

February 9, 2006

Mail Stop 4561

Linda van Doorn
Senior Assistant Chief Accountant
Division of Corporation Finance
United States Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: PaperFree Medical Solutions, Inc.
Form 10-KSB for the Fiscal Year Ended February 28, 2005
Form 10-KSB/A for the Fiscal Year Ended February 28, 2005
Form 10-QSB for the Fiscal Quarter Ended May 31, 2005
Form 10-QSB/A for the Fiscal Quarter Ended May 31, 2005
Form 10-QSB for the Fiscal Quarter Ended August 31, 2005
File No. 333-86706

Dear Ms. Van Doorn and Mr. Thomas Flinn:

We are in receipt of your letter of January 30, 2006 and reply as follows. Note, we will be filing an amended form 10-KSB and 10-KSB/A as requested in due course after our Independent Registered Public Accounting Firm has reviewed our amended filing.

Form 10-KSB/A for the Fiscal Year Ended February 28, 2005

Item 7 Financial Statements

Report of Independent Registered Public Accounting Firm

1. We will file an amendment to our previously filed Form 10-KSB/A to include the redrafted auditors report containing a reference to the period from inception in the Registered Public Accounting Firms report, as provided by our Accountants.

Note 6 – Acquisition and Abandonment of Crown Medical, Systems, Inc (Delaware)

2. *Your letter mentioned the affiliations of several board of directors and Crown Medical Systems.*

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 2

Table of Affiliated Parties

Director	Affiliated with		Sitting Director				
	Crown Delaware PRIVATE	Crown Nevada PaperFree	Feb. 04 10K	Sept 04 Transaction date	Feb. 05 10QSB	May 05 10Q	Aug 05 10Q
William L Sklar	consultant	YES	X	X	X	X	X
G. Paul Marshall	NO	YES	X				
Darlene Cox	YES	NO	X				
Brian Knight	YES	NO	X	VP marketing NOT a director	No position		
James Sterling	YES	NO	X				
David L. Bailey	NO	YES		X	X	X	X
Richard J. Paver	NO	YES		X	X	X	X
Crawford Shaw	NO	YES		X	X	X	
T. Marshall Wilde	NO	YES					X
Ronald Cole Jr.							X

Mr Brian. Knight is the only individual affiliated with both companies after the aborted merger. He briefly served as VP Marketing for PaperFree. Mr. William L Sklar was a consultant to the Private company and received consulting fees from Crown Delaware the private Company.

Your letter asked for clarification why the acquisition of Crown Medical Systems was not determined to be a reverse acquisition, in light of certain facts cited in your letter.

The acquisition was not considered a reverse acquisition because the acquisition was determined to have not occurred. Crown Delaware, the Target company, was determined to not be auditable. Crown Delaware was not able to provide the Registrant with complete accounting records. This was determined after the share exchange between Crown Delaware and Crown Nevada, now known as Paperfree. Paperfree escheated the shares of Crown Delaware back to the state of Delaware, but did not cause the shares of Paperfree issued to the Crown Delaware shareholders to be returned. Our conclusion based on these circumstances was there was no acquisition. There was a change of control for the shares issued by Paperfree to the Crown Delaware shareholders.

Your letter you asked for "the identification of the owners of Crown Medical Systems and how many of the preferred shares of PaperFree each received in the September 1, 2004 transaction."

The listing is attached as an appendix to this document.

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 3

Your letter stated "In addition clarify whether the operations of Crown Medical Systems have been included in the registrant's operating results and if so, specify for what period of time."

No operations of Crown Medical Systems (Delaware) have ever been included in the financial statements as the transaction was abandoned.

- 3. Explain why you are referring to this acquisition as being abandoned when the shares issued in the transaction were not returned and it appears that the most of the board of directors were replaced by representatives of Crown Medical Systems on September 10, 2004. Also clarify how the company recorded the value of the shares issued in the transaction of \$24.7 million in the financial statements. If this amount was recorded as general and administrative expenses, clarify the basis for that classification.*

We chose the word "abandoned" because we did not acquire either the assets, or goodwill of the private company known as Crown Medical Systems, Inc (Delaware). On the advice of our professional advisors we did not recall the shares that had been previously issued to the Crown Delaware shareholders, as there was no practical means of recalling previously issued shares

As detailed above in our response to question 2, there was some overlap between the private (Delaware) and the public (Nevada, now PaperFree) companies, but the overlap ended when the decision was made to abandon the merger. The advisory board was disbanded and Mr. Brian Knight vacated his position of VP Marketing.

At the time of the abandonment, PaperFree owned the rights to a software product but was still in the development stage. We carefully considered the correct treatment for the consideration associated with the issuance of shares to the Crown Delaware shareholders. The value of the shares was measured using market activity leading up to the date the shares were issued. We determined recognition of the share value should be expensed because there were no assets or goodwill received from the Crown Delaware shareholders in exchange for their shares.

Note 12 – Warrants

- 4. Your letter asked for the identity of the holders of the warrants and an explanation of why the number of the warrants and the exercise price of the warrants were not adjusted for the reverse split.*

Graham Douglas
Playas Gemelas

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 4

Puerto Vallarta
Jalisco, Mexico 48380

International Recruitment Co Ltd.
Hunkins Waterfront Plaza
P.O. Box 556, Main Street
Memorial Square
Nevis, West Indies

Paul McAteer
944 Lawrence Grassi Ridge
Canmore, Alberta T1W 2Z6, Canada

Ronald H. Cole, Jr.
72 Avenida Holanda
Conil de le Frontera, 11140
Spain

[note: The company subsequently hired Mr. Cole as an interim President. For a short period of time he served as a member of the Board of Directors.]

On July 29, 2004 we filed a registration statement on Form S-8 for the 2004 Directors, Officers and Consultants Stock Option, Stock warrant and Stock Award Plan disclosing the creation of the warrants and their terms. The warrant terms contained an anti-dilution clause. When the board approved the reverse split, the warrant holders invoked the anti-dilution clause and hence there was no adjustment of the price and number of shares for those holders following the reverse split.

Your letter asked whether the consultants were related parties to the registrant.

None of the four consultants were employees, directors or shareholders of our company at the time of issuance of the warrants.

You wrote that "It appears that the value of these warrants was recorded as consulting fees in the financial statements. Please tell us the nature of the consulting services you received in return for the warrants"?

As we indicated in the notes to the financial statements, "On August 11, 2004 the 600,000 Preferred Series A shares were issued to consultants pursuant to the Directors, Officers and Consultants stock option, stock warrant and stock award plan. Services rendered by the four consultants included an evaluation of the Company's merger and acquisition strategies; business development activities; employee relations; marketing strategy; exploration of

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 5

listing possibilities; and introduction to securities analysts and other public market participants.”

Item 8A Controls and Procedures

- 5. Please revise to provide your conclusion regarding the effectiveness of your disclosure controls and procedures as of the end of the fiscal year. Refer to Item 307 of Regulation SB and Section 13(a) of the Exchange Act Rules..*

Item 8A has been revised to provide our conclusion regarding the effectiveness of our disclosure controls and procedures as of the end of the fiscal year.

Form 10-QSB for the Quarterly Period Ended August 31, 2005

Note 2 – Purchase of KMS Computer Services

- 6. Please explain to us the factors that contributed to a purchase price with significant amounts of goodwill. Please explain your methodology for allocating the purchase price. Refer to paragraphs 39 and A14 and SFAS 141. Additionally, advise us of any intangible assets included in goodwill that do not meet the criteria for recognition apart from goodwill.*

The purchase price was arrived at following extended arms length negotiations between the vendor and the Registrant. The agreement established a price of \$3,000,000 being equivalent to 2,400,000 shares using market activity leading up to the transaction date. There was a net asset deficiency of \$341,944 which when added to the fair market value of the shares issued of \$3,000,000 established the goodwill of \$3,341,944.

Company Management reviewed the resulting goodwill figure and determined that:

- The current assets were reflective of their recoverable value and hence were at fair market value
- The long term assets, mainly furniture, fixtures and equipment shown at historical values, approximated the fair market value of the assets should we go into the used market to buy similar assets.
- The liabilities were what was due and payable and hence were the fair market value of the assets.

The Company then considered what it gained as a result of the acquisition that was not represented by the net tangible assets to assign value as follows:

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006.
Page 6

- An intact cohesive workforce – valuable to PaperFree, but not eligible for separate recognition.
- The reputation as a reliable provider of medical support solutions for 15 years - a necessary credential when selling to the Physician market but not eligible for separate recognition.
- A HIPPA compliant environment, attained by the creation of procedures and verified by independent contractors – a lengthy and costly process that is not eligible for separate recognition.

Based upon all these, PaperFree viewed the excess of purchase price and liabilities assumed over tangible assets as goodwill.

PaperFree then considered recoverability and determined the cost of creating the benefits described above exceeded the price paid resulting in no immediate impairment. Recoverability has been and will be reviewed on a periodic basis.

Closing Remarks:

- the Company is responsible for the adequacy and accuracy of the disclosure in the information statement;
- staff comments or changes to disclosure in response to staff comments do not foreclose the SEC from taking any action with respect to the filing; and
- the Company may not assert staff comments as a defense in any proceeding initiated by the SEC or any person under the federal securities laws of the United States.

Yours very truly,



William L. Sklar
Chief Financial Officer

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 7

<u>Shareholder</u>	<u>Address</u>	<u>Preferred shares</u>
Albosta, Michael A.	Michael A. Albosta 20110 Carmelite Ct. Katy, TX 77450	33,149
Allbaugh, Kim	Kim Allbaugh 121 West Sycamore Street Kokomo, IN 46901	31,746
Anderson, Carla	Carla Anderson 121 West Sycamore Street Kokomo, IN 46901	16
Alpine Meadows	Alpine Meadows P. O. Box 222 Mountain City, TN 37683	553
Andrews, Taunya	Taunya Andrews 1102 Forest Drive Kokomo IN 46901	1,664
Andrews, David	David Andrews 121 West Sycamore Street Kokomo, IN 46901	16
Archdale, Dominic E.W.	Dominic E.W. Archdale 2802 Luciernaga Street Carlsbad, CA 92009	635
Archdale, Dominic E.W.	Dominic E.W. Archdale 2802 Luciernaga Street Carlsbad, CA 92009	331
Archibald, Margaret	Margaret Archibald PMB 212 9699 N. Hayden Rd. #108 Scottsdale, Arizona 85258	33,149
Arnold, Hugh and Arnold Yeatts, Jerry	Hugh Arnold and Jerry Arnold Yeatts 2521 Rochelle St. Durham, NC 27703	15,873
Augusta Medical Supply, Inc.	Augusta Medical Supply, Inc. 1005 Hunter Court Deerfield, IL 60015	31,746
Aurora Visions	Aurora Visions P. O. Box 222 Mountain City, TN 37683	553

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 8

Bates, H. Richard and Cheryl L.	H. Richard and Cheryl L. Bates 230 Parker Farm Road Franklin, NC 28734	3,175
Beardsley, Scott	Scott Beardsley 121 West Sycamore Street Kokomo, IN 46901	16
Beasley, Joseph O.	Joseph O. Beasley 1921 Reed Hill Dr. Windermere, FL 34786	15,873
Beck, Grabau	Grabai Becl 2033 Gateway Place San Jose, CA 95110	1,989
Becker, Irving	Irving Becker 9043 Harbor Isle Drive Windermere, FL 34786-8351	11,050
Black, Mike	Mike Black 7608 Orange Ave. Cape Canaveral, FL 32920	663
Bloom, Allison R.	Allison R. Bloom 4646 Hitchcock Road Odessa, NY 14869	794
Bloom, Tracy S.	Tracy S. Bloom 4646 Hitchcock Road Odessa, NY 14869	794
Bolinger, Deb	Deb Bolinger 121 West Sycamore Street Kokomo, IN 46901	16
Blumen, Jerry	Jerome Blumen 8029 Via Grande Boynton Beach, FL 33437	40,476
Bonvicini, Joseph L. and Joan M.	Joseph L. and Joan M. Bonvicini 2309 Mountain Spruce Street Ocoee, FL 34761	15,873
Boucher, Norman and Linda Lee	Norman and Linda Lee Boucher 115 Bel-Aire Circle Windsor Locks, CT 06096	6,349
Brewer, Paul & Holly	Paul & Holly Brewer 2613 Wingate Hill Ct. Raleigh, NC 27606	556
Bryan, Dave	Dave Bryan 1928 E. Orion Street Tempe, Arizona 85283	1,587

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 9

BWHOLE	BWHOLE	
	Attn: Dr. Steven L. Chamberlain 2727 N. Atlantic Ave.# 120 Daytona Beach, FL 32118-3003	4,762
Campbell, Tom	Tom Campbell 1603 W. Placita Sin Nieve Sahuarita, AZ 85629	1,989
Capps, Elmer E.	Elmer E. Capps PO Box 187 Princeton, NC 27569	3,175
Cardinal, Gino	Gino Cardinal Ste. 111 8300 Bennett Rd. Richmond, BC V6Y1N5 Canada	33,149
Chestnutt, William J. & Jane C.	William J. and Jane C. Chesnutt 4514 Malvern Road Durham, NC 27707	556
Chestnutt, William J. and Jane C.	William J. and Jane C. Chesnutt 4514 Malvern Road Durham, NC 27707	6,984
Chow, Gregory H.	Gregory H. Chow 4636 Farmers Road Honolulu, HI 96816	6,349
Cole, Brenda	Brenda Cole 3642 Mill Run Raleigh, NC 27612	31,746
Cooper, Gary B.	Gary B. Cooper 18842 Farnham Court Leesburg, VA 20126	47,619
Cron, Sally	Sally Cron 121 West Sycamore Kokomo, IN 46901	16
Kiley, James M.D.	James Kiley, M.D. 315 Woodland Kalispell, Mt. 59901	635
Koppang, Christopher	Christopher Koppang 27336 Maple Ridge Way S.E. Maple Vally, Wa. 98038	79
Covenant Love Ministries	Covenant Love Ministries c/o Jerry Rebrey, Overseer PO Box 1701 Salisbury, NC 28145	1,111

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 10

Cox, Alvin E.	Alvin E. Cox 1839 Wilsons' Mills Rd Smithfield, NC 27577	6,349
Cox, Darlene	Darlene Cox 33 Lakeview Drive Old Tappan, NJ 07676	31,746
Cox, Lloyd J.	Lloyd J. Cox 695 NC 210 Hwy Smithfield, NC 27577	12,698
Crumpler, Edward E.	Edward E. Crumpler Revocable Living Trust 44 Batten Rd. Selma, NC 27576-7563	1,270
Curran, Bill	Bill Curran #134 16335 14th Ave. Surrey, BC V4A1H2 Canada	552
Curts & Associates, Inc.	Curts & Associates, Inc. 4000 N. Meridian Indianapolis, IN 46208	31,746
Cybalski, Venny	Venny Cybalski 402 Hagen Ct. Waterloo, Ontario N2K4A8 Canada	2,210
D&S Holdings, LLC	D&S Holdings, LLC Attn: David Parker P. O. Box 512 Brandon, FL 33509	754
Danko, Joe	Joe Danko 10112 Shortwood Lane Orlando, FL 32836	442
Daugherty, Stephen D.	Stephen D. Daugherty 1117 Oak Grove Drive Knightdale, NC 27545-9299	1,587
DeRemer, R.J.	R.J. DeRemer, Jr. 115119 Riverview Drive Houston, TX 77077	2,762
DeRemer, R.J. Jr.	R.J. DeRemer, Jr. 115119 Riverview Drive Houston, TX 77077	1,587
Deshotels, Johnny	Johnny Deshotels 13 N. Highland Crt. Woodlands, TX 77381	13,812

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 11

Deshotels, Johnny	Johnny Deshotels 13 N. Highland Crt. Woodlands, TX 77381	3,175
Dillard, J. Bruce	J. Bruce Dillard 3227 Warwick Dr. Raleigh, NC 27606	3,175
Dohner, Kathleen	Kathleen Dohner 14126 Sandfield Dr Houston, TX 77077-1417	519
Dohner, Lloyd	Lloyd Dohner 14126 Sandfield Dr Houston, TX 77077-1417	10,729
Dohner, Lloyd	Lloyd Dohner 14126 Sandfield Dr Houston, TX 77077-1417	33,149
Erickson, Monique	Monique Erickson 121 West Sycamore Street Kokomo, IN 46901	48
Erickson, Tara	Tara Erickson 121 West Sycamore Street Kokomo, IN 46901	16
Evans, Jack	John B. Evans II Three Riverway, # 120 Houston, TX 77056-1954	1,105
Farms, Brantley	Brantley Farms 7162 Aldoph Rd. Bailey, NC 27807	7,619
First Altrans Corp.	First Altrans Corp. c/o Mary O. Reynolds PO Box 612 Montour Falls, NY 14865	19,841
Fisher, Jacob	Jacob Fisher 23014 Benbury Katy, TX 77450	497
Fivecoate, Harry	Harry Fivecoat P. O. Box 912 Kokomo, IN 46903	110
Fivecoate, Kris	Kris Fivecoate 121 West Sycamore Street Kokomo, IN 46901	476
Fivecoate, Mike	Mike Fivecoate 1780 Cowan Dr. Titusville, FL 32796	442

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 12

Fivecoate, Leonard	Leonard Fivecoate 1780 Cowan Drive Titusville, FL 32796	1,105
Fivecoate, Todd	Todd Fivecoate 121 West Sycamore Street Kokomo, IN 46901	32
Fivecoate, Troy	Troy Fivecoate 727 East 600 N Kokomo, IN 46901	221
Flythe, Laura & Christopher	Laura & Christopher Flythe 185 Lumina Place Holly Springs, NC 27540	556
Ford, Keristen	Ford Keristen 121 West Sycamore Street Kokomo, IN 46901	16
Fridley, Sheri	Sheri Fridley 121 West Sycamore Street Kokomo, IN 46901	8
Frazier, Kim	Kim Frazier 121 West Sycamore Street Kokomo, IN 46901	8
Gasiorowski, Henry C. and Michele E.	Henry C. and Michele E. Gasiorowski 40 West Elm Street Greenwich, CT 06830	33,333
Gasiorowski, John S. and Elizabeth D.	John S. and Elizabeth D. Gasiorowski 2121 Richardson Road Apex, NC 27502	114,286
Global Missions	Global Missions P. O. Box 896 Youngsville, NC 27596	57,967
Goldberg, Marty	Marty Goldberg 21157 Ormond Ct. Boca Raton, FL 33433	27,624
Grossman, Cliff	Cliff Grossman 1602 Alton Road, Suite 103 Miami Beach, FL 33139	33,149
Grossman, Mario	Mario Grossman 5326 Valverde Houston TX 77056	331
Gugliluzza, Amanda	Amanda Gugliluzza 121 West Sycamore Street Kokomo, IN 46901	32

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 13

Hall, Ashley	Ashley Hall 121 West Sycamore Street Kokomo, IN 46901	16
Halla, Hellna	Hellna Halla 688 Florida Ave., Apt. #4 Pittsburgh, PA 15228-2035	1,657
Hammell, John Christopher	John Christopher Hammell 556 Boundary Bay Point Roberts, WA 98281	6,349
Harris, Jimmy	Jimmy Harris 3805 Lake Foest Drive Tyler, TX 75707	2,431
Hemphill, Tracey	Tracey Hemphill 23024 Benbury Katy, TX 77450	1,657
Henry, Chris	Chris Henry 2316 S. US 421 Zionsville, IN 46077	1,105
Henson, Ja	Ja Henson 121 West Sycamore Street Kokomo, IN 46901	48
Hermits of the Divine Will	Hermits of the Divine Will Anthony Kirby, Overseer 140 McCurdy Trail Ligonier, PA 15658	1,587
Hinton, Danny Kevin	Danny Kevin Hinton 8087 NC 222 WestKenly, NC 27542	6,349
Hodson, Terry	Terry Hodson 12426 23rd Avenue Surrey, BC V4A2C4 Canada	884
Holt, Alice L.	Alice L. Holt 5616 Walker's Farm Road Hillsborough, NC 27278	9,881
Howard, Steve E.	Steve E. Howard 8110 Redlands St., Apt. 204 Playa Del Rey, CA 90293	3,413
Huston, Jason	Jason Huston 4913 Chickadee Drive Lafayette, IN 47909	1,842

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 14

Huston, John	John Huston 40 Huntington Way Lafayette, IN 47909	553
Huston, Steve	Steve Huston 783 Hunters Trail Kokomo, IN 46901	553
Jackson, Graham	Graham Jackson 1868 Westminister Ave. Port Coquitlan, BC V3B1E2 Canada	552
Jennings, Mark	Dr. Mark Jennings P. O. Box 585 Daleville, IN 47334	31,746
Jennings, Mark and Sonja	Mark and Sonja Jennings P. O. Box 585 Daleville, IN 47334	162,698
Jewell, Danny	Danny Jewell 121 West Sycamore Street Kokomo, IN 46901	635
Johnson, David	David Johnson 6826 Mill Stream Rd. Ocoee, FL 34761	24,683
Jones, Kathleen A. and Francis R.	Kathleen A. and Francis R. Jones Revocable Living Trust 1528 Shenandoah Pkwy Chesapeake, VA 23320	2,381
Jurkovic, Richard P.	Richard P. Jurkovic 4757 Atlanta Court Jacksonville, FL 32210-7901	397
Jurkovic, Rick	Richard P. Jurkovic 4757 Atlanta Court Jacksonville, FL 32210-7901	3,370
Kelly, Maple	Maple Kelly 121 West Sycamore Street Kokomo, IN 46901	48
Kennedy, Richard A. and West, Linda	Richard A. Kennedy and Linda West 1942 Oak Ridge Dr Charleston, WV 25311	28,571
Kiley, James M.D.	James Kiley, M.D. 315 Woodland Kalispell, Mt. 59901	635

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 15

Kenny, Charles Jr.	Charles Kenny, Jr. 8001 Adams Road Lafayette, IN 47905	15,873
Kilpatrick, Sheila K.	Sheila K. Kilpatrick 6201 Hwy 64 East Pittsboro, NC 27312	2,222
Kirk, Donna L.	Donna L. Kirk 7434 Foxwerth Drive Wilmington, NC 28411	1,564
Kirk, Laura	Laura Kirk 121 West Sycamore Street Kokomo, IN 46901	8
Knight, Brian	Brian Knight 106 Shadow Bend Lane Cary, NC 27511	23,810
Knowles, Robert	Robert Knowles 5540 McNeely Drive Suite 201 Raleigh, NC 27612	1,587
Koppang, Christopher	Christopher Koppang 27336 Maple Ridge Way S.E. Maple Vally, Wa. 98038	79
Koppang, Thomas A. and Judy L.	Thomas A. and Judy L. Koppang 5539 E. Evergreen Mesa, AZ 85205	31,746
Kovach, Robert	Robert Kovach 5800 Waterford Valley Cresent Apt # 935 Raleigh, NC 27612	3,492
Kreer, James R. and Sandara L.	James R. and Sandara L. Kreer 680 Canal Court Satellite Beach, FL 32937	27,778
Kreer, Jane G.	Jane G. Kreer 307 Canyon Road Winchester, VA 22602	794
Lambert, Thomas	Thomas Lambert 2008 Misty Fog Court Raleigh, NC 27603	635
Langford, David F.	David F. Langford 1116 Kimberly Drive Raleigh, NC 27609	31,825

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 16

Laurasset, Ltd	Laurasset, Ltd 8 Caracciolo Ave. Arima, Trinidad and Tobago	63,492
Lee, Leon M.	Leon M. Lee 19 Bank Street Bordentown, NJ 08505	6,349
Lenz, Kenneth R. and Carol E.	Kenneth R. and Carol E. Lenz 5000 Deerbrook Dr. Pleasant Garden, NC 27313	1,191
Lewis, Joseph Isaac	Joseph Isaac Lewis 9309 Wakefield Oak Grove Dr. Zebulon, NC 27597	46,825
Lindstrom, Frank	John F. Lindstrom, III 1740 Technology Dr., #550 San Jose, CA 95110	3,315
Lindstrom, III, John F.	John F. Lindstrom, III 1740 Technology Dr., #550 San Jose, CA 95110	1,587
Lindstrom, John F. III	John F. Lindstrom, III 1812 Sand Hill Rd., Apt. 401 Palo alto, CA 94304	3,175
Lofrano, Michael J. and Minerva R.	Michael J. and Minerva R. Lofrano NLP Awareness Center PO Box 423 Toms River, NJ 08754-0423	3,968
Lopez, Luis	Luis Lopez 12637 Sun Spirit El Paso, TX 79936	31,746
Ludale Enterprises, Inc.	Ludale Enterprises, Inc. 441 Valenci a Avenue Suite # 203Coral Gables, FL 33134	3,175
MacDonald, JR		2,210
Macy, John R. and Marjorie M.	John R. and Marjorie M. Macy 2 West Sahuaro Vista Drive Tucson, AZ 85704	47,619

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 17

Management Systems International, LLC	Management Systems International, LLC c/o James A. Sterling 6724 Amposta Drive El Paso, TX 79912	555,556
Marshall, Bobette	Bobette Marshall 121 West Sycamore Street Kokomo, IN 46901	16
Maxson, Michael	Michael Maxson 7079 High Meadow Dr .Matthews, NC 28104-9533	31,746
Miller, Larry	Larry Miller 108 Scots Fir Lane Cary, NC 27511	635
Minicozzi, Joseph	Joseph Minicozzi 19 Jarvis Street Huntington, NY 11743	6,429
McCale, James Sean	James Sean McCale 4896 Minas Drive San Jose, CA 95136	7,937
McGowan, Charles	Charles McGowan 6015 Winsome #65 Houston, TX 77057	486
McPherson, James R. & Michelle B.	James R. & Michelle B. McPherson 3801 Grandbridge Drive Apex, NC 27539	556
Mendoza, Elizabeth	Elizabeth Mendoza 8015 Williamette El Paso, TX 79907	31,746
Ming, Richard	Richard & James L. Ming 2028 Mount Olympus Dr. Los Angeles, CA 90046	1,768
MJK Consolidated Enterprises, LLC	MJK Consolidated Enterprises, LLC c/o Brian D. Knight 106 Shadow Bend Lane Cary, NC 27511	555,556
Moddrell, Chester L.	Chester L. Moddrell 1308 Stacy #90 San Francisco, TX 78666	1,657
Moore, Jack	Jack Moore 5445 Milkwood Lane Las Vegas, NV 89129	630

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 18

Mountaineer Traks	Global Missions P. O. Box 896 Youngsville, NC 27596	1,105
Mueller, Mark S.	Mark S. Mueller 2720 Masters Drive League City, TX 77573-4471	476
Muldoon, Colin	Colin Muldoon 1007 High Lake Ct. Raleigh, NC 27606	7,937
Munyon, Dorothy J.	Dorothy J. Munyon 10 Pier Pointe New Bern, NC 28562	3,492
Munyon, Ronald Martin	Ronald Martin Munyon 2000 Hydes Corner New Bern, NC 28562	16,349
Munyon, Ronald Martin	Ronald Martin Munyon 2000 Hydes Corner New Bern, NC 28562	2,778
Munyon, Ronald Martin	Ronald Martin Munyon 2000 Hydes Corner New Bern, NC 28562	76,680
Nacouzi, Vincent & Michelle	Vincent & Michelle Nacouzi 7209 Catamount Ct. Raleigh, NC 27615	1,111
Nasuti, Linda	Linda Nasuti 8910 Crystal Fountain Rd. Emmitsburg, MD 21727	1,587
Nisbett, Sgt. Jack	Sgt. Jack Nisbett 3360 198-A St. Langley, BC V3A7Y9 Canada	4,603
Oyster Creek	Oyster Creek P. O. Box 222 Mountain City, TN 37683	553
Parker, David and Shari-Lynn	Davishar Financial, LLC P. O. Box 512 Brandon, FL 33509	39,683
Parson, Stephanie A.	Stephanie A. Parson 12065 Rebecca's Run Drive Winter Garden, FL 34787	1,587

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 19

Pawlowski, Tim	Tim Pawlowski 10 Parsons Court Kitchener, Ontario N2N2YB Canada	4,324
Pawlowski, Tim	Tim Pawlowski 10 Parsons Court Kitchener, Ontario N2N2YB Canada	47,619
Peele, Louis	Louis Peele PO Box 815 Kenly, NC 27542	952
Peterson, Bill	Bill E. Peterson 4710 Arrowhead Lake Dr. Missouri City, TX 77459	2,541
Peterson, Bill E.	Bill E. Peterson 4710 Arrowhead Lake Dr. Missouri City, TX 77459	952
Phillips, Gail M. and John S.	Gail M. and John S. Phillips 11911 SW 107 CourtMiami, FL 33176	159
Phillips, Michael D.	Michael D. Phillips 704 Trail One Burlington, NC 27215-6242	19,048
Pugh, James E. Jr.	James E. Pugh, Jr. 4232 Kingwood Road Charlotte, NC 28226	22,222
Purvis, Kevin	Kevin Purvis 121 West Sycamore Street Kokomo, IN 46901	2,381
Radenberg, Karen R.	Karen R. Radenberg 4647 Hitchcock Road Odessa, NY 14869	8,492
Radenberg, Karen R.	Karen R. Radenberg 4647 Hitchcock Road Odessa, NY 14869	1,587
Radenberg, Robert E.	Robert E. Radenberg 4647 Hitchcock Road Odessa, NY 14869	3,968
Rainbow Investments, LLC	Rainbow Investments, LLC 538 W. Market Street Smithfield, NC 27577	7,619

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 20

Rebrey, Jerry M. and Eunice E.	Jerry M. and Eunice E. Rebrey 521 Mahaley Ave. Salisbury, NC 28144	31,746
Reed, Karen	Karen Reed 121 West Sycamore Street Kokomo, IN 46901	16
Reynolds, Mary O.	Mary O. Reynolds PO Box 612 Montour Falls, NY 14865	794
Reynolds, William D.	William D. Reynolds 5539 Hamstead Crossings Dr. Raleigh, NC 27612	47,698
Reynolds, William D.	William D. Reynolds 5539 Hamstead Crossings Dr. Raleigh, NC 27612	556
Rich, Mary Lou	Mary Lou Rich 5241 N. 450E Kokomo, IN 46901	166
Rich, Nate	Nate Rich 4364 W. 300 N Kokomo IN 46901	304
Roberts, Harry Millard	Harry Millard Roberts 4326 Corbett Ridge Road Mebane, NC 27302	6,349
Michael Russo	Michael Russo 4 Cutter Ct. W. Islit, NY 11795	6,349
Sabo, Scott	Scott Sabo 1705 Tierney Drive Waunakee, Wisconsin 53597	2,778
Sabo, Steve L.	Steve Sabo 1026 Essex Forest Drive Cary, NC 27511	1,333
Sabo, Steve L.	Steve Sabo 1026 Essex Forest Drive Cary, NC 27511	31,746
Santillo, Michael L.	Michael L. Santillo 11559 N. Kriscott Court Oro Valley, AZ 85737	12,698
Scherger, John G.	John G. Scherger 1011 Birchwood Drive Kokomo, IN 46901	159

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 21

Scherich, Henry	Henry Scherich 11 Barrington Place Durham, NC 27705	6,349
Scherich, Henry	Henry Scherich 11 Barrington Place Durham, NC 27705	1,111
Schmitt, Thomas N.	Thomas N. Schmitt 102 Low Gap Rd. Lakemont, GA 30552	3,175
Schmitt, Thomas N.	Thomas N. Schmitt Soil Dynamics Corporation PO Box 146 Clayton, GA 30525	159
Schneider, Edward A. and Brenda B.	Edward A. and Brenda B. Schneider 2670 Reedy Prong Church Rd. Newton Grove, NC 28366	6,349
Seidelhuber Properties, LLC II	Seidelhuber Properties, LLC II c/o Michael Seidelhuber 23679 Bernhardt Street Hayward, CA 94545	1,587
Seidelhuber, Mike	Michael Seidelhuber 23679 Bernhardt St. Hayward, CA 94545	1,989
Shaffer, Nick	Nick Shaffer 121 West Sycamore Street Kokomo, IN 46901	16
Shelby, Craig	Craig Shelby 7742 W. Villa Rita Dr. Glendale, AZ 85308	4,365
Sistrunk, Thomas M.	Thomas M. Sistrunk 4111 Westcity Court # 137 El Paso, TX 79902	23,810
Sistrunk, Preston	Preston Sistrunk 2808 Darwin Street Kilgore, TX 75662	2,431
Sklar, Marilyn	Marilyn Sklar 513 Roselawn Avenue Toronto, ON Canada M5N 1K2	2,222

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 22

Sklar, William L.	William L. Sklar 513 Roselawn Avenue Toronto, ON M5N 1K2 Canada	214,286
Smith, Mrs. Arthur E.	Mrs. Arthur E. Smith 3086 Silk Hope / Gum Springs Rd Pittsboro, NC 27312	23,810
Snowshoe Outfitters	Global Missions P. O. Box 896 Youngsville, NC 27596	1,105
Solo Enterprises	Solo Enterprises 33861-B Calle La Prima VeraDana Point, CA 92629 Attn: Manager	56
Solomon Enterprises	Solomon Enterprises 33861-B Calle La Prima Vera Dana Point, CA 92629	635
Stallings, M.L.	M.L. Stallings PO Box 1374 Smithfield, NC 27577	635
Stanley, Bobby H.	Bobby H. Stanley PO Box 1752 Smithfield, NC 27577	86,508
Starling International Overseas, Ltd.	Starling International Overseas, Ltd. c/o Landmark Management, Inc .Phillippe Bassai B.P. 16717 Avenue de la Costa Monaco, MC 98004	31,746
Sterling, James	James Sterling 6724 Amposta Drive El Paso, TX 79912	23,810
Stefaniuk, Jerry	Jerry Stefaniuk 3837 Hamber Place N. Vancouver, BC Z7G2K2 Canada	3,867
Stone, Tony R.	Tony R. Stone PO Box 250 Bailey, NC 27805	635
Surfside Supply	Global Missions P. O. Box 896 Youngsville, NC 27596	1,105

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 23

Swinford, Charles W. and Helen M.	Charles W. and Helen M. Swinford 5504 Walker Farm Rd. Hillsborough, NC 27278-9764	12,698
Talltree Land Company	Talltree Land Company 2000-390 Bay Street Toronto, Ont. M5H3V5 Canada	31,746
Thal, Larry	Larry Thal 1107 West 47th Vancouver BC Canada V6M263	3,175
Thal, Larry	Larry Thal 1107 West 47th Vancouver BC Canada V6M263	44,972
The Nigam Trust DTD 04/078/1998	The Nigam Trust DTD 04/078/1998 Ashok K. & Sunita Nigam 1530 Meadow Glen Way San Jose, CA 95121	3,175
Thompson, Joseph M.	Joseph M. Thompson 9520 Penny Rd. Raleigh, NC 27606	95,238
Thunder Bay Holdings	Thunder Bay Holdings 3551 N. Wesleyan Blvd. Rocky Mount, NC 27804	6,349
UBA Enterprises, Inc.	UBA Enterprises, Inc. PO Box 250 Middlesex, NC 27557	43,175
Uncle Don's Partnership	Uncle Don's Partnership 952 N. Clay St. Frankfort, IN 46041	2,652
Union Station	Union Station P. O. Box 222 Mountain City, TN 37683	553
Utecht, Hildergard	Hildergard Utecht 6706 Paseo del Vista La Costa, CA 92009	110
W. Paul Brewer III	W. Paul Brewer III 2613 Wingate Hill Court Raleigh, NC 27606	1,667
Walker, Brian Patrick	Brian Patrick Walker 4644 Jones Sausage Road Garner, NC 27529	1,587

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 24

Wang, Tai-Jane	Tai-Jane Wang 3627 keystone Ave. # 1 Los Angeles, CA 90034	442
Wang, Tai-Jane	Tai-Jane Wang 3627 keystone Ave. # 1 Los Angeles, CA 90034	794
Wayt, Jerry S. and Ann L.	Jerry S. and Ann L. Way 860 Showers Lane Martinsburg, WV 25401	579,476
Webarea, Inc.	Webarea, Inc. 717 Crescent Dr. PO Box 3027 Smithfield, NC 27577	3,175
White, Anna & Web	Anna & Web White 8024 Holly Springs Rd. Raleigh, NC 27606	556
Wilde, T. Marshall	T. Marshall Wilde 55 Lombard Street Suite 209 Toronto, Ontario M5C2R7 Canada	2,222
Williams, Renee	Renee Williams 2485 E. 100 W Kokomo, IN 46901	1,989
Williams, Ted	Ted Williams 2485 E. 100 W Kokomo, IN 46901	185
Willis, Gwen	Gwen Willis PO Box 271 El Campo, TX 77437	221
Willis, Karen	Karen Willis 121 West Sycamore Street Kokomo, IN 46901	48
Winkleman, Linda	Linda Winkleman 1605 Kurtis Ln Tipton, IN 46072	110
Winter, Craig W.	Craig W. Winter 39 Bucklend St.# 14223 Manchester, CT 06040	6,349
Zinsky, Kenneth Eugene	Kenneth Eugene Zinsky 6 Silverberry Place Albany, NY 12211	1,130

PAPERFREE MEDICAL SOLUTIONS, INC.

Ms. Linda van Doorn, Mail Stop 4561
Senior Assistant Chief Accountant
U.S. Securities and Exchange Commission
Division of Corporation Finance
February 9, 2006
Page 25

Zollman, Jeffrey

Jeffrey Zollman
2552 Shannon Ln.
Kokomo, IN 46901

55

4,396,825
