 2011	$ (15,195.00)
LESS 50% LOSS MASSEY 2012	$ (12,871.55)

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that this Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

Joshua B. Raffini
S.C. Bar No. 101338
PRUITT & PRUITT
101 N. Murray Ave.
Anderson, South Carolina 29625
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Attorneys for Appellant

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