

**GROUP EXHIBIT B**

EQUIPMENT FINANCING AGREEMENT

(Page

1 of 2)

**TO OUR VALUED CUSTOMER:** This Equipment Finance Agreement ("Agreement") and the Terms and Conditions herein, have been written in "Plain English". When we use the words "you" and "your" in this Lease, we mean you, our customer, the Debtor as indicated below. When we use the words "we", "us", and "our" in this Agreement, we mean the Lender, AEL Financial, LLC, which may include our assignees, successors or designees. Our address is 600 N Buffalo Grove Road, Buffalo Grove, IL 60089. Our telephone is 847-465-2009.

**CHARTER CAPITAL**

DEBTOR LEGAL NAME: Allied Health Care Services, Inc. Contract Number: 11492  
 BILLING ADDRESS: 89 Main Street Orange, NJ 07050 Debtor tax ID# 22-2278335  
 CONTACT INFORMATION: Attn: Charles Schwartz (973) 676-3344  
 COLLATERAL LOCATION: Allied Health Care Services, Inc. 89 Main Street Orange, NJ 07050

Full description of Collateral, including vendor, model, serial number, VIN  
 (30) LifeCare Products PLV 102 Home Care Ventilator S/N 151578, 151579, 151580, 151581, 151582, 151583, 151584, 151585, 151586, 151587, 151588, 151589, 151590, 151593, 151595, 151596, 151597, 151598, 151599, 151600, 151601, 151602, 151603, 151604, 151605, 151606, 151607, 151608, 151609

TERM	MONTHLY INSTALLMENT PAYMENT	COLLATERAL ADVANCE	INITIAL PAYMENT (You agree to pay at the time you sign this Agreement)
60 Months	\$3,346.00 <i>Note: Sales and use tax are the responsibility of Debtor</i>	\$150,000.00	A) Initial Payment : \$6,692.00 B) One-time Documentation Fee \$495.00 C) Total of A & B \$7,187.00

TERMS OF EQUIPMENT FINANCING AGREEMENT

This Equipment Finance Agreement "Agreement" is made by and between AEL Financial, LLC "Lender" and the above referenced Debtor "Debtor".  
 Debtor and Lender agree as follows:

1. SECURITY INTEREST. Debtor hereby grants Lender a security interest under the Uniform Commercial Code in the above property (collectively the "Collateral" and individually an "Item" or "Item of Collateral") free and clear of all liens. Such security interest is granted to secure performance by Debtor of its obligations hereunder and under any other present or future agreement with Lender. Debtor shall insure that such security interest is and shall remain a sole first lien security interest.

2. PAYMENTS. Debtor shall repay Lender the above "Collateral Advance" together with interest in the number of monthly installments "Term" in the amount indicated above "Monthly Installment Payment". The initial installment payment "Initial Payment" shall be deemed due as of the date indicated above "Initial Payment Due Date", and subsequent installment payments shall be due on the same day of each month thereafter until paid. Charges from the Collateral Acceptance Date to the Initial Payment Due Date shall be computed by converting the Monthly Installment Payment to a daily rate based on a 30 day month. All other amounts due hereunder shall be due upon Debtor's receipt of Lender's invoice therefor. Initial Payments shall be applied to the beginning installment payments upon satisfaction of the pro-rata obligation, if any; provided that if there is a default, any payments under this Agreement may be applied to Debtor's obligation to Lender in such order as Lender chooses.

3. NO AGENCY. DEBTOR ACKNOWLEDGES THAT NO SUPPLIER OF AN ITEM OR INTERMEDIARY NOR ANY AGENT OF EITHER THEREOF IS AN AGENT OF LENDER AND FURTHER THAT NONE OF SUCH PARTIES IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OR CONDITION OF THIS AGREEMENT. NO REPRESENTATION AS TO ANY MATTER BY ANY SUCH PARTY SHALL BIND LENDER OR AFFECT DEBTOR'S DUTY TO PAY THE INSTALLMENT PAYMENTS AND PERFORM ITS OTHER OBLIGATIONS, HEREUNDER.

4. NON CANCELLABLE AGREEMENT. NO OFFSET. THIS AGREEMENT IS NON CANCELLABLE BY DEBTOR FOR ANY REASON WHATSOEVER. ALL PAYMENTS HEREUNDER ARE TO BE MADE WITHOUT OFFSET. Debtor may prepay the Monthly Installment Payments due hereunder, provided that Debtor shall not be entitled to any discount or rebates in connection with any such prepayment.

5. FINANCING. THIS AGREEMENT IS SOLELY A FINANCING AGREEMENT. LENDER HAS HAD NO INVOLVEMENT IN THE SELECTION OR PURCHASE OF AND HAS MADE AND HEREBY MAKES NO AGREEMENT, REPRESENTATION OR WARRANTY AS TO ANY ITEM OF COLLATERAL. YOU WARRANT THAT THE PERSON SIGNING THIS AGREEMENT FOR YOU HAS THE AUTHORITY TO DO SO AND TO GRANT US THE POWER OF ATTORNEY SET FORTH IN THIS AGREEMENT. DEBTOR AGREES THAT THE COLLATERAL WILL BE USED FOR BUSINESS PURPOSES ONLY. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF ILLINOIS AND YOU CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY COURT IN ILLINOIS. YOU AND WE BOTH WAIVE ANY RIGHT TO A TRIAL BY JURY.

SEE PAGE 2 FOR ADDITIONAL TERMS WHICH ARE PART OF THIS AGREEMENT.

Debtor agrees that this is a non-cancellable Agreement. Debtor authorizes Lender to obtain credit bureau reports and other information it deems necessary to make a credit decision. Debtor warrants that all the information it has provided is true and correct and that the person signing this Agreement has the authority to do so. The Agreement is only effective upon execution by both Debtor and Lender in the spaces provided below.

Agreed and Accepted: Lender: AEL Financial, LLC  
 Signature: Tex J. Williamson Date: 12.18.08  
 Name, Title: Vice President

Agreed and Accepted: Debtor: Allied Health Care Services, Inc.  
 Signature: Charles K. Schwartz Date: 12/11/2  
 Name, Title: Charles K. Schwartz, President

**PERSONAL GUARANTY**

THIS PERSONAL GUARANTY CREATES SPECIFIC LEGAL OBLIGATIONS. When we use the words you and your in this Personal Guaranty, we mean the Personal Guarantor(s) indicated below. When we use the words we, us and our in this Personal Guaranty, we mean the Lender above. In consideration of our entering into the Agreement identified above (the "Agreement"), you unconditionally and irrevocably guarantee to us, our successors and assigns the prompt payment and performance of all obligations of the Debtor identified above ("Debtor") under the Agreement. You agree that this is a guaranty of payment and not of collection, and that we can proceed directly against you without first proceeding against the Debtor or against the equipment or collateral covered by the Agreement. You waive all defenses and notices, including those of protest, presentment and demand. You agree that we can renew, extend or otherwise modify the terms of the Agreement and you will be bound by each change. If the Debtor defaults under the Agreement you will immediately perform all obligations of the Debtor under the Agreement including, but not limited to, paying all amounts due under the Agreement. You will pay to us all expenses including attorney's fees incurred by us in enforcing our rights against you or the Debtor. This is a continuing guaranty which will not be discharged or affected by your death and will bind your heirs and personal representatives. If more than one personal guarantor has signed this Personal Guaranty, each of you agrees that your liability is joint and several. You agree and consent that you may be served for any action or proceeding by registered or certified mail or overnight courier. You authorize us to obtain credit bureau reports regarding your personal credit, and make any other credit inquiries that we deem necessary. THIS PERSONAL GUARANTY IS GOVERNED BY THE LAWS OF ILLINOIS. YOU CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN ILLINOIS. YOU EXPRESSLY WAIVE ANY RIGHT TO A TRIAL BY JURY.

Signature: Charles K. Schwartz  
 Personal Guarantor: Charles K. Schwartz  
 37 Timberline Ave Sparta, NJ 07871

Signature: \_\_\_\_\_  
 Personal Guarantor: \_\_\_\_\_

Home Street Address/City/State/Zip 973 726 7719  
 Home Street Address/City/State/Zip \_\_\_\_\_

Social Security Number: XXX-XX-3334 Home Telephone: \_\_\_\_\_  
 Social Security Number: XXX-XX- Home Telephone: \_\_\_\_\_

## EQUIPMENT FINANCE AGREEMENT – TERMS AND CONDITIONS

**6. LOCATION; INSPECTION; USE.** Debtor shall keep, or, as to an item which is movable, permanently garage and not remove from the United States, as appropriate, each item of Collateral in Debtor's possession and control at the Collateral Location or at such other location to which such item may have been moved with the prior written consent of Lender. Upon request, Debtor shall advise Lender as to the exact location of an item of Collateral. Lender may inspect the Collateral during normal business hours and enter the premises where the Collateral may be located for such purposes. Each item shall be used solely for commercial or business purposes and operated in a careful and proper manner and in compliance with all applicable governmental requirements, all requirements of insurance policies carried hereunder and all manufacturer's instructions and warranty requirements.

**7. ALTERATIONS; SECURITY INTEREST COVERAGE.** Without Lender's prior written consent, Debtor shall not make any alterations, additions or improvements to an item of Collateral which detract from its economic value or functional utility. All additions and improvements made to an item shall be deemed accessions thereto, and shall not be removed if removal would impair the item's economic value or functional utility. Lender's security interest shall cover all modifications, accessions, additions to and replacements and substitutions for the Collateral. Debtor will not make any replacements or substitutions without Lender's prior written consent.

**8. MAINTENANCE.** Debtor shall maintain the Collateral in good repair, condition and working order. Debtor shall cause all repairs required to maintain the Collateral in such condition to be made promptly by qualified parties. Debtor will cause each item of Collateral for which a service contract is generally available to be covered by such a contract which provides coverages typical as to property of the type involved and is issued by a competent servicing entity.

**9. LOSS AND DAMAGE; CASUALTY VALUE.** In the event of loss, theft, destruction or requisition of or damage to an item of Collateral from any cause Debtor shall give Lender prompt notice thereof and shall thereafter place the item in good repair, condition and working order; provided, however, that if such item is determined by Lender to be lost, stolen, destroyed or damaged beyond repair or is requisitioned or suffers a constructive total loss under an insurance policy carried hereunder Debtor shall pay Lender the "Casualty Value" of such item which shall equal (a) any amounts due at the time of such payment and (b) each future installment due with respect to such item discounted at four percent (4%) per annum simple interest from the date due to the date of such payment.

**10. TITLING.** If requested by Lender, Debtor shall cause an item of Collateral subject to title registrations laws to be titled as directed by Lender. Debtor shall advise Lender promptly as to any necessary retitling. Debtor shall cause all documents of title to be furnished Lender within sixty (60) days of the date of any titling effected by Debtor.

**11. TAXES.** Debtor shall when due pay and make filings with respect to all taxes, fees, including registrations, fines, penalties and other governmental assessments based on the ownership or use of the Collateral and shall pay as directed by Lender or reimburse Lender for all other governmental assessments (including gross receipts taxes but exclusive of Federal and State taxes based on Lender's net income) related to amounts due hereunder, the Collateral or otherwise related hereto. Filings with respect to other assessments such as property tax shall be made by Debtor.

**12. INSURANCE.** Debtor shall maintain and provide Lender evidence satisfactory to Lender of the maintenance of all risk insurance against loss of or damage to the Collateral for not less than the full replacement value thereof naming Lender as Loss Payee. Such insurance shall be in a form and with companies approved by Lender, shall provide at least thirty (30) days advance written notice to Lender of material change or cancellation, shall provide full breach of warranty protection, if appropriate, and shall provide that the coverage is "primary." In the event of an assignment of this Agreement of which Debtor receives notice, Debtor shall cause such insurance to provide the same protection to the assignee as its interests may appear. The proceeds of such insurance, at the option of the Lender, shall be applied towards (a) the repair or replacement of the appropriate item or items of Collateral, (b) payment of the Casualty Value thereof or (c) payment of any other accrued obligations of Debtor hereunder. Any excess of such proceeds remaining shall belong to Debtor. Debtor shall provide the Lender with public liability and property damage coverage applicable to the Collateral in such amounts and in such forms as Lender shall reasonably require. If Debtor does not provide evidence of insurance coverage Lender may provide it for Debtor and bill Debtor for the insurance premium.

**13. LENDER'S PAYMENT.** If Debtor fails to perform any of its obligations hereunder, Lender may perform such obligation, and Debtor shall (a) reimburse Lender the cost of such performance and (b) pay Lender the service charge set forth in paragraph 20.

**14. INDEMNITY.** Debtor shall indemnify, defend and hold Lender harmless against any claim, action, liability or expense, including attorney's fees and court costs, incurred by Lender related to this Agreement. While it is not anticipated that Lender shall have any liability for torts related to the Collateral, this indemnity covers tort proceedings including any strict liability claim, any claim under another theory related to latent or other defects and any patent, trademark or service mark infringement claim.

**15. DEFAULT.** Any of the following constitutes an event of default hereunder: (a) Debtor's failure to pay any amount hereunder, within five (5) business days of when due; (b) Debtor's default in performing any other obligation hereunder or under any agreement between Debtor and Lender; (c) death or judicial declaration of incompetency of Debtor, if an individual; (d) the filing by or against Debtor of a petition under the Bankruptcy Code or under any other insolvency law or law providing for the relief of debtors, including, without limitation, a petition for reorganization, agreement or extension; (e) the making of an assignment of a substantial portion of its assets by Debtor for the benefit of Lenders, appointment of a receiver or trustee for Debtor or for any Debtor's assets, institution by or against Debtor of any other type of insolvency proceeding or other proceeding contemplating settlement claims against or winding up of the affairs of Debtor, Debtor's cessation of active business affairs or the making by Debtor of a transfer of a material portion of Debtor's assets or inventory not in the ordinary course of business; (f) the occurrence of an event described above as to a guarantor of other surety of Debtor's obligations hereunder; (g) any misrepresentation of a material fact in connection herewith by or on behalf of Debtor; (h) Debtor's default under a loan or agreement providing financial accommodation with a third party or (i) Lender shall in good faith deem itself insecure as a result of a material adverse change in Debtor's financial condition or otherwise.

**16. REMEDIES.** Upon the occurrence of an event of default Lender shall have the rights, options, duties and remedies of a secured party, and Debtor shall have the rights and duties of a Debtor, under the Uniform Commercial Code (regardless of whether such Code or a law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted) and in connection therewith Lender may: (a) declare the Casualty Value or such lesser amount as may be set by law immediately due and payable with respect to any or all items of Collateral without notice or demand to Debtor; (b) take possession of and, if deemed appropriate, render unusable any or all items of Collateral, without demand or notice, wherever located, without any process of law and without liability for any damages occasioned by such taking of possession including damages to contents; (c) require Debtor to assemble any or all items of Collateral at a location in reasonable proximity to their designated location hereunder; (d) upon notice to Debtor required by law, sell or otherwise dispose of any items of Collateral, whether or not in Lender's possession, in a commercially reasonable manner at public or private sale at

any place designated in such notice and apply the net proceeds of such sale after deducting all costs of such sale, including, but not limited to, costs of transportation, repossession, storage, refurbishing, advertising and brokers fees, to the obligations of Debtor hereunder with Debtor remaining liable for any deficiency and with any excess being returned to Debtor or (e) utilize any other remedy available under the Uniform Commercial Code or otherwise to Lender. All remedies are cumulative. Any sale may be adjourned by announcement at the time and place appointed for such sale without further published notice, and Lender may be permitted by law to bid and become the purchaser at any such sale.

**17. LITIGATION EXPENSES.** Debtor shall pay Lender its costs and expenses not offset as provided in paragraph 16, including repossession and attorneys' fees and court costs, incurred by Lender in enforcing this Agreement. This obligation includes the payment of such amounts whether an action is filed and whether an action which is filed is dismissed.

**18. ASSIGNMENT.** Without the prior written consent of Lender, Debtor shall not sell, lease or create or allow any lien other than Lender's security interest against an item of Collateral or assign any of Debtor's obligations hereunder. Debtor's obligations are not assignable by operation of law. Consent to any of the foregoing applies only in the given instance. Lender may assign, pledge or otherwise transfer any of its rights hereunder without notice to Debtor. If Debtor is given notice of any such assignment, Debtor shall acknowledge receipt thereof in writing and shall thereafter pay any amounts due hereunder as directed in the notice. The rights of an assignee to amounts due hereunder shall be free of any claim or defense Debtor may have against Lender, and Debtor agrees not to assert against an assignee any claim or defense which Debtor may have against Lender. Subject to the foregoing, this Agreement inures to the benefit of, and is binding upon, the heirs, legatees, personal representatives, successors and assigns of the parties.

**19. MARKINGS; PERSONAL PROPERTY.** Debtor shall mark the Collateral or its location as requested by Lender to indicate Lender's security interest. As between the parties the Collateral shall at all times be deemed personal property. Debtor will provide Lender any real property waivers requested by Lender as to the real property where an item of Collateral is or is to be located.

**20. LATE PAYMENT.** If Debtor fails to pay any amount to be paid hereunder within five (5) days of when due, Debtor will pay Lender (a) a service charge of \$25.00 per month, plus (b) amounts Lender pays others in connection with the collection of the payment, including bank fees of \$50.00 for any check that is returned or ACH that is rejected, plus (c) interest on such unpaid amount from the date due until paid at the lesser of eighteen percent (18%) per annum or the highest rate permitted by applicable law.

**21. SECURITY INTEREST RELEASE.** At such time as there is no outstanding obligation secured hereby (including obligations under other agreements contemplated under paragraph 7) Lender shall provide Debtor such termination statements related to the Collateral as Debtor shall reasonably request. Debtor shall be responsible for the filing of each such termination statement.

**22. ADDITIONAL DOCUMENTS.** Debtor shall provide to Lender such financing statements and similar documents as Lender shall request. Debtor authorizes Lender where permitted by law to make filings of such documents without Debtor's signature. Debtor grants to Lender a specific power of attorney for Lender to sign and title on Debtor's behalf any document Lender deems necessary to perfect or protect Lender's interest in the Collateral or pursuant to the Uniform Commercial Code. Debtor further shall furnish Lender (a) a fiscal year end financial statement including balance sheet and profit and loss statement within one hundred twenty (120) days of the close of each fiscal year and (b) such other information and documents not specifically mentioned herein relative to this Agreement as Lender may request. Debtor shall reimburse Lender for all search and filing fees incurred by Lender related hereto.

**23. NOTICES.** Notices shall be in writing and sufficient if mailed to the party involved, United States mail first class postage prepaid or by overnight courier, at its respective address set forth above or at such other address as such party may provide on notice in accordance herewith. Notice so given shall be effective when mailed. Debtor shall promptly notify Lender of any change in Debtor's address.

**24. GENERAL.** This Agreement constitutes the entire agreement of the parties as to the subject matter and shall not be amended, altered or changed except by a written agreement signed by the parties. Any waiver by Lender must be in writing, and forbearance shall not constitute a waiver. Whenever the context of this Agreement requires, the neuter includes the masculine or feminine and the singular includes the plural. If there is more than one Debtor named in this Agreement, the liability of each shall be joint and several. The titles to the paragraphs of this Agreement are solely for the convenience of the parties and are not an aid in the interpretation. This Agreement shall be governed by the law of the state of Illinois. Venue for any action related to this Agreement will be an appropriate court the state of Illinois, to which Debtor consents. Any provision declared invalid shall be deemed severable from the remaining provisions which shall remain in full force and effect. Time is of the essence of this Agreement. The obligations of Debtor shall survive the release of the security interest in the Collateral.

**25. DEBTOR'S WARRANTIES. DEBTOR CERTIFIES AND WARRANTS:** (a) THE FINANCIAL AND OTHER INFORMATION WHICH DEBTOR HAS SUBMITTED, OR WILL SUBMIT, TO LENDER IN CONNECTION WITH THIS AGREEMENT IS, OR SHALL BE AT THE TIME OF SUBMISSION, TRUE AND COMPLETE; (b) THIS AGREEMENT HAS BEEN DULY AUTHORIZED BY DEBTOR AND UPON EXECUTION BY DEBTOR SHALL CONSTITUTE THE LEGAL, VALID AND BINDING OBLIGATION, CONTRACT AND AGREEMENT OF DEBTOR ENFORCEABLE AGAINST DEBTOR IN ACCORDANCE WITH ITS TERMS; AND (c) EACH SHOWING PROVIDED BY DEBTOR IN CONNECTION HERewith MAY BE FULLY RELIED UPON BY LENDER NONWITHSTANDING ANY TECHNICAL DEFICIENCY IN ATTESTATION OR OTHERWISE. THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF DEBTOR WARRANTS THAT PERSON'S DUE AUTHORITY TO DO SO. DEBTOR FURTHER WARRANTS THAT EACH ITEM OF COLLATERAL SHALL AT THE TIME LENDER FUNDS THE COLLATERAL ADVANCE BE OWNED BY DEBTOR FREE AND CLEAR OF LIENS OR ENCUMBRANCES AND BE IN GOOD CONDITION AND WORKING ORDER.

Debtor has read and agrees to all of the items in this agreement:  (Initials)

**AMENDMENT TO EQUIPMENT FINANCING AGREEMENT NO. 011492**  
**Dated 12/11/2008**

The Debtor, hereby acknowledges and confirms that they are in the primary business of short to medium term equipment rentals to consumers and commercial entities. As such, the equipment covered under this Equipment Financing Agreement may not be in the Debtor's direct care, custody and control at all times as required by Paragraph 6 of the Equipment Financing Agreement.

In lieu of Paragraph 6 of the Equipment Financing Agreement, Debtor shall be responsible for maintaining current and accurate records showing the location of all equipment covered under the Equipment Financing Agreement at all times. Debtor shall report the location of the equipment to Lender upon written request by the Lender. Failure to provide records on request shall constitute a breach of the Equipment Financing Agreement, which default shall be governed by the terms and conditions specified by Paragraph 8 of the Equipment Financing Agreement.

Debtor shall not under any circumstances encumber, sell, convert, dispose, convey, title, or otherwise transfer the equipment covered under the Equipment Financing Agreement without Lender's express written consent. Debtor clearly understands that any such encumbrance, sale, conversion, disposition, or conveyance by Debtor shall constitute a breach of the Equipment Financing Agreement. In addition to those remedies available to Lender in the event of such a breach, Lender may seek additional civil or criminal charges against Debtor and any or all guarantors who are in any way involved in the breach.

**AGREED & ACKNOWLEDGED:**

AEL Financial, LLC ("Lender")

By:  Tex. J. Williamson

Title: Vice President

Date: 12-18-08

**AGREED & ACKNOWLEDGED:**

("Debtor")

By: [Signature]

Title: [Redacted]

Date: [Redacted]

**Guarantor Signature Required**

By: [Signature]

Date: [Redacted]

**CERTIFICATE OF ACCEPTANCE**

(Sign and return after you have received all of the Property)

Reference is made to that certain Equipment Finance Agreement between AEL Financial, LLC as Lender and Allied Health Care Services, Inc. as Debtor dated as of 12/11/2008 (the "Agreement"). Capitalized terms herein are defined in the Agreement.

TO: ABL Financial, LLC  
600 North Buffalo Grove Road  
Buffalo Grove, IL 60089  
Telephone: 847-465-2009  
Fax Number: 847-279-0759

Debtor certifies that all of the Property set forth on the Agreement was delivered in good order and condition and acceptable to us, is ready for its intended use as of the date hereof. The decals, labels, etc., if required and supplied, have been affixed to the Property. Debtor approves payment by Lender to the Supplier(s) for the Property as well as all services described in the Agreement. Debtor agrees that its payment obligation under the Agreement has commenced. Debtor further certifies that Lender has fully and satisfactorily performed all covenants and conditions to be performed by it under the Agreement, and shall hold Lender harmless for any failure on the part of the Supplier(s) to perform to Debtor's satisfaction.

Debtor is aware of and accepts its obligations under the Agreement. Debtor agrees to enforce in its own name all warranties, agreements, or representations, if any, which may be made by the Supplier(s). Debtor certifies that the Property is available for service as of the date below and agrees that said date shall be deemed to be the Collateral Acceptance Date under the Agreement. Debtor also certifies that the Property will be used for business purposes only.

A facsimile transmission of this document, with authorized signatures thereon, shall be deemed an original.

Very truly yours,

Allied Health Care Services, Inc.

By:



Name: Charles K. Schwartz

Title: President

Date:

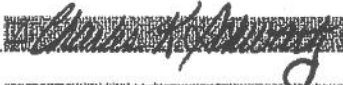




**CERTIFICATE OF INCUMBENCY**



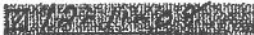
Reference is made to that certain Equipment Finance Agreement between AEL Financial, LLC as Lender and Allied Health Care Services, Inc. as Debtor dated as of 12/11/2008 (the "Agreement"). All capitalized terms herein are defined in the Agreement.

The undersigned is duly elected and acting as Secretary of Allied Health Care Services, Inc. ("Debtor"), and hereby certifies that the individual(s) listed below are authorized officer(s) of Debtor in the capacities set forth below and that their respective signatures are true and correct.

These individuals have and will continue to have the proper authority to execute the Agreement and any documentation related to the Agreement. This Certificate and related authority shall apply to all agreements, documents, and instruments executed by the individuals listed below without regard to the date thereof and shall remain in effect until such time as Lender shall have received by certified mail notice to the contrary and then only with respect to transactions entered into after receipt of such notice.

NAME	TITLE	SAMPLE SIGNATURE
Charles K. Schwartz	President	
		
		

I hereby attest that this information is true and correct and in accordance with Debtor's rules, regulations, by laws or other similar applicable documents.

By   
Name:  gan  
Title: Secretary  
Dated as of: 

(SEAL)

STATE OF NEW JERSEY  
DEPARTMENT OF TREASURY  
PO BOX 303  
TRENTON, NEW JERSEY 08646  
25066012

3 90 23008

I, THE TREASURER OF NEW JERSEY, DO HEREBY CERTIFY  
THAT THE FOLLOWING DOCUMENTS HAVE BEEN FILED AND RECORDED  
IN THIS OFFICE ON THE DATES SET FORTH:

DEBTOR: ALLIED HEALTH CARE SERVICES, INC.  
89 MAIN STREET  
ORANGE, NJ 07050

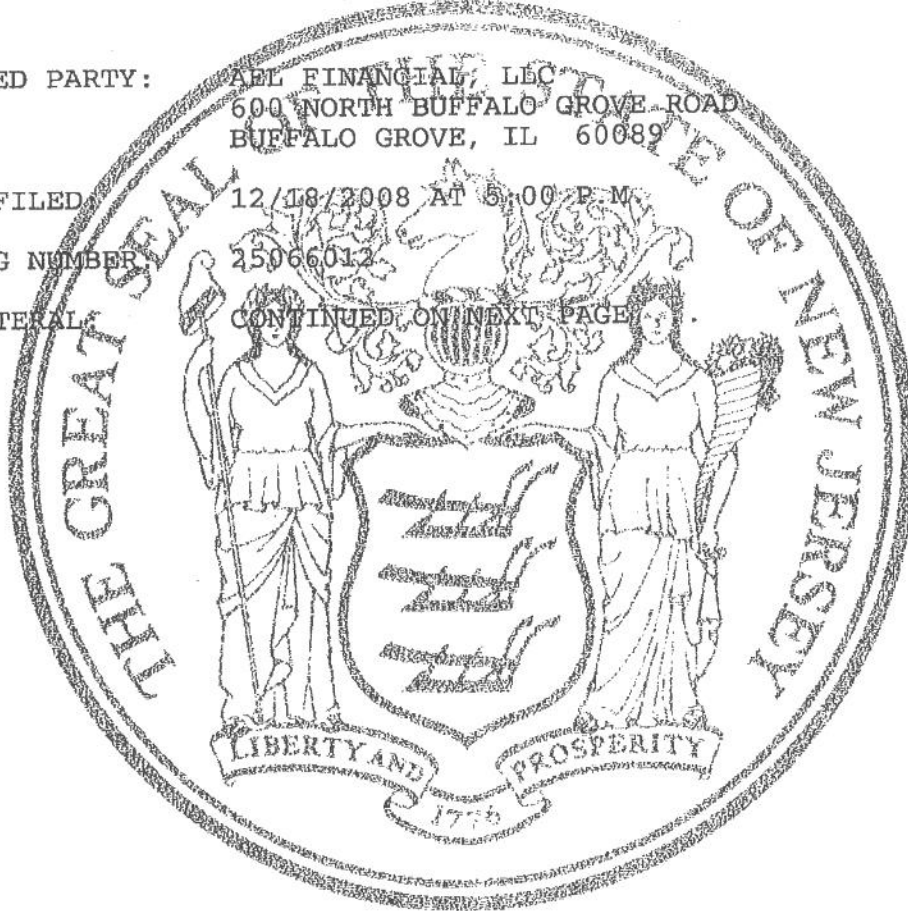
11492

SECURED PARTY: ABL FINANCIAL, LLC  
600 NORTH BUFFALO GROVE ROAD  
BUFFALO GROVE, IL 60089

DATE FILED 12/18/2008 AT 5:00 P.M.

FILING NUMBER 25066012

COLLATERAL CONTINUED ON NEXT PAGE



**NON-RECOURSE ASSIGNMENT**

For Value Received, the undersigned ("Seller") hereby assigns to **M2 Lease Funds, LLC** ("Purchaser"), its successors and assigns, all of Seller's right, title and interest (including the right to installments now or hereafter owning) in and to the following described Loan, in and to the Loan Agreements evidencing such Loan and in and to any and all Collateral therefore: **Lease #11492 with Allied Health Care Services, Inc., as Lessee.**

The purchase price payable by Purchaser to Seller for the Loan is \$163,387.55

The following is information about the Loan (revise as necessary if payments are not monthly):

Monthly Installments of principal and interest (in arrears)	\$3,346.00
Number of Original Monthly Payments	Sixty (60)
Original Start Date of Payments to AEL	January 1, 2009
Number of monthly payments remaining as of the date of this Assignment	Fifty-Eight (58)
Scheduled payments are monthly	
First Payment due to M2 Lease Funds	March 10, 2009
Interest Rate	7.00%

This Assignment is made in connection with and constitutes an "Assignment", under that certain Financing Agreement dated as of December 11, 2008, by and between Seller and Purchaser (the "Agreement"), and the Loan described herein and the Collateral for such Loan are hereby made subject to the Agreement.

Dated: January 14, 2009

AEL Financial, LLC

By: \_\_\_\_\_

Its: Vice President



STATE OF NEW JERSEY  
DEPARTMENT OF TREASURY  
PO BOX 303  
TRENTON, NEW JERSEY 08646  
25066012

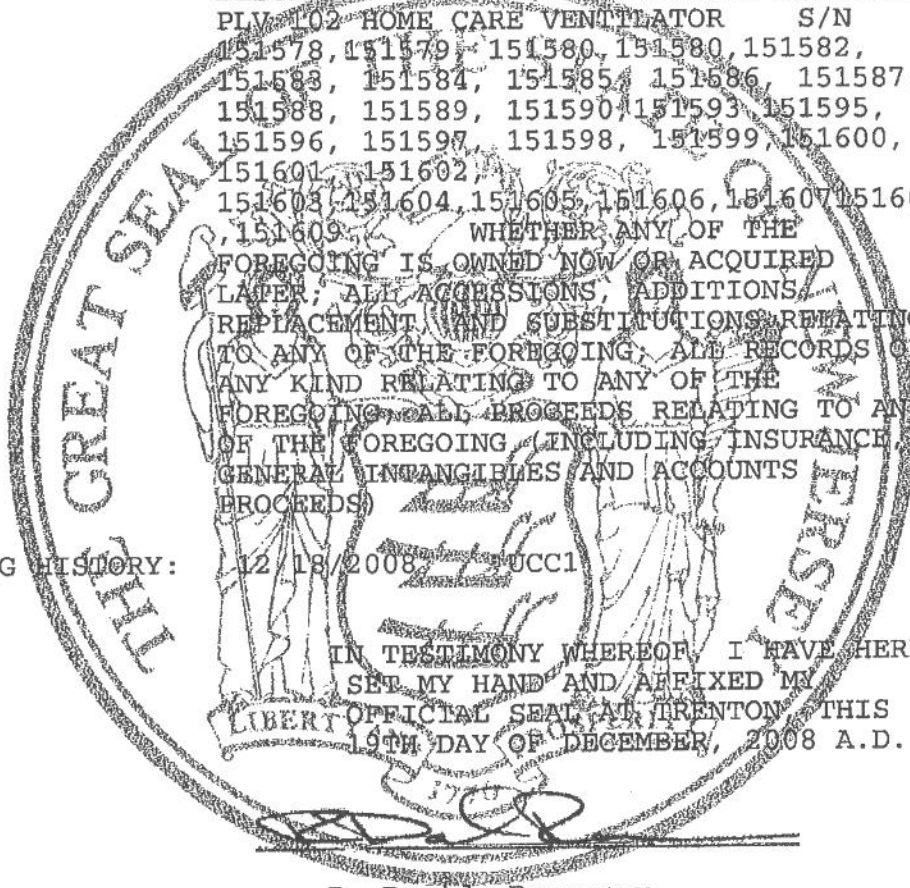
COLLATERAL:

EQUIPMENT LEASED UNDER EQUIPMENT FINANCE AGREEMENT DATED 12/11/2008, BETWEEN ALLIED HEALTH CARE SERVICES, INC., AS DEBTOR AND AEL FINANCIAL, LLC AS LENDER/SECURED PARTY. EQUIPMENT FURTHER DESCRIBED AS:

- (30) LIFECARE PRODUCTS PLY 102 HOME CARE VENTILATOR S/N
- 151578, 151579, 151580, 151580, 151582, 151583, 151584, 151585, 151586, 151587, 151588, 151589, 151590, 151593, 151595, 151596, 151597, 151598, 151599, 151600, 151601, 151602, 151603, 151604, 151605, 151606, 151607, 151608, 151609.

WHETHER ANY OF THE FOREGOING IS OWNED NOW OR ACQUIRED LATER; ALL ACCESSIONS, ADDITIONS, REPLACEMENT, AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS OF ANY KIND RELATING TO ANY OF THE FOREGOING; ALL PROCEEDS RELATING TO ANY OF THE FOREGOING (INCLUDING INSURANCE, GENERAL INTANGIBLES AND ACCOUNTS PROCEEDS)

FILING HISTORY: 12/18/2008 UCC1



IN TESTIMONY WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY LIBERTY OFFICIAL SEAL AT TRENTON, THIS 19TH DAY OF DECEMBER, 2008 A.D.

R. David Rousseau  
State Treasurer

STATE OF NEW JERSEY  
DEPARTMENT OF TREASURY  
PO BOX 303  
TRENTON, NEW JERSEY 08646  
25066012

45842489

I, THE TREASURER OF NEW JERSEY, DO HEREBY CERTIFY  
THAT THE FOLLOWING DOCUMENT HAS BEEN FILED AND RECORDED  
IN THIS OFFICE ON THE DATE SET FORTH:

FILING TYPE: UCC3

DEBTOR: ALLIED HEALTH CARE SERVICES, INC.  
89 MAIN STREET  
ORANGE, NJ 07050

SECURED PARTY: AEL FINANCIAL, LLC  
600 NORTH BUFFALO GROVE ROAD  
BUFFALO GROVE, IL 60089

M2 LEASE FUNDS, LLC  
175 N. PATRICK BOULEVARD  
BROOKFIELD, WI 53045

DATE FILED: 12/18/2008 AT 5:00 P.M.

FILING NUMBER: 25066012

FILING HISTORY: 12/18/2008 UCC1  
10/26/2009 UCC3 ASSIGNMENT

IN TESTIMONY WHEREOF, I HAVE HEREUNTO  
SET MY HAND AND AFFIXED MY  
OFFICIAL SEAL AT TRENTON, THIS  
27TH DAY OF OCTOBER, 2009 A.D.



R. David Rousseau  
State Treasurer

AEL Financial, LLC  
Bin 88162  
Milwaukee, WI 53288-0162

May 7, 2010

Allied Health Care Services, Inc  
89 Main Street  
Orange, NJ 07051

RE: Lease No. 28011492


This letter is your formal notification of default under your lease or agreement and applicable guaranty with AEL Financial, LLC. Despite our repeated attempts to reach you and work with you, you have chosen to ignore this default or make any reasonable attempt to address the matter. Your lease had been past due for \$8,365.00. But now your entire accelerated contract balance is due. This amount is \$152,243.00, plus any outstanding taxes and fees. It is now due and payable immediately.

Furthermore, as a result of this default, we are beginning the process of exercising all of our legal remedies under our agreement with you. To that end we will be sending our representatives, in person, to discuss the amounts you owe us. We also intend to transfer this account to our legal counsel or a collection agency to begin proceedings against you. You will be responsible for the additional costs of these legal, court, and collection fees.

Additionally, applicable Credit Bureau Services will be contacted to reflect your unresolved default status.

It disappoints us to have to take these steps. However, your failure to act in any meaningful way to resolve this matter has left us no alternative. To avoid these actions you must contact us to resolve your default immediately. Otherwise, we will take the appropriate steps to protect our interests.

Yours truly,  
AEL Financial, LLC

  
Nick Kondras  
Collection Manager  
847-465-7201

AEL Financial, LLC  
Bin 88162  
Milwaukee, WI 53288-0162

May 7, 2010

Charles K Schwartz  
37 Timberline Avenue  
Sparta, NJ 07871

RE: Lease No. 28011492

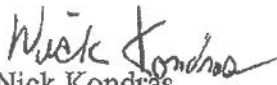
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