

*David M. Siegel's*

# CHAPTER 7 SUCCESS

The Complete Guide  
To Surviving  
Personal Bankruptcy

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## **CHAPTER 7 SUCCESS**

### **The complete Guide to Surviving Personal Bankruptcy**

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### **INTRODUCTION**

Thank you for taking the time to purchase and read my comprehensive Chapter 7 bankruptcy guide. If you have found your way to my writing, then you have likely encountered some difficult financial times. Please don't feel alarmed. I have good news for you. There is a light at the end of the tunnel and I will shed whatever light I can throughout this book. I have written this book as if I was talking one on one with a close friend. Everything that I describe has been part of my practice since 1991. I have made an extra effort to explain Chapter 7 from a consumer's standpoint. There are hundreds of books and essays that are geared toward attorneys. I wanted to share my knowledge with individuals like you who have found themselves in severe debt. My primary focus is to provide the framework for a successful Chapter 7 bankruptcy case and to explain the entire process in a simple, fully understandable way.

I have provided a sample bankruptcy petition and schedules for illustration purposes only. Since bankruptcy has become a highly specialized area of law, I do not recommend that you attempt to file a bankruptcy case yourself. If you decide that you need to file, please consult with an experienced bankruptcy attorney in your local area. If you are not careful, you can find yourself falling victim to the many pitfalls and traps that occur in a bankruptcy case.

This guide will also detail your rights under the Fair Debt Collection Practices Act (FDCPA). Before, during and after your bankruptcy case, you have specific rights with regard to debt collectors. I have illustrated those rights and even included a full copy of the act.

Additionally, I have touched upon the importance of a good credit report, how to rectify errors on your report and what to look for when applying for credit in the future. You

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have the ability to improve your credit scenario if you are willing to take appropriate action.

Lastly, I hope that you find this book rewarding. I hope that it answers all of your questions, eases any of your concerns and points you in the right direction for a promising future. You have the power within you to make a tremendous difference in your life. Sometimes, a fresh start is all the impetus that you need!

To Your Success,

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# **CHAPTER 1**

## **THE CAUSES OF BANKRUPTCY FILINGS**

### **DON'T BE SO HARD ON YOURSELF, YOU'RE NOT ALONE**

Whether the economy is riding the crest of a bull market or whether it is struggling through a major recession, personal bankruptcy remains a constant event. From the decade of the nineties through the present, personal bankruptcies have soared like in no other time frame. According to the Administrative Office of the U.S. Courts, bankruptcy filings rose by 10% in fiscal year 2005. During the twelve month period ending September 30, 2005, 1,782,643 bankruptcy cases had been filed. This drastic increase was due in part to those who filed in anticipation of the bankruptcy reform law which became generally effective October 17, 2005. The fiscal year listed above is the twelve month period between October 1, 2004 and September 30, 2005. The above statistic does not include the massive filings that occurred during the month of October, leading up to the new law date of October 17, 2005.

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In the Northern District of Illinois, which encompasses Chicago and its surrounding suburbs, filings skyrocketed just prior to the new law date. For the first three quarters of calendar year 2005, the Clerk's Office accepted 42,550 bankruptcy cases. In the final sixteen days leading up to the law change (10/1/05 – 10/16/05), the Clerk's Office received 20,540 bankruptcy filings. That is almost half the number of yearly filings in sixteen days. At the time of this writing, the U.S. Bankruptcy Clerk's Office, bankruptcy trustees, debtors' counsel and creditors' counsel are still working on files that were received during the huge rush to file prior to October 17, 2005.

## **TERMINOLOGY**

Throughout this book I may use the word debtor or debtors to refer to the individual or individuals who are filing bankruptcy. I may use the word creditor or creditors to refer to those who have extended credit or to those who are owed a debt. For the definition of other words used throughout this writing, please reference the attached Lexicon.

## **WHAT IS CAUSING ALL OF THESE BANKRUPTCY FILINGS?**

There are several common causes which lead to filing for bankruptcy. These include, but are not limited to the following:

1.     **Lawsuits/Garnishments**

Nobody wants to be sued and brought to judgment. Nobody wants to have 10%-15% of their hard earned wages deducted from their pay. In many cases, the taking of

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10%-15% of one's wages leads to the inability of that person to pay his rent, utilities or auto payment. Just the thought of the employer potentially having to garnish wages leads many to panic. Debtors do not want their employers or co-workers knowing of their financial troubles.

#### **2. Auto Repossessions**

Imagine waking one morning, heading out the door to work, only to find that your car is not where you parked it. Sure you were a little late on your auto payment, but you thought the finance company would wait for you to get up to date on your own. Auto lenders will do whatever it takes to get you financed, regardless of whether you are actually capable of affording the car. They realize that if you can't pay the installment, they can take back their vehicle and re-sell it before it fully depreciates. They do this through the use of auto auctions where the vehicle often sells for substantially less than what is owed. This leads to a deficiency amount which the lender seeks to recover from the debtor. Talk about insult to injury, the debtor first loses possession of the vehicle and then gets sued for the outstanding deficiency balance. Who wants to pay for something that they no longer have?

#### **3. Unpaid Medical Bills**

With more and more Americans going without medical insurance (45.8 million, per the U.S. Census Bureau press release dated 8/30/05), they risk losing whatever they have earned throughout their lifetime should a major medical problem occur. Most claim that they can't afford to carry medical insurance. In reality, they can't afford not to. The rising cost of health care could significantly deplete one's savings should a serious illness or injury occur. Even those with co-payment coverages are having a difficult time meeting their burden of the bill.



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#### **4. High Interest Loans**

There have always been high interest personal loans from many sources. In recent times, the advent of the payday loan has surfaced. These loans have exorbitant interest, which is often carried over and extended further by way of additional loans. People who cannot survive until their next payday are giving up a huge portion of their paycheck to get the money in advance. This dangerous cycle leads to further borrowing with less and less money actually going into the individual's pocket.

#### **5. Driver's License Suspensions**

Many states have begun to suspend the licenses of drivers who have been involved in auto accidents without insurance. These drivers are typically given three options: Pay the actual damages to the person(s) involved in the accident; work out an installment payment plan to pay the damages to the person(s) involved in the accident; or file bankruptcy and send proof thereof to the motor vehicle licensing department. If the person continues to drive without rectifying the situation, they risk arrest and/or imprisonment for driving on a suspended license.

#### **6. Foreclosures**

The pride and joy of being a homeowner can be easily tempered by the hard work and cost of maintaining the home. Calling the landlord to make repairs is not an option; you are your own landlord. When the water is not flowing to the main sewer, you have no option, but to make the repairs. Additionally, the mortgage needs to be timely paid no matter what your special circumstance may be. Real estate taxes and homeowner's insurance are also required to be paid regularly or you face a foreclosure suit. Changes in employment, health, income and marital status can lead to one's failure to make timely

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payments. Many take second mortgages or lines of credit which simply create an additional, financial burden on the homeowner. When faced with the reality that they cannot afford the home, debtors can vacate the home and extinguish any mortgage liability through Chapter 7 bankruptcy.

#### **7. Overzealous Lending**

How many credit card applications have you received in the mail this year? If you are like many Americans, the applications continue to appear regularly. Have you received convenience checks or offers for additional lines of credit? If so, you may have taken advantage of the use of the credit without any feasible way of repaying the debt. Many people are receiving pre-approved credit applications when they are in fact, not credit worthy. The credit card lenders point fault at the debtors for accepting the credit without the means to repay it. It seems more logical to fault lenders who do not undertake to check the credit worthiness of particular debtors.

#### **8. Consumer Overspending**

Many people see what they want, acquire it, and decide later how they will pay for it. People want to possess the latest clothing, jewelry, electronics, etc. Most stores now offer the ability to take the product home through the use of store credit cards or outside financing. You may even get a modest percentage discount off the purchase price if you open or use the store charge card. Many people charge their groceries, restaurant and transportation expenses believing that if they just make the minimum payments everything will be alright. You will see later how unsound a practice that has become.

# **CHAPTER 2**

## **BANKRUPTCY ALTERNATIVES**

### **BEFORE YOU DECIDE TO FILE, THINK ABOUT THE ALTERNATIVES TO BANKRUPTCY**

Bankruptcy should be the last resort to getting out of debt. It will stay on your credit report for up to 10 years, guaranteeing that you will receive higher than normal interest rates on future financing close to the bankruptcy filing. Some debts will remain anyway such as recent IRS debt, student loan debt and debt incurred through fraud just to name a few.

Bankruptcy may be better for someone who has little income, extremely high liabilities and no realistic way of paying those liabilities back within a reasonable time period.

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## **HAVE YOU CONSIDERED?**

There are steps to consider prior to filing that are alternatives to filing bankruptcy.

- 1)     Negotiate with your creditors. It may be possible to work out deals with some of your creditors. Explain your current financial situation, your inability to realistically pay the entire debt and your willingness to pay a percentage of the debt over time. I have found that most credit card companies are rarely willing to make such arrangements. However, you never know until you ask. They may be willing to work with you if they feel that a bankruptcy is looming in the distance. They know that if you file bankruptcy, they will likely receive nothing in return.
  
- 2)     Debt consolidation loans. This may be a way to payoff all of your unsecured credit card debts with one loan that can actually reduce your monthly outlay. If you do this type of consolidation loan, make sure that you do not use your credit cards during your repayment term. This can cause you to fall even further behind by incurring new debt on credit cards that were just reduced to zero by the consolidation loan. Caution! Do not take out a consolidation loan against your home. You may have just turned dischargeable credit card debt into secured debt that can cause you to lose your home if not paid back timely.
  
- 3)     Consumer Credit Counseling Services. CCCS may be able to negotiate effectively with your creditors even after your efforts have failed. Those efforts may include reducing financing charges, lowering monthly payments and updating past due accounts. For credit counseling to be effective, you must be able to make consistent payments over a long period of time (40 – 60 months).
  
- 4)     CCCS will also provide educational material in an effort to help you avoid financial pitfalls in the future. Make sure that you are aware of the charges

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that your credit counseling services charges and to what extent your payments will be going to your creditors.

5) Handling the debt on your own. If you have sufficient income, can budget effectively and can communicate with your creditors, you may want to handle the matter yourself. You will have to contact each creditor in an effort to work out some form of payment arrangement. While some creditors will be open to this offer, most will not be interested. Unless you can make arrangements with all of your creditors, there is nothing preventing one creditor from filing suit and collecting the debt through legal means.

### **SOME OPTIONS TO SERIOUSLY AVOID AT ALL COST**

Financial pressure can cause individuals to make decisions that are not in their best long term financial interest. One option to avoid is the payday loan or title loan. The interest rate is often 200% or more annual percentage rate (APR). Consumers often struggle to pay these loans in full and often will extend the loan for another term. This debt cycle escalates to the point where the consumer is paying more in loan fees than the amount that was actually borrowed.

Predatory consolidation loans should also be avoided. A common predatory loan is a refinance of an existing loan that is packed with excessive fees, contains a higher than normal interest rate and provides little or no benefit to the borrower. The pay back on these loans in terms of fees and costs may actually exceed the original amount of the loan. The attempt to end the debt may actually increase the total debt.

**SO BANKRUPTCY ALTERNATIVES ARE NOT AN OPTION  
FOR YOU,  
HOW DO YOU KNOW WHEN IT'S TIME TO FILE?**

There is no perfect answer as to when to file for bankruptcy. The answer will depend upon many factors and upon the particular person involved. As a general rule, I have used a six month time frame as a reference point for deciding if it's time to file. For example, let's take a single person with steady income who has accumulated a significant amount of credit card debt. If that person were to cease using the credit cards and budget his living expenses properly, could he repay the debt owed on the credit cards within a six month period? If so, then repaying the debt would be more beneficial in the long term than filing for bankruptcy. Alternatively, if struggling with a strict budget for six months would only provide an amount to sustain the minimum payments due, then bankruptcy would seem to be the more realistic option.

Often, a person will file for bankruptcy after years of struggling to pay down his debt. While this may sound like a courageous and noble attempt to do the right thing, it only prolonged the inevitable filing. People struggle with the knowledge that a bankruptcy filing might be their best option, however, are resigned to solve their financial problem on their own.

Foolish pride may derail the wiser choice which is to gain a fresh start. People have withdrawn money from retirement accounts that they could have left untouched. Others have borrowed from family and friends only to disappoint them when they received notice of the bankruptcy filing instead of repayment checks.

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Although the answer is not the same for everyone, the six month bailout time frame seems to be a realistic measure. In many cases, the answer is obvious. When the amount of debt exceeds one's yearly income, filing is necessary and not optional.

Knowing the right time to file will end the stress of being without money and get one on the road to recovery quicker. What a relief it is once the monthly statements seeking minimum payments stop arriving at the door. The telephone calls begin to be people that you want to talk to again and not some stranger telling you to work harder. The garnishment on your check disappears and your hard earned money remains yours. You can actually have enough money for rent and living expenses. In some cases, you can even save money. However, none of this can happen until you decide it's time to file bankruptcy.

# **CHAPTER 3**

## **IS CHAPTER 7 STILL AVAILABLE ?**

IS CHAPTER 7 STILL AVAILABLE TO A DEBTOR? I HAD  
HEARD THAT IT WAS ELIMINATED. IS THAT TRUE? NO,  
IT STILL EXISTS. HOWEVER,  
A NEW MEANS TEST HAS ARRIVED

The Bankruptcy Code was significantly amended with a general effective date of October 17, 2005. It was Congress' intent to make those who could afford to pay back a portion of their debt ineligible to eliminate their debt in a Chapter 7 bankruptcy. This intent is being carried out by the advent of the "means test". This test can be invoked by any creditor, the trustee, the court or the U.S. Trustee.

To determine if a debtor can afford to pay back a portion of his debts, you must commence a complicated mathematical equation.



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You must first take the debtor's current monthly income (CMI). If the debtor's CMI is less than the state median income, the debtor can file a Chapter 7 and no further calculations are required. For information on state median incomes, visit <http://www.census.gov/hhes/income/4person.html>.

Current Monthly Income is not determined by the income made during the current or previous month. I know that seems like a contradiction, but follow along. The actual (CMI) is the average monthly income received by the debtor and the debtor's spouse if the debtor is married during the six month period prior to the petition date. This effectively prevents a debtor who is out of work for one month from claiming that he cannot pay back his debt. He may in fact have a high (CMI) if his income from the prior five months was great. So you can see that Congress has tightened the loophole. Under the old law, an out of work debtor would be scrutinized only as of the date of filing. Under the new law, a larger snapshot is taken to determine if the debtor has the means to pay back his debts.

If the debtor's CMI is greater than the state median income, then you must continue to calculate in accordance with the means test formula to determine if the debtor can file a Chapter 7 or not.

If the debtor's CMI, less allowable deductions is less than \$100.00 per month, then the debtor can file for bankruptcy under Chapter 7. If the debtor's CMI, less allowable deductions is greater than \$166.00, then the debtor must file a Chapter 13 bankruptcy. If the debtor's CMI, less allowable deductions is between \$100.00 and \$166.00, then he may need to file under Chapter 13 depending upon the amount of unsecured debt and the percentage that could be repaid using the debtor's disposable income over a five year period. If the disposable income amount is not enough to pay 25% to unsecured creditors over a five year period, the debtor can file a Chapter 7. Thus, the amount of debt is a factor in determining whether the debtor must file a Chapter 13. The greater the debt, the

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more likely that the debtor will be able to file a Chapter 7. As you can see, the math calculations are very complex.

Additionally, you cannot utilize the debtor's expenses when calculating disposable income. Disposable income is now based upon expense standards provided by the Internal Revenue Service as they relate to the local area in which the debtor lives.

If the debtor has disposable income of \$167.00 per month, he will always fail the means test, regardless of how much unsecured debt the debtor may have. Additionally, the Chapter 13 plan will have to be for five years, not three years.

The presumption of abuse or failing the means test can always be rebutted. The debtor will have to demonstrate special circumstances that would decrease the income or increase the expenses, so that the debtor actually qualifies for Chapter 7. For example, the debtor may have constant medical expenses which are beyond the limits of IRS guidelines. That debtor may be able to rebut the presumption of abuse under the new means test. Please contact an experienced bankruptcy attorney to determine the likelihood that you will qualify for Chapter 7 bankruptcy relief.

## **HOW OFTEN CAN AN INDIVIDUAL FILE FOR CHAPTER 7 BANKRUPTCY?**

Under the current law, a debtor can only receive a discharge once every eight years. This is an extension from the old law which permitted a discharge once every six years.

# **CHAPTER 4**

## **WHAT ABOUT MY PROPERTY?**

**OK, I NEED TO FILE! I KNOW THAT I QUALIFY. HOW  
DOES IT ALL WORK?**

Chapter 7 bankruptcy is a fresh start bankruptcy. A person lists all of his debts in a bankruptcy petition which is filed with the U.S. Bankruptcy Clerk. A typical Chapter 7 debtor receives a fresh start in that many of the debts in a Chapter 7 bankruptcy case are eliminated. There are exceptions to this general scenario which I will explain in greater detail later. Chapter 7 is basically for a person who does not have significant assets and who is strapped with an overburdening amount of unsecured debts. Unsecured debts are debts that are not secured by some form of property. These commonly include debts from credit cards, medical bills, personal loans, utilities, auto deficiencies as a result of a repossessed auto and rental deficiencies among others. Since there is no property or security attached to those debts, the debt is easily eliminated in a Chapter 7 bankruptcy case. Debts that are secured by property such as houses and cars are treated differently in a Chapter 7 bankruptcy case. Those debts must continue to be paid if the debtor wishes to keep the properties.

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#### Options with regard to secured property:

The debtor can simply continue to make the contracted payment, on time, just as he did before he filed for bankruptcy relief. This act of continuing to pay on a debt is known as reaffirming a debt. By reaffirming on a debt, the debtor re-obligates himself on the loan. Another option would be to surrender the property and eliminate the underlying debt. The third option would be to redeem the property secured by the creditor. The act of redemption involves making a lump sum payment for the market value of the property. Since a debtor rarely has the ability to make such a payment, the redemption option is really not invoked all that often. The final option with regard to secured debt is to continue to make voluntary payments on the property. This is sometimes known as the fourth option; however, this option only exists in certain states. This option does not exist with regard to purchase money security interests. A typical purchase money security interest would be a furniture purchase, jewelry purchase or household appliance purchase. The voluntary payment option does exist with regard to real estate property in those states that permit the fourth option.

#### Property that can be kept in a Chapter 7 bankruptcy

If a person has significant assets, he will not likely decide to file a Chapter 7 bankruptcy. This is because there are limits on the amount of value that one can keep free and clear while at the same time being able to eliminate miscellaneous debt. Each state has exemption amounts that can be readily utilized by a debtor to protect property while he is in a bankruptcy. There are Federal exemptions and individual state exemptions. Some states utilize the Federal exemptions, other utilize the state exemptions, while other states can elect between the two. Obviously, if a debtor resides in a state in which an election can be made, the debtor will choose the exemption that best protects his property. The exemption limits differ so it is extremely important to discuss your rights and options

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with a qualified attorney who concentrates in bankruptcy law. If property is not protected properly by miss-applying the proper exemption and the proper amount of the exemption, property can be taken in exchange for the fresh start.

### **How is equity determined?**

Some people struggle with the concept of equity in property. They don't know whether it is the market value, the amount owed, both or neither. Here is a simple way to calculate the equity in property. First of all, think of equity as ownership. The amount of equity in property is the amount of ownership that you have in the property. For example, let's say that you have a home with a market value of \$250,000.00. Let's further say that you have a mortgage on the property with an outstanding balance of \$200,000.00. When you take the market value of the property and subtract the mortgage debt associated with the property, you are left with the equity. In the above example, the equity or ownership in the property would equal \$50,000.00. This same concept would apply to vehicles, boats, jewelry, furniture and any other property that is secured by a lien.

### **How is fair market value calculated?**

Another issue arises when calculating the fair market value of property. Fair market value of property is not what you think it is worth. Rather, it is what the property would sell for if placed on the market for a reasonable period of time. When it comes to real estate property, market value can be determined by obtaining an appraisal. Since appraisals can be costly, another option is to get a free, market evaluation from a licensed realtor. Any dedicated realtor would be happy to provide a listing of comparable homes that are currently listed in your area or that have recently sold in your area. When requesting your free market analysis, advise the realtor that you are looking for an accurate evaluation. You don't want one that is elevated or unrealistic. You want one

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that will accurately list the likely price that the home would sell for if placed on the open market. You can check general home values at <http://www.realtor.com> or <http://www.housevalues.com>. With regard to autos, you can check the value with Kelly Blue Book or N.A.D.A. ([www.kbb.com](http://www.kbb.com)) You can also have the vehicle evaluated by an auto dealership. They will put in writing what your car is worth as a trade-in. Of course, don't rely on only one person or entity to provide a market value for your property. Check with a few sources so that you know that the values being provided are accurate.

## **LET'S BEGIN WITH THE FILING BASICS**

### **Preparing to File**

You must make a full and complete disclosure of your assets and liabilities. You cannot neglect to list an item because you don't think it has value or because you don't want to have to alert a particular creditor. Everything must be disclosed. If you are not going to make a full disclosure, then you should not consider filing for bankruptcy. You can wind up losing the right to file bankruptcy, face heavy fines and possibly jail time if the non-disclosure is significant.

### **Filing Fees**

At the time of this writing, get ready to pay \$274.00 to the Clerk of the U.S. Bankruptcy Court for the privilege of filing a Chapter 7 bankruptcy. The attorney's fee will range from \$500.00 up to \$2,000.00 in some jurisdictions. You will also need to put approximately 100.00 to the side for a pre-filing credit counseling briefing and a post-filing personal financial management education course.

# **CHAPTER 5**

## **WHO WILL BE MY ATTORNEY?**

### **WHO IS YOUR ADVOCATE? WHO IS ON YOUR SIDE?**

Hiring the right attorney for your case

The first step in filing a Chapter 7 bankruptcy case is consulting with a knowledgeable bankruptcy attorney. (see the attached Special Report “5 Critical Mistakes Often Made When Hiring an Attorney & How to Make Sure that You Don’t Make the Same Mistakes” for information on hiring the right bankruptcy attorney)

The initial meeting with your attorney

At your meeting, plan on disclosing all of your assets and liabilities to your attorney. Be as forthcoming as possible when listing all of your property and all of your debt. This disclosure is extremely important for several reasons. First, by accurately disclosing all of your assets, your attorney will be able to determine if Chapter 7 is appropriate or feasible. Secondly, by accurately disclosing all of your debts, your attorney can

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determine which debts can be eliminated, which debts cannot be eliminated and which debts there may be an issue as to whether they can be eliminated or not. Thirdly, it is a crime not to disclose all of your assets. You do not want to lose your right to declare bankruptcy and be subject to prosecution for bankruptcy crimes. You may not think that your family land totaling 150 acres in Wisconsin and owned by eight people is an asset, however, it may in fact be one. By properly disclosing everything to your attorney, you will get a true picture of what you can keep and not keep through a bankruptcy case. If you fail to list a creditor, that creditor may still be able to collect on the debt after your bankruptcy is over.



# **CHAPTER 6**

## **PRE-FILING REQUIREMENTS**

### **BEFORE YOU FILE, YOU MUST**

Stop using your credit cards and don't incur any additional credit.

Once you have decided to file for bankruptcy, you should not use your credit cards nor incur any additional credit from that point forward. Any recent purchases or recent cash advances can be held still due and owing after you file for bankruptcy. The rationale is that you never intended to pay those debts back and is therefore, tantamount to fraud. If you're seeking a fresh start, do your best to insure that you will in fact receive that fresh start. The credit card issuers are very aware of attempts to run-up charges on credit cards. This also applies to cash advances. If you take a cash advance too close to filing bankruptcy, you are likely to see an objection from the particular credit card issuer. The objection comes in the form of an adversarial complaint. If the creditor is successful in their objection, the amount of the recent advance(s) will be held due and owing after your bankruptcy case.

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#### **Take the required credit counseling briefing**

Before a Chapter 7 bankruptcy case can be filed, you must take a credit counseling briefing from an approved credit counseling agency. This credit counseling briefing can be done on the internet or on the telephone. The entire briefing typically takes less than one hour and at the time of this writing costs approximately \$50.00. The credit counseling briefing requires that you provide information as to your monthly income and expenses as well as a listing of your creditors. This briefing must be completed within 180 days prior to filing bankruptcy.

#### **File your taxes**

You must file your most recent year's taxes to qualify for Chapter 7 bankruptcy relief. Although this seems like a simple requirement, you would be amazed at the number of individuals who have not filed their most recent taxes. A copy of the return will be forwarded to your assigned bankruptcy trustee after your case is filed. You must also provide your most recent tax return to any creditor who requests it.

#### **Provide your most recent pay advices**

You must provide the most recent 60 days worth of paycheck stubs at the time your case is filed. These will be forwarded to your assigned bankruptcy trustee or may be filed with the Clerk of the U.S. Bankruptcy Court. This measure is in place to make sure that the amount listed on the petition for monthly income is in fact accurate. If you receive income from a source other than employment, evidence of that income must be provided just as if it was a paycheck stub. Once you are aware that you are likely going to file bankruptcy, keep copies of all of your paycheck stubs in an organized manner.

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#### **Get Your Paperwork in Order**

Collect all statements from bill collectors. Go online and get complete addresses of creditors who may have stopped billing you. Check the balances at financial institutions where you bank. Look at your recent tax returns to provide your gross income over the past three years. Basically, get to know your assets and liabilities and have them written out and organized for your lawyer to prepare your case. Gather a listing of all of your debts.

The more complete you can be in providing a list of your creditors, the less problems or headaches you will have from creditors after your bankruptcy case is over. Once you know that you are going to file, start to save all correspondence that arrives from creditors, collection agencies or others who are trying to collect on a debt. The disclosure requirements have become more stringent so you want to make sure that you have forwarded all of your creditor information to your attorney. If you are unsure of exactly who you may owe, you may want to consider acquiring a copy of your most recent credit reports. Each year you may request a free copy of your credit reports from the three major credit bureau reporting companies. Those are TransUnion, Equifax and Experian and they can be obtained by going to [www.annualcreditreport.com](http://www.annualcreditreport.com). Even if you are unaware of the creditors listed on your reports, provide those to your attorney anyway. When you seek credit after your bankruptcy filing for either a mortgage, auto loan, or personal loan, you want to be able to show that all of the items on your credit reports were listed and discharged in your bankruptcy case. The rule to remember is to list everybody and their grandmother on your bankruptcy petition and schedules. This way you can be assured that you are not leaving anyone off.

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#### **Check and review your petition for accuracy**

Your attorney will prepare your bankruptcy petition and schedules primarily based upon the information and disclosures that you have provided. The petition and schedules will then need to be reviewed and signed by you. Do not take this step lightly. You are verifying that the information is true and correct to the best of your knowledge and that all of your assets and liabilities are listed. This is the time to double check the itemized list of creditors shown on the petition and schedules with your known list of creditors. You also want to make sure that your home, vehicle or other assets are properly listed and exempted to the full extent of the chosen law. If you see errors, bring those errors to the attention of your attorney. With the sophisticated bankruptcy preparation software that most attorneys use today, minor or even major corrections should not pose a problem. Remember, your petition and schedules are a legal document signed under oath. Take the time to insure that it is accurate.

#### **Pay your attorney or make payment arrangements**

Most attorneys will want to be paid in full before they file your case. If they don't, there is a chance that their fees may be discharged in your bankruptcy. There are contract arrangements where you pay for the fee in two segments: pre-filing and post-filing. Under this arrangement, your attorney can accept a partial payment for the pre-filing work and take payments on the post-filing work after the case is filed. I have found that most attorneys wish to be paid in full prior to the filing of the case. In this regard, there is no issue as to whether the payment arrangement is acceptable by the bankruptcy court. All attorneys' fees come under the scrutiny of the United State's Trustee's office and the bankruptcy court judges. They will monitor whether the fees charged in a Chapter 7 bankruptcy case are excessive. They will also determine whether or not the attorney had

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collected fees from his client when the debt was discharged. You should be aware that there might be additional fees charged for filing amendments to the petition and schedules and for missed court dates. It is a good idea to get the attorney fee issue out of the way as early as possible. It is often the main reason why in certain circumstances, a case never gets filed.

### **Know Your Case Number & Filing Date**

Make sure that you receive from your attorney your bankruptcy case number and filing date immediately after your case is filed. This will be all the information that you'll need to give to creditors who contact you prior to receiving their official notice from the Clerk of U.S. Bankruptcy Court. You can also call a creditor directly to give them your case information. For example, if you have a vehicle that is subject to being repossessed, you can force the auto lender to call off the dogs if you have provided your filing information. You can also quickly notify your payroll department in the case of a pending wage garnishment. It is important that you know very early on, the time, the date and the location for your Section 341 meeting of creditors. (Further information regarding the Section 341 meeting of creditors will follow in this guide) It is wise to calendar this date, time and location immediately. In some jurisdictions, if you miss your creditors' meeting date, an additional date will not be given and your case will be dismissed.

### **When to file and when to wait to file**

Have you repaid a family member for anything within the past year?

Have you incurred charges or taken recent cash advances in excess of \$750.00 within the past 70 days? If so, you should wait to file. Do you have a lot of money in your bank account at the present time? If so, you may want to time the filing so that there is less in your account at the time of filing. Do you have a huge tax refund coming? If so, you

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will want to file your bankruptcy case after you have received and spent your refund on living expenses. If not, your refund may be taken by your bankruptcy trustee, if non-exempt, to be applied toward your debt.

# **CHAPTER 7**

## **THE AUTOMATIC STAY AND THE BANKRUPTCY ESTATE**

### **THE FILING OF THE BANKRUPTCY CASE AND THE CREATION OF THE DEBTOR'S GREATEST WEAPON, THE AUTOMATIC STAY.**

Immediately when your bankruptcy case is filed, an automatic stay is created. An automatic stay is the equivalent of a restraining order that prevents creditors from taking certain collection actions against you. These collection actions include:

Telephoning you at home, at work or on your cell phone;

Filing lawsuits against you or continuing with lawsuits that are already in progress;

Repossession attempts;

Foreclosure proceedings;

Wage or bank garnishments;

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Recording any liens or judgments;

Anything that attempts to collect a debt or improve a creditor's position as it relates to you and your underlying debt.

## **THE AUTOMATIC STAY IS NOT ABSOLUTE**

There are exceptions to the automatic stay, especially in the case of re-filings.

Creditor actions are not stayed in the following circumstances:

Criminal actions. Filing a bankruptcy case will not prevent Federal, State or local authorities from pursuing their criminal action against you.

Lawsuits involving child support or spousal support are not stayed and can be pursued despite your bankruptcy filing.

Actions by governmental units to enforce a police power are not stayed.

## **RECENT CHANGES**

There are many changes that have occurred in the area of automatic stays since bankruptcy reform generally went into effect October 17, 2005.

The major changes have to do with repetitive bankruptcy filings.

If you file a second bankruptcy case within one year of a prior filing, the automatic stay will only go into effect for thirty days, unless you can prove to the court that the second filing was filed in good faith. You must file a motion and have it heard before the Judge, prior to the expiration of the thirty day period. The motion can be brought against one



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particular creditor, or more likely, against all creditors. After notice and a hearing, the court will rule one way or another. You have the burden of proving that the second case was filed in good faith. This can be accomplished by showing a positive change in your circumstances such as higher, more stable income. Another example would be if you recovered from a serious medical condition which had previously prevented you from gainful employment.

If you file a third bankruptcy case within one year of two prior filings, the automatic stay will not go into effect at all. You can attempt to invoke the automatic stay by bringing a motion, similar to the one mentioned above, showing that the third filing was made in good faith. Although not impossible, it would require a very compelling reason to convince the court to allow the stay to be imposed on a third filing within one year.

In eviction cases, if the landlord has already obtained a judgment for possession prior to the bankruptcy case filing, then there is no automatic stay. You should file your bankruptcy case prior to the landlord obtaining a judgment so that the stay can go into effect.

There is also no stay if the eviction is based upon endangerment of the rental property or an illegal use of controlled substances is occurring on the premises and the eviction started prior to the bankruptcy case being filed.

## **NEW NOTICE PROVISIONS**

There are new notice provisions which require you to provide more accurate notice to creditors for the automatic stay to take effect. Specifically, you must notify creditors at the address used in at least two previous pieces of correspondence between you and creditor during the last ninety days or at an address that the creditor has placed on file

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with the court. Simply filing a case and providing an incomplete address is not good enough under the current law. If a creditor does not have good notice, they cannot be held liable to you for any stay violations. The violation will be deemed innocent and the creditor will be absolved of any wrongdoing.

## **SECURED CREDITORS AND RELIEF FROM THE AUTOMATIC STAY**

In certain circumstances, a secured creditor can move the court for modification of the automatic stay so that they may pursue recovery of their collateral.

For example, an auto finance company can petition to the court to modify the automatic stay if you are not making current payments toward the creditor, if you are not up to date with the creditor or if you are not properly insuring the vehicle against loss. In those cases, the creditor will be granted its relief and will be permitted to recover the collateral despite the bankruptcy filing. In a Chapter 7 bankruptcy case, you will lose the right to possess and own the vehicle; however, you will not be responsible for any outstanding debt related to the vehicle. This could be a tremendous relief for you by eliminating a huge vehicle loan obligation.

As it relates to real estate mortgage companies, the same situation as above applies. The lender will petition the court for relief if you are not making timely payments, if you are not current with the loan, if you are not paying the real estate taxes on the property or are otherwise creating a hazard or risk to the lender. Thus, in a Chapter 7 bankruptcy case, the automatic stay will only provide temporary relief to you as it relates to secured creditors. As far as general creditors and unsecured creditors, the automatic stay may continue until the case is discharged. At that point, you likely be free from any future obligation toward the creditor.

## THE BANKRUPTCY ESTATE

What is the bankruptcy estate? The bankruptcy estate is all of your property as of the date of the bankruptcy filing, wherever located and by whomever held. Every possible interest (contingent, partial, legal or equitable) goes into the bankruptcy estate. Although there are exemptions which allow you to keep all or a portion of your property, the property is still technically considered property of the estate.

The concept of the estate applies to property owned at the time of filing. Most of what you acquire after the date of filing will remain your property. However, there are a few exceptions to this general rule.

If you inherit money or property within six months after your case is filed, that money or property will become property of the estate to the extent that it cannot be exempted.

If you receive a marital property settlement that arises from a pre-bankruptcy divorce or separation, then that property becomes property of the estate to the extent that the property cannot be exempted.

Tax refunds that are received after the date of filing become property of the estate to the extent that they cannot be exempted.

# **CHAPTER 8**

## **THE PETITION AND SCHEDULES**

### **WHAT ARE THE OFFICIAL DOCUMENTS THAT YOU NEED TO FILE FOR A SUCCESSFUL FILING?**

#### **THE BANKRUPTCY PETITION AND SCHEDULES**

Whether you are filing for Chapter 7 or Chapter 13, you are required to file specific documents with the Clerk of the U.S. Bankruptcy Court. The Petition and Schedules are the detailed facts about you and your property. They contain specific information about your assets, liabilities, income, expenses, statement of financial affairs, intentions with regard to your secured creditors and executory contracts.

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#### **SCHEDULES A THROUGH J**

#### **SCHEDULE A**

Schedule A asks you to list any interest that you have in real property. Real property includes your home, land, timeshare, building and any other similar type of property that you may own or have an interest in.

#### **SCHEDULE B**

Schedule B asks that you list all other assets beside your real property. This includes bank accounts, retirement plans, injury claims, stocks, bonds, household goods, cars, guns, computers, appliances and any other item that you would own or have an interest in.

You then have to provide an approximate fair market value for those items. The key is to read each item suggestion and answer to the best of your ability. You do not want to fail to list an asset. Take plenty of time with this section. It can mean the difference between filing a Chapter 7 or filing a Chapter 13. It could mean the difference between keeping property and losing property.

#### **SCHEDULE C**

Schedule C asks that you list all property that you are claiming as exempt. Exempt property is property that you will be able to protect by utilizing the appropriate Federal or State exemptions to the full extent allowed. Your lawyer will have the expertise to determine if any of your property will be at risk, thus, non-exempt. In the overwhelming majority of bankruptcy cases, individuals keep all of their property.

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#### **SCHEDULE D**

Schedule D asks that you list all of your secured debt. Secured debts are debts that are linked to some form of property. For example, your mortgage company would be a secured creditor since they hold a lien against your home. Your auto lender would be a secured creditor since they have a lien on your auto. Furniture purchased on credit (purchase money security interest) would also be secured. You must list the secured creditors' name, address, approximate value and amount owed, account number, nature of the property and the date in which the property was acquired.

#### **SCHEDULE E**

Schedule E asks that you list all of your priority claims. Recent tax debts and domestic support obligation debts would be the type, among others, that are listed here. Your lawyer will be able to assist in the placement of these creditors because it can be tricky. In a Chapter 7 case, it is not as crucial as in a Chapter 13 case. In a Chapter 13 case, all priority debts must be paid in full. Your attorney will want to separate priority tax debts from non-priority tax debts. It can make a huge difference.

#### **SCHEDULE F**

Schedule F is where the majority of your debts will land. Schedule F consists of all of your unsecured debts of any nature and source. Examples of unsecured debts are credit card debts, medical bills, personal loans, utilities and auto deficiencies. When in doubt, list everyone and anyone that you can think of that you may owe money to. It is better to be overbroad than too narrow with this schedule. Make sure that the original creditor, any successor creditor and/or collection agency gets listed. This will come in handy later when you wish to clean up your credit report.

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#### **SCHEDULE G**

Schedule G asks that you list all co-debtors that you have regarding your debts. For example, if your sister co-signed for the car that you are keeping, she must be listed on this schedule. You will also need a complete address for the co-debtor. Don't worry that your co-debtor will be negatively affected. It is a violation of the law if you do not list that co-debtor.

#### **SCHEDULE H**

Schedule H asks that you list all of your ongoing contracts and leases. You will need to list the complete address of the party to whom you have a contract or lease.

#### **SCHEDULE I**

Schedule I contains your current income. You will have to disclose whether or not you are married and the age of your children. You will also list your occupation, employer's name and address and the length of time that you have been so employed.

You must disclose all of your monthly income whether it be from employment or otherwise. Since you are required to provide sixty (60) days of pay advices prior to filing, you will want to make sure that the information that you are providing is accurate.

#### **SCHEDULE J**

Schedule J contains all of your monthly expenditures. You can simply go line item by line item and complete the form. Your attorney will spend plenty of time on this schedule since it is critical as to what Chapter you file. Your attorney will also know what amounts are deemed reasonable for food, utilities, etc. within your local bankruptcy

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district. Be sure that you do not list expenses that you will not have after your bankruptcy filing. For example, you will not have minimum payments to make toward your credit cards. You will not have the high car payment if your intention is to surrender the auto.

## **STATEMENT OF AFFAIRS**

Statement of Affairs is very straightforward. You simply disclose to the best of your ability the specific questions being asked.

- 1) You need to disclose the amount and source of income from employment or operation of a business for you and your spouse for the current calendar year and for the two prior years.
- 2) You must disclose income other than from employment or operation of a business for the current year and the prior two years.
- 3) You must disclose all payments aggregating more than \$600.00 to any one creditor made within 90 days of filing. You must disclose if you made any payments to insiders within one year of filing. Insiders are family members and business associates.
- 4) You must disclose all lawsuits, garnishments and attachments that you have had in the past year.
- 5) You must disclose all repossessions, foreclosures and returns within the last year.
- 6) You must disclose any assignments or receiverships.
- 7) You must list all gifts or charitable contributions made within a year of filing.
- 8) You must list all losses from fire, theft, gambling or other casualty within one year of filing.
- 9) You must disclose all payments made to attorneys or petition preparers made within the past year.
- 10) You must disclose all transfers of property made within one year of filing, except transfers made in the ordinary course of business.



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- 11) You must disclose all closed bank accounts within one year of filing.
- 12) You must disclose the existence of any safe deposit box that you have or did have within the past year and its contents.
- 13) You must disclose all setoffs that creditors have taken within 90 days of filing.
- 14) You must disclose all property that you are holding for someone else.
- 15) You must disclose all prior addresses that you have had in the past three years.
- 16) You must disclose the names of any spouses or former spouses that you have had during the past eight years, but only if you live in a community property state (Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington or Wisconsin).
- 17) You must disclose whether or not you have received notice in writing by a governmental unit regarding liability or potential liability under or in violation of an Environmental Law.
- 18) The remaining questions in the statement of financial affairs deal with businesses. If you are operating a business, you will have to answer questions 18 through 25.

Finally, you will have to make a declaration at the end of the statement of financial affairs that your answers were true and complete.

# CHAPTER 9

## THE 341 MEETING OF CREDITORS

### THE SECTION 341 MEETING OF CREDITORS

Shortly after your Chapter 7 bankruptcy case is filed, the Clerk of the U.S. Bankruptcy Court will send notice of your filing to all parties and creditors listed on your bankruptcy petition. The clerk will also assign a Chapter 7 bankruptcy trustee and set a date for your Section 341 meeting of creditors. There are several reasons for the Section 341 meeting of creditors.

1. The meeting is required in the bankruptcy code. You must be examined under oath with regard to the information contained in your schedules to be eligible to receive a discharge.
2. It gives creditors an opportunity to ask questions of you with regard to the information listed in your petition and schedules;
3. It allows the trustee to take sworn testimony from you with regard to the information contained in the petition and schedules. A trustee will ask you additional questions with regard to your assets, liabilities, income, expenses and statement of financial affairs.

## HOW LONG WILL THE MEETING TAKE?

The meeting can take five minutes or the meeting can take thirty minutes or longer. The meeting can also be continued over to another date if the trustee requires additional information for you to provide.

You should be prepared prior to the meeting with the types of questions that are going to be asked by the trustee. In some jurisdictions, the trustees are required to ask identical questions of each debtor. In other jurisdictions, the trustees are given greater latitude to ask questions of their choosing. In either case, the questions are typically straightforward. They are not designed to trick you into saying something that is not true. They are more or less fact-finding questions so the trustee can determine whether or not there are any assets that can be administered in your case. The overwhelming majority of Chapter 7 bankruptcy cases do not involve the administration of an asset. An exception to this occurs when you either understate the value of your property or you fail to disclose an item that has value beyond what the exemptions can protect.

## Who appears at the meeting of creditors?

In most cases, the only three people who will be present at your meeting of creditors are you, your attorney and the Chapter 7 bankruptcy trustee. The most common creditors such as credit card issuers, medical providers and unsecured loan companies rarely if ever appear at the meeting of creditors. Every once and a while an uncommon creditor will appear such as a former friend or enemy that is owed money. Most of the time, these people do not realize that there is nothing to gain by attending. They read the notice that they received about your bankruptcy case and assume that they need to be present. In reality, they are usually wasting their time since in the majority of cases; there are no assets available for creditors.

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In some cases, especially if the amount of debt is excessive, a representative from the U.S. Trustee's office may sit in on the case and monitor the answers given by you. The U.S. Trustee's office has a separate and distinct function, which I will detail later in this writing. For now, let's suffice to say that the U.S. Trustee's office oversees the complete process of the bankruptcy case and the process of receiving a discharge in that bankruptcy case.

A secured creditor, such as an auto finance company, may appear through one of its representatives. That person may be tendering a reaffirmation agreement for you to sign. If that is the case, your attorney will check the agreement and ask you if it is something that you are interested in signing. In smaller jurisdictions, most agreements are mailed to your attorney prior to the meeting of creditors.

### **What to bring to your meeting of creditors**

You have to prove that you are who you say you are at your meeting of creditors. You must bring with you a government issued photo I.D. as well as your social security card. Some jurisdictions will allow other items evidencing your social security number to substitute for the actual card. However, it is most advisable that you bring your actual card or obtain proof of your social security number from Social Security Administration.

Your Chapter 7 bankruptcy trustee will compare the information on your identification with the information listed on your bankruptcy petition. The purpose of this requirement is to help curtail identity theft and bankruptcy fraud. People have been known to obtain a fake social security number, incur debt associated with that number and file for bankruptcy relief using that number. At the same time, they keep their actual number and credit history immune. The above requirement has highly curtailed this type of practice.

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#### **Will you be humiliated or embarrassed at your meeting?**

You will be happy to know that the answer to the above question is no. Although you will see other people waiting to have their case heard, these people are in the same boat that you are. They are seeking a fresh start as well. You will be treated with the same respect as any creditor who appears at the meeting. And importantly, you should take comfort in the fact that your attorney is there at your side deflecting any potential issues. At the conclusion of your Section 341 meeting of creditors, you might even state, “Is that is, am I done?”

#### **On your hearing date**

Arrive early to your meeting of creditors. Since you are unfamiliar with the court buildings and security procedures, you will want to make sure that you leave enough time to be early. You do not have to be dressed like you’re going to be the number one witness in the trial of the century. Simply dress in typical, casual clothes. If you own a truckload of junk jewelry, this would not be the time to wear it.

Try to listen in on cases that are being heard before yours. You can learn ahead of time the typical questions that you are going to be asked. There will usually be an information sheet that you will have to read before your examination. That information sheet contains information regarding the different chapters of bankruptcy and about what it means to file a bankruptcy. For the most part, this should all be information that you have previously read or discussed with your attorney.

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**SAMPLE QUESTIONS THAT YOU MAY BE ASKED BY THE  
CHAPTER 7 BANKRUPTCY TRUSTEE**

First, you will raise your right hand and take an oath to tell the truth. Then, the trustee may ask:

State your name and address.

Did you list all of your assets and all of your liabilities?

Do you own or rent the property at .....?

Have you ever own any real estate in your life?

What is your intention with your vehicle? Reaffirm? Surrender?

Do you expect to receive a tax refund this year? If so, how much?

Do you expect to inherit any money in the next six months?

Have you given away anything for less than its fair market value in the last six months?

Have you repaid a family member more than \$1,000.00 in the past year?

Did you sign the petition and schedules after you had a chance to review them?

Are you still working at .....?

Is your monthly income still the same as what is listed on the schedules?

Are your monthly expenses still the same as what is listed on the schedules?

Do you anticipate any substantial changes in either income or expenses in the next few months?

Do you own any property that is not listed on the schedules?

Are there any additions or corrections that you would like to make to the schedules?

Have you ever owned a business?

Have you lived at your current address for the past three years?

Have you closed a bank account in the past year?

Do you have a safety deposit box? If yes, what are the contents?

Have you used the credit cards for purchases or cash advances within the past 90 days?

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That's a typical round of questions from a Chapter 7 bankruptcy trustee. It is advisable to answer questions with a yes or no, if possible. The meeting of creditors is not the time to tell the story of your life. The trustee usually doesn't care why or how you became insolvent. He only cares whether or not there are assets to be administered and whether or not you are entitled to receive a discharge.

If you don't understand a question, ask the trustee to repeat it. Some trustees are very speedy in that they have been asking the same questions of debtor's for years. Since this is your first and hopefully only time, you deserve to have the questions posed at a moderate rate of speed. Of course, you can always turn to your attorney sitting next to you and look for an explanation before you answer. Honest answers are the only answers that should be given. If issues arise, your attorney will have suggestions or solutions to deal with those issues after your meeting.

# **CHAPTER 10**

## **THE ROLE OF THE CHAPTER 7 TRUSTEE**

### **THE ROLE OF THE CHAPTER 7 TRUSTEE**

Once a Chapter 7 bankruptcy case is filed, an impartial case trustee is appointed by the office of the United States Trustee. (In Alabama and North Carolina, the trustee is appointed by the court). The primary function of the Chapter 7 trustee is to administer the case and liquidate your non-exempt assets. In most cases, your assets are completely exempt and there is no property for the trustee to administer. If there does appear to be an asset however, creditors will be given the opportunity to file their required proof of claims so that they can be part of any distribution. The trustee will liquidate your non-exempt assets in a manner that maximizes the return to your unsecured creditors. The trustee can also pursue causes of action that you may have at the time your bankruptcy case is filed. A common cause of action is one to recover money or property that is owed to you.



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The trustee also has strong avoiding powers. This allows a trustee to set aside preferential transfers made to creditors prior to your bankruptcy filing. This avoiding power may result in proceeds being distributed to unsecured creditors.

In addition to liquidating any non-exempt assets, the trustee has the duty of making sure that you have complied with the numerous bankruptcy laws that are enumerated throughout the Bankruptcy Code.

The trustee is often a local bankruptcy attorney; however, a trustee is not required to be an attorney. You can rest assured that the trustee will be a person who is very knowledgeable about Chapter 7, the court process and all of the necessary procedures to administer a case.

The trustee is mostly interested in what property you own, whether it can be exempted under the Federal or State laws and whether or not it can be administered for the benefit of creditors. The trustee has a vested interest in the property because he is partially paid on commission. That's right; the trustee may receive 25% of the first \$5,000.00 administered, 10% of any amount between \$5,000.00 and \$50,000.00, and 5% of any additional amounts administered. Although this sounds like the trustee would look to administer everything possible that rarely is the case. Most debtors can protect the majority, if not all of their property. What little that cannot be protected is often overlooked by the trustee as just too burdensome to administer for a very little distribution to creditors.

Many debtors wonder whether or not the trustee will want to search their homes for property. Although this is possible, it is highly unlikely. The trustee would have to believe that the debtor was not being truthful in his schedules or otherwise not complying with the trustee's requests.

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## **THE CHAPTER 7 TRUSTEE'S WORK**

The trustee will review the petition and schedules that you filed as part of your bankruptcy case. He will look for the documents to be in good order, accurate and without omissions. He will review the exemptions to see if there is any property that can be administered. He will check your statement of intentions with regard to secured property and to leases. At the meeting of creditors, the trustee will investigate your financial affairs.

If there is going to be a distribution, he will examine the proofs of claim filed by creditors.

He will review your attorney's fees to see if they are in compliance with local standards for fees. If the fee paid by you was excessive, the trustee may bring a motion to have those fees reviewed by the court. To the extent that the fee is determined to be excessive, the court may order cancellation of the fee agreement or order that a portion of the fees be refunded to you.

He will check your state issued I.D. as well as your social security card. If there is a problem regarding those items, the trustee will report same to the United States Trustee.

If you miss your required meeting of creditors, the trustee may set a continued date or he may move to have your case dismissed.

Don't be alarmed by what the trustee does and what the trustee can do. In the majority of cases, the debtor's dealings with the trustee are limited to the relatively short meeting of creditors.

# **CHAPTER 11**

## **WAITING ON THE DISCHARGE ORDER**

### **WAITING ON THE DISCHARGE ORDER**

After your case is filed and prior to your discharge order being entered, creditors have an opportunity to object. Provided that no one objects to your bankruptcy discharge in general or as to any one creditor in particular within a reasonable time set by the Clerk of the U.S. Bankruptcy Court, the discharge order will be entered and mailed to you, all parties, creditors and your attorney. The entering of the discharge order is the final process that will occur in your bankruptcy case. This means that creditors can no longer object to your discharge. Their opportunity to contest your discharge has elapsed and you are free to live your life with your newfound fresh start. You can now begin to sort through the many offers for credit that will undoubtedly arrive in your mailbox for the next several months.

Sometimes a creditor will inadvertently contact you after your bankruptcy case is over. Don't be alarmed. Simply mail them a copy of your bankruptcy discharge order so that they can update their records. Believe me, the creditor does not want to be making

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collection attempts on a discharged debt. They would only be wasting their time and possible subject to sanctions if their collection activities continued.

Lastly, if you are like the overwhelming majority of my clients who have gone through the bankruptcy process, you will find the journey to be relieving, rewarding and life changing.

To Your Success,

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## **5 Critical Mistakes Often Made When Hiring an Attorney & How to Make Sure That You Don't Make the Same Mistakes**

### **Hiring an Attorney with Little Experience**

1. People often hire an attorney that has little or no experience in the area of practice in which they seek representation. A person that has used an attorney to handle one area of the law may not want to have that same lawyer handle another area of the law. Even if the past representation was excellent, that attorney may be the wrong choice for a different facet of the law. The practice of law has become increasingly specialized and there are fewer and fewer general practitioners who can effectively handle multiple practice areas. If you choose an attorney who concentrates in your particular area that you need help in, you stand a much greater chance of success. You can increase your chances of success even further if you find an attorney who not only concentrates in your particular area, but also has had a lengthy track record of experience in the particular area. There is no substitute for experience. It can take 3-5 years to become proficient in an area of practice if the attorney engages in that area consistently. For an attorney who does only one or two cases like yours per year, he likely will never become proficient in that area.

### **Choosing an Attorney Solely On Price**

2. People sometimes choose an attorney solely on price. Don't let price be the determining factor when hiring an attorney. It should be one of many factors, but never the only factor. This price shopping mentality could be a very critical mistake depending upon the area of law. A quality attorney can often wind up saving a client a substantial amount of money by knowing how to properly handle a case. Saving a little money in the initial hiring process can sometimes lead to bigger losses in the long run. The old adage that you get what you pay for is often true.

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3. Now that is not to say that a less expensive attorney is always inferior or that a less expensive attorney will provide sub par representation. However, I would never hire the \$99.00 attorney just because he is the cheapest. That lawyer may be less experienced. That lawyer may be able to charge less because he does less. He may not be willing to respond to your questions or attend to the details required to make your case go smoothly. Beware of lawyers who advertise a very low introductory fee and then add on for additional services that other lawyers may include in their flat fee agreements. I would also not hire an attorney who was charging an exorbitant amount as well. We live in a capitalistic society and some attorneys charge the moon and the stars for their services. The most expensive attorney is not necessarily the best. I would focus on hiring quality representation that leads to positive results. A respected attorney would deliver that benefit for a reasonable fee and would provide a written contract describing his services in an understandable form contract.

### **Failing To Ask Critical Questions**

4. People don't ask critical questions at the hiring stage as to the attorney's ability, experience, knowledge and rate of success. Be prepared to ask direct questions of the prospective attorney. After all, you are the consumer and you should have a clear picture of the attorney that you are hiring. The attorney should be asked how many cases of this nature does he handle and what percentage of his practice involves this area? Will he personally oversee the case or just delegate it to an associate or legal assistant? Will he be available for ongoing questions either in person or on the telephone? How many years has the attorney been engaged in the particular area and what is his success rate? Can he provide any names of satisfied clients? Does the attorney take ongoing legal education training in the particular area? Is he a member of any local, state or national organizations that relate to the particular area? What is his reputation like among his peers? Would he be able to provide any references? Does he have any published works on the subject or has he

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5. prepared any helpful educational material on the subject that you can review?

These are just some of the questions that should be asked at the initial interview stage. Your legal situation is of great importance in your life. Take the time to ask the prospective attorney some uncomfortable questions. The answers will be very telling. You will know within minutes whether or not you are meeting with a qualified attorney who is right for you.

### **Don't Overpay In Return For Inferior Service**

6. Overpaying for inferior service. Lawyers are in the service business. If they are not providing excellent client services then they are not worth hiring. The client should have great access to the attorney and to their personal file information. Some attorneys charge a high premium yet provide very poor service. Some attorneys restrict access by limiting the times, days and hours that file information can be obtained. Make sure that you will be treated with respect at all times. And that means having your questions answered or telephone calls returned within a reasonable period of time. Make sure that the attorney or law firm that you hire values you as a client and that you are not perceived as just another number. Will you receive friendly treatment from the attorney and the staff? These are factors that you should greatly consider when choosing an attorney. When you meet with an attorney for the first time at his office, evaluate the service factor of both the attorney and the staff. Is this a place that you would feel comfortable dealing with for weeks or months? What does your gut say with regard to the services being provided?

### **Not Checking the Attorney's Status and References**

7. Not checking the attorney's status with the licensing board and not checking with any references if they were provided is the final critical mistake to avoid. Wouldn't you like to know if the attorney that you are interested in hiring is listed in good



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8. standing? What if there were outstanding complaints against that attorney for neglect or worse? These are issues that would certainly affect your hiring decision if you were aware of them. Also, did you check with any of the references that were provided? Did you call every one of the names provided to see if they would highly recommend the attorney? Was their case even remotely similar or in the same area of law as yours? Have them point out at least one weakness in the attorney's representation or at least one area that could use improvement. A little effort at the outset of your case by way of research can make a world of difference in your choice of attorneys.

## **5 Common Misconceptions About Filing Bankruptcy**

### **1. If I file for Bankruptcy I will lose all of my property.**

This may be the biggest misconception surrounding filing for bankruptcy. Every person who files for bankruptcy can protect a certain amount of property while still eliminating all or a portion of their debt. Depending upon the state in which the person lives, there are state and/or federal exemption laws that permit a person to shield a certain value in property. In most Chapter 7 bankruptcy cases, people keep all of their property. They can even keep their homes and cars provided that they continue to make timely payments on those items.

### **2. If I file for Bankruptcy Everyone Will Know About It.**

Unless you're a celebrity, the fact that you filed for bankruptcy will not become generally known. A person would have to know exactly where to look to see if your name was among the recent filings. You can even prevent your current employer from learning about your filing. An exception to that would be if bankruptcy papers needed to be sent to stop a garnishment.

### **3. If I file for Bankruptcy I Will Never Get Credit Again.**

This is simply not true. In fact, many lenders aggressively target those that have recently filed. Although the interest rate may be higher than normal, the opportunity for credit still exists. If a person can wait two years before seeking credit after a bankruptcy, he will see an interest rate much closer to that of a non-filer. With regard to autos, it's relatively easy to obtain financing after a bankruptcy. In fact, some lenders will even

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provide financing before the current bankruptcy case has ended. In any case, the evidence of bankruptcy filing will be removed from a credit report after 10 years.

#### **4. If I file for Bankruptcy All of My Debts Will Be Wiped Out.**

This all depends upon the type of debt that a person has. In some cases, there are debts that are not eliminated. These may include student loans, recent taxes, child support, maintenance, parking tickets and debts incurred through fraud. Consult with an experienced bankruptcy attorney to discuss the particular debts that you have and the likelihood that they will be eliminated.

#### **5. If I file for Bankruptcy I Can Choose Which Creditors to List.**

All of your creditors must be listed on your bankruptcy petition. Although you can voluntarily pay back any creditor you desire, you cannot omit that creditor from your list of creditors. Clients often like to keep a credit card free and clear from their bankruptcy filing. They think that by not listing the particular creditor, they will be able to keep the credit card and continue to use the charging privileges. This is simply not the case. Many credit card issuers subscribe to a service that notifies them of newly filed bankruptcy cases. Don't plan on keeping a credit card after your bankruptcy filing.

## TOP 22 QUESTIONS THAT I HEAR EVERY DAY

### 1) Do you think that I should file for bankruptcy?

This is such a personal question that can truly only be answered by the individual. However, I will advise someone that if they are unable to solve their debt problem within six months or so, bankruptcy is probably a good option. It really depends upon the amount of debt that a person has in relation to their disposable income per month. If there is no disposable income to speak of, then bankruptcy would seem likely. Otherwise, the debt will continue to grow with no reasonable means to pay it back.

### 2) How long will this bankruptcy case take?

The approximate time frame from filing to discharge is 120 days. This can vary by a couple of weeks or so. It depends upon how fast the Bankruptcy Clerk sends out the discharge order. If everything goes smoothly, a person will practically find relief within 10 days of the case being filed. This is approximately when creditors will receive notice of the bankruptcy filing and will have to cease all collection efforts.

### 3) After I file, will the negative items be removed from my credit report?

Unfortunately, no. The fact that you owed money will still be apparent on your credit report. However, there will be the additional notation that you filed for bankruptcy. The creditors should update the credit bureaus by reporting that the particular debt is included in a bankruptcy. The good news is that you no longer have an obligation to pay

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discharged debts. Any knowledgeable lender will be able to see that the bankruptcy filing supersedes the debt obligation.

#### 4)           Can I file my own bankruptcy with forms I bought at the office supply store?

Yes, but I would never recommend that you do so. Bankruptcy has become a very specialized area of practice. This is especially due to the new requirements of the recent bankruptcy reform. At one point in the past, it was somewhat possible for someone to file themselves, “pro se”. Today, that would be a huge mistake.

#### 5)           Will my spouse’s credit be affected?

If the debt was exclusively yours and not your spouse’s, your spouse’s credit will not be negatively affected. If your spouse is a co-debtor on an account, then there likely will be an indication that the debt is included in a bankruptcy.

#### 6)           If I file for bankruptcy, will the creditor look to collect from my co-debtor?

The creditor will have the legal right to look to the co-debtor to collect the debt. The decision to pursue a co-debtor is entirely up to the creditor. They may determine that collecting upon the co-debtor is not feasible.

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#### **7) Will I have to go to court?**

You will probably not have to appear in court. However, you will have to appear at your 341 meeting of creditors. That is the meeting where you answer questions under oath from a Chapter 7 trustee. Creditors have an opportunity to appear, however, they seldom do in a Chapter 7 case.

#### **8) Will I get to keep my house and car?**

Provided that the equity in your house and car does not exceed your exemption, you can keep your house and car as long as you continue to make timely payments. The act of reaffirming the debt will accomplish the task of being able to keep the property. If you should fall behind under reaffirmed debt subsequent to your discharge, the creditor can recover the property and attempt to collect on any deficiency.

#### **9) Can I keep my 401(k) or other retirement account free and clear?**

Typically Yes. Most states have exemption laws which completely protect ERISA qualified retirement accounts. Consult with an experienced bankruptcy attorney in your state to determine if your account will be 100% exempt.

#### **10) Will I ever get credit again?**

Yes, you will be able to get credit again. In fact, you are a decent credit risk after a Chapter 7 bankruptcy case because you cannot receive another discharge under Chapter 7 for eight years and a day. You can qualify for a decent mortgage two years after filing.

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You can obtain an auto loan anytime after filing. However, most auto lenders will want to make sure that your bankruptcy case has gone to discharge before extending credit.

#### **11) Will my employer find out about my bankruptcy?**

Your employer will not receive formal notice of your bankruptcy filing. The only time that your employer would become aware of your bankruptcy filing is if you had to notify your employer to stop a garnishment.

#### **12) Can I file bankruptcy on my utility bills?**

Yes, but you may be required to post a security deposit to insure future payments. A typical security deposit is one and one-half times a normal month. You will only be responsible for the utility bill from the date of filing forward. All pre-filing utility debts will be eliminated. An exception exists for cable television since it is not a utility.

#### **13) Will filing undue my driver's license suspension?**

It all depends upon why you are suspended in the first place. If you are suspended due to an auto accident for driving without insurance, bankruptcy filing will undue the suspension. If you caused bodily harm to someone as a result of driving while intoxicated, that debt will not be dischargeable.

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14)        I owe back child support. Will bankruptcy eliminate that debt?

Child support is never dischargeable. Filing Chapter 7 will not effect your obligation to pay child support. That is an absolute.

15)        Are you sure that I will not lose my home?

If the equity falls within the exemption amount allowed and you continue to make timely payments to your mortgage company, you will not lose your home.

16 )        What does it mean to reaffirm a debt?

Reaffirming a debt is agreeing to be liable for a debt that would otherwise be dischargeable in your bankruptcy case. It involves the signing of a reaffirmation agreement and having the agreement filed with the Bankruptcy Clerk. By reaffirming the debt, you are putting yourself back on the hook for the debt. If you breach the agreement in the future, you will be responsible for the outstanding debt.

17)        Why do I need a credit counseling briefing if I am filing bankruptcy?

The new law mandates that you take a credit counseling briefing from any approved agency within 180 days of filing your bankruptcy. Congress was hoping to steer debtors away from filing bankruptcy by forcing them to hear non-bankruptcy alternatives. The idea has not worked as Congress had hoped. It has simply become a hurdle for debtors to jump before they can receive the bankruptcy relief that they so desperately need.



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18)           How long does evidence of my bankruptcy stay on my  
credit report?

Your bankruptcy filing will be indicated on your credit report for up to 10 years. Be leery of companies that tell you that they can remove the bankruptcy from your credit report. If the information is accurate and verified by the Bankruptcy Clerk, evidence of filing will remain.

19)           Will I ever get credit cards again?

You will definitely have the opportunity for credit cards again. In fact, you may receive numerous offers for credit cards. Make sure that the cards being offered do not carry high finance charges and/or high annual fees. The credit card issuers know that you cannot file Chapter 7 again for eight years and a day. They are hoping that you fall into the same trap and wind up paying high interest year after year. Believe me when I tell you, the credit card issuers are doing you no favor by offering you credit.

20)           What if I forget to list a creditor?

If you forget to list a creditor, there is a chance that you will still be responsible for the debt. In some jurisdictions, you will not be responsible for an omitted debt. As long as the debt was owed prior to the filing, the omission was innocent and if the creditor would not have had a basis to object to the discharge of the debt, it can be eliminated. Ask your attorney about the specific laws in your jurisdiction.

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#### **21) What are the costs to file?**

At the time of this writing, the court costs for filing Chapter 7 are \$274.00. The credit counseling briefing is currently \$50.00 and the debtor education is another \$50.00. The remaining fee is that of your attorney and that can and will vary from area to area.

#### **22) Is there life after bankruptcy?**

There is absolutely life after bankruptcy. In fact, a much better life. All or a majority of your debt will be eliminated, you will be free from collection efforts, you will be able to function better at work and at home and you may even be able to save for your future. You will find that filing bankruptcy was not nearly as bad as you may have thought. Once you make the decision to file, you are on your way to a better life.

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#### **DEALING WITH DEBT COLLECTORS AND YOUR RIGHTS UNDER THE FAIR DEBT COLLECTION PRACTICES ACT**

The Fair Debt Collection Practices Act (FDCPA) amended the Consumer Credit Protection Act to curb and prohibit certain conduct by “debt collectors.” The United States Congress found that there was evidence of abuse, deception and unfair debt collection practices by many debt collectors. Such abusive conduct contributes to bankruptcy filings, marital discord, job loss and invasions of personal privacy among others.

#### **WHAT HAPPENS IF YOU DON'T PAY YOUR DEBT?**

Debt collectors and collection agencies can report your debt to the major credit bureaus. They can also pursue legal remedies which include:

- filing suit in state or federal court
- receiving a monetary judgment or eviction
- post-judgment collection which can include garnishments, citations, attachments and bank garnishments.

In addition, property that is secured by a loan may be repossessed and later sold at auction. You will be responsible for any deficiency that results from said repossession and sale. The creditor may choose to not repossess the property and instead, sue you in court for the full amount owed. That way they don't have an obligation to mitigate the damages and they can attempt to collect the full amount owed under the contract.

#### **SO THE DEBT EXISTS, WHAT CAN THE DEBT COLLECTORS DO?**

Let's start with who is, in fact, a debt collector. The FDCPA states that a debt collector is someone, other than the actual creditor or its employees, who regularly collects consumer

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debts on behalf of creditors. THE FDCPA does not apply to the creditor itself. This is a very important distinction. Thus, if you owe a doctor and that doctor attempts to collect what you owe, that doctor is not covered under the FDCPA. He may however, be covered under the laws of the state where the consumer lives.

Let's focus on collectors who are covered under the FDCPA.

What can the debt collector do to collect the debt?

The collector can contact you by mail, in person or by telephone. He cannot contact you at times that the collector knows are inconvenient for you, unless he is given permission. It is generally assumed that times before 8:00 A.M and after 9:00 P.M. are not convenient. The collector is not permitted to contact you at work if the collector has reason to know that your employer forbids employees from being contacted by collectors at work. If you advise the collector that you do not wish to receive telephone calls at work, he must honor your request.

If you are represented by an attorney and the collector is made aware of that fact, he may not contact you at all. His only source of contact from that point forward would be with your attorney. If you do not have an attorney, you can still limit the contact that you receive from collectors.

For example, you can stop a collector from calling or contacting you if you notify the collector in writing that you do not wish to be contacted. Now this will not stop legal action if the collector decides to sue. However, he cannot threaten suit if he truly has no intent of suing. It is very difficult to prove the intent of the collector as it relates to his threats.

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If you dispute, in writing, all or part of the debt that he is collecting on, he must immediately cease contact with you. He can resume contact with you once he sends you proof of the existence of the debt.

The first notice that you receive from a debt collector is very crucial under the FDCPA. That notice must be given within five days of the first contact with you. The notice must include:

The name of the creditor to whom you owe money.

The amount that you owe.

A statement that the collector will assume the debt is valid unless you dispute all or a part of the debt within thirty days.

A statement about what you should do if you dispute the debt. This would be a statement to the effect that if you dispute the debt, the collector will send you verification of the debt.

Importantly, a debt collector may contact any person in an attempt to locate you. He cannot talk to anyone more than once or refer to the debt when doing so. If the debt collector uses mail to contact you or another person, the envelope cannot identify the sender as a bill collector. They cannot send a postcard.

### **CONDUCT THAT IS STRICTLY PROHIBITED**

A debt collector cannot engage in conduct which involves abuse or harassment. He cannot threaten violence to you or your property. He cannot threaten to harm your reputation to others. He cannot use obscene or profane language. He cannot telephone you repeatedly in an attempt to harass you. He cannot use false, deceptive or misleading statements in an effort to collect the debt. He cannot misrepresent the amount of the debt or claim to be an attorney. He cannot threaten to take your property or garnish your

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wages unless he actually intends on doing so. He cannot threaten any action that is illegal.

A debt collector cannot offer to accept a post-dated check by more than five days. He cannot collect any amount as interest or fees, unless said charge is pursuant to the underlying contract. He cannot threaten to file suit in an inconvenient court or forum.

#### **WHAT IF THE COLLECTOR SCOFFS AT THE RESTRICTIONS OF THE FDCPA?**

You have the right to sue the debt collector in state or federal court. That's right; you can actually sue the collector who is attempting to collect from you. You must do so within one year from the date of the alleged violation and may receive \$1,000.00 in damages for each violation. You may also be able to receive court costs and attorney's fees if you are successful. If you feel that you are being violated, contact an attorney who deals with the FDCPA on a regular basis.

#### **ANSWERS TO COMMON QUESTIONS**

Who is considered a debt collector?

The term "debt collector" is any person who uses any instrumentality of interstate commerce or the mail to collect a debt owed or due another. Someone collecting on their own debt is not a debt collector, unless he is using another name which would indicate that a third party was involved.

What types of debts are covered under the FDCPA?

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An obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance or services which are the subject of the transaction are primarily for personal, family or household purposes.

Can a debt collector call me if I have a lawyer?

A debt collector is prohibited from contacting you once you advise him that you have a lawyer. You should simply give the debt collector the name and telephone number of your attorney and tell the collector to call your lawyer directly.

How do you dispute the debt?

You do so in writing. Send the letter certified mail and keep a copy for your records. Your letter will force the debt collector to verify the validity of the debt.

Can the debt collector call my neighbor?

Yes, for the sole purpose of attempting to locate you. He cannot call that person more than once and he cannot mention that he is attempting to collect a debt.

The debt collector is threatening to put me in jail. Is this possible?

No. The debt collector is engaging in illegal collection tactics. The most the collector can do is file suit and attempt to collect upon the judgment. You will not be thrown in jail for failing to pay a debt. If a lawsuit is filed, however, you should seek legal counsel. You could be found in contempt for failing to appear at required court appearances.

What can I recover if I am being harassed?

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You can recover damages of \$1,000.00 per violation in addition to court costs and attorney's fees.

For further information:

Contact the Federal Trade Commission at

<http://www.ftc.gov/bcp/online/pubs/credit/fdc/htm>. There you will find detailed information about the FDCPA and what debt collectors can and cannot do when collected debts.

If you have a complaint against a debt collector, you should contact a local attorney who is experienced in filing lawsuits under the FDCPA. You can also contact the Federal Trade Commission, Consumer Response Center, 6<sup>th</sup> Street and Pennsylvania Avenue, NW, Washington, DC 20580. You can also call toll-free (877) FTC-HELP (382-4357)

You can view the entire FDCPA for reference. You will conveniently find it on the pages that follow.



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### THE FAIR DEBT COLLECTION PRACTICES ACT

*As amended by Public Law 104-208, 110 Stat. 3009 (Sept. 30, 1996)*

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To amend the Consumer Credit Protection Act to prohibit abusive practices by debt collectors.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Consumer Credit Protection Act (15 U.S.C. 1601 et seq.) is amended by adding at the end thereof the following new title:

#### TITLE VIII - DEBT COLLECTION PRACTICES [Fair Debt Collection Practices Act]

Sec.

- 801. Short Title
- 802. Congressional findings and declaration of purpose
- 803. Definitions
- 804. Acquisition of location information
- 805. Communication in connection with debt collection
- 806. Harassment or abuse
- 807. False or misleading representations
- 808. Unfair practice
- 809. Validation of debts
- 810. Multiple debts
- 811. Legal actions by debt collectors
- 812. Furnishing certain deceptive forms
- 813. Civil liability
- 814. Administrative enforcement
- 815. Reports to Congress by the Commission
- 816. Relation to State laws
- 817. Exemption for State regulation
- 818. Effective date

#### **§ 801. Short Title [15 USC 1601 note]**

This title may be cited as the "Fair Debt Collection Practices Act."

#### **§ 802. Congressional findings and declarations of purpose [15 USC 1692]**

(a) There is abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors. Abusive debt collection practices contribute to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy.

(b) Existing laws and procedures for redressing these injuries are inadequate to protect consumers.

(c) Means other than misrepresentation or other abusive debt collection practices are available for the effective collection of debts.

(d) Abusive debt collection practices are carried on to a substantial extent in interstate commerce and through means and instrumentalities of such commerce. Even where abusive debt collection practices are purely intrastate in character, they nevertheless directly affect interstate commerce.

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(e) It is the purpose of this title to eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses.

#### **§ 803. Definitions [15 USC 1692a]**

As used in this title --

- (1) The term "Commission" means the Federal Trade Commission.
- (2) The term "communication" means the conveying of information regarding a debt directly or indirectly to any person through any medium.
- (3) The term "consumer" means any natural person obligated or allegedly obligated to pay any debt.
- (4) The term "creditor" means any person who offers or extends credit creating a debt or to whom a debt is owed, but such term does not include any person to the extent that he receives an assignment or transfer of a debt in default solely for the purpose of facilitating collection of such debt for another.
- (5) The term "debt" means any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance or services which are the subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment.
- (6) The term "debt collector" means any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the collection of any debts, or who regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another. Notwithstanding the exclusion provided by clause (F) of the last sentence of this paragraph, the term includes any creditor who, in the process of collecting his own debts, uses any name other than his own which would indicate that a third person is collecting or attempting to collect such debts. For the purpose of section 808(6), such term also includes any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the enforcement of security interests. The term does not include --
  - (A) Any officer or employee of a creditor while, in the name of the creditor, collecting debts for such creditor;
  - (B) any person while acting as a debt collector for another person, both of whom are related by common ownership or affiliated by corporate control, if the person acting as a debt collector does so only for persons to whom it is so related or affiliated and if the principal business of such person is not the collection of debts;
  - (C) Any officer or employee of the United States or any State to the extent that collecting or attempting to collect any debt is in the performance of his official duties;
  - (D) Any person while serving or attempting to serve legal process on any other person in connection with the judicial enforcement of any debt;
  - (E) any nonprofit organization which, at the request of consumers, performs bona fide consumer credit counseling and assists consumers in the liquidation of their debts by receiving payments from such consumers and distributing such amounts to creditors; and
  - (F) any person collecting or attempting to collect any debt owed or due or asserted to be owed or due another to the extent such activity (i) is incidental to a bona fide fiduciary obligation or a bona fide escrow

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arrangement; (ii) concerns a debt which was originated by such person; (iii) concerns a debt which was not in default at the time it was obtained by such person; or (iv) concerns a debt obtained by such person as a secured party in a commercial credit transaction involving the creditor.

(7) The term "location information" means a consumer's place of abode and his telephone number at such place, or his place of employment.

(8) The term "State" means any State, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any political subdivision of any of the foregoing.

#### **§ 804. Acquisition of location information [15 USC 1692b]**

Any debt collector communicating with any person other than the consumer for the purpose of acquiring location information about the consumer shall --

(1) identify himself, state that he is confirming or correcting location information concerning the consumer, and, only if expressly requested, identify his employer;

(2) Not state that such consumer owes any debt;

(3) not communicate with any such person more than once unless requested to do so by such person or unless the debt collector reasonably believes that the earlier response of such person is erroneous or incomplete and that such person now has correct or complete location information;

(4) Not communicate by post card;

(5) not use any language or symbol on any envelope or in the contents of any communication effected by the mails or telegram that indicates that the debt collector is in the debt collection business or that the communication relates to the collection of a debt; and

(6) After the debt collector knows the consumer is represented by an attorney with regard to the subject debt and has knowledge of, or can readily ascertain, such attorney's name and address, not communicate with any person other than that attorney, unless the attorney fails to respond within a reasonable period of time to the communication from the debt collector.

#### **§ 805. Communication in connection with debt collection [15 USC 1692c]**

(a) COMMUNICATION WITH THE CONSUMER GENERALLY. Without the prior consent of the consumer given directly to the debt collector or the express permission of a court of competent jurisdiction, a debt collector may not communicate with a consumer in connection with the collection of any debt --

(1) At any unusual time or place or a time or place known or which should be known to be inconvenient to the consumer. In the absence of knowledge of circumstances to the contrary, a debt collector shall assume that the convenient time for communicating with a consumer is after 8 o'clock antimeridian and before 9 o'clock postmeridian, local time at the consumer's location;

(2) if the debt collector knows the consumer is represented by an attorney with respect to such debt and has knowledge of, or can readily ascertain, such attorney's name and address, unless the attorney fails to respond within a reasonable period of time to a communication from the debt collector or unless the attorney consents to direct communication with the consumer; or

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(3) At the consumer's place of employment if the debt collector knows or has reason to know that the consumer's employer prohibits the consumer from receiving such communication.

(b) **COMMUNICATION WITH THIRD PARTIES.** Except as provided in section 804, without the prior consent of the consumer given directly to the debt collector, or the express permission of a court of competent jurisdiction, or as reasonably necessary to effectuate a post-judgment judicial remedy, a debt collector may not communicate, in connection with the collection of any debt, with any person other than a consumer, his attorney, a consumer reporting agency if otherwise permitted by law, the creditor, the attorney of the creditor, or the attorney of the debt collector.

(c) **CEASING COMMUNICATION.** If a consumer notifies a debt collector in writing that the consumer refuses to pay a debt or that the consumer wishes the debt collector to cease further communication with the consumer, the debt collector shall not communicate further with the consumer with respect to such debt, except --

(1) To advise the consumer that the debt collector's further efforts are being terminated;

(2) To notify the consumer that the debt collector or creditor may invoke specified remedies which are ordinarily invoked by such debt collector or creditor; or

(3) Where applicable, to notify the consumer that the debt collector or creditor intends to invoke a specified remedy.

If such notice from the consumer is made by mail, notification shall be complete upon receipt.

(d) For the purpose of this section, the term "consumer" includes the consumer's spouse, parent (if the consumer is a minor), guardian, executor, or administrator.

#### **§ 806. Harassment or abuse [15 USC 1692d]**

A debt collector may not engage in any conduct the natural consequence of which is to harass, oppress, or abuse any person in connection with the collection of a debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

(1) The use or threat of use of violence or other criminal means to harm the physical person, reputation, or property of any person.

(2) The use of obscene or profane language or language the natural consequence of which is to abuse the hearer or reader.

(3) The publication of a list of consumers who allegedly refuse to pay debts, except to a consumer reporting agency or to persons meeting the requirements of section 603(f) or 604(3)<sup>1</sup> of this Act.

(4) The advertisement for sale of any debt to coerce payment of the debt.

(5) Causing a telephone to ring or engaging any person in telephone conversation repeatedly or continuously with intent to annoy, abuse, or harass any person at the called number.

(6) Except as provided in section 804, the placement of telephone calls without meaningful disclosure of the caller's identity.

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#### **§ 807. False or misleading representations [15 USC 1692e]**

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

(1) The false representation or implication that the debt collector is vouched for, bonded by, or affiliated with the United States or any State, including the use of any badge, uniform, or facsimile thereof.

(2) The false representation of --

(A) The character, amount, or legal status of any debt; or

(B) Any services rendered or compensation which may be lawfully received by any debt collector for the collection of a debt.

(3) The false representation or implication that any individual is an attorney or that any communication is from an attorney.

(4) The representation or implication that nonpayment of any debt will result in the arrest or imprisonment of any person or the seizure, garnishment, attachment, or sale of any property or wages of any person unless such action is lawful and the debt collector or creditor intends to take such action.

(5) The threat to take any action that cannot legally be taken or that is not intended to be taken.

(6) The false representation or implication that a sale, referral, or other transfer of any interest in a debt shall cause the consumer to --

(A) Lose any claim or defense to payment of the debt; or

(B) Become subject to any practice prohibited by this title.

(7) The false representation or implication that the consumer committed any crime or other conduct in order to disgrace the consumer.

(8) Communicating or threatening to communicate to any person credit information which is known or which should be known to be false, including the failure to communicate that a disputed debt is disputed.

(9) The use or distribution of any written communication which simulates or is falsely represented to be a document authorized, issued, or approved by any court, official, or agency of the United States or any State, or which creates a false impression as to its source, authorization, or approval.

(10) The use of any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer.

(11) The failure to disclose in the initial written communication with the consumer and, in addition, if the initial communication with the consumer is oral, in that initial oral communication, that the debt collector is attempting to collect a debt and that any information obtained will be used for that purpose, and the failure to disclose in subsequent communications that the communication is from a debt collector, except that this paragraph shall not apply to a formal pleading made in connection with a legal action.

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(12) The false representation or implication that accounts have been turned over to innocent purchasers for value.

(13) The false representation or implication that documents are legal process.

(14) The use of any business, company, or organization name other than the true name of the debt collector's business, company, or organization.

(15) The false representation or implication that documents are not legal process forms or do not require action by the consumer.

(16) The false representation or implication that a debt collector operates or is employed by a consumer reporting agency as defined by section 603(f) of this Act.

#### **§ 808. Unfair practices [15 USC 1692f]**

A debt collector may not use unfair or unconscionable means to collect or attempt to collect any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

(1) The collection of any amount (including any interest, fee, charge, or expense incidental to the principal obligation) unless such amount is expressly authorized by the agreement creating the debt or permitted by law.

(2) The acceptance by a debt collector from any person of a check or other payment instrument postdated by more than five days unless such person is notified in writing of the debt collector's intent to deposit such check or instrument not more than ten nor less than three business days prior to such deposit.

(3) The solicitation by a debt collector of any postdated check or other postdated payment instrument for the purpose of threatening or instituting criminal prosecution.

(4) Depositing or threatening to deposit any postdated check or other postdated payment instrument prior to the date on such check or instrument.

(5) Causing charges to be made to any person for communications by concealment of the true purpose of the communication. Such charges include, but are not limited to, collect telephone calls and telegram fees.

(6) Taking or threatening to take any non-judicial action to effect dispossession or disablement of property if --

(A) There is no present right to possession of the property claimed as collateral through an enforceable security interest;

(B) There is no present intention to take possession of the property; or

(C) The property is exempt by law from such dispossession or disablement.

(7) Communicating with a consumer regarding a debt by post card.

(8) Using any language or symbol, other than the debt collector's address, on any envelope when communicating with a consumer by use of the mails or by telegram, except that a debt collector may use his business name if such name does not indicate that he is in the debt collection business.

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#### **§ 809. Validation of debts [15 USC 1692g]**

(a) Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing --

(1) The amount of the debt;

(2) The name of the creditor to whom the debt is owed;

(3) a statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt collector;

(4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and

(5) a statement that, upon the consumer's written request within the thirty-day period, the debt collector will provide the consumer with the name and address of the original creditor, if different from the current creditor.

(b) If the consumer notifies the debt collector in writing within the thirty-day period described in subsection (a) that the debt, or any portion thereof, is disputed, or that the consumer requests the name and address of the original creditor, the debt collector shall cease collection of the debt, or any disputed portion thereof, until the debt collector obtains verification of the debt or any copy of a judgment, or the name and address of the original creditor, and a copy of such verification or judgment, or name and address of the original creditor, is mailed to the consumer by the debt collector.

(c) The failure of a consumer to dispute the validity of a debt under this section may not be construed by any court as an admission of liability by the consumer.

#### **§ 810. Multiple debts [15 USC 1692h]**

If any consumer owes multiple debts and makes any single payment to any debt collector with respect to such debts, such debt collector may not apply such payment to any debt which is disputed by the consumer and, where applicable, shall apply such payment in accordance with the consumer's directions.

#### **§ 811. Legal actions by debt collectors [15 USC 1692i]**

(a) Any debt collector who brings any legal action on a debt against any consumer shall --

(1) in the case of an action to enforce an interest in real property securing the consumer's obligation, bring such action only in a judicial district or similar legal entity in which such real property is located; or

(2) In the case of an action not described in paragraph (1), bring such action only in the judicial district or similar legal entity --

(A) In which such consumer signed the contract sued upon; or

(B) In which such consumer resides at the commencement of the action.

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(b) Nothing in this title shall be construed to authorize the bringing of legal actions by debt collectors.

#### **§ 812. Furnishing certain deceptive forms [15 USC 1692j]**

(a) It is unlawful to design, compile, and furnish any form knowing that such form would be used to create the false belief in a consumer that a person other than the creditor of such consumer is participating in the collection of or in an attempt to collect a debt such consumer allegedly owes such creditor, when in fact such person is not so participating.

(b) Any person who violates this section shall be liable to the same extent and in the same manner as a debt collector is liable under section 813 for failure to comply with a provision of this title.

#### **§ 813. Civil liability [15 USC 1692k]**

(a) Except as otherwise provided by this section, any debt collector who fails to comply with any provision of this title with respect to any person is liable to such person in an amount equal to the sum of --

(1) Any actual damage sustained by such person as a result of such failure;

(2) (A) in the case of any action by an individual, such additional damages as the court may allow, but not exceeding \$1,000; or

(B) in the case of a class action, (i) such amount for each named plaintiff as could be recovered under subparagraph (A), and (ii) such amount as the court may allow for all other class members, without regard to a minimum individual recovery, not to exceed the lesser of \$500,000 or 1 per centum of the net worth of the debt collector; and

(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court. On a finding by the court that an action under this section was brought in bad faith and for the purpose of harassment, the court may award to the defendant attorney's fees reasonable in relation to the work expended and costs.

(b) In determining the amount of liability in any action under subsection (a), the court shall consider, among other relevant factors --

(1) In any individual action under subsection (a)(2)(A), the frequency and persistence of noncompliance by the debt collector, the nature of such noncompliance, and the extent to which such noncompliance was intentional; or

(2) in any class action under subsection (a)(2)(B), the frequency and persistence of noncompliance by the debt collector, the nature of such noncompliance, the resources of the debt collector, the number of persons adversely affected, and the extent to which the debt collector's noncompliance was intentional.

(c) A debt collector may not be held liable in any action brought under this title if the debt collector shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(d) An action to enforce any liability created by this title may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within one year from the date on which the violation occurs.



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(e) No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any advisory opinion of the Commission, notwithstanding that after such act or omission has occurred, such opinion is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

#### **§ 814. Administrative enforcement [15 USC 1692f]**

(a) Compliance with this title shall be enforced by the Commission, except to the extent that enforcement of the requirements imposed under this title is specifically committed to another agency under subsection (b). For purpose of the exercise by the Commission of its functions and powers under the Federal Trade Commission Act, a violation of this title shall be deemed an unfair or deceptive act or practice in violation of that Act. All of the functions and powers of the Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act, including the power to enforce the provisions of this title in the same manner as if the violation had been a violation of a Federal Trade Commission trade regulation rule.

(b) Compliance with any requirements imposed under this title shall be enforced under --

(1) Section 8 of the Federal Deposit Insurance Act, in the case of --

(A) National banks, by the Comptroller of the Currency;

(B) Member banks of the Federal Reserve System (other than national banks), by the Federal Reserve Board; and

(C) Banks the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directing or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions;

(3) The Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal credit union;

(4) Subtitle IV of Title 49, by the Interstate Commerce Commission with respect to any common carrier subject to such subtitle;

(5) the Federal Aviation Act of 1958, by the Secretary of Transportation with respect to any air carrier or any foreign air carrier subject to that Act; and

(6) The Packers and Stockyards Act, 1921 (except as provided in section 406 of that Act), by the Secretary of Agriculture with respect to any activities subject to that Act.

(c) For the purpose of the exercise by any agency referred to in subsection (b) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (b), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this title any other authority conferred on it by law, except as provided in subsection (d).

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(d) Neither the Commission nor any other agency referred to in subsection (b) may promulgate trade regulation rules or other regulations with respect to the collection of debts by debt collectors as defined in this title.

#### **§ 815. Reports to Congress by the Commission [15 USC 1692m]**

(a) Not later than one year after the effective date of this title and at one-year intervals thereafter, the Commission shall make reports to the Congress concerning the administration of its functions under this title, including such recommendations as the Commission deems necessary or appropriate. In addition, each report of the Commission shall include its assessment of the extent to which compliance with this title is being achieved and a summary of the enforcement actions taken by the Commission under section 814 of this title.

(b) In the exercise of its functions under this title, the Commission may obtain upon request the views of any other Federal agency which exercises enforcement functions under section 814 of this title.

#### **§ 816. Relation to State laws [15 USC 1692n]**

This title does not annul, alter, or affect, or exempt any person subject to the provisions of this title from complying with the laws of any State with respect to debt collection practices, except to the extent that those laws are inconsistent with any provision of this title, and then only to the extent of the inconsistency. For purposes of this section, a State law is not inconsistent with this title if the protection such law affords any consumer is greater than the protection provided by this title.

#### **§ 817. Exemption for State regulation [15 USC 1692o]**

The Commission shall by regulation exempt from the requirements of this title any class of debt collection practices within any State if the Commission determines that under the law of that State that class of debt collection practices is subject to requirements substantially similar to those imposed by this title, and that there is adequate provision for enforcement.

#### **§ 818. Effective date [15 USC 1692 note]**

This title takes effect upon the expiration of six months after the date of its enactment, but section 809 shall apply only with respect to debts for which the initial attempt to collect occurs after such effective date.

Approved September 20, 1977

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#### **ENDNOTES**

1. So in original; however, should read "604(a)(3)."

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#### **LEGISLATIVE HISTORY:**

Public Law 95-109 [H.R. 5294]

HOUSE REPORT No. 95-131 (Comm. on Banking, Finance, and Urban Affairs).

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SENATE REPORT No. 95-382 (Comm. on Banking, Housing, and Urban Affairs).

CONGRESSIONAL RECORD, Vol. 123 (1977):

Apr. 4, considered and passed House.

Aug. 5, considered and passed Senate, amended.

Sept. 8, House agreed to Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 13, No. 39:

Sept. 20, Presidential statement.

#### **AMENDMENTS:**

SECTION 621, SUBSECTIONS (b)(3), (b)(4) and (b)(5) were amended to transfer certain administrative enforcement responsibilities, pursuant to Pub. L. 95-473, § 3(b), Oct. 17, 1978. 92 Stat. 166; Pub. L. 95-630, Title V. § 501, November 10, 1978, 92 Stat. 3680; Pub. L. 98-443, § 9(h), Oct. 4, 1984, 98 Stat. 708.

SECTION 803, SUBSECTION (6), defining "debt collector," was amended to repeal the attorney at law exemption at former Section (6)(F) and to redesignate Section 803(6)(G) pursuant to Pub. L. 99-361, July 9, 1986, 100 Stat. 768. For legislative history, see H.R. 237, HOUSE REPORT No. 99-405 (Comm. on Banking, Finance and Urban Affairs). CONGRESSIONAL RECORD: Vol. 131 (1985): Dec. 2, considered and passed House. Vol. 132 (1986): June 26, considered and passed Senate.

SECTION 807, SUBSECTION (11), was amended to affect when debt collectors must state (a) that they are attempting to collect a debt and (b) that information obtained will be used for that purpose, pursuant to Pub. L. 104-208 § 2305, 110 Stat. 3009 (Sept. 30, 1996).

## **Building a Better Credit Report**

Your credit report is a file about you. It is full of information on where you live, how you pay your bills and whether you have been sued, arrested or filed for bankruptcy. Creditors use this information to evaluate your applications for credit, insurance, employment or a lease. If you have a quality, credit report, it's easier to obtain loans at lower interest rates which results in lower monthly payments. The only way to improve the status of your credit report is with a deliberate effort and a plan to repay your bills.

## **The Fair Credit Reporting Act**

The Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness and privacy of information in the files of the nation's consumer reporting companies. There were recent amendments that were made to the FCRA. Those amendments expanded consumer rights and placed additional requirements on consumer reporting companies and businesses that provide information about consumers to consumer reporting companies.

You do have a right to know what is on your credit report, but you have to ask for it. The consumer reporting company must tell you everything that is on your credit report and give you a list of everyone who has requested your report within the past year or two.

There are four basic types of information that consumer reporting companies can collect and sell:

1. **Identification and employment information:** This includes your name, birth date, Social Security number, employer and your spouse's name. It also

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includes your employment history, home ownership, income and a previous address.

2. **Payment history:** This shows you how much credit has been extended and if you have paid on time. Also, it shows if a creditor has referred your account to a collection agency.
3. **Inquiries:** The consumer reporting companies must keep a record of all the creditors who have asked for your credit history within the last year. They must also keep a record of individuals or businesses that have asked to see your credit history for employment purposes within the last two years.
4. **Public record information:** This shows events that are a matter of public record, such as bankruptcies, foreclosures or tax liens.

There is no charge for you to see your credit report once a year from each of the consumer reporting companies, under the Free File Disclosure Rule of the Fair and Accurate Credit Transactions Act (FACT Act).

There are three consumer reporting companies that use one website, one toll-free number and one mailing address for you to order your free credit report. To order, go to [www.annualcreditreport.com](http://www.annualcreditreport.com), call 1-877-322-8228 or complete the Annual Credit Report Request Form and mail it to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. You can print the request form from [ftc.gov/credit](http://ftc.gov/credit). You can request only one free credit report from each consumer reporting company each year, but you should not contact the three consumer reporting companies individually.

The information you will need to provide to get your free credit report is your name, address, Social Security number and date of birth. If you have moved in the past two years, you may have to provide your previous address. To maintain the security of your file, they may ask for information that only you would know.

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Neither the website nor the companies will contact you to get your personal information. If you do receive a call, an e-mail or a pop-up ad that looks like it's from the website or one of the consumer reporting companies, it's probably a scam and you should forward the e-mail to [spam@uce.gov](mailto:spam@uce.gov), the FTC's database of deceptive spam.

You may be eligible to receive other free credit reports. If a company takes adverse action against you, such as denying you application for credit, insurance or employment, you may ask for your report within 60 days of receiving notice of the action. You may also be able to receive a free credit report if you are unemployed and plan to look for a job within 60 days, if you are on welfare or if your report is inaccurate because of fraud, including identity theft. Otherwise, the consumer reporting companies can charge you up to \$9.50 for each copy of your credit report within a year.

To buy a copy of your credit report, contact:

Equifax	Experian	Trans Union
800-685-1111	888-EXPERIAN (397-3742)	800-916-8800
<a href="http://www.equifax.com">www.equifax.com</a>	<a href="http://www.experian.com">www.experian.com</a>	<a href="http://www.transunion.com">www.transunion.com</a>

A credit score is a way for creditors to find out whether to give you credit and how much to charge you for it. A credit score is a total of points from different factors. The factors are your bill-paying history, the number and type of accounts you have, late payments, collection actions, outstanding debt, and the age of your accounts. The higher your credit score, the better the chance of you getting a loan. You can get your credit score from any of the consumer reporting companies, but there is a fee.

## **Improving your Credit Report**

To make sure your credit report is accurate, the consumer reporting company and the information provider are responsible for correcting inaccurate or incomplete information. To correct any information, you should write a letter to the consumer reporting company identifying the information that you think is inaccurate. The letter should have your complete name and address, a COPY of documents to support your position and a clear explanation of why you dispute the information and request that it should be deleted or corrected. Send your letter by certified mail with return receipt requested, so you can document what the consumer reporting company received. Keep copies of your dispute letter and enclosures. If what you are disputing is inaccurate, all three consumer reporting companies will correct the information and send you a free credit report with the correct information. That credit report does not count as your free annual credit report.

When you have any negative information on your report, which is accurate, time is the only way for it to be removed. Most accurate negative information stays on your report for seven years and bankruptcies stay on for ten years. There is no time limit on: reporting information about criminal convictions; your application for a job that pays more than \$75,000 a year; and applications for more than \$150,000 worth of credit or life insurance.

Your credit report does not always show all of your credit accounts. If there are any creditors that you think should be listed on your report you can add them for a fee.

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## **Dealing with Debt**

If you are having trouble paying your bills or worried about losing your house or your car, there are some options you may consider. These include realistic budgeting, credit counseling, debt consolidation or bankruptcy.

If you decide to do realistic budgeting, start by writing down all your income from all sources. Then list all your expenses that you know are the same each month. Next, list your expenses that vary every month and expenses that you think might be insignificant. You want to make sure you can make ends meet on the basics like housing, food, health care, insurance and education.

You should contact your creditors as soon as possible if you are having trouble making ends meet. Explain why it is difficult for you and see if they can work out a lower payment plan. But, you should contact them before your accounts have been turned over to a debt collector. A debt collector can not call you before 8 a.m., after 9 p.m. or while you are at work if they are aware that your employer does not approve of the calls. Collectors may not harass you, lie or use unfair practices when they try to collect a debt. If you send a written request to stop further contact, they must honor it.

If you are still not able to get out of debt, you may consider credit counseling. Credit counseling agencies can help you manage your money, develop a budget and offer free educational material and workshops. They discuss your entire financial situation and help you develop a personalized plan to solve your money problems.

Debts may be classified into two categories. Secured debts are those that are tied to an asset. For example, if you have a loan on a car or you have a mortgage on your house,



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they are secured by your car or your house. Unsecured debts are not tied to an asset, like credit cards, medical bills, signature loans, etc. If you start falling behind on a secured debt, contact your finance company as soon as possible to work out some kind of payment plan. When you do fall behind on a secured debt the finance company can either repossess your car or foreclose on your home. If you cannot work out a plan you can contact a housing counseling agency for help.

You may be able to consolidate your debt by taking out a second mortgage or a home equity line of credit. But, if you fall behind, you could lose your home.

The last option you have is to file bankruptcy. Bankruptcy stays on your credit report for 10 years. It will make it harder to obtain credit, buy a house, get life insurance, sometimes get a job and find a place to live. There are two types of personal bankruptcy, Chapter 13 and Chapter 7. The filing fee for a Chapter 13 is \$189 and for a Chapter 7 is \$274. Attorney fees are additional and can vary.

A Chapter 13 is a consolidation bankruptcy. It allows you to keep your assets like a mortgaged house or a financed car. A Chapter 13 allows you to pay back your debts within 3 to 5 years. You need to stay current with your mortgage payment and your payment to the trustee or your case will get dismissed and you may lose your assets.

A Chapter 7 is a fresh start bankruptcy. It liquidates all assets that are not exempt. Exempt property may include an automobile, work-related tools, and basic household furniture. If your assets are worth too much, a trustee can decide to sell your property. You can only file a Chapter 7 once every 8 years.

Bankruptcy does not erase child support, alimony, fines like parking tickets, some taxes and student loans.

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## **Avoiding Scams**

Before turning to a business that offers help to solve your debt problems, you should investigate the business with your local consumer protection agency or the Better Business Bureau. Be alert for advertisements that offer quick fixes; Read between the lines.

The scams are usually targeting people with bad credit or no credit. You should resist following up on advance-fee loan guarantees, they may be illegal. Legitimate creditors offer extensions of credit, such as credit cards, loans and mortgages and usually do not ask for a payment in advance. These scams usually have a “900” number and don’t send anything through the U.S. Postal Service. You should not have to pay a fee to get the credit. Here are some tips to remember before you respond to ads that promise easy credit, regardless of your credit history:

- Most legitimate lenders do not guarantee that you will get a loan or a credit card before you apply, especially if you have bad credit or have filed a bankruptcy.
- It is an accepted and common practice for reputable lenders to require a payment for a credit report or appraisal and you may have to pay a processing or application fee.
- Never give out your credit card number, bank account information or Social Security number over the phone unless you are familiar with the company and know why the information is necessary.

There are also credit repair scams. Do not believe them. Only time, a good effort and a plan to repay your debts can improve your credit report.

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Here are some warning signs that you should look for:

- They want a payment from you before they provide any service
- They don't tell you your legal rights and what you can do yourself, for free
- They recommend that you do not contact a consumer reporting company directly
- They suggest that you try to invent a new credit report by applying for an Employer Identification Number to use instead of your Social Security number
- They advise you to dispute all information on your credit report or take any action that may seem illegal. If you follow illegal advice and commit fraud, you may be subject to prosecution.

Credit repair organizations, by law, must give you a copy of the "Consumer Credit File Rights Under State and Federal Law" before you sign a contract. They must also give you a written contract that spells out your rights and obligations, before you sign the contract. Credit repair companies cannot:

- Make false claims about their services
- Charge you until they have completed the promised services
- Perform any service until they have your signature on a written contract and have completed a three day waiting period, which allows you to cancel without paying any fees.

Your contract must specify:

- The total cost of the services
- A detailed description of the services to be performed
- How long it will take to achieve the results
- Any "guarantees" they offer

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- The company's name and business address

## **Identity Theft**

An identity thief is someone who has a piece of your sensitive information like your Social Security number, date of birth, address and phone number and uses it without your knowledge to commit fraud or theft. There are many different ways for identity thieves to get your personal information. For example, they might:

- Get information from businesses or other institutions by stealing records or information while at their job, bribing an employee who has access to the records, hacking, and conning information out of employees.
- Go through your trash, the trash of businesses or public trash.
- Get your credit report by abusing their employer's authorized access to them or by posing as someone who has a legal right to access your report.
- Steal your credit or debit card numbers by capturing the information in a data storage device. They may swipe your card to make a purchase or use the ATM.
- Steal wallets and purses containing your personal information.
- Steal mail containing statements, new checks or tax information.
- Complete a "change of address form" to send your mail to another location
- Steal personal information from your home.
- Scam information by posing as a legitimate business person or government official.

Once identity thieves have your personal information, they may:

- Go on spending sprees by using your credit or debit card numbers to buy "big-ticket" items like computers that they can easily re-sell.

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- Open a new credit card account using your information. When they don't pay the bill, your credit report will have a delinquent account reported.
- Change the mailing address on your credit card account. That gives the thief enough time to run up charges on your account and it may take some time before you realize there's a problem.
- Take out auto loans in your name.
- Establish phone or wireless service in your name.
- Use counterfeit checks or debit cards to drain your bank account.
- Open a bank account in your name and write bad checks on that account.
- File bankruptcy under your name to avoid paying debts that they have incurred or to avoid eviction.
- Give your name to the police during an arrest. If they get released and don't show up for court, an arrest warrant could be issued in your name.

Here are some ways to protect your personal information from being at risk for identity theft:

- Keep an eye on your purse or wallet and keep them in a safe place at all times.
- Do not carry your Social Security card.
- Don't share your personal information with random people. Identity thieves are good liars and could pretend to be from banks, Internet service providers or even government agencies.
- Read your statements from the bank and credit card accounts and look for any unusual charges or suspicious activity. Report any problems to your bank and creditors right away.
- Tear or shred your charge receipts, checks and bank statements, expired credit cards and any other documents with your personal information before you put them in the trash.

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Here are other indications of identity theft:

- Failing to receive bills or other mail signaling an address change by the identity thief.
- Receiving credit cards for which you did not apply.
- Denial of credit for no apparent reason.
- Receiving calls from debt collectors or companies about merchandise or services you didn't buy.

There are 4 steps that you should take right away if you suspect that your personal information has been stolen.

1. Place a fraud alert on your credit reports and review your credit reports. You can contact any one of the three nationwide consumer reporting companies to place a fraud alert on your credit report and they are required to contact the other two companies to place an alert on your report too.

Equifax: 1-800-525-6285 or [www.equifax.com](http://www.equifax.com)

Experian: 1-888-397-3742 or [www.experian.com](http://www.experian.com)

TransUnion: 1-800-680-7289 or [www.transunion.com](http://www.transunion.com)

2. Close the accounts that you know, or believe have been tampered with or opened fraudulently and contact the security or fraud department of each company. Follow up in writing and include COPIES of supporting documents. Send your letters by certified mail, return receipt requested and keep a file of all the documents that you send. When you open new accounts, use new Personal Identification Numbers (PINs) and passwords. Try not to use a number that can be easily available or easy to figure out.

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3. File a report with your local police or the police in the community where the identity theft took place. Keep a copy of the police report or at least have the number of the report. If the police are reluctant to take your report, ask to file a “Miscellaneous Incidents” report, or try another jurisdiction, like your state police.
  
4. File a complaint with the Federal Trade Commission. By filing a complaint with the FTC, it will provide important information that can help law enforcement officials track down and stop identity thieves. You can file a complaint online at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft), call the FTC’s Identity Theft Hotline at 1-877-438-4338 or TTY 1-866-653-4261, or write to: Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

## **CREDIT MATTERS**

A credit card is a great financial tool and it is more convenient to use and carry than cash and it offers valuable consumer protections under federal law. But you have to be careful. You may charge more than you can repay. It could damage your credit rating and create problems that can be hard to fix. Here is some important information that can help you determine if you are ready for a credit card, what to look for when you select a company and how to use your credit card responsibly.

### **Qualifying for a Credit Card**

To qualify for a credit card you have to be at least 18 years of age and have a regular source of income. You also have to show that you are a good credit risk before you will receive credit. Before you apply for a credit card you should get a copy of your credit report. The three major credit bureaus to contact are:

Equifax

P.O. Box 740241

Atlanta, GA 30374-0241

1-800-685-1111

[www.equifax.com](http://www.equifax.com)

Experian (formerly TRW)

P.O. Box 949

Allen, TX 75013-0949

1-888-EXPERIAN (397-3742)

[www.experian.com](http://www.experian.com)



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TransUnion  
P.O. Box 390  
Springfield, PA 19064  
1-800-916-8800  
[www.tuc.com](http://www.tuc.com)

### **Establish a Good Credit History**

To start establishing credit, you should first consider applying for a credit card from a local store and use it responsibly. Second, consider a secured credit card. A secured credit card requires you to open and maintain a bank account or other asset account at a financial institution as security for your line of credit. Your credit line is usually a percentage of your deposit, typically from 50 to 100 percent. It is not uncommon to incur application and processing fees. Further, secured credit cards usually have higher interest rates than non-secured cards. Third, consider asking someone who has established credit to co-sign the account. The co-signer is someone who promises to pay your debts if you are unable to pay. Make sure that you pay your debts on time so you can build a positive credit history. This will help you establish credit in the future on your own. A good credit history is important when applying for credit cards, jobs, insurance and when you want to finance a car or a home.

If your application has been turned down, find out why. If you have been denied because of information supplied by a credit bureau, the creditor must give you the name, address and telephone number of the bureau that supplied the information. If you contact the credit bureau within 60 days of receiving the denial, you are entitled to a free credit report. If you find an error in your report, you are entitled to have it investigated by the credit bureau and corrected free of charge.

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The fees, charges and benefits vary among credit card issuers. You should shop around and compare these important features:

- **Annual percentage rate (APR).** The APR is a measure of the cost of credit, expressed as a yearly interest rate. Also check out the “periodic rate”. That is the rate issuers apply to your outstanding balance to figure the finance charges. For example, if you have a balance of \$2,000, with an 18.5% APR and a low monthly payment, it would take you over 11 years to pay off that debt and would cost you an additional \$1,934 in interest.
- **Grace period.** The grace period is the time between the date of your purchase(s) and the date interest starts being charged on that purchase(s). Some issuers allow a grace period for a new purchase even if you don’t pay your balance in full every month.
- **Annual fees.** Many credit card issuers charge an annual fee for granting you credit, usually \$15 to \$55 while some issuers have no annual fee.
- **Transaction fees and other charges.** They may charge a fee for using your card for cash advances, late payments, exceeding your credit limit and some charge a flat fee every month whether you use your card or not.
- **Customer service.** Many issuers have 24-hour, toll-free telephone numbers.
- **Other benefits.** They may offer additional benefits. Some provide different forms of insurance, credit card protection, discounts, rebates and special merchandise offers.

There are three types of accounts that credit grantors generally issue. The basic terms of these account agreements are:

- **Revolving agreement.** When you pay your bill in full every month or you choose to make a partial payment. Usually department stores, gas and oil companies and banks issue these types of credit cards.

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- **Charge agreement.** When you promise to pay your balance in full every month, you don't have to pay interest charges. Charge cards, not credit cards, and charge accounts with local businesses often require repayment on this basis.
- **Installment agreement.** When you sign a contract to repay a fixed amount of credit in equal payments over a specific period of time. When you finance an automobile, furniture or major appliance, they are often installment agreements. Also, personal loans are often paid back in installments.

To protect your credit you should:

**Sign the card immediately** so no one else can use it. File away all of the papers you receive in a safe place, in case your card ever gets lost or stolen.

**Call the card issuer to activate your card.** Most issuers require this step to minimize fraud and to give you additional information.

**Keep your account information to yourself.** Never give out your credit card number or expiration date over the phone unless you know who you are dealing with. Someone can use that information to steal money from you or steal your credit identity.

**Keep copies of sales slips** and compare them with your bill. Immediately report, in writing, any questionable charges to the card issuer.

**Do not lend your card to anyone,** even a friend. Your credit privileges and credit history are too important to risk.

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It may be easy to buy something now and pay for it later, but you can lose track of how much you've spent. If you continue to charge while having an outstanding balance, your debt can snowball and before you know it, your minimum payment just covers the interest. If you start falling behind on your payments, it can ruin your credit rating. A bad credit rating can make it hard to finance a car or home, get insurance and even get a job.

Federal law offers the following protections when you use credit cards.

- **Errors on your bill.** You must contact the card issuer in writing within 60 days after the first bill containing the error was mailed to you. You should include your name, account number, the type, date and amount of the error and the reason why you believe the bill has an error. The card issuer must then investigate the problem and either correct the error or explain why the bill is correct. This must occur within two billing cycles and not later than 90 days after the issuer receives your letter. You do not have to pay the amount in question during the investigation.
- **Loss or theft.** If your credit or charge cards have been lost or stolen you should call the issuer(s) immediately. By law, once you report the loss or theft, you have no further responsibility for unauthorized charges. Your maximum liability under federal law is \$50 per card.

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## LEXICON

**341 meeting** – In a bankruptcy proceeding, a meeting of creditors at which the debtor is questioned under oath by creditors, a trustee, an examiner, or the U.S. Trustee about his or her financial affairs.

**Acquittal** – A jury verdict that a criminal defendant is not guilty, or the finding of a judge that the evidence is insufficient to support a conviction.

**Active Judge** – A judge in the full-time service of the court. Compare to senior judge.

**Administrative Office of the United States Courts (AO)** – The federal agency responsible for collecting court statistics, administering the federal courts' budget, and performing many other administrative and programmatic functions, under the direction and supervision of the Judicial Conference of the United States.

**Admissible** – A term used to describe evidence that may be considered by a jury or judge in civil and criminal cases.

**Adversary proceeding** – A lawsuit arising in or related to a bankruptcy case that begins by filing a complaint with the court, that is, a "trial" that takes place within the context of a bankruptcy case

**Affidavit** – A written or printed statement made under oath.

**Affirmed** – In the practice of the court of appeals, it means that the court of appeals has concluded that the lower court decision is correct and will stand as rendered by the lower court.

**Alternate Juror** – A juror selected in the same manner as a regular juror who hears all the evidence but does not help decide the case unless called on to replace a regular juror.

**Alternative Dispute Resolution (ADR)** – A procedure for settling a dispute outside the courtroom. Most forms of ADR are not binding on the parties, and involve referral of the case to a neutral party such as an arbitrator or mediator.

**Amicus Curiae** – Latin for "friend of the court." It is advice formally offered to the court in a brief filed by an entity interested in, but not a party to, the case.

**Answer** – The formal written statement by a defendant in a civil case that responds to a complaint, articulating the grounds for defense.

**Appeal** – A request made after a trial by a party that has lost on one or more issues that a higher court review the decision to determine if it was correct. To make such a

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request is "to appeal" or "to take an appeal." One who appeals is called the "appellant;" the other party is the "appellee."

**Appellant** – The party who appeals a district court's decision, usually seeking reversal of that decision.

**Appellate** – About appeals; an appellate court has the power to review the judgment of a lower court (trial court) or tribunal. For example, the U.S. circuit courts of appeals review the decisions of the U.S. district courts.

**Appellee** – The party who opposes an appellant's appeal, and who seeks to persuade the appeals court to affirm the district court's decision.

**Arraignment** – A proceeding in which a criminal defendant is brought into court, told of the charges in an indictment or information, and asked to plead guilty or not guilty.

**Article III Judge** – A federal judge who is appointed for life, during "good behavior," under Article III of the Constitution. Article III judges are nominated by the President and confirmed by the Senate.

**Assets** – Property of all kinds, including real and personal, tangible and intangible.

**Assume** – An agreement to continue performing duties under a contract or lease.

**Automatic stay** – An injunction that automatically stops lawsuits, foreclosure, garnishments, and most collection activity against the debtor the moment a bankruptcy petition is filed.

**Bail** – The release, prior to trial, of a person accused of a crime, under specified conditions designed to assure that person's appearance in court when required. Also can refer to the amount of bond money posted as a financial condition of pretrial release.

**Bankruptcy** – A legal procedure for dealing with debt problems of individuals and businesses; specifically, a case filed under one of the chapters of title 11 of the United States Code (the Bankruptcy Code).

**Bankruptcy administrator** – An officer of the Judiciary serving in the judicial districts of Alabama and North Carolina who, like the United States trustee, is responsible for supervising the administration of bankruptcy cases, estates, and trustees; monitoring plans and disclosure statements; monitoring creditors' committees; monitoring fee applications; and performing other statutory duties.

**Bankruptcy code** – The informal name for title 11 of the United States Code (11 U.S.C. §§ 101-1330), the federal bankruptcy law.

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**Bankruptcy court** – The bankruptcy judges in regular active service in each district; a unit of the district court.

**Bankruptcy estate** – All interests of the debtor in property at the time of the bankruptcy filing. The estate technically becomes the temporary legal owner of all of the debtor's property.

**Bankruptcy judge** – A judicial officer of the United States district court who is the court official with decision-making power over federal bankruptcy cases.

**Bankruptcy petition** – A formal request for the protection of the federal bankruptcy laws. (There is an official form for bankruptcy petitions.)

**Bankruptcy trustee** – A private individual or corporation appointed in all Chapter 7 and Chapter 13 cases to represent the interests of the bankruptcy estate and the debtor's creditors.

**Bench Trial** – A trial without a jury, in which the judge serves as the fact-finder.

**Brief** – A written statement submitted in a trial or appellate proceeding that explains one side's legal and factual arguments.

**Burden of Proof** – The duty to prove disputed facts. In civil cases, a plaintiff generally has the burden of proving his or her case. In criminal cases, the government has the burden of proving the defendant's guilt. (See [standard of proof](#).)

**Business bankruptcy** – A bankruptcy case in which the debtor is a business or an individual involved in business and the debts are for business purposes.

**Capital offense** – A crime punishable by death.

**Case File** – A complete collection of every document filed in court in a case.

**Case Law** – The law as established in previous court decisions. A synonym for legal precedent. Akin to common law, which springs from tradition and judicial decisions.

**Caseload** – The number of cases handled by a judge or a court.

**Cause of Action** – A legal claim.

**Chambers** – The offices of a judge and his or her staff.

**[Chapter 7](#)** – The chapter of the Bankruptcy Code providing for "liquidation," that is, the sale of a debtor's nonexempt property and the distribution of the proceeds to creditors. In order to be eligible for Chapter 7, the debtor must satisfy a "means

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test." The court will evaluate the debtor's income and expenses to determine if the debtor may proceed under Chapter 7.

**Chapter 7 trustee** – A person appointed in a Chapter 7 case to represent the interests of the bankruptcy estate and the creditors. The trustee's responsibilities include reviewing the debtor's petition and schedules, liquidating the property of the estate, and making distributions to creditors. The trustee may also bring actions against creditors or the debtor to recover property of the bankruptcy estate.

**Chapter 9** – The chapter of the Bankruptcy Code providing for reorganization of municipalities (which includes cities and towns, as well as villages, counties, taxing districts, municipal utilities, and school districts).

**Chapter 11** – A reorganization bankruptcy, usually involving a corporation or partnership. A Chapter 11 debtor usually proposes a plan of reorganization to keep its business alive and pay creditors over time. People in business or individuals can also seek relief in Chapter 11.

**Chapter 12** – The chapter of the Bankruptcy Code providing for adjustment of debts of a "family farmer," as that term is defined in the Bankruptcy Code.

**Chapter 13** – The chapter of the Bankruptcy Code providing for adjustment of debts of an individual with regular income, often referred to as a "wage-earner" plan. Chapter 13 allows a debtor to keep property and use his or her disposable income to pay debts over time, usually three to five years.

**Chapter 13 trustee** – A person appointed to administer a Chapter 13 case. A Chapter 13 trustee's responsibilities are similar to those of a Chapter 7 trustee; however, a Chapter 13 trustee has the additional responsibilities of overseeing the debtor's plan, receiving payments from debtors, and disbursing plan payments to creditors.

**Chapter 15** – The chapter of the Bankruptcy Code dealing with cases of cross-border insolvency.

**Chief judge** – The judge who has primary responsibility for the administration of a court; chief judges are determined by seniority.

**Claim** – A creditor's assertion of a right to payment from a debtor or the debtor's property.

**Class Action** – A lawsuit in which one or more members of a large group, or class, of individuals or other entities sue on behalf of the entire class. The district court must find that the claims of the class members contain questions of law or fact in common before the lawsuit can proceed as a class action.



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**Clerk of Court** – The court officer who oversees administrative functions, especially managing the flow of cases through the court. The clerk's office is often called a court's central nervous system.

**Collateral** – Property that is promised as security for the satisfaction of a debt.

**Common law** – The legal system that originated in England and is now in use in the United States that relies on the articulation of legal principles in a historical succession of judicial decisions. Common law principles can be changed by legislation.

**Community service** – special condition the court imposes that requires an individual to work—without pay—for a civic or nonprofit organization.

**Complaint** – A written statement that begins a civil lawsuit, in which the plaintiff details the claims against the defendant.

**Concurrent sentence** – Prison terms for two or more offenses to be served at the same time, rather than one after the other. Example: Two five-year sentences and one three-year sentence, if served concurrently, result in a maximum of five years behind bars.

**Confirmation** – Approval of a plan of reorganization by a bankruptcy judge.

**Consecutive sentence** – Prison terms for two or more offenses to be served one after the other. Example: Two five-year sentences and one three-year sentence, if served consecutively, result in a maximum of 13 years behind bars.

**Consumer bankruptcy** – A bankruptcy case filed to reduce or eliminate debts that are primarily consumer debts.

**Consumer debts** – Debts incurred for personal, as opposed to business, needs.

**Contingent claim** – A claim that may be owed by the debtor under certain circumstances, e.g., where the debtor is a cosigner on another person's loan and that person fails to pay.

**Contract** – An agreement between two or more persons that creates an obligation to do or not to do a particular thing.

**Conviction** – A judgment of guilt against a criminal defendant.

**Counsel** – Legal advice; a term also used to refer to the lawyers in a case.

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**Court** – Government entity authorized to resolve legal disputes. Judges sometimes use "court" to refer to themselves in the third person, as in "the court has read the briefs."

**Court reporter** – A person who makes a word-for-word record of what is said in court, generally by using a stenographic machine, shorthand or audio recording, and then produces a transcript of the proceedings upon request.

**Count** – An allegation in an indictment or information, charging a defendant with a crime. An indictment or information may contain allegations that the defendant committed more than one crime. Each allegation is referred to as a count.

**Creditor** – A person to whom or business to which the debtor owes money or that claims to be owed money by the debtor.

**Credit counseling** – Generally refers to two events in individual bankruptcy cases: (1) the "individual or group briefing" from a nonprofit budget and credit counseling agency that individual debtors must attend prior to filing under any chapter of the Bankruptcy Code; and (2) the "instructional course in personal financial management" in chapters 7 and 13 that an individual debtor must complete before a discharge is entered. There are exceptions to both requirements for certain categories of debtors, exigent circumstances, or if the U.S. trustee or bankruptcy administrator have determined that there are insufficient approved credit counseling agencies available to provide the necessary counseling.

**Damages** – Money that a defendant pays a plaintiff in a civil case if the plaintiff has won. Damages may be compensatory (for loss or injury) or punitive (to punish and deter future misconduct).

**Debtor** – A person who has filed a petition for relief under the Bankruptcy Code. defendant An individual (or business) against whom a lawsuit is filed.

**Debtor's plan** – A debtor's detailed description of how the debtor proposes to pay creditors' claims over a fixed period of time.

**Declaratory Judgment** – A judge's statement about someone's rights. For example, a plaintiff may seek a declaratory judgment that a particular statute, as written, violates some constitutional right.

**De Facto** – Latin, meaning "in fact" or "actually." Something that exists in fact but not as a matter of law.

**Default Judgment** – A judgment awarding a plaintiff the relief sought in the complaint because the defendant has failed to appear in court or otherwise respond to the complaint.

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**Defendant** – In a civil case, the person or organization against whom the plaintiff brings suit; in a criminal case, the person accused of the crime.

**De Jure** – Latin, meaning "in law." Something that exists by operation of law.

**De Novo** – Latin, meaning "anew." A trial de novo is a completely new trial. Appellate review de novo implies no deference to the trial judge's ruling.

**Deposition** – An oral statement made before an officer authorized by law to administer oaths. Such statements are often taken to examine potential witnesses, to obtain discovery, or to be used later in trial. See [discovery](#).

**Discharge** – A release of a debtor from personal liability for certain dischargeable debts. Notable exceptions to dischargeability are taxes and student loans. A discharge releases a debtor from personal liability for certain debts known as dischargeable debts and prevents the creditors owed those debts from taking any action against the debtor or the debtor's property to collect the debts. The discharge also prohibits creditors from communicating with the debtor regarding the debt, including through telephone calls, letters, and personal contact.

**Dischargeable debt** – A debt for which the Bankruptcy Code allows the debtor's personal liability to be eliminated.

**Disclosure statement** – A written document prepared by the chapter 11 debtor or other plan proponent that is designed to provide "adequate information" to creditors to enable them to evaluate the chapter 11 plan of reorganization.

**Discovery** – Procedures used to obtain disclosure of evidence before trial.

**Dismissal with Prejudice** – Court action that prevents an identical lawsuit from being filed later.

**Dismissal without Prejudice** – Court action that allows the later filing.

**Disposable income** – Income not reasonably necessary for the maintenance or support of the debtor or dependents. If the debtor operates a business, disposable income is defined as those amounts over and above what is necessary for the payment of ordinary operating expenses.

**Docket** – A log containing the complete history of each case in the form of brief chronological entries summarizing the court proceedings.

**Due Process** – In criminal law, the constitutional guarantee that a defendant will receive a fair and impartial trial. In civil law, the legal rights of someone who confronts an adverse action threatening liberty or property.

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**En Banc** – French, meaning "on the bench." All judges of an appellate court sitting together to hear a case, as opposed to the routine disposition by panels of three judges. In the Ninth Circuit, an en banc panel consists of the chief judge and 14 other, randomly selected, judges.

**Equitable** – Pertaining to civil suits in "equity" rather than in "law." In English legal history, the courts of "law" could order the payment of damages and could afford no other remedy. See [damages](#). A separate court of "equity" could order someone to do something or to cease to do something. See, e.g., [injunction](#). In American jurisprudence, the federal courts have both legal and equitable power, but the distinction is still an important one. For example, a trial by jury is normally available in "law" cases but not in "equity" cases.

**Equity** – The value of a debtor's interest in property that remains after liens and other creditors' interests are considered. (Example: If a house valued at \$60,000 is subject to a \$30,000 mortgage, there is \$30,000 of equity.)

**Evidence** – Information presented in testimony or in documents that is used to persuade the fact finder (judge or jury) to decide the case in favor of one side or the other.

**Exclusionary Rule** – Doctrine that says evidence obtained in violation of a criminal defendant's constitutional or statutory rights is not admissible at trial.

**Exculpatory Evidence** – Evidence indicating that a defendant did not commit the crime.

**Executory contracts** – Contracts or leases under which both parties to the agreement have duties remaining to be performed. If a contract or lease is executory, a debtor may assume it (keep the contract) or reject it (terminate the contract).

**Exempt assets** – Property that a debtor is allowed to retain, free from the claims of creditors who do not have liens on the property.

**Exemptions, exempt property** – Certain property owned by an individual debtor that the Bankruptcy Code or applicable state law permits the debtor to keep from unsecured creditors. For example, in some states the debtor may be able to exempt all or a portion of the equity in the debtor's primary residence (homestead exemption), or some or all "tools of the trade" used by the debtor to make a living (*i.e.*, auto tools for an auto mechanic or dental tools for a dentist). The availability and amount of property the debtor may exempt depends on the state the debtor lives in.

**Ex Parte** – A proceeding brought before a court by one party only, without notice to or challenge by the other side.

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**Face sheet filing** – A bankruptcy case filed either without schedules or with incomplete schedules listing few creditors and debts. (Face sheet filings are often made for the purpose of delaying an eviction or foreclosure.)

**Family farmer** – An individual, individual and spouse, corporation, or partnership engaged in a farming operation that meets certain debt limits and other statutory criteria for filing a petition under Chapter 12.

**Federal public defender** – An attorney employed by the federal courts on a full-time basis to provide legal defense to defendants who are unable to afford counsel. The judiciary administers the federal defender program pursuant to the Criminal Justice Act.

**Federal Public Defender Organization** – As provided for in the Criminal Justice Act, an organization established within a federal judicial circuit to represent criminal defendants who cannot afford an adequate defense. Each organization is supervised by a federal public defender appointed by the court of appeals for the circuit.

**Federal question jurisdiction** – Jurisdiction given to federal courts in cases involving the interpretation and application of the U.S. Constitution, acts of Congress, and treaties.

**Felony** – A serious crime, usually punishable by at least one year in prison.

**File** – To place a paper in the official custody of the clerk of court to enter into the files or records of a case.

**Fraudulent transfer** – A transfer of a debtor's property made with intent to defraud or for which the debtor receives less than the transferred property's value.

**Fresh start** – The characterization of a debtor's status after bankruptcy, i.e., free of most debts. (Giving debtors a fresh start is one purpose of the Bankruptcy Code.)

**Grand Jury** – A body of 16-23 citizens who listen to evidence of criminal allegations, which is presented by the prosecutors, and determine whether there is probable cause to believe an individual committed an offense. See also [indictment](#) and [U.S. attorney](#).

**Habeas Corpus** – Latin, meaning "you have the body." A writ of habeas corpus generally is a judicial order forcing law enforcement authorities to produce a prisoner they are holding, and to justify the prisoner's continued confinement. Federal judges receive petitions for a writ of habeas corpus from state prison inmates who say their state prosecutions violated federally protected rights in some way.

**Hearsay** – Evidence presented by a witness who did not see or hear the incident in question but heard about it from someone else. With some exceptions, hearsay generally is not admissible as evidence at trial.

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**Home Confinement** – A special condition the court imposes that requires an individual to remain at home except for certain approved activities such as work and medical appointments. Home confinement may include the use of electronic monitoring equipment—a transmitter attached to the wrist or the ankle—to help ensure that the person stays at home as required.

**Impeachment** –

1. The process of calling a witness's testimony into doubt. For example, if the attorney can show that the witness may have fabricated portions of his testimony, the witness is said to be "impeached;"
2. The constitutional process whereby the House of Representatives may "impeach" (accuse of misconduct) high officers of the federal government, who are then tried by the Senate

**In Camera** – Latin, meaning in a judge's chambers. Often means outside the presence of a jury and the public. In private.

**Inculpatory Evidence** – Evidence indicating that a defendant did commit the crime.

**Indictment** – The formal charge issued by a grand jury stating that there is enough evidence that the defendant committed the crime to justify having a trial; it is used primarily for felonies. See also [information](#).

**In forma pauperis** – "In the manner of a pauper." Permission given by the court to a person to file a case without payment of the required court fees because the person cannot pay them.

**Information** – A formal accusation by a government attorney that the defendant committed a misdemeanor. See also [indictment](#).

**Injunction** – A court order preventing one or more named parties from taking some action. A preliminary injunction often is issued to allow fact-finding, so a judge can determine whether a permanent injunction is justified.

**Insider (of corporate debtor)** – A director, officer, or person in control of the debtor; a partnership in which the debtor is a general partner; a general partner of the debtor; or a relative of a general partner, director, officer, or person in control of the debtor.

**Insider (of individual debtor)** – Any relative of the debtor or of a general partner of the debtor; partnership in which the debtor is a general partner; general partner of the debtor; or corporation of which the debtor is a director, officer, or person in control.

**Interrogatories** – A form of discovery consisting of written questions to be answered in writing and under oath.

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**Issue** – 1. The disputed point between parties in a lawsuit; 2. To send out officially, as in a court issuing an order.

**Joint administration** – A court-approved mechanism under which two or more cases can be administered together. (Assuming no conflicts of interest, these separate businesses or individuals can pool their resources, hire the same professionals, etc.)

**Joint petition** – One bankruptcy petition filed by a husband and wife together.

**Judge** – An official of the judicial branch with authority to decide lawsuits brought before courts. Used generically, the term judge may also refer to all judicial officers, including Supreme Court justices.

**Judgeship** – The position of judge. By statute, Congress authorizes the [number of judgeships](#) for each district and appellate court.

**Judgment** – The official decision of a court finally resolving the dispute between the parties to the lawsuit.

**Judicial Conference of the United States** – The policy-making entity for the federal court system. A 27-judge body whose presiding officer is the Chief Justice of the United States.

**Jurisdiction** – The legal authority of a court to hear and decide a certain type of case. It also is used as a synonym for venue, meaning the geographic area over which the court has territorial jurisdiction to decide cases.

**Jurisprudence** – The study of law and the structure of the legal system.

**Jury** – The group of persons selected to hear the evidence in a trial and render a verdict on matters of fact. See also [grand jury](#).

**Jury instructions** – A judge's directions to the jury before it begins deliberations regarding the factual questions it must answer and the legal rules that it must apply.

**Lawsuit** – A legal action started by a plaintiff against a defendant based on a complaint that the defendant failed to perform a legal duty which resulted in harm to the plaintiff.

**Lien** – A charge on specific property that is designed to secure payment of a debt or performance of an obligation. A debtor may still be responsible for a lien after a discharge.

**Litigation** – A case, controversy, or lawsuit. Participants (plaintiffs and defendants) in lawsuits are called litigants.

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**Liquidation** – A sale of a debtor's property with the proceeds to be used for the benefit of creditors.

**Liquidated claim** – A creditor's claim for a fixed amount of money.

**Magistrate judge** – A judicial officer of a district court who conducts initial proceedings in criminal cases, decides criminal misdemeanor cases, conducts many pretrial civil and criminal matters on behalf of district judges, and decides civil cases with the consent of the parties.

**Means test** – Section 707(b)(2) of the Bankruptcy Code applies a "means test" to determine whether an individual debtor's chapter 7 filing is presumed to be an abuse of the Bankruptcy Code requiring dismissal or conversion of the case (generally to chapter 13). Abuse is presumed if the debtor's aggregate current monthly income (see definition above) over 5 years, net of certain statutorily allowed expenses is more than (i) \$10,000, or (ii) 25% of the debtor's nonpriority unsecured debt, as long as that amount is at least \$6,000. The debtor may rebut a presumption of abuse only by a showing of special circumstances that justify additional expenses or adjustments of current monthly income.

**Mental Health Treatment** – Special condition the court imposes to require an individual to undergo evaluation and treatment for a mental disorder. Treatment may include psychiatric, psychological, and sex offense-specific evaluations, inpatient or outpatient counseling, and medication.

**Misdemeanor** – An offense punishable by one year of imprisonment or less. See also [felony](#).

**Mistrial** – An invalid trial, caused by fundamental error. When a mistrial is declared, the trial must start again with the selection of a new jury.

**Moot** – Not subject to a court ruling because the controversy has not actually arisen, or has ended.

**Motion** – A request by a litigant to a judge for a decision on an issue relating to the case.

**Motion to lift the automatic stay** – A request by a creditor to allow the creditor to take action against the debtor or the debtor's property that would otherwise be prohibited by the automatic stay.

**Motion in Limine** – A pretrial motion requesting the court to prohibit the other side from presenting, or even referring to, evidence on matters said to be so highly prejudicial that no steps taken by the judge can prevent the jury from being unduly influenced.



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**No-asset case**—A Chapter 7 case in which there are no assets available to satisfy any portion of the creditors' unsecured claims.

**Nolo contendere** – No contest. A plea of nolo contendere has the same effect as a plea of guilty, as far as the criminal sentence is concerned, but may not be considered as an admission of guilt for any other purpose.

**Nondischargeable debt** – A debt that cannot be eliminated in bankruptcy. Examples include a home mortgage, debts for alimony or child support, certain taxes, debts for most government funded or guaranteed educational loans or benefit overpayments, debts arising from death or personal injury caused by driving while intoxicated or under the influence of drugs, and debts for restitution or a criminal fine included in a sentence on the debtor's conviction of a crime. Some debts, such as debts for money or property obtained by false pretenses and debts for fraud or defalcation while acting in a fiduciary capacity may be declared nondischargeable only if a creditor timely files and prevails in a nondischargeability action.

**Nonexempt assets** – Property of a debtor that can be liquidated to satisfy claims of creditors.

**Objection to dischargeability** – A trustee's or creditor's objection to the debtor being released from personal liability for certain dischargeable debts. Common reasons include allegations that the debt to be discharged was incurred by false pretenses or that debt arose because of the debtor's fraud while acting as a fiduciary.

**Objection to exemptions** – A trustee's or creditor's objection to the debtor's attempt to claim certain property as exempt from liquidation by the trustee to creditors.

**Opinion** – A judge's written explanation of the decision of the court. Because a case may be heard by three or more judges in the court of appeals, the opinion in appellate decisions can take several forms. If all the judges completely agree on the result, one judge will write the opinion for all. If all the judges do not agree, the formal decision will be based upon the view of the majority, and one member of the majority will write the opinion. The judges who did not agree with the majority may write separately in dissenting or concurring opinions to present their views. A dissenting opinion disagrees with the majority opinion because of the reasoning and/or the principles of law the majority used to decide the case. A concurring opinion agrees with the decision of the majority opinion, but offers further comment or clarification or even an entirely different reason for reaching the same result. Only the majority opinion can serve as binding precedent in future cases. See also [precedent](#).

**Oral argument** – An opportunity for lawyers to summarize their position before the court and also to answer the judges' questions.

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**Panel** – 1. In appellate cases, a group of judges (usually three) assigned to decide the case; 2. In the jury selection process, the group of potential jurors; 3. The list of attorneys who are both available and qualified to serve as court-appointed counsel for criminal defendants who cannot afford their own counsel.

**Parole** – The release of a prison inmate—granted by the U.S. Parole Commission—after the inmate has completed part of his or her sentence in a federal prison. When the parolee is released to the community, he or she is placed under the supervision of a U.S. probation officer.

The Sentencing Reform Act of 1984 abolished parole in favor of a determinate sentencing system in which the sentence is set by sentencing guidelines. Now, without the option of parole, the term of imprisonment the court imposes is the actual time the person spends in prison.

**Party in interest** A party who has standing to be heard by the court in a matter to be decided in the bankruptcy case. The debtor, the U.S. trustee or bankruptcy administrator, the case trustee and creditors are parties in interest for most matters.

**Petition preparer** A business not authorized to practice law that prepares bankruptcy petitions.

**Per Curiam** – Latin, meaning "for the court." In appellate courts, often refers to an unsigned opinion.

**Peremptory Challenge** – A district court may grant each side in a civil or criminal trial the right to exclude a certain number of prospective jurors without cause or giving a reason.

**Petit Jury (or trial jury)** – A group of citizens who hear the evidence presented by both sides at trial and determine the facts in dispute. Federal criminal juries consist of 12 persons. Federal civil juries consist of at least six persons.

**Petition** – The document that initiates the filing of a bankruptcy proceeding, setting forth basic information regarding the debtor, including name, address, chapter under which the case is filed, and estimated amount of assets and liabilities.

**Petty offense** – A federal misdemeanor punishable by six months or less in prison.

**Plaintiff** – A person or business that files a formal complaint with the court.

**Plan** – A debtor's detailed description of how the debtor proposes to pay creditors' claims over a fixed period of time.

**Plea** – In a criminal case, the defendant's statement pleading "guilty" or "not guilty" in answer to the charges. See also [nolo contendere](#).

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**Pleadings** – Written statements filed with the court which describe a party's legal or factual assertions about the case.

**Postpetition transfer** – A transfer of the debtor's property made after the commencement of the case.

**Prebankruptcy planning** – The arrangement (or rearrangement) of a debtor's property to allow the debtor to take maximum advantage of exemptions. (Prebankruptcy planning typically includes converting nonexempt assets into exempt assets.)

**Precedent** – A court decision in an earlier case with facts and legal issues similar to a dispute currently before a court. Judges will generally "follow precedent" — meaning that they use the principles established in earlier cases to decide new cases that have similar facts and raise similar legal issues. A judge will disregard precedent if a party can show that the earlier case was wrongly decided, or that it differed in some significant way from the current case.

**Preferential debt payment** – A debt payment made to a creditor in the 90-day period before a debtor files bankruptcy (or within one year if the creditor was an insider) that gives the creditor more than the creditor would receive in the debtor's chapter 7 case.

**Presentence report** – A report prepared by a court's probation officer, after a person has been convicted of an offense, summarizing for the court the background information needed to determine the appropriate sentence.

**Pretrial conference** – A meeting of the judge and lawyers to plan the trial, to discuss which matters should be presented to the jury, to review proposed evidence and witnesses, and to set a trial schedule. Typically, the judge and the parties also discuss the possibility of settlement of the case.

**Pretrial services** – A function of the federal courts that takes place at the very start of the criminal justice process—after a person has been arrested and charged with a federal crime and before he or she goes to trial. Pretrial services officers focus on investigating the backgrounds of these persons to help the court determine whether to release or detain them while they await trial. The decision is based on whether these individuals are likely to flee or pose a threat to the community. If the court orders release, a pretrial services officer supervises the person in the community until he or she returns to court.

**Priority** – The Bankruptcy Code's statutory ranking of unsecured claims that determines the order in which unsecured claims will be paid if there is not enough money to pay all unsecured claims in full.

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**Priority claim** – An unsecured claim that is entitled to be paid ahead of other unsecured claims that are not entitled to priority status. Priority refers to the order in which these unsecured claims are to be paid.

**Probation** – Sentencing option in the federal courts. With probation, instead of sending an individual to prison, the court releases the person to the community and orders him or her to complete a period of supervision monitored by a U.S. probation officer and to abide by certain conditions.

**Probation officer** – Officers of the probation office of a court. Probation officer duties include conducting presentence investigations, preparing presentence reports on convicted defendants, and supervising released defendants.

**Procedure** – The rules for conducting a lawsuit; there are rules of civil procedure, criminal procedure, evidence, bankruptcy, and appellate procedure.

**Proof of claim** – A written statement describing the reason a debtor owes a creditor money, which typically sets forth the amount of money owed. (There is an official form for this purpose.)

**Pro per** – A slang expression sometimes used to refer to a pro se litigant. It is a corruption of the Latin phrase "in propria persona."

**Property of the estate** – All legal or equitable interests of the debtor in property as of the commencement of the case.

**Pro Se** – Representing oneself. Serving as one's own lawyer.

**Prosecute** – To charge someone with a crime. A prosecutor tries a criminal case on behalf of the government.

**Pro Tem** – Temporary.

**Reaffirmation agreement** – An agreement by a debtor to continue paying a dischargeable debt after the bankruptcy, usually for the purpose of keeping collateral or mortgaged property that would otherwise be subject to repossession.

**Record** – A written account of the proceedings in a case, including all pleadings, evidence, and exhibits submitted in the course of the case.

**Redemption** – A procedure in a Chapter 7 case whereby a debtor removes a secured creditor's lien on collateral by paying the creditor the value of the property. The debtor may then retain the property.

**Remand** – Send back.

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**Reverse** – The act of a court setting aside the decision of a lower court. A reversal is often accompanied by a remand to the lower court for further proceedings.

**Sanction** – A penalty or other type of enforcement used to bring about compliance with the law or with rules and regulations.

**Schedules** – Lists submitted by the debtor along with the petition (or shortly thereafter) showing the debtor's assets, liabilities, and other financial information. (There are official forms a debtor must use.)

**Secured creditor** – A secured creditor is an individual or business that holds a claim against the debtor that is secured by a lien on property of the estate. The property subject to the lien is the secured creditor's collateral.

**Secured debt** – Debt backed by a mortgage, pledge of collateral, or other lien; debt for which the creditor has the right to pursue specific pledged property upon default. Examples include home mortgages, auto loans and tax liens.

**Senior Judge** – A federal judge who, after attaining the requisite age and length of judicial experience, takes senior status, thus creating a vacancy among a court's active judges. A senior judge retains the judicial office and may cut back his or her workload by as much as 75 percent, but many opt to keep a larger caseload.

**Sentence** – The punishment ordered by a court for a defendant convicted of a crime.

**Sentencing guidelines** – A set of rules and principles established by the United States Sentencing Commission that trial judges use to determine the sentence for a convicted defendant.

**Service of process** – The delivery of writs or summonses to the appropriate party.

**Settlement** – Parties to a lawsuit resolve their dispute without having a trial. Settlements often involve the payment of compensation by one party in at least partial satisfaction of the other party's claims, but usually do not include the admission of fault.

**Sequester** – To separate. Sometimes juries are sequestered from outside influences during their deliberations.

**Small business case** A special type of chapter 11 case in which there is no creditors' committee (or the creditors' committee is deemed inactive by the court) and in which the debtor is subject to more oversight by the U.S. trustee than other chapter 11 debtors. The Bankruptcy Code contains certain provisions designed to reduce the time a small business debtor is in bankruptcy.

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**Statement of financial affairs** – A series of questions the debtor must answer in writing concerning sources of income, transfers of property, lawsuits by creditors, etc. (There is an official form a debtor must use.)

**Statement of intention** – A declaration made by a chapter 7 debtor concerning plans for dealing with consumer debts that are secured by property of the estate.

**Standard of Proof** – Degree of proof required. In criminal cases, prosecutors must prove a defendant's guilt "beyond a reasonable doubt." The majority of civil lawsuits require proof "by a preponderance of the evidence" (50 percent plus), but in some the standard is higher and requires "clear and convincing" proof.

**Statute** – A law passed by a legislature.

**Statute of Limitations** – The time within which a lawsuit must be filed or a criminal prosecution begun. The deadline can vary, depending on the type of civil case or the crime charged.

**Sua Sponte** – Latin, meaning "of its own will." Often refers to a court taking an action in a case without being asked to do so by either side.

**Subordination** – The act or process by which a person's rights or claims are ranked below those of others.

**Subpoena** – A command, issued under a court's authority, to a witness to appear and give testimony.

**Subpoena duces tecum** – A command to a witness to appear and produce documents.

**Substance abuse treatment** – A special condition the court imposes that requires an individual to undergo testing and treatment for abuse of illegal drugs, prescription drugs, or alcohol. Treatment may include inpatient or outpatient counseling and detoxification.

**Substantial abuse** – The characterization of a bankruptcy case filed by an individual whose debts are primarily consumer debts where the court finds that the granting of relief would be an abuse of chapter 7 because, for example, the debtor can pay its debts.

**Substantive consolidation** – Putting the assets and liabilities of two or more related debtors into a single pool to pay creditors. (Courts are reluctant to allow substantive consolidation since the action must not only justify the benefit that one set of creditors receives, but also the harm that other creditors suffer as a result.)

**Summary judgment** – A decision made on the basis of statements and evidence presented for the record without a trial. It is used when it is not necessary to resolve

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any factual disputes in the case. Summary judgment is granted when — on the undisputed facts in the record — one party is entitled to judgment as a matter of law.

**Supervised Release** – term of supervision served after a person is released from prison. The court imposes supervised release during sentencing in addition to the sentence of imprisonment. Unlike parole, supervised release does not replace a portion of the sentence of imprisonment but is in addition to the time spent in prison. U.S. probation officers supervise persons on supervised release.

**Temporary restraining order** – Akin to a preliminary injunction, it is a judge's short-term order forbidding certain actions until a full hearing can be conducted. Often referred to as a TRO.

**Testimony** – Evidence presented orally by witnesses during trials or before grand juries.

**Toll** – See [statute of limitations](#).

**Tort** – A civil, not criminal, wrong. A negligent or intentional injury against a person or property, with the exception of breach of contract.

**Transfer** – Any mode or means by which a debtor disposes of or parts with his/her property.

**Transcript** – A written, word-for-word record of what was said, either in a proceeding such as a trial, or during some other formal conversation, such as a hearing or oral deposition.

**Trustee** – The representative of the bankruptcy estate who exercises statutory powers, principally for the benefit of the unsecured creditors, under the general supervision of the court and the direct supervision of the U.S. trustee or bankruptcy administrator. The trustee is a private individual or corporation appointed in all chapter 7, chapter 12, and chapter 13 cases and some chapter 11 cases. The trustee's responsibilities include reviewing the debtor's petition and schedules and bringing actions against creditors or the debtor to recover property of the bankruptcy estate. In chapter 7, the trustee liquidates property of the estate, and makes distributions to creditors. Trustees in chapter 12 and 13 have similar duties to a chapter 7 trustee and the additional responsibilities of overseeing the debtor's plan, receiving payments from debtors, and disbursing plan payments to creditors.

**Typing service** – A business not authorized to practice law that prepares bankruptcy petitions. United States trustee An officer of the Justice Department responsible for supervising the administration of bankruptcy cases, estates, and trustees; monitoring plans and disclosure statements; monitoring creditors' committees; monitoring fee applications; and performing other statutory duties.

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**Undersecured claim**—A debt secured by property that is worth less than the amount of the debt. unlawful detainer action A lawsuit brought by a landlord against a tenant to evict the tenant from rental property—usually for nonpayment of rent.

**Undue hardship**—The most widely used test for evaluating undue hardship in the dischargeability of a student loan includes three conditions: (1) the debtor cannot maintain—based on current income and expenses—a minimal standard of living if forced to repay the loans; (2) there are indications that the state of affairs is likely to persist for a significant portion of the repayment period; and (3) the debtor made good faith efforts to repay the loans.

**U.S. attorney** – A lawyer appointed by the President in each judicial district to prosecute and defend cases for the federal government. The U.S. Attorney employs a staff of Assistant U.S. Attorneys who appear as the government's attorneys in individual cases.

**U.S. trustee** – An officer of the U.S. Department of Justice responsible for supervising the administration of bankruptcy cases, estates, and trustees; monitoring plans and disclosure statements; monitoring creditors' committees; monitoring fee applications; and performing other statutory duties.

**Undersecured claim** – A debt secured by property that is worth less than the full amount of the debt.

**Unliquidated claim** – A claim for which a specific value has not been determined.

**Unscheduled debt** – A debt that should have been listed by the debtor in the schedules filed with the court but was not. (Depending on the circumstances, an unscheduled debt may or may not be discharged.)

**Unsecured claim** – A claim or debt for which a creditor holds no special assurance of payment, such as a mortgage or lien; a debt for which credit was extended based solely upon the creditor's assessment of the debtor's future ability to pay.

**Uphold** – The appellate court agrees with the lower court decision and allows it to stand. See [affirmed](#).

**Venue** – The geographic area in which a court has jurisdiction. A change of venue is a change or transfer of a case from one judicial district to another.

**Verdict** – The decision of a trial jury or a judge that determines the guilt or innocence of a criminal defendant, or that determines the final outcome of a civil case.

**Voir Dire** – Jury selection process of questioning prospective jurors, to ascertain their qualifications and determine any basis for challenge.



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**Voluntary transfer** – A transfer of a debtor's property with the debtor's consent.

**Wage garnishment** – A nonbankruptcy legal proceeding whereby a plaintiff or creditor seeks to subject to his or her claim the future wages of a debtor. In other words, the creditor seeks to have part of the debtor's future wages paid to the creditor for a debt owed to the creditor.

**Warrant** – Court authorization, most often for law enforcement officers, to conduct a search or make an arrest.

**Witness** – A person called upon by either side in a lawsuit to give testimony before the court or jury.

**Writ** – A written court order directing a person to take, or refrain from taking, a certain act.

**Writ of certiorari** – An order issued by the U.S. Supreme Court directing the lower court to transmit records for a case which it will hear on appeal.

<b>United States Bankruptcy Court</b> <b>Northern District of Illinois</b>						<b>Voluntary Petition</b>																					
Name of Debtor (if individual, enter Last, First, Middle): <b>Debtor, Joe M</b>				Name of Joint Debtor (Spouse) (Last, First, Middle):																							
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):				All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):																							
Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all): <b>xxx-xx-0000</b>				Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all):																							
Street Address of Debtor (No. & Street, City, and State): <b>1708 Manda Ave Apt 302</b> <b>Prospect Heights, IL</b>				Street Address of Joint Debtor (No. & Street, City, and State):																							
ZIP Code <b>60070</b>				ZIP Code																							
County of Residence or of the Principal Place of Business: <b>Cook</b>				County of Residence or of the Principal Place of Business:																							
Mailing Address of Debtor (if different from street address):				Mailing Address of Joint Debtor (if different from street address):																							
ZIP Code				ZIP Code																							
Location of Principal Assets of Business Debtor (if different from street address above):																											
<b>Type of Debtor</b> (Form of Organization) (Check one box) <input checked="" type="checkbox"/> Individual (includes Joint Debtors) <input type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and provide the information requested below.) State type of entity:		<b>Nature of Business</b> (Check all applicable boxes.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input type="checkbox"/> Nonprofit Organization qualified under 26 U.S.C. § 501(c)(3)		<b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check one box) <input checked="" type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding <input type="checkbox"/> Chapter 13																							
<b>Filing Fee</b> (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (Applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		<b>Chapter 11 Debtors</b> Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). <hr/> Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts owed to non-insiders or affiliates are less than \$2 million.																									
<b>Statistical/Administrative Information</b> <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.							THIS SPACE IS FOR COURT USE ONLY																				
<b>Estimated Number of Creditors</b> <table style="width: 100%; text-align: center;"> <tr> <td>1-49</td> <td>50-99</td> <td>100-199</td> <td>200-999</td> <td>1000-5,000</td> <td>5001-10,000</td> <td>10,001-25,000</td> <td>25,001-50,000</td> <td>50,001-100,000</td> <td>OVER 100,000</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>								1-49	50-99	100-199	200-999	1000-5,000	5001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	OVER 100,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<b>Estimated Assets</b> <table style="width: 100%; text-align: center;"> <tr> <td>\$0 to \$50,000</td> <td>\$50,001 to \$100,000</td> <td>\$100,001 to \$500,000</td> <td>\$500,001 to \$1 million</td> <td>\$1,000,001 to \$10 million</td> <td>\$10,000,001 to \$50 million</td> <td>\$50,000,001 to \$100 million</td> <td>More than \$100 million</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>							\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million																				
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<b>Estimated Debts</b> <table style="width: 100%; text-align: center;"> <tr> <td>\$0 to \$50,000</td> <td>\$50,001 to \$100,000</td> <td>\$100,001 to \$500,000</td> <td>\$500,001 to \$1 million</td> <td>\$1,000,001 to \$10 million</td> <td>\$10,000,001 to \$50 million</td> <td>\$50,000,001 to \$100 million</td> <td>More than \$100 million</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </table>							\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1,000,001 to \$10 million	\$10,000,001 to \$50 million	\$50,000,001 to \$100 million	More than \$100 million																				
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<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): <b>Debtor, Joe M</b>	
<b>Prior Bankruptcy Case Filed Within Last 8 Years</b> (If more than one, attach additional sheet)			
Location Where Filed: <b>Northern District of Illinois</b>		Case Number: <b>00-0000000</b>	Date Filed: <b>2/01/00</b>
<b>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor</b> (If more than one, attach additional sheet)			
Name of Debtor: <b>- None -</b>		Case Number:	Date Filed:
District:		Relationship:	Judge:
<div style="text-align: center;"><b>Exhibit A</b></div> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>		<div style="text-align: center;"><b>Exhibit B</b></div> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter.</p> <p>I further certify that I delivered to the debtor the notice required by §342(b) of the Bankruptcy Code.</p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;"> <b>X /s/ David M. Siegel</b>  <small>Signature of Attorney for Debtor(s)</small>  <b>David M. Siegel</b> </div> <div style="text-align: center;"> <b>February 26, 2006</b>  <small>Date</small> </div> </div>	
<div style="text-align: center;"><b>Exhibit C</b></div> <p>Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?</p> <p><input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.</p> <p><input checked="" type="checkbox"/> No</p>		<div style="text-align: center;"><b>Certification Concerning Debt Counseling by Individual/Joint Debtor(s)</b></div> <p><input checked="" type="checkbox"/> I/we have received approved budget and credit counseling during the 180-day period preceding the filing of this petition.</p> <p><input type="checkbox"/> I/we request a waiver of the requirement to obtain budget and credit counseling prior to filing based on exigent circumstances. (Must attach certification describing.)</p>	
<b>Information Regarding the Debtor (Check the Applicable Boxes)</b>  <b>Venue</b> (Check any applicable box)			
<p><input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.</p> <p><input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.</p> <p><input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.</p>			
<b>Statement by a Debtor Who Resides as a Tenant of Residential Property</b> <i>Check all applicable boxes.</i>			
<p><input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)</p> <div style="margin-left: 40px; margin-top: 10px;">       _____        (Name of landlord that obtained judgment)     </div> <div style="margin-left: 40px; margin-top: 30px;">       _____        (Address of landlord)     </div> <p><input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and</p> <p><input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.</p>			

**Voluntary Petition***(This page must be completed and filed in every case)*Name of Debtor(s):  
**Debtor, Joe M****Signatures****Signature(s) of Debtor(s) (Individual/Joint)**

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

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

**X** /s/ Joe M Debtor  
 Signature of Debtor **Joe M Debtor**

**X** \_\_\_\_\_  
 Signature of Joint Debtor

\_\_\_\_\_  
 Telephone Number (If not represented by attorney)

**February 26, 2006**

\_\_\_\_\_  
 Date

**Signature of Attorney**

**X** /s/ David M. Siegel  
 Signature of Attorney for Debtor(s)

**David M. Siegel #06207611**  
 Printed Name of Attorney for Debtor(s)

**David M. Siegel & Associates**  
 Firm Name

**790 Chaddick Drive**  
**Wheeling, IL 60090**

\_\_\_\_\_  
 Address

**(847) 520-8100**  
 Telephone Number

**February 26, 2006**  
 Date

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

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

**X** \_\_\_\_\_  
 Signature of Authorized Individual

\_\_\_\_\_  
 Printed Name of Authorized Individual

\_\_\_\_\_  
 Title of Authorized Individual

\_\_\_\_\_  
 Date

**Signature of a Foreign Representative**

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by §1515 of title 11 are attached.

☐ Pursuant to §1511 of title 11, United States Code, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

**X** \_\_\_\_\_  
 Signature of Foreign Representative

\_\_\_\_\_  
 Printed Name of Foreign Representative

\_\_\_\_\_  
 Date

**Signature of Non-Attorney Bankruptcy Petition Preparer**

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19B is attached.

\_\_\_\_\_  
 Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
 Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
 Address

**X** \_\_\_\_\_  
 Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.*

**United States Bankruptcy Court**  
**Northern District of Illinois**

In re **Joe M Debtor**,  
Debtor

Case No. \_\_\_\_\_

Chapter **7**

**SUMMARY OF SCHEDULES**

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities."

			AMOUNTS SCHEDULED		
NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	<b>Yes</b>	<b>1</b>	<b>0.00</b>		
B - Personal Property	<b>Yes</b>	<b>3</b>	<b>2,400.00</b>		
C - Property Claimed as Exempt	<b>Yes</b>	<b>1</b>			
D - Creditors Holding Secured Claims	<b>Yes</b>	<b>1</b>		<b>0.00</b>	
E - Creditors Holding Unsecured Priority Claims	<b>Yes</b>	<b>2</b>		<b>500.00</b>	
F - Creditors Holding Unsecured Nonpriority Claims	<b>Yes</b>	<b>4</b>		<b>15,670.00</b>	
G - Executory Contracts and Unexpired Leases	<b>Yes</b>	<b>1</b>			
H - Codebtors	<b>Yes</b>	<b>1</b>			
I - Current Income of Individual Debtor(s)	<b>Yes</b>	<b>1</b>			<b>950.00</b>
J - Current Expenditures of Individual Debtor(s)	<b>Yes</b>	<b>1</b>			<b>1,235.00</b>
Total Number of Sheets of ALL Schedules		<b>16</b>			
Total Assets			<b>2,400.00</b>		
Total Liabilities				<b>16,170.00</b>	

**United States Bankruptcy Court**  
**Northern District of Illinois**

In re Joe M Debtor  
Debtor

Case No. \_\_\_\_\_

Chapter 7

**STATISTICAL SUMMARY OF CERTAIN LIABILITIES (28 U.S.C. § 159)**  
**[Individual Debtors Only]**

Summarize the following types of liabilities, as reported in the Schedules, and total them.

Type of Liability	Amount
Domestic Support Obligations (from Schedule E)	0.00
Taxes and Certain Other Debts Owed to Governmental Units (from Schedule E)	500.00
Claims for Death or Personal Injury While Debtor Was Intoxicated (from Schedule E)	0.00
Student Loan Obligations (from Schedule F)	0.00
Domestic Support, Separation Agreement, and Divorce Decree Obligations Not Reported on Schedule E	0.00
Obligations to Pension or Profit-Sharing, and Other Similar Obligations (from Schedule F)	0.00
TOTAL	500.00

**The foregoing information is for statistical purposes only under 28 U.S.C § 159.**

In re
 

Joe M Debtor

Case No.

Debtor

SCHEDULE A. REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
--------------------------------------	---	------------------------------------	--	-------------------------

None

0 continuation sheets attached to the Schedule of Real Property

Sub-Total >
 

0.00

 (Total of this page)

Total >
 

0.00

 (Report also on Summary of Schedules)

In re Joe M Debtor,  
Debtor

Case No. \_\_\_\_\_

## SCHEDULE B. PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, or both own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

**Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.**

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property."  
In providing the information requested in this schedule, do not include the name or address of a minor child. Simply state "a minor child."

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		Checking Account Chase Bank	-	50.00
3. Security deposits with public utilities, telephone companies, landlords, and others.		Security Deposit	-	650.00
4. Household goods and furnishings, including audio, video, and computer equipment.		T.V., Furniture	-	800.00
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.		Normal Apparel	-	350.00
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			

Sub-Total > **1,850.00**  
(Total of this page)

2 continuation sheets attached to the Schedule of Personal Property



In re Joe M Debtor,  
Debtor

Case No. \_\_\_\_\_

**SCHEDULE B. PERSONAL PROPERTY**  
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c); Rule 1007(b)).	<b>X</b>			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	<b>X</b>			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	<b>X</b>			
14. Interests in partnerships or joint ventures. Itemize.	<b>X</b>			
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	<b>X</b>			
16. Accounts receivable.	<b>X</b>			
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	<b>X</b>			
18. Other liquidated debts owing debtor including tax refunds. Give particulars.	<b>X</b>			
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	<b>X</b>			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	<b>X</b>			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	<b>X</b>			

Sub-Total > **0.00**  
(Total of this page)

Sheet 1 of 2 continuation sheets attached  
to the Schedule of Personal Property

In re Joe M Debtor,  
Debtor

Case No. \_\_\_\_\_

**SCHEDULE B. PERSONAL PROPERTY**  
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
22. Patents, copyrights, and other intellectual property. Give particulars.	<b>X</b>			
23. Licenses, franchises, and other general intangibles. Give particulars.	<b>X</b>			
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	<b>X</b>			
25. Automobiles, trucks, trailers, and other vehicles and accessories.		<b>1991 Chevrolet Cavalier</b>	<b>-</b>	<b>500.00</b>
26. Boats, motors, and accessories.	<b>X</b>			
27. Aircraft and accessories.	<b>X</b>			
28. Office equipment, furnishings, and supplies.	<b>X</b>			
29. Machinery, fixtures, equipment, and supplies used in business.	<b>X</b>			
30. Inventory.	<b>X</b>			
31. Animals.		<b>Dog</b>	<b>-</b>	<b>50.00</b>
32. Crops - growing or harvested. Give particulars.	<b>X</b>			
33. Farming equipment and implements.	<b>X</b>			
34. Farm supplies, chemicals, and feed.	<b>X</b>			
35. Other personal property of any kind not already listed. Itemize.	<b>X</b>			

Sub-Total > **550.00**  
(Total of this page)  
Total > **2,400.00**

Sheet 2 of 2 continuation sheets attached  
to the Schedule of Personal Property

(Report also on Summary of Schedules)

In re Joe M Debtor,  
Debtor

Case No. \_\_\_\_\_

## SCHEDULE C. PROPERTY CLAIMED AS EXEMPT

Debtor elects the exemptions to which debtor is entitled under:  
(Check one box)

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

☐ Check if debtor claims a homestead exemption that exceeds \$125,000.

Description of Property	Specify Law Providing Each Exemption	Value of Claimed Exemption	Current Value of Property Without Deducting Exemption
<b><u>Checking, Savings, or Other Financial Accounts, Certificates of Deposit</u></b>			
<b>Checking Account</b> <b>Chase Bank</b>	<b>735 ILCS 5/12-1001(b)</b>	<b>50.00</b>	<b>50.00</b>
<b><u>Security Deposits with Utilities, Landlords, and Others</u></b>			
<b>Security Deposit</b>	<b>735 ILCS 5/12-1001(b)</b>	<b>650.00</b>	<b>650.00</b>
<b><u>Household Goods and Furnishings</u></b>			
<b>T.V., Furniture</b>	<b>735 ILCS 5/12-1001(b)</b>	<b>800.00</b>	<b>800.00</b>
<b><u>Wearing Apparel</u></b>			
<b>Normal Apparel</b>	<b>735 ILCS 5/12-1001(a)</b>	<b>350.00</b>	<b>350.00</b>
<b><u>Automobiles, Trucks, Trailers, and Other Vehicles</u></b>			
<b>1991 Chevrolet Cavalier</b>	<b>735 ILCS 5/12-1001(c)</b>	<b>2,400.00</b>	<b>500.00</b>
<b><u>Animals</u></b>			
<b>Dog</b>	<b>735 ILCS 5/12-1001(b)</b>	<b>50.00</b>	<b>50.00</b>

In re Joe M Debtor,  
Debtor

Case No. \_\_\_\_\_

**SCHEDULE D. CREDITORS HOLDING SECURED CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed.R.Bankr.P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

☐ Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
		H W J C					
Account No.							
		Value \$					
Account No.							
		Value \$					
Account No.							
		Value \$					
Account No.							
		Value \$					

0 continuation sheets attached

Subtotal  
(Total of this page)

Total  
(Report on Summary of Schedules)

**0.00**

In re **Joe M Debtor**

Case No. \_\_\_\_\_

Debtor

## SCHEDULE E. CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed.R.Bankr.P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether husband, wife, both of them or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community". If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotal" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. If applicable, also report this total on the Means Test form.

☐ Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

**TYPES OF PRIORITY CLAIMS** (Check the appropriate box(es) below if claims in that category are listed on the attached sheets.)

☐ **Domestic support obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

☐ **Extensions of credit in an involuntary case**

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

☐ **Wages, salaries, and commissions**

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$10,000\* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

☐ **Contributions to employee benefit plans**

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

☐ **Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to \$4,925\* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

☐ **Deposits by individuals**

Claims of individuals up to \$2,225\* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

☒ **Taxes and certain other debts owed to governmental units**

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

☐ **Commitments to maintain the capital of an insured depository institution**

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

☐ **Claims for death or personal injury while debtor was intoxicated**

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

\*Amounts are subject to adjustment on April 1, 2007, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

In re Joe M Debtor,  
Debtor

Case No. \_\_\_\_\_

**SCHEDULE E. CREDITORS HOLDING UNSECURED PRIORITY CLAIMS**  
(Continuation Sheet)

**Taxes and Certain Other Debts  
Owed to Governmental Units**

TYPE OF PRIORITY

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R	H W J C	Husband, Wife, Joint, or Community	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM	AMOUNT ENTITLED TO PRIORITY
Account No. <b>xxx-xx-9631</b>				<b>2003</b>					
<b>Internal Revenue Service Mail Stop 5010 CHI 230 S. Dearborn St. Chicago, IL 60604</b>		-		<b>Taxes Owed</b>				<b>500.00</b>	<b>0.00</b>
Account No.									
Account No.									
Account No.									
Account No.									
Subtotal (Total of this page)								<b>500.00</b>	<b>0.00</b>
Total (Report on Summary of Schedules)								<b>500.00</b>	<b>0.00</b>

Sheet 1 of 1 continuation sheets attached to  
Schedule of Creditors Holding Unsecured Priority Claims

In re **Joe M Debtor**

Case No. \_\_\_\_\_

Debtor

**SCHEDULE F. CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. §112; Fed.R.Bankr.P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community maybe liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

☐ Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. <b>Deb-9632</b>  <b>Aaron's Furniture</b> <b>4316 S. University</b> <b>Jacksonville, FL 32216</b>	-	<b>08/04</b> <b>Purchases</b>				<b>1,123.00</b>
Account No. <b>8472229563</b>  <b>AT &amp; T</b> <b>PO Box 2100</b> <b>Mechanicsburg, PA 17055-0706</b>	-	<b>03/03 To 07/03</b> <b>Utilities/Services</b>				<b>307.00</b>
Account No. <b>412789563175</b>  <b>Cap 1 Bank</b> <b>PO Box 85015</b> <b>Richmond, VA 23285-5075</b>	-	<b>08/03 To 02/06</b> <b>Purchases</b>				<b>856.00</b>
Account No. <b>c18943215</b>  <b>Carlos E Sallis DDS</b> <b>c/o Diversified Services Group</b> <b>5800 E. Thomas Rd., Suite 107</b> <b>Scottsdale, AZ 85251</b>	-	<b>08/05</b> <b>Collection</b>				<b>127.00</b>
Subtotal (Total of this page)						<b>2,413.00</b>

3 continuation sheets attached

In re **Joe M Debtor**

Case No. \_\_\_\_\_

Debtor

## SCHEDULE F. CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. <b>369875214</b>		<b>08/15/04</b>				
<b>Cash N Go</b> <b>1147 N. Greenbay Rd.</b> <b>Waukegan, IL 60085</b>	-	<b>Personal Loan</b>				<b>850.00</b>
Account No. <b>6347892134587691232</b>		<b>9/05</b>				
<b>Charter One Auto Finance</b> <b>228 Main St E.</b> <b>Rochester, NY 14604</b>	X -	<b>Reposessed Auto</b>				<b>4,500.00</b>
Account No. <b>8956</b>		<b>10/05</b>				
<b>Charter One Bank</b> <b>2811 N. Narragansett</b> <b>Chicago, IL 60639</b>	-	<b>Overdraft</b>				<b>2,567.00</b>
Account No. <b>639821</b>		<b>01/06</b>				
<b>Com Ed</b> <b>Bill Payment Center</b> <b>Chicago, IL 60668</b>	-	<b>Utilities/Services</b>				<b>323.00</b>
Account No. <b>986532147</b>		<b>12/05</b>				
<b>Comcast</b> <b>PO Box 173908</b> <b>Denver, CO 80217-3908</b>	-	<b>Services</b>				<b>56.00</b>
Sheet no. <u>1</u> of <u>3</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						
Subtotal (Total of this page)						<b>8,296.00</b>





In re **Joe M Debtor**

Case No. \_\_\_\_\_

Debtor

## SCHEDULE F. CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. <b>56321879821365</b>		<b>06/03 To 08/05 Purchases</b>				<b>85.00</b>
<b>Home Depot PO Box 103000 Roswell, GA 30076</b>	-					
Account No. <b>5693219489544</b>		<b>2004 Purchases</b>				<b>256.00</b>
<b>Household Bank 1441 Schilling Place Salinas, CA 93901</b>	-					
Account No. <b>123569</b>		<b>06/01 To 06/4 Collection</b>				<b>235.00</b>
<b>Ice Mountain Spring Water c/o Caine &amp; Weiner Po Box 8500 Van Nuys, CA 91409-8500</b>	-					
Account No. <b>563289471232</b>		<b>08/02 To 01/06 Purchases</b>				<b>563.00</b>
<b>Target National Bank Target Visa Mail Stop 2BD PO Box 9475 Minneapolis, MN 55440-9475</b>	-					
Account No.						
Sheet no. <b>3</b> of <b>3</b> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						<b>Subtotal (Total of this page)</b>
						<b>1,139.00</b>
						<b>Total (Report on Summary of Schedules)</b>
						<b>15,670.00</b>

**United States Bankruptcy Court  
Northern District of Illinois**

In re **Joe M Debtor**

Debtor(s)

Case No. \_\_\_\_\_  
Chapter

**7**

**VERIFICATION OF CREDITOR MATRIX**

Under penalty of perjury, I (we) do hereby verify that the attached list of names and addresses of creditors is true and correct to the best of my (our) knowledge and belief.

Date: **February 26, 2006**

**/s/ Joe M Debtor**

**Joe M Debtor**

Signature of Debtor

Aaron's Furniture  
4316 S. University  
Jacksonville, FL 32216

AT & T  
PO Box 2100  
Mechanicsburg, PA 17055-0706

AT & T  
c/o Fidelity Nat'l Credit Svcs.  
2421 N. Glassell St., PO Box 3051  
Orange, CA 92857

Cap 1 Bank  
PO Box 85015  
Richmond, VA 23285-5075

Capital One  
c/o Ruddle & Assoc, P.C.  
PO Box 1187  
Sandy, UT 84091-1187

Carlos E Sallis DDS  
c/o Diversified Services Group  
5800 E. Thomas Rd., Suite 107  
Scottsdale, AZ 85251

Cash N Go  
1147 N. Greenbay Rd.  
Waukegan, IL 60085

Charter One Auto Finance  
228 Main St E.  
Rochester, NY 14604

Charter One Bank  
2811 N. Narragansett  
Chicago, IL 60639

Com Ed  
Bill Payment Center  
Chicago, IL 60668

Comcast  
PO Box 173908  
Denver, CO 80217-3908

Condell Acute Care  
6440 Grand Ave.  
Gurnee, IL 60031

Dell Financial  
3500 Wadley Place  
Building A  
Austin, TX 78728

Dell Financial Services  
c/o Weltman, Weinberg & Reis Co.  
965 Keynote Circle  
Brooklyn Heights, OH 44131

Dominicks Finer Foods  
3350 N. Western  
Chicago, IL 60640

Hollywood Video  
520 E. Rollins Rd.  
Round Lake Beach, IL 60073

Holy Cross Hospital  
2701 W. 68th Street  
Chicago, IL 60629

Home Depot  
PO Box 103000  
Roswell, GA 30076

Household Bank  
1441 Schilling Place  
Salinas, CA 93901

Ice Mountain Spring Water  
c/o Caine & Weiner  
Po Box 8500  
Van Nuys, CA 91409-8500

Internal Revenue Service  
Mail Stop 5010 CHI  
230 S. Dearborn St.  
Chicago, IL 60604

Mama Debtor  
478 Piper Lane  
Highland Park, IL 60035

Target National Bank Target Visa  
Mail Stop 2BD  
PO Box 9475  
Minneapolis, MN 55440-9475

In re Joe M Debtor, Case No. \_\_\_\_\_  
Debtor

## SCHEDULE G. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed.R. Bankr. P. 1007(m).

☐ Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
<b>Pine Hill Apartments 1000 Manda Lane Prospect Heights, IL 60070</b>	<b>Lease Yearly Expires: 12/06</b>

0 continuation sheets attached to Schedule of Executory Contracts and Unexpired Leases

In re **Joe M Debtor**

Case No. \_\_\_\_\_

Debtor

SCHEDULE H. CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed. Bankr. P. 1007(m).

☐ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
<b>Mama Debtor</b> <b>478 Piper Lane</b> <b>Highland Park, IL 60035</b>	<b>Charter One Auto Finance</b> <b>228 Main St E.</b> <b>Rochester, NY 14604</b> <b>2004 Dodge Durango</b>



In re **Joe M Debtor**

Case No. \_\_\_\_\_

Debtor(s)

**SCHEDULE I. CURRENT INCOME OF INDIVIDUAL DEBTOR(S)**

The column labeled "Spouse" must be completed in all cases filed by joint debtors and by a married debtor in a chapter 7, 11, 12, or 13 case whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. Do not state the name of any minor child.

Debtor's Marital Status:	DEPENDENTS OF DEBTOR AND SPOUSE	
<b>Single</b>	RELATIONSHIP: <b>None.</b>	AGE:
<b>Employment:</b>	DEBTOR	SPOUSE
Occupation	<b>Cashier</b>	
Name of Employer	<b>Best Buy</b>	
How long employed	<b>3 Years</b>	
Address of Employer	<b>1000 Central Drive Des Plaines, IL 60030</b>	

INCOME: (Estimate of average monthly income)

1. Current monthly gross wages, salary, and commissions (Prorate if not paid monthly.)

	DEBTOR	SPOUSE
1.	\$ <b>1,200.00</b>	\$ <b>N/A</b>

2. Estimate monthly overtime

2.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

3. SUBTOTAL

3.	\$ <b>1,200.00</b>	\$ <b>N/A</b>
----	--------------------	---------------

4. LESS PAYROLL DEDUCTIONS

a. Payroll taxes and social security

a.	\$ <b>250.00</b>	\$ <b>N/A</b>
----	------------------	---------------

b. Insurance

b.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

c. Union dues

c.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

d. Other (Specify): \_\_\_\_\_

d.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

	\$ <b>0.00</b>	\$ <b>N/A</b>
--	----------------	---------------

5. SUBTOTAL OF PAYROLL DEDUCTIONS

5.	\$ <b>250.00</b>	\$ <b>N/A</b>
----	------------------	---------------

6. TOTAL NET MONTHLY TAKE HOME PAY

6.	\$ <b>950.00</b>	\$ <b>N/A</b>
----	------------------	---------------

7. Regular income from operation of business or profession or farm. (Attach detailed statement)

7.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

8. Income from real property

8.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

9. Interest and dividends

9.	\$ <b>0.00</b>	\$ <b>N/A</b>
----	----------------	---------------

10. Alimony, maintenance or support payments payable to the debtor for the debtor's use or that of dependents listed above.

10.	\$ <b>0.00</b>	\$ <b>N/A</b>
-----	----------------	---------------

11. Social security or other government assistance

(Specify): \_\_\_\_\_

11.	\$ <b>0.00</b>	\$ <b>N/A</b>
-----	----------------	---------------

	\$ <b>0.00</b>	\$ <b>N/A</b>
--	----------------	---------------

12. Pension or retirement income

12.	\$ <b>0.00</b>	\$ <b>N/A</b>
-----	----------------	---------------

13. Other monthly income

(Specify): \_\_\_\_\_

13.	\$ <b>0.00</b>	\$ <b>N/A</b>
-----	----------------	---------------

	\$ <b>0.00</b>	\$ <b>N/A</b>
--	----------------	---------------

14. SUBTOTAL OF LINES 7 THROUGH 13

14.	\$ <b>0.00</b>	\$ <b>N/A</b>
-----	----------------	---------------

15. TOTAL MONTHLY INCOME (Add amounts shown on lines 6 and 14)

15.	\$ <b>950.00</b>	\$ <b>N/A</b>
-----	------------------	---------------

16. TOTAL COMBINED MONTHLY INCOME: \$ **950.00**

(Report also on Summary of Schedules)

17. Describe any increase or decrease in income reasonably anticipated to occur within the year following the filing of this document:

In re **Joe M Debtor**

Debtor(s)

Case No.

## SCHEDULE J. CURRENT EXPENDITURES OF INDIVIDUAL DEBTOR(S)

Complete this schedule by estimating the average monthly expenses of the debtor and the debtor's family. Pro rate any payments made bi-weekly, quarterly, semi-annually, or annually to show monthly rate.

☐ Check this box if a joint petition is filed and debtor's spouse maintains a separate household. Complete a separate schedule of expenditures labeled "Spouse."

1. Rent or home mortgage payment (include lot rented for mobile home)	\$	<b>650.00</b>
a. Are real estate taxes included? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
b. Is property insurance included? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
2. Utilities:		
a. Electricity and heating fuel	\$	<b>125.00</b>
b. Water and sewer	\$	<b>0.00</b>
c. Telephone	\$	<b>0.00</b>
d. Other <b>Cell Phone</b>	\$	<b>30.00</b>
3. Home maintenance (repairs and upkeep)	\$	<b>0.00</b>
4. Food	\$	<b>120.00</b>
5. Clothing	\$	<b>30.00</b>
6. Laundry and dry cleaning	\$	<b>20.00</b>
7. Medical and dental expenses	\$	<b>10.00</b>
8. Transportation (not including car payments)	\$	<b>150.00</b>
9. Recreation, clubs and entertainment, newspapers, magazines, etc.	\$	<b>50.00</b>
10. Charitable contributions	\$	<b>0.00</b>
11. Insurance (not deducted from wages or included in home mortgage payments)		
a. Homeowner's or renter's	\$	<b>0.00</b>
b. Life	\$	<b>0.00</b>
c. Health	\$	<b>0.00</b>
d. Auto	\$	<b>50.00</b>
e. Other	\$	<b>0.00</b>
12. Taxes (not deducted from wages or included in home mortgage payments) (Specify)	\$	<b>0.00</b>
13. Installment payments: (In chapter 11, 12 and 13 cases, do not list payments to be included in the plan.)		
a. Auto	\$	<b>0.00</b>
b. Other	\$	<b>0.00</b>
c. Other	\$	<b>0.00</b>
d. Other	\$	<b>0.00</b>
14. Alimony, maintenance, and support paid to others	\$	<b>0.00</b>
15. Payments for support of additional dependents not living at your home	\$	<b>0.00</b>
16. Regular expenses from operation of business, profession, or farm (attach detailed statement)	\$	<b>0.00</b>
17. Other	\$	<b>0.00</b>
Other	\$	<b>0.00</b>
18. TOTAL MONTHLY EXPENSES (Report also on Summary of Schedules)	\$	<b>1,235.00</b>

19. Describe any increase or decrease in expenditures reasonably anticipated to occur within the year following the filing of this document:

### 20. STATEMENT OF MONTHLY NET INCOME

a. Total monthly income from Line 16 of Schedule I	\$	<b>950.00</b>
b. Total monthly expenses from Line 18 above	\$	<b>1,235.00</b>
c. Monthly net income (a. minus b.)	\$	<b>-285.00</b>

**United States Bankruptcy Court  
Northern District of Illinois**

In re **Joe M Debtor**

Debtor(s)

Case No. \_\_\_\_\_

Chapter

**7**

**DECLARATION CONCERNING DEBTOR'S SCHEDULES**

**DECLARATION UNDER PENALTY OF PERJURY BY INDIVIDUAL DEBTOR**

I declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of **18** sheets *[total shown on summary page plus 2]*, and that they are true and correct to the best of my knowledge, information, and belief.

Date **February 26, 2006**

Signature **/s/ Joe M Debtor**

**Joe M Debtor**

Debtor

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

United States Bankruptcy Court  
Northern District of Illinois

In re **Joe M Debtor**

Debtor(s)

Case No.

Chapter

**7**

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. Do not include the name or address of a minor child in this statement. Indicate payments, transfers and the like to minor children by stating "a minor child." See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

*"In business."* A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

*"Insider."* The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

1. Income from employment or operation of business

None

☐

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
<b>\$2,000.00</b>	<b>2006</b>
<b>\$9,000.00</b>	<b>2005</b>
<b>\$600.00</b>	<b>2004</b>

## 2. Income other than from employment or operation of business

None ☐ State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
<b>\$0.00</b>	<b>2006 Unemployment</b>
<b>\$200.00</b>	<b>2005 Unemployment</b>
<b>\$4,000.00</b>	<b>2004 Unemployment</b>

## 3. Payments to creditors

None ☐ *Complete a. or b., as appropriate, and c.*

a. *Individual or joint debtor(s) with primarily consumer debts.* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case if the aggregate value of all property that constitutes or is affected by such transfer is not less than \$600. Indicate with an (\*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and creditor counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT PAID	AMOUNT STILL OWING
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None ☐ b. *Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case if the aggregate value of all property that constitutes or is affected by such transfer is not less than \$5,000. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
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None ☐ c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
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## 4. Suits and administrative proceedings, executions, garnishments and attachments

None ☐ a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
<b>Joe Debtor</b> <b>v.</b> <b>Dell Financial</b> <b>05S8945</b>	<b>Lawsuit</b>	<b>Cook Court House</b>	<b>Pending</b>

- None ☒ b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED	DATE OF SEIZURE	DESCRIPTION AND VALUE OF PROPERTY
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#### 5. Repossessions, foreclosures and returns

- None ☐ List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY
<b>Charter One Auto Finance 228 Main St E. Rochester, NY 14604</b>	<b>9/05</b>	<b>Reposessed Auto 2004 Dodge Durango</b>

#### 6. Assignments and receiverships

- None ☒ a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT
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- None ☒ b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY
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#### 7. Gifts

- None ☒ List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION AND VALUE OF GIFT
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#### 8. Losses

- None ☒ List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
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### 9. Payments related to debt counseling or bankruptcy

- None ☐ List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
David M. Siegel & Associates 790 Chaddick Drive Wheeling, IL 60090	2/20/06	\$300.00

### 10. Other transfers

- None ☒ a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
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- None ☒ b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

NAME OF TRUST OR OTHER DEVICE	DATE(S) OF TRANSFER(S)	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY
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### 11. Closed financial accounts

- None ☐ List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION	TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE	AMOUNT AND DATE OF SALE OR CLOSING
Charter One Bank 2811 N. Narragansett Chicago, IL 60639	Checking Account 8956	10/05 -\$2,567.000

### 12. Safe deposit boxes

- None ☒ List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY
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### 13. Setoffs

- None ☒ List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF
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### 14. Property held for another person

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

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY
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### 15. Prior address of debtor

- None ☐ If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS	NAME USED	DATES OF OCCUPANCY
606 Inland Drive Chicago, IL 60603	Same	05/03 To 11/05

### 16. Spouses and Former Spouses

- None ☒ If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

### 17. Environmental Information.

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

- None ☒ a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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- None ☒ b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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- None ☐ c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF  
GOVERNMENTAL UNIT

DOCKET NUMBER

STATUS OR DISPOSITION

**18 . Nature, location and name of business**

- None ☐ a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

*If the debtor is a partnership*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

*If the debtor is a corporation*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

NAME	LAST FOUR DIGITS OF SOC. SEC. NO./ COMPLETE EIN OR OTHER TAXPAYER I.D. NO.	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
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- None ☐ b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME	ADDRESS
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**DECLARATION UNDER PENALTY OF PERJURY BY INDIVIDUAL DEBTOR**

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct.

Date **February 26, 2006**

Signature **/s/ Joe M Debtor**  
**Joe M Debtor**  
Debtor

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

**United States Bankruptcy Court  
Northern District of Illinois**

In re Joe M Debtor  
Debtor(s)

Case No. \_\_\_\_\_  
Chapter 7

**CHAPTER 7 INDIVIDUAL DEBTOR'S STATEMENT OF INTENTION**

- ☐ I have filed a schedule of assets and liabilities which includes debts secured by property of the estate.
- ☐ I have filed a schedule of executory contracts and unexpired leases which includes personal property subject to an unexpired lease.
- ☐ I intend to do the following with respect to property of the estate which secures those debts or is subject to a lease:

Description of Secured Property	Creditor's Name	Property will be Surrendered	Property is claimed as exempt	Property will be redeemed pursuant to 11 U.S.C. § 722	Debt will be reaffirmed pursuant to 11 U.S.C. § 524(c)
<b>-NONE-</b>					

Description of Leased Property	Lessor's Name	Lease will be assumed pursuant to 11 U.S.C. § 362(h)(1)(A)
<b>-NONE-</b>		

Date February 26, 2006

Signature /s/ Joe M Debtor  
**Joe M Debtor**  
Debtor

**United States Bankruptcy Court  
Northern District of Illinois**

In re Joe M Debtor

Debtor(s)

Case No.

Chapter 7

**DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR(S)**

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

For legal services, I have agreed to accept.....	\$	<u>1,069.00</u>
Prior to the filing of this statement I have received.....	\$	<u>300.00</u>
Balance Due.....	\$	<u>769.00</u>

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

☒ Debtor ☐ Other (specify):

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

☒ Debtor ☐ Other (specify):

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

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

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

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statement of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d. [Other provisions as needed]

**Negotiations with secured creditors to reduce to market value; exemption planning; preparation and filing of reaffirmation agreements and applications as needed; preparation and filing of motions pursuant to 11 USC 522(f)(2)(A) for avoidance of liens on household goods.**

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

**Representation of the debtors in any dischargeability actions, judicial lien avoidances, relief from stay actions or any other adversary proceeding.**

**CERTIFICATION**

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

Dated: February 26, 2006

/s/ David M. Siegel

**David M. Siegel  
David M. Siegel & Associates  
790 Chaddick Drive  
Wheeling, IL 60090  
(847) 520-8100**

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

**NOTICE TO INDIVIDUAL CONSUMER DEBTOR UNDER § 342(b)  
OF THE BANKRUPTCY CODE**

In accordance with § 342(b) of the Bankruptcy Code, this notice: (1) Describes briefly the services available from credit counseling services; (2) Describes briefly the purposes, benefits and costs of the four types of bankruptcy proceedings you may commence; and (3) Informs you about bankruptcy crimes and notifies you that the Attorney General may examine all information you supply in connection with a bankruptcy case. You are cautioned that bankruptcy law is complicated and not easily described. Thus, you may wish to seek the advice of an attorney to learn of your rights and responsibilities should you decide to file a petition. Court employees cannot give you legal advice.

**1. Services Available from Credit Counseling Agencies**

With limited exceptions, § 109(h) of the Bankruptcy Code requires that all individual debtors who file for bankruptcy relief on or after October 17, 2005, receive a briefing that outlines the available opportunities for credit counseling and provides assistance in performing a budget analysis. The briefing must be given within 180 days before the bankruptcy filing. The briefing may be provided individually or in a group (including briefings conducted by telephone or on the Internet) and must be provided by a nonprofit budget and credit counseling agency approved by the United States trustee or bankruptcy administrator. The clerk of the bankruptcy court has a list that you may consult of the approved budget and credit counseling agencies.

In addition, after filing a bankruptcy case, an individual debtor generally must complete a financial management instructional course before he or she can receive a discharge. The clerk also has a list of approved financial management instructional courses.

**2. The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debtors**

**Chapter 7: Liquidation (\$220 filing fee, \$39 administrative fee, \$15 trustee surcharge: Total Fee \$274)**

1. Chapter 7 is designed for debtors in financial difficulty who do not have the ability to pay their existing debts. Debtors whose debts are primarily consumer debts are subject to a "means test" designed to determine whether the case should be permitted to proceed under chapter 7. If your income is greater than the median income for your state of residence and family size, in some cases, creditors have the right to file a motion requesting that the court dismiss your case under § 707(b) of the Code. It is up to the court to decide whether the case should be dismissed.

2. Under chapter 7, you may claim certain of your property as exempt under governing law. A trustee may have the right to take possession of and sell the remaining property that is not exempt and use the sale proceeds to pay your creditors.

3. The purpose of filing a chapter 7 case is to obtain a discharge of your existing debts. If, however, you are found to have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge and, if it does, the purpose for which you filed the bankruptcy petition will be defeated.

4. Even if you receive a general discharge, some particular debts are not discharged under the law. Therefore, you may still be responsible for most taxes and student loans; debts incurred to pay nondischargeable taxes; domestic support and property settlement obligations; most fines, penalties, forfeitures, and criminal restitution obligations; certain debts which are not properly listed in your bankruptcy papers; and debts for death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs. Also, if a creditor can prove that a debt arose from fraud, breach of fiduciary duty, or theft, or from a willful and malicious injury, the bankruptcy court may determine that the debt is not discharged.

**Chapter 13: Repayment of All or Part of the Debts of an Individual with Regular Income (\$150 filing fee, \$39 administrative fee: Total fee \$189)**

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in installments over a period of time. You are only eligible for chapter 13 if your debts do not exceed certain dollar amounts set forth in the Bankruptcy Code.

2. Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them, using your future earnings. The period allowed by the court to repay your debts may be three years or five years, depending upon your income and other factors. The court must approve your plan before it can take effect.

3. After completing the payments under your plan, your debts are generally discharged except for domestic support obligations; most student loans; certain taxes; most criminal fines and restitution obligations; certain debts which are not properly listed in your bankruptcy papers; certain debts for acts that caused death or personal injury; and certain long term secured obligations.

**Chapter 11: Reorganization (\$1000 filing fee, \$39 administrative fee: Total fee \$1039)**

Chapter 11 is designed for the reorganization of a business but is also available to consumer debtors. Its provisions are quite complicated, and any decision by an individual to file a chapter 11 petition should be reviewed with an attorney.

**Chapter 12: Family Farmer or Fisherman (\$200 filing fee, \$39 administrative fee: Total fee \$239)**

Chapter 12 is designed to permit family farmers and fishermen to repay their debts over a period of time from future earnings and is similar to chapter 13. The eligibility requirements are restrictive, limiting its use to those whose income arises primarily from a family-owned farm or commercial fishing operation.

**3. Bankruptcy Crimes and Availability of Bankruptcy Papers to Law Enforcement Officials**

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury, either orally or in writing, in connection with a bankruptcy case is subject to a fine, imprisonment, or both. All information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the United States Trustee, the Office of the United States Attorney, and other components and employees of the Department of Justice.

**WARNING:** Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information regarding your creditors, assets, liabilities, income, expenses and general financial condition. Your bankruptcy case may be dismissed if this information is not filed with the court within the time deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

**Certificate of Attorney**

I hereby certify that I delivered to the debtor this notice required by § 342(b) of the Bankruptcy Code.

<b>David M. Siegel</b>	<input checked="" type="checkbox"/> <b>/s/ David M. Siegel</b>	<b>February 26, 2006</b>
Printed Name of Attorney	Signature of Attorney	Date
Address:		
<b>790 Chaddick Drive</b>		
<b>Wheeling, IL 60090</b>		
<b>(847) 520-8100</b>		

**Certificate of Debtor**

I (We), the debtor(s), affirm that I (we) have received and read this notice.

<b>Joe M Debtor</b>	<input checked="" type="checkbox"/> <b>/s/ Joe M Debtor</b>	<b>February 26, 2006</b>
Printed Name(s) of Debtor(s)	Signature of Debtor	Date
Case No. (if known) _____	<input checked="" type="checkbox"/> _____	_____
	Signature of Joint Debtor (if any)	Date

# STATEMENT OF INFORMATION REQUIRED BY 11 U.S.C. §341

## INTRODUCTION

Pursuant to the Bankruptcy Reform Act of 1994, the Office of the United States Trustee, United States Department of Justice, has prepared this information sheet to help you understand some of the possible consequences of filing a bankruptcy petition under chapter 7 of the Bankruptcy Code. This information is intended to make you aware of...

- (1) the potential consequences of seeking a discharge in bankruptcy, including the effects on credit history;
- (2) the effect of receiving a discharge of debts
- (3) the effect of reaffirming a debt; and
- (4) your ability to file a petition under a different chapter of the Bankruptcy Code.

There are many other provisions of the Bankruptcy Code that may affect your situation. This information sheet contains only general principles of law and is not a substitute for legal advice. If you have questions or need further information as to how the bankruptcy laws apply to your specific case, you should consult with your lawyer.

## WHAT IS A DISCHARGE?

The filing of a chapter 7 petition is designed to result in a discharge of most of the debts you listed on your bankruptcy schedules. A discharge is a court order that says you do not have to repay your debts, but there are a number of exceptions. Debts which may not be discharged in your chapter 7 case include, for example, most taxes, child support, alimony, and student loans; court-ordered fines and restitution; debts obtained through fraud or deception; and personal injury debts caused by driving while intoxicated or taking drugs. Your discharge may be denied entirely if you, for example, destroy or conceal property; destroy, conceal or falsify records; or make a false oath. Creditors cannot ask you to pay any debts which have been discharged. You can only receive a chapter 7 discharge once every eight (8) years.

## WHAT ARE THE POTENTIAL EFFECTS OF A DISCHARGE?

The fact that you filed bankruptcy can appear on your credit report for as long as 10 years. Thus, filing a bankruptcy petition may affect your ability to obtain credit in the future. Also, you may not be excused from repaying any debts that were not listed on your bankruptcy schedules or that you incurred after you filed for bankruptcy.

## WHAT ARE THE EFFECTS OF REAFFIRMING A DEBT?

After you file your petition, a creditor may ask you to reaffirm a certain debt or you may seek to do so on your own. Reaffirming a debt means that you sign and file with the court a legally enforceable document, which states that you promise to repay all or a portion of the debt that may otherwise have been discharged in your bankruptcy case. Reaffirmation agreements must generally be filed with the court within 60 days after the first meeting of the creditors.

Reaffirmation agreements are strictly voluntary — they are not required by the Bankruptcy Code or other state or federal law. You can voluntarily repay any debt instead of signing a reaffirmation agreement, but there may be valid reasons for wanting to reaffirm a particular debt.

Reaffirmation agreements must not impose an undue burden on you or your dependents and must be in your best interest. If you decide to sign a reaffirmation agreement, you may cancel it at any time before the court issues your discharge order or within sixty (60) days after the reaffirmation agreement was filed with the court, whichever is later. If you reaffirm a debt and fail to make the payments required in the reaffirmation agreement, the creditor can take action against you to recover any property that was given as security for the loan and you may remain personally liable for any remaining debt.

## OTHER BANKRUPTCY OPTIONS

You have a choice in deciding what chapter of the Bankruptcy Code will best suit your needs. Even if you have already filed for relief under chapter 7, you may be eligible to convert your case to a different chapter.

Chapter 7 is the liquidation chapter of the Bankruptcy Code. Under chapter 7, a trustee is appointed to collect and sell, if economically feasible, all property you own that is not exempt from these actions.

Chapter 11 is the reorganization chapter most commonly used by businesses, but it is also available to individuals. Creditors vote on whether to accept or reject a plan, which also must be approved by the court. While the debtor normally remains in control of the assets, the court can order the appointment of a trustee to take possession and control of the business.

Chapter 12 offers bankruptcy relief to those who qualify as family farmers. Family farmers must propose a plan to repay their creditors over a three-to-five year period and it must be approved by the court. Plan payments are made through a chapter 12 trustee, who also monitors the debtor's farming operations during the pendency of the plan.

Finally, chapter 13 generally permits individuals to keep their property by repaying creditors out of their future income. Each chapter 13 debtor writes a plan which must be approved by the bankruptcy court. The debtor must pay the chapter 13 trustee the amounts set forth in their plan. Debtors receive a discharge after they complete their chapter 13 repayment plan. Chapter 13 is only available to individuals with regular income whose debts do not exceed \$1,000,000 (\$250,000 in unsecured debts and \$750,000 in secured debts).

**AGAIN, PLEASE SPEAK TO YOUR LAWYER IF YOU NEED FURTHER INFORMATION OR EXPLANATION, INCLUDING HOW THE BANKRUPTCY LAWS RELATE TO YOUR SPECIFIC CASE.**

/s/ Joe M Debtor

Debtor's Signature

February 26, 2006

Date

In re **Joe M Debtor**

Debtor(s)

Case Number: \_\_\_\_\_

(If known)

According to the calculations required by this statement:

☐ The presumption arises.☒ The presumption does not arise.

(Check the box as directed in Parts I, III, and VI of this statement.)

## STATEMENT OF CURRENT MONTHLY INCOME AND MEANS TEST CALCULATION FOR USE IN CHAPTER 7 ONLY

In addition to Schedules I and J, this statement must be completed by every individual Chapter 7 debtor, whether or not filing jointly, whose debts are primarily consumer debts. Joint debtors may complete one statement only.

### Part I. EXCLUSION FOR DISABLED VETERANS

1

If you are a disabled veteran described in the Veteran's Declaration in this Part I, (1) check that box at the beginning of the Veteran's Declaration, (2) check the box for "The presumption does not arise" at the top of this statement, and (3) complete the verification in Part VIII. Do not complete any of the remaining parts of this statement.

☐ Veteran's Declaration. By checking this box, I declare under penalty of perjury that I am a disabled veteran (as defined in 38 U.S.C. § 3741(1)) whose indebtedness occurred primarily during a period in which I was on active duty (as defined in 10 U.S.C. § 101(d)(1)) or while I was performing a homeland defense activity (as defined in 32 U.S.C. § 901(1)).

### Part II. CALCULATION OF MONTHLY INCOME FOR § 707(b)(7) EXCLUSION

2

Marital/filing status. Check the box that applies and complete the balance of this part of this statement as directed.

a. ☒ Unmarried. Complete only Column A ("Debtor's Income") for Lines 3-11.

b. ☐ Married, not filing jointly, with declaration of separate households. By checking this box, debtor declares under penalty of perjury: "My spouse and I are legally separated under applicable non-bankruptcy law or my spouse and I are living apart other than for the purpose of evading the requirements of § 707(b)(2)(A) of the Bankruptcy Code." Complete only column A ("Debtor's Income") for Lines 3-11.

c. ☐ Married, not filing jointly, without the declaration of separate households set out in Line 2.b above. Complete both Column A ("Debtor's Income") and Column B ("Spouse's Income") for Lines 3-11.

d. ☐ Married, filing jointly. Complete both Column A ("Debtor's Income") and Column B ("Spouse's Income") for Lines 3-11.

All figures must reflect average monthly income for the six calendar months prior to filing the bankruptcy case, ending on the last day of the month before the filing. If you received different amounts of income during these six months, you must total the amounts received during the six months, divide this total by six, and enter the result on the appropriate line.

Column A Debtor's Income	Column B Spouse's Income

3

Gross wages, salary, tips, bonuses, overtime, commissions.

\$	<b>1,200.00</b>	\$
----	-----------------	----

4

Income from the operation of a business, profession or farm. Subtract Line b from Line a and enter the difference on Line 4. Do not enter a number less than zero. Do not include any part of the business expenses entered on Line b as a deduction in Part V.

	Debtor	Spouse
a. Gross receipts	\$ <b>0.00</b>	\$
b. Ordinary and necessary business expenses	\$ <b>0.00</b>	\$
c. Business income	Subtract Line b from Line a	

\$	<b>0.00</b>	\$
----	-------------	----

5

Rents and other real property income. Subtract Line b from Line a and enter the difference on Line 5. Do not enter a number less than zero. Do not include any part of the operating expenses entered on Line b as a deduction in Part V.

	Debtor	Spouse
a. Gross receipts	\$ <b>0.00</b>	\$
b. Ordinary and necessary operating expenses	\$ <b>0.00</b>	\$
c. Rental income	Subtract Line b from Line a	

\$	<b>0.00</b>	\$
----	-------------	----

6

Interest, dividends, and royalties.

\$	<b>0.00</b>	\$
----	-------------	----

7

Pension and retirement income.

\$	<b>0.00</b>	\$
----	-------------	----

8

Regular contributions to the household expenses of the debtor or the debtor's dependents, including child or spousal support. Do not include contributions from the debtor's spouse if Column B is completed.

\$	<b>0.00</b>	\$
----	-------------	----



9	Unemployment compensation. Enter the amount in column A and, if applicable, Column B. However, if you contend that unemployment compensation received by you or your spouse was a benefit under the Social Security Act, do not list the amount of such compensation in Column A or B, but instead state the amount in the space below:			
	Unemployment compensation claimed to be a benefit under the Social Security Act	Debtor \$ <b>0.00</b>	Spouse \$	\$ <b>0.00</b>
10	Income from all other sources. If necessary, list additional sources on a separate page. Do not include any benefits received under the Social Security Act or payments received as a victim of a war crime, crime against humanity, or as a victim of international or domestic terrorism. Specify source and amount.			
		Debtor	Spouse	
	a.	\$	\$	
	b.	\$	\$	
	Total and enter on Line 10			\$ <b>0.00</b>
11	Subtotal of Current Monthly Income for § 707(b)(7). Add Lines 3 thru 10 in Column A, and, if Column B is completed, add Lines 3 through 10 in Column B. Enter the total(s).			\$ <b>1,200.00</b>
12	Total Current Monthly Income for § 707(b)(7). If Column B has been completed, add Line 11, Column A to Line 11, Column B, and enter the total. If Column B has not been completed, enter the amount from Line 11, Column A.			\$ <b>1,200.00</b>

### Part III. APPLICATION OF § 707(b)(7) EXCLUSION

13	Annualized Current Monthly Income for § 707(b)(7). Multiply the amount from Line 12 by the number 12 and enter the result.	\$ <b>14,400.00</b>
14	Applicable median family income. Enter the median family income for the applicable state and household size. (This information is available by family size at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.) a. Enter debtor's state of residence: <b>IL</b> b. Enter debtor's household size: <b>1</b>	\$ <b>43,012.00</b>
15	Application of Section 707(b)(7). Check the applicable box and proceed as directed. <input checked="" type="checkbox"/> The amount on Line 13 is less than or equal to the amount on Line 14. Check the box for "The presumption does not arise" at the top of page 1 of this statement, and complete Part VIII; do not complete Parts IV, V, VI or VII. <input type="checkbox"/> The amount on Line 13 is more than the amount on Line 14. Complete the remaining parts of this statement.	

Complete Parts IV, V, VI, and VII of this statement only if required. (See Line 15.)

### Part IV. CALCULATION OF CURRENT MONTHLY INCOME FOR § 707(b)(2)

16	Enter the amount from Line 12.	\$
17	Marital adjustment. If you checked the box at Line 2.c, enter the amount of the income listed in Line 11, Column B that was NOT regularly contributed to the household expenses of the debtor or the debtor's dependents. If you did not check box at Line 2.c, enter zero.	\$
18	Current monthly income for § 707(b)(2). Subtract Line 17 from Line 16 and enter the result.	\$

### Part V. CALCULATION OF DEDUCTIONS UNDER § 707(b)(2)

#### Subpart A: Deductions under Standards of the Internal Revenue Service (IRS)

19	National Standards: food, clothing, household supplies, personal care, and miscellaneous. Enter "Total" amount from IRS National Standards for Allowable Living Expenses for the applicable family size and income level. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.)	\$
20A	Local Standards: housing and utilities; non-mortgage expenses. Enter the amount of the IRS Housing and Utilities Standards; non-mortgage expenses for the applicable county and family size. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.)	\$

20B	<p><b>Local Standards: housing and utilities; mortgage/rent expense.</b> Enter, in Line a below, the amount of the IRS Housing and Utilities Standards; mortgage/rent expense for your county and family size (this information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court); enter on Line b the total of the Average Monthly Payments for any debts secured by your home, as stated in Line 42; subtract Line b from Line a and enter the result in Line 20B. Do not enter an amount less than zero.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">a.</td><td style="width: 65%;">IRS Housing and Utilities Standards; mortgage/rental expense</td><td style="width: 30%;">\$</td></tr> <tr> <td style="text-align: center;">b.</td><td>Average Monthly Payment for any debts secured by your home, if any, as stated in Line 42</td><td>\$</td></tr> <tr> <td style="text-align: center;">c.</td><td>Net mortgage/rental expense</td><td>Subtract Line b from Line a.</td></tr> </table>	a.	IRS Housing and Utilities Standards; mortgage/rental expense	\$	b.	Average Monthly Payment for any debts secured by your home, if any, as stated in Line 42	\$	c.	Net mortgage/rental expense	Subtract Line b from Line a.	\$
a.	IRS Housing and Utilities Standards; mortgage/rental expense	\$									
b.	Average Monthly Payment for any debts secured by your home, if any, as stated in Line 42	\$									
c.	Net mortgage/rental expense	Subtract Line b from Line a.									
21	<p><b>Local Standards: housing and utilities; adjustment.</b> If you contend that the process set out in Lines 20A and 20B does not accurately compute the allowance to which you are entitled under the IRS Housing and Utilities Standards, enter any additional amount to which you contend you are entitled, and state the basis for your contention in the space below:</p> <hr style="border: 0; border-top: 1px solid black; margin-top: 10px;"/>	\$									
22	<p><b>Local Standards: transportation; vehicle operation/public transportation expense.</b>          You are entitled to an expense allowance in this category regardless of whether you pay the expenses of operating a vehicle and regardless of whether you use public transportation.</p> <p>Check the number of vehicles for which you pay the operating expenses or for which the operating expenses are included as a contribution to your household expenses in Line 8.</p> <p><input type="checkbox"/> 0   <input type="checkbox"/> 1   <input type="checkbox"/> 2 or more.</p> <p>Enter the amount from IRS Transportation Standards, Operating Costs &amp; Public Transportation Costs for the applicable number of vehicles in the applicable Metropolitan Statistical Area or Census Region. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.)</p>	\$									
23	<p><b>Local Standards: transportation ownership/lease expense; Vehicle 1.</b> Check the number of vehicles for which you claim an ownership/lease expense. (You may not claim an ownership/lease expense for more than two vehicles.)</p> <p><input type="checkbox"/> 1   <input type="checkbox"/> 2 or more.</p> <p>Enter, in Line a below, the amount of the IRS Transportation Standards, Ownership Costs, First Car (available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court); enter in Line b the total of the Average Monthly Payments for any debts secured by Vehicle 1, as stated in Line 42; subtract Line b from Line a and enter the result in Line 23. Do not enter an amount less than zero.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">a.</td><td style="width: 65%;">IRS Transportation Standards, Ownership Costs, First Car</td><td style="width: 30%;">\$</td></tr> <tr> <td style="text-align: center;">b.</td><td>Average Monthly Payment for any debts secured by Vehicle 1, as stated in Line 42</td><td>\$</td></tr> <tr> <td style="text-align: center;">c.</td><td>Net ownership/lease expense for Vehicle 1</td><td>Subtract Line b from Line a.</td></tr> </table>	a.	IRS Transportation Standards, Ownership Costs, First Car	\$	b.	Average Monthly Payment for any debts secured by Vehicle 1, as stated in Line 42	\$	c.	Net ownership/lease expense for Vehicle 1	Subtract Line b from Line a.	\$
a.	IRS Transportation Standards, Ownership Costs, First Car	\$									
b.	Average Monthly Payment for any debts secured by Vehicle 1, as stated in Line 42	\$									
c.	Net ownership/lease expense for Vehicle 1	Subtract Line b from Line a.									
24	<p><b>Local Standards: transportation ownership/lease expense; Vehicle 2.</b> Complete this Line only if you checked the "2 or more" Box in Line 23.</p> <p>Enter, in Line a below, the amount of the IRS Transportation Standards, Ownership Costs, Second Car (available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court); enter in Line b the total of the Average Monthly Payments for any debts secured by Vehicle 2, as stated in Line 42; subtract Line b from Line a and enter the result in Line 24. Do not enter an amount less than zero.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">a.</td><td style="width: 65%;">IRS Transportation Standards, Ownership Costs, Second Car</td><td style="width: 30%;">\$</td></tr> <tr> <td style="text-align: center;">b.</td><td>Average Monthly Payment for any debts secured by Vehicle 2, as stated in Line 42</td><td>\$</td></tr> <tr> <td style="text-align: center;">c.</td><td>Net ownership/lease expense for Vehicle 2</td><td>Subtract Line b from Line a.</td></tr> </table>	a.	IRS Transportation Standards, Ownership Costs, Second Car	\$	b.	Average Monthly Payment for any debts secured by Vehicle 2, as stated in Line 42	\$	c.	Net ownership/lease expense for Vehicle 2	Subtract Line b from Line a.	\$
a.	IRS Transportation Standards, Ownership Costs, Second Car	\$									
b.	Average Monthly Payment for any debts secured by Vehicle 2, as stated in Line 42	\$									
c.	Net ownership/lease expense for Vehicle 2	Subtract Line b from Line a.									
25	<p><b>Other Necessary Expenses: taxes.</b> Enter the total average monthly expense that you actually incur for all federal, state and local taxes, other than real estate and sales taxes, such as income taxes, self employment taxes, social security taxes, and Medicare taxes. Do not include real estate or sales taxes.</p>	\$									
26	<p><b>Other Necessary Expenses: mandatory payroll deductions.</b> Enter the total average monthly payroll deductions that are required for your employment, such as mandatory retirement contributions, union dues, and uniform costs. Do not include discretionary amounts, such as non-mandatory 401(k) contributions.</p>	\$									
27	<p><b>Other Necessary Expenses: life insurance.</b> Enter average monthly premiums that you actually pay for term life insurance for yourself. Do not include premiums for insurance on your dependents, for whole life or for any other form of insurance.</p>	\$									

28	Other Necessary Expenses: court-ordered payments. Enter the total monthly amount that you are required to pay pursuant to court order, such as spousal or child support payments. Do not include payments on past due support obligations included in Line 44.		\$												
29	Other Necessary Expenses: education for employment or for a physically or mentally challenged child. Enter the total monthly amount that you actually expend for education that is a condition of employment and for education that is required for a physically or mentally challenged dependent child for whom no public education providing similar services is available.		\$												
30	Other Necessary Expenses: childcare. Enter the average monthly amount that you actually expend on childcare. Do not include payments made for children's education.		\$												
31	Other Necessary Expenses: health care. Enter the average monthly amount that you actually expend on health care expenses that are not reimbursed by insurance or paid by a health savings account. Do not include payments for health insurance listed in Line 34.		\$												
32	Other Necessary Expenses: telecommunication services. Enter the average monthly expenses that you actually pay for cell phones, pagers, call waiting, caller identification, special long distance or internet services necessary for the health and welfare of you or your dependents. Do not include any amount previously deducted.		\$												
33	Total Expenses Allowed under IRS Standards. Enter the total of Lines 19 through 32.		\$												
<b>Subpart B: Additional Expense Deductions under § 707(b)</b> <b>Note: Do not include any expenses that you have listed in Lines 19-32</b>															
34	Health Insurance, Disability Insurance and Health Savings Account Expenses. List the average monthly amounts that you actually expend in each of the following categories and enter the total. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">a.</td> <td style="width: 75%;">Health Insurance</td> <td style="width: 20%;">\$</td> </tr> <tr> <td>b.</td> <td>Disability Insurance</td> <td>\$</td> </tr> <tr> <td>c.</td> <td>Health Savings Account</td> <td>\$</td> </tr> <tr> <td colspan="2"></td> <td>Total: Add Lines a, b and c</td> </tr> </table>		a.	Health Insurance	\$	b.	Disability Insurance	\$	c.	Health Savings Account	\$			Total: Add Lines a, b and c	\$
a.	Health Insurance	\$													
b.	Disability Insurance	\$													
c.	Health Savings Account	\$													
		Total: Add Lines a, b and c													
35	Continued contributions to the care of household or family members. Enter the actual monthly expenses that you will continue to pay for the reasonable and necessary care and support of an elderly, chronically ill, or disabled member of your household or member of your immediate family who is unable to pay for such expenses.		\$												
36	Protection against family violence. Enter any average monthly expenses that you actually incurred to maintain the safety of your family under the Family Violence Prevention and Services Act or other applicable federal law.		\$												
37	Home energy costs in excess of the allowance specified by the IRS Local Standards. Enter the average monthly amount by which your home energy costs exceed the allowance in the IRS Local Standards for Housing and Utilities. You must provide your case trustee with documentation demonstrating that the additional amount claimed is reasonable and necessary.		\$												
38	Education expenses for dependent children less than 18. Enter the average monthly expenses that you actually incur, not to exceed \$125 per child, in providing elementary and secondary education for your dependent children less than 18 years of age. You must provide your case trustee with documentation demonstrating that the additional amount claimed is reasonable and necessary and not already accounted for in the IRS Standards.		\$												
39	Additional food and clothing expense. Enter the average monthly amount by which your food and clothing expenses exceed the combined allowances for food and apparel in the IRS National Standards, not to exceed five percent of those combined allowances. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.) You must provide your case trustee with documentation demonstrating that the additional amount claimed is reasonable and necessary.		\$												
40	Continued charitable contributions. Enter the amount that you will continue to contribute in the form of cash or financial instruments to a charitable organization as defined in 26 U.S.C. § 170(c)(1)-(2).		\$												
41	Total Additional Expense Deductions under § 707(b). Enter the total of Lines 34 through 40		\$												

## Subpart C: Deductions for Debt Payment

42	<p>Future payments on secured claims. For each of your debts that is secured by an interest in property that you own, list the name of the creditor, identify the property securing the debt, and state the Average Monthly Payment. The Average Monthly Payment is the total of all amounts contractually due to each Secured Creditor in the 60 months following the filing of the bankruptcy case, divided by 60. Mortgage debts should include payments of taxes and insurance required by the mortgage. If necessary, list additional entries on a separate page.</p> <table border="1"> <thead> <tr> <th></th> <th>Name of Creditor</th> <th>Property Securing the Debt</th> <th>60-month Average Payment</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td></td> <td></td> <td>\$</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="3"></td> <td>Total: Add Lines</td> </tr> </tbody> </table>				Name of Creditor	Property Securing the Debt	60-month Average Payment	a.			\$								Total: Add Lines	\$
	Name of Creditor	Property Securing the Debt	60-month Average Payment																	
a.			\$																	
			Total: Add Lines																	
43	<p>Past due payments on secured claims. If any of the debts listed in Line 42 are in default, and the property securing the debt is necessary for your support or the support of your dependents, you may include in your deductions 1/60th of the amount that you must pay the creditor as a result of the default (the "cure amount") in order to maintain possession of the property. List any such amounts in the following chart and enter the total. If necessary, list additional entries on a separate page.</p> <table border="1"> <thead> <tr> <th></th> <th>Name of Creditor</th> <th>Property Securing the Debt in Default</th> <th>1/60th of the Cure Amount</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td></td> <td></td> <td>\$</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="3"></td> <td>Total: Add Lines</td> </tr> </tbody> </table>				Name of Creditor	Property Securing the Debt in Default	1/60th of the Cure Amount	a.			\$								Total: Add Lines	\$
	Name of Creditor	Property Securing the Debt in Default	1/60th of the Cure Amount																	
a.			\$																	
			Total: Add Lines																	
44	<p>Payments on priority claims. Enter the total amount of all priority claims (including priority child support and alimony claims), divided by 60.</p>			\$																
45	<p>Chapter 13 administrative expenses. If you are eligible to file a case under Chapter 13, complete the following chart, multiply the amount in line a by the amount in line b, and enter the resulting administrative expense.</p> <table border="1"> <tbody> <tr> <td>a.</td> <td>Projected average monthly Chapter 13 plan payment.</td> <td>\$</td> </tr> <tr> <td>b.</td> <td>Current multiplier for your district as determined under schedules issued by the Executive Office for United States Trustees. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.)</td> <td>x</td> </tr> <tr> <td>c.</td> <td>Average monthly administrative expense of Chapter 13 case</td> <td>Total: Multiply Lines a and b</td> </tr> </tbody> </table>			a.	Projected average monthly Chapter 13 plan payment.	\$	b.	Current multiplier for your district as determined under schedules issued by the Executive Office for United States Trustees. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.)	x	c.	Average monthly administrative expense of Chapter 13 case	Total: Multiply Lines a and b	\$							
a.	Projected average monthly Chapter 13 plan payment.	\$																		
b.	Current multiplier for your district as determined under schedules issued by the Executive Office for United States Trustees. (This information is available at <a href="http://www.usdoj.gov/ust/">www.usdoj.gov/ust/</a> or from the clerk of the bankruptcy court.)	x																		
c.	Average monthly administrative expense of Chapter 13 case	Total: Multiply Lines a and b																		
46	<p>Total Deductions for Debt Payment. Enter the total of Lines 42 through 45.</p>			\$																

Subpart D: Total Deductions Allowed under § 707(b)(2)

47	Total of all deductions allowed under § 707(b)(2). Enter the total of Lines 33, 41, and 46.	\$
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## Part VI. DETERMINATION OF § 707(b)(2) PRESUMPTION

48	Enter the amount from Line 18 (Current monthly income for § 707(b)(2))	\$
49	Enter the amount from Line 47 (Total of all deductions allowed under § 707(b)(2))	\$
50	Monthly disposable income under § 707(b)(2). Subtract Line 49 from Line 48 and enter the result.	\$
51	60-month disposable income under § 707(b)(2). Multiply the amount in Line 50 by the number 60 and enter the result.	\$

52	<p>Initial presumption determination. Check the applicable box and proceed as directed.</p> <p><input type="checkbox"/> The amount on Line 51 is less than \$6,000. Check the box for "The presumption does not arise" at the top of page 1 of this statement, and complete the verification in Part VIII. Do not complete the remainder of Part VI.</p> <p><input type="checkbox"/> The amount set forth on Line 51 is more than \$10,000. Check the box for "The presumption arises" at the top of page 1 of this statement, and complete the verification in Part VIII. You may also complete Part VII. Do not complete the remainder of Part VI.</p> <p><input type="checkbox"/> The amount on Line 51 is at least \$6,000, but not more than \$10,000. Complete the remainder of Part VI (Lines 53 through 55).</p>		
53	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Enter the amount of your total non-priority unsecured debt</td> <td style="width: 20%; text-align: center;">\$</td> </tr> </table>	Enter the amount of your total non-priority unsecured debt	\$
Enter the amount of your total non-priority unsecured debt	\$		
54	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Threshold debt payment amount. Multiply the amount in Line 53 by the number 0.25 and enter the result.</td> <td style="width: 20%; text-align: center;">\$</td> </tr> </table>	Threshold debt payment amount. Multiply the amount in Line 53 by the number 0.25 and enter the result.	\$
Threshold debt payment amount. Multiply the amount in Line 53 by the number 0.25 and enter the result.	\$		
55	<p>Secondary presumption determination. Check the applicable box and proceed as directed.</p> <p><input type="checkbox"/> The amount on Line 51 is less than the amount on Line 54. Check the box for "The presumption does not arise" at the top of page 1 of this statement, and complete the verification in Part VIII.</p> <p><input type="checkbox"/> The amount on Line 51 is equal to or greater than the amount on Line 54. Check the box for "The presumption arises" at the top of page 1 of this statement, and complete the verification in Part VIII. You may also complete Part VII.</p>		

## Part VII. ADDITIONAL EXPENSE CLAIMS

56	<p>Other Expenses. List and describe any monthly expenses, not otherwise stated in this form, that are required for the health and welfare of you and your family and that you contend should be an additional deduction from your current monthly income under § 707(b)(2)(A)(ii)(I). If necessary, list additional sources on a separate page. All figures should reflect your average monthly expense for each item. Total the expenses.</p>	
	Expense Description	Monthly Amount
	a.	\$
	b.	\$
	c.	\$
	d.	\$
	Total: Add Lines a, b, c, and d	\$

## Part VIII. VERIFICATION

57	<p>I declare under penalty of perjury that the information provided in this statement is true and correct. <i>(If this is a joint case, both debtors must sign.)</i></p> <p style="display: flex; justify-content: space-between;"> <span>Date: <u>February 26, 2006</u></span> <span>Signature: <u>/s/ Joe M Debtor</u> <b>Joe M Debtor</b> (Debtor)</span> </p>	
----	---	--

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

IN RE: ) Chapter 7  
Joe M Debtor ) Bankruptcy Case No.  
)  
)  
Debtor(s) )

**DECLARATION REGARDING ELECTRONIC FILING**

Signed by Debtor(s) or Corporate Representative

**To Be Used When Filing over the Internet**

PART I - DECLARATION OF PETITIONER Date: \_\_\_\_

A. To be completed in all cases.

I(We) Joe M Debtor and \_\_\_\_\_, the undersigned debtor(s), corporate officer, partner, or member, hereby declare under penalty of perjury that the information I(we) have given my(our) attorney, including correct social security number(s) and the information provided in the electronically filed petition, statements, schedules, and if applicable, application to pay filing fee in installments, is true and correct. I(we) consent to my(our) attorney sending the petition, statements, schedules, and this DECLARATION to the United States Bankruptcy Court. I(we) understand that this DECLARATION must be filed with the Clerk in addition to the petition. I(we) understand that failure to file this DECLARATION will cause this case to be dismissed pursuant to 11 U.S.C. § 707(a) and 105.

B. To be checked and applicable only if the petitioner is an individual (or individuals) whose debts are primarily consumer debts and who has (or have) chosen to file under chapter 7.

☒ I(we) am(are) aware that I(we) may proceed under chapter 7, 11, 12, or 13 of Title 11 United States Code; I(we) understand the relief available under each such chapter; I(we) choose to proceed under chapter 7; and I(we) request relief in accordance with chapter 7.

C. To be checked and applicable only if the petition is a corporation, partnership, or limited liability entity.

☐ I declare under penalty of perjury that the information provided in this petition is true and correct and that I have been authorized to file this petition on behalf of the debtor. The debtor requests relief in accordance with the chapter specified in the petition.

Signature: Joe M Debtor Signature \_\_\_\_\_  
(Debtor or Corporate Officer, Partner or Member) (Joint Debtor)

**IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN  
ATTORNEY OR BANKRUPTCY PETITION  
PREPARER.**

If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST. Ask to see the contract before you hire anyone.

The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief available under the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of the creditors where you may be questioned by a court official called a 'trustee' and by creditors.

If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so. A creditor is not permitted to coerce you into reaffirming your debts.

If you choose to file a chapter 13 case in which you repay your creditors what you can afford over 3 to 5 years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on your plan which will be before a bankruptcy judge.

If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what should be done from someone familiar with that type of relief.

Your Bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparer, can give you legal advice

**Disclosure Pursuant to 11 U.S.C. §527(a)(2)**

You are notified:

1. All information that you are required to provide with a petition and thereafter during a case under the Bankruptcy Code is required to be complete, accurate, and truthful.
2. All assets and all liabilities are required to be completely and accurately disclosed in the documents filed to commence the case. Some places in the Bankruptcy Code require that you list the replacement value of each asset. This must be the replacement value of the property at the date of filing the petition, without deducting for costs of sale or marketing, established after a reasonable inquiry. For property acquired for personal, family, or household use, replacement value means the price a retail merchant would charge for property of that kind, considering the age and condition of the property.
3. The following information, which appear on Official Form 22, Statement of Current Monthly Income, are required to be stated after reasonable inquiry: current monthly income, the amounts specified in section 707(b)(2), and, in a case under chapter 13 of the Bankruptcy Code, disposable income (determined in accordance with section 707(b)(2)).
4. Information that you provide during you case may be audited pursuant to provisions of the Bankruptcy Code. Failure to provide such information may result in dismissal of the case under this title or other sanction, including criminal sanctions.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

FORM 21. STATEMENT OF SOCIAL SECURITY NUMBER

United States Bankruptcy Court  
Northern District of Illinois

In re Joe M Debtor  
Debtor

Case No. \_\_\_\_\_

Address 1708 Manda Ave Apt 302  
Prospect Heights, IL 60070

Chapter 7

Employer's Tax Identification (EIN) No(s). [if any]: \_\_\_\_\_

Last four digits of Social Security No(s): xxx-xx-0000

STATEMENT OF SOCIAL SECURITY NUMBER(S)

1. Name of Debtor (enter Last, First, Middle): Debtor, Joe, M

(Check the appropriate box and, if applicable, provide the required information.)

/ /Debtor has a Social Security Number and it is: 000-00-0000  
(If more than one, state all.)

/ ☒ /Debtor does not have a Social Security Number.

2. Name of Joint Debtor (enter Last, First, Middle): \_\_\_\_\_

(Check the appropriate box and, if applicable, provide the required information.)

/ /Joint Debtor has a Social Security Number and it is:     
(If more than one, state all.)

/ /Joint Debtor does not have a Social Security Number.

I declare under penalty of perjury that the foregoing is true and correct.

X \_\_\_\_\_  
**Joe M Debtor** Date  
Signature of Debtor

X \_\_\_\_\_  
Signature of Joint Debtor Date

*\*Joint debtors must provide information for both spouses.*

*Penalty for making a false statement: Fine of up to \$250,000 or up to 5 years imprisonment or both. 18 U.S.C. §§ 152 and 3571.*



## UNITED STATES BANKRUPTCY COURT

### Northern District of Illinois

### Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 7 bankruptcy case concerning the debtor(s) listed below was filed on October 9, 2005.

You may be a creditor of the debtor. **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

### See Reverse Side For Important Explanations.

Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Case Number:  
05-

Social Security/Taxpayer ID/Employer ID/Other Nos.:

Attorney for Debtor(s) (name and address):  
David M Siegel  
David M. Siegel & Associates  
790 Chaddick Drive  
Wheeling, IL 60090  
Telephone number: 847 520-8100

Bankruptcy Trustee (name and address):  
Louis W Levit ESQ  
555 Skokie Boulevard # 500  
Northbrook, IL 60062  
Telephone number: 847-897-5710

### Meeting of Creditors:

Date: **December 5, 2005**

Time: **02:00 PM**

Location: **227 W Monroe Street, Room 3360, Chicago, IL 60606**

**All debtors are required to bring a picture ID and proof of their Social Security number to the 341 meeting.**

### Presumption of Abuse under 11 U.S.C. § 707(b)

*See "Presumption of Abuse" on reverse side.*

**The presumption of abuse does not arise.**

### Deadlines:

Papers must be *received* by the bankruptcy clerk's office by the following deadlines:

**Deadline to File a Complaint Objecting to Discharge of the Debtor *or* to Determine Dischargeability of Certain Debts: February 3, 2006**

### Deadline to Object to Exemptions:

Thirty (30) days after the *conclusion* of the meeting of creditors.

### Creditors May Not Take Certain Actions:

In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Consult a lawyer to determine your rights in this case.

### Please Do Not File a Proof of Claim Unless You Receive a Notice To Do So.

### Foreign Creditors

A creditor to whom this notice is sent at a foreign address should read the information under "Do Not File a Proof of Claim at This Time" on the reverse side.

**Address of the Bankruptcy Clerk's Office:**  
Eastern Division  
219 S Dearborn  
7th Floor  
Chicago, IL 60604  
Telephone number: 1-888-232-6814

**For the Court:**  
Clerk of the Bankruptcy Court:  
Kenneth S. Gardner

Hours Open: Monday - Friday 9:00 AM - 4:30 PM

Date: October 18, 2005

# EXPLANATIONS

FORM B9A (10/05)

Filing of Chapter 7 Bankruptcy Case	A bankruptcy case under chapter 7 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtor(s) listed on the front side, and an order for relief has been entered.
Legal Advice	The staff of the bankruptcy clerk's office cannot give legal advice. Consult a lawyer to determine your rights in this case.
Creditors Generally May Not Take Certain Actions	Prohibited collection actions are listed in Bankruptcy Code §362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; starting or continuing lawsuits or foreclosures; and garnishing or deducting from the debtor's wages. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay.
Presumption of Abuse	If the presumption of abuse arises, creditors may have the right to file a motion to dismiss the case under § 707(b) of the Bankruptcy Code. The debtor may rebut the presumption by showing special circumstances.
Meeting of Creditors	A meeting of creditors is scheduled for the date, time and location listed on the front side. <i>The debtor (both spouses in a joint case) must be present at the meeting to be questioned under oath by the trustee and by creditors.</i> Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice.
Do Not File a Proof of Claim at This Time	There does not appear to be any property available to the trustee to pay creditors. <i>You therefore should not file a proof of claim at this time.</i> If it later appears that assets are available to pay creditors, you will be sent another notice telling you that you may file a proof of claim, and telling you the deadline for filing your proof of claim. If this notice is mailed to a creditor at a foreign address, the creditor may file a motion requesting the court to extend the deadline.
Discharge of Debts	The debtor is seeking a discharge of most debts, which may include your debt. A discharge means that you may never try to collect the debt from the debtor. If you believe that the debtor is not entitled to receive a discharge under Bankruptcy Code §727(a) <i>or</i> that a debt owed to you is not dischargeable under Bankruptcy Code §523(a)(2), (4), or (6), you must start a lawsuit by filing a complaint in the bankruptcy clerk's office by the "Deadline to File a Complaint Objecting to Discharge of the Debtor or to Determine Dischargeability of Certain Debts" listed on the front side. The bankruptcy clerk's office must receive the complaint and any required filing fee by that Deadline.
Exempt Property	The debtor is permitted by law to keep certain property as exempt. Exempt property will not be sold and distributed to creditors. The debtor must file a list of all property claimed as exempt. You may inspect that list at the bankruptcy clerk's office. If you believe that an exemption claimed by the debtor is not authorized by law, you may file an objection to that exemption. The bankruptcy clerk's office must receive the objections by the "Deadline to Object to Exemptions" listed on the front side.
Bankruptcy Clerk's Office	Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front side. You may inspect all papers filed, including the list of the debtor's property and debts and the list of the property claimed as exempt, at the bankruptcy clerk's office.
Foreign Creditors	Consult a lawyer familiar with United States bankruptcy law if you have any questions regarding your rights in this case.
--- Refer to Other Side for Important Deadlines and Notices ---	

# United States Bankruptcy Court

Northern District of Illinois

Case No. \_\_\_\_\_

Chapter 7

In re: Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Social Security No.:

xxx-xx-3859

Employer's Tax I.D. No.:

## DISCHARGE OF DEBTOR

It appearing that the debtor is entitled to a discharge,

### IT IS ORDERED:

The debtor is granted a discharge under section 727 of title 11, United States Code, (the Bankruptcy Code).

FOR THE COURT

Dated: February 10, 2006

Kenneth S. Gardner, Clerk  
United States Bankruptcy Court

**SEE THE BACK OF THIS ORDER FOR IMPORTANT INFORMATION.**

## **EXPLANATION OF BANKRUPTCY DISCHARGE IN A CHAPTER 7 CASE**

This court order grants a discharge to the person named as the debtor. It is not a dismissal of the case and it does not determine how much money, if any, the trustee will pay to creditors.

### **Collection of Discharged Debts Prohibited**

The discharge prohibits any attempt to collect from the debtor a debt that has been discharged. For example, a creditor is not permitted to contact a debtor by mail, phone, or otherwise, to file or continue a lawsuit, to attach wages or other property, or to take any other action to collect a discharged debt from the debtor. *[In a case involving community property:]* [There are also special rules that protect certain community property owned by the debtor's spouse, even if that spouse did not file a bankruptcy case.] A creditor who violates this order can be required to pay damages and attorney's fees to the debtor.

However, a creditor may have the right to enforce a valid lien, such as a mortgage or security interest, against the debtor's property after the bankruptcy, if that lien was not avoided or eliminated in the bankruptcy case. Also, a debtor may voluntarily pay any debt that has been discharged.

### **Debts That are Discharged**

The chapter 7 discharge order eliminates a debtor's legal obligation to pay a debt that is discharged. Most, but not all, types of debts are discharged if the debt existed on the date the bankruptcy case was filed. (If this case was begun under a different chapter of the Bankruptcy Code and converted to chapter 7, the discharge applies to debts owed when the bankruptcy case was converted.)

### **Debts that are Not Discharged.**

Some of the common types of debts which are not discharged in a chapter 7 bankruptcy case are:

- a. Debts for most taxes;
- b. Debts incurred to pay nondischargeable taxes (applies to cases filed on or after 10/17/2005);
- c. Debts that are domestic support obligations;
- d. Debts for most student loans;
- e. Debts for most fines, penalties, forfeitures, or criminal restitution obligations;
- f. Debts for personal injuries or death caused by the debtor's operation of a motor vehicle, vessel, or aircraft while intoxicated;
- g. Some debts which were not properly listed by the debtor;
- h. Debts that the bankruptcy court specifically has decided or will decide in this bankruptcy case are not discharged;
- i. Debts for which the debtor has given up the discharge protections by signing a reaffirmation agreement in compliance with the Bankruptcy Code requirements for reaffirmation of debts.
- j. Debts owed to certain pension, profit sharing, stock bonus, other retirement plans, or to the Thrift Savings Plan for federal employees for certain types of loans from these plans (applies to cases filed on or after 10/17/2005).

**This information is only a general summary of the bankruptcy discharge. There are exceptions to these general rules. Because the law is complicated, you may want to consult an attorney to determine the exact effect of the discharge in this case.**

United States Bankruptcy Court

\_\_\_\_\_ District of \_\_\_\_\_

In re \_\_\_\_\_,  
Debtor

Case No. \_\_\_\_\_  
Chapter \_\_\_\_\_

**REAFFIRMATION AGREEMENT**

*[Indicate all documents included in this filing by checking each applicable box.]*

- |  |   |
|--|---|
| <input type="checkbox"/> Part A: Disclosures, Instructions, and Notice to Debtor (Pages 1 - 5) | <input type="checkbox"/> Part D: Debtor's Statement in Support of Reaffirmation Agreement |
| <input type="checkbox"/> Part B: Reaffirmation Agreement                                       | <input type="checkbox"/> Part E: Motion for Court Approval                                |
| <input type="checkbox"/> Part C: Certification by Debtor's Attorney                            | <input type="checkbox"/> Proposed Order Approving Reaffirmation Agreement                 |
- ☐ *[Check this box if]* Creditor is a Credit Union as defined in §19(b)(1)(a)(iv) of the Federal Reserve Act

**PART A: DISCLOSURE STATEMENT, INSTRUCTIONS AND NOTICE TO DEBTOR**

**1. DISCLOSURE STATEMENT**

***Before Agreeing to Reaffirm a Debt, Review These Important Disclosures:***

**SUMMARY OF REAFFIRMATION AGREEMENT**

This Summary is made pursuant to the requirements of the Bankruptcy Code.

**AMOUNT REAFFIRMED**

- a. The amount of debt you have agreed to reaffirm: \$ \_\_\_\_\_
- b. All fees and costs accrued as of the date of this disclosure statement, related to the amount of debt shown in a., above: \$ \_\_\_\_\_
- c. The total amount you have agreed to reaffirm (Debt and fees and costs) (Add lines a. and b.): \$ \_\_\_\_\_

***Your credit agreement may obligate you to pay additional amounts which may come due after the date of this disclosure. Consult your credit agreement.***

**ANNUAL PERCENTAGE RATE**

*[The annual percentage rate can be disclosed in different ways, depending on the type of debt.]*

a. If the debt is an extension of “credit” under an “open end credit plan,” as those terms are defined in § 103 of the Truth in Lending Act, such as a credit card, the creditor may disclose the annual percentage rate shown in (i) below or, to the extent this rate is not readily available or not applicable, the simple interest rate shown in (ii) below, or both.

(i) The Annual Percentage Rate disclosed, or that would have been disclosed, to the debtor in the most recent periodic statement prior to entering into the reaffirmation agreement described in Part B below or, if no such periodic statement was given to the debtor during the prior six months, the annual percentage rate as it would have been so disclosed at the time of the disclosure statement: \_\_\_\_%.

— And/Or ---

(ii) The simple interest rate applicable to the amount reaffirmed as of the date this disclosure statement is given to the debtor: \_\_\_\_%. If different simple interest rates apply to different balances included in the amount reaffirmed, the amount of each balance and the rate applicable to it are:

\$ \_\_\_\_ @ \_\_\_\_%;  
 \$ \_\_\_\_ @ \_\_\_\_%;  
 \$ \_\_\_\_ @ \_\_\_\_%.

b. If the debt is an extension of credit other than under an open end credit plan, the creditor may disclose the annual percentage rate shown in (i) below, or, to the extent this rate is not readily available or not applicable, the simple interest rate shown in (ii) below, or both.

(i) The Annual Percentage Rate under §128(a)(4) of the Truth in Lending Act, as disclosed to the debtor in the most recent disclosure statement given to the debtor prior to entering into the reaffirmation agreement with respect to the debt or, if no such disclosure statement was given to the debtor, the annual percentage rate as it would have been so disclosed: \_\_\_\_%.

— And/Or ---

(ii) The simple interest rate applicable to the amount reaffirmed as of the date this disclosure statement is given to the debtor: \_\_\_\_%. If different simple interest rates apply to different balances included in the amount reaffirmed,

the amount of each balance and the rate applicable to it are:

\$ \_\_\_\_\_ @ \_\_\_\_\_ %;  
 \$ \_\_\_\_\_ @ \_\_\_\_\_ %;  
 \$ \_\_\_\_\_ @ \_\_\_\_\_ %.

c. If the underlying debt transaction was disclosed as a variable rate transaction on the most recent disclosure given under the Truth in Lending Act:

The interest rate on your loan may be a variable interest rate which changes from time to time, so that the annual percentage rate disclosed here may be higher or lower.

d. If the reaffirmed debt is secured by a security interest or lien, which has not been waived or determined to be void by a final order of the court, the following items or types of items of the debtor's goods or property remain subject to such security interest or lien in connection with the debt or debts being reaffirmed in the reaffirmation agreement described in Part B.

Item or Type of Item

Original Purchase Price or Original Amount of Loan

*Optional---At the election of the creditor, a repayment schedule using one or a combination of the following may be provided:*

**Repayment Schedule:**

Your first payment in the amount of \$ \_\_\_\_\_ is due on \_\_\_\_\_ (date), but the future payment amount may be different. Consult your reaffirmation agreement or credit agreement, as applicable.

---Or---

Your payment schedule will be: \_\_\_\_\_ (number) payments in the amount of \$ \_\_\_\_\_ each, payable (monthly, annually, weekly, etc.) on the \_\_\_\_\_ (day) of each \_\_\_\_\_ ( week, month, etc.), unless altered later by mutual agreement in writing.

---Or---

A reasonably specific description of the debtor's repayment obligations to the extent known by the creditor or creditor's representative.

## 2. INSTRUCTIONS AND NOTICE TO DEBTOR

**Reaffirming a debt is a serious financial decision.** The law requires you to take certain steps to make sure the decision is in your best interest. If these steps are not completed, the reaffirmation agreement is not effective, even though you have signed it.

1. Read the disclosures in this Part A carefully. Consider the decision to reaffirm carefully. Then, if you want to reaffirm, sign the reaffirmation agreement in Part B (or you may use a separate agreement you and your creditor agree on).

2. Complete and sign Part D and be sure you can afford to make the payments you are agreeing to make and have received a copy of the disclosure statement and a completed and signed reaffirmation agreement.

3. If you were represented by an attorney during the negotiation of your reaffirmation agreement, the attorney must have signed the certification in Part C.

4. If you were not represented by an attorney during the negotiation of your reaffirmation agreement, you must have completed and signed Part E.

5. The original of this disclosure must be filed with the court by you or your creditor. If a separate reaffirmation agreement (other than the one in Part B) has been signed, it must be attached.

6. If the creditor is not a Credit Union and you were represented by an attorney during the negotiation of your reaffirmation agreement, your reaffirmation agreement becomes effective upon filing with the court unless the reaffirmation is presumed to be an undue hardship as explained in Part D. If the creditor is a Credit Union and you were represented by an attorney during the negotiation of your reaffirmation agreement, your reaffirmation agreement becomes effective upon filing with the court.

7. If you were not represented by an attorney during the negotiation of your reaffirmation agreement, it will not be effective unless the court approves it. The court will notify you and the creditor of the hearing on your reaffirmation agreement. You must attend this hearing in bankruptcy court where the judge will review your reaffirmation agreement. The bankruptcy court must approve your reaffirmation agreement as consistent with your best interests, except that no court approval is required if your reaffirmation agreement is for a consumer debt secured by a mortgage, deed of trust, security deed, or other lien on your real property, like your home.



## **YOUR RIGHT TO RESCIND (CANCEL) YOUR REAFFIRMATION AGREEMENT**

You may rescind (cancel) your reaffirmation agreement at any time before the bankruptcy court enters a discharge order, or before the expiration of the 60-day period that begins on the date your reaffirmation agreement is filed with the court, whichever occurs later. To rescind (cancel) your reaffirmation agreement, you must notify the creditor that your reaffirmation agreement is rescinded (or canceled).

### **Frequently Asked Questions:**

What are your obligations if you reaffirm the debt? A reaffirmed debt remains your personal legal obligation. It is not discharged in your bankruptcy case. That means that if you default on your reaffirmed debt after your bankruptcy case is over, your creditor may be able to take your property or your wages. Otherwise, your obligations will be determined by the reaffirmation agreement which may have changed the terms of the original agreement. For example, if you are reaffirming an open end credit agreement, the creditor may be permitted by that agreement or applicable law to change the terms of that agreement in the future under certain conditions.

Are you required to enter into a reaffirmation agreement by any law? No, you are not required to reaffirm a debt by any law. Only agree to reaffirm a debt if it is in your best interest. Be sure you can afford the payments you agree to make.

What if your creditor has a security interest or lien? Your bankruptcy discharge does not eliminate any lien on your property. A “lien” is often referred to as a security interest, deed of trust, mortgage or security deed. Even if you do not reaffirm and your personal liability on the debt is discharged, because of the lien your creditor may still have the right to take the security property if you do not pay the debt or default on it. If the lien is on an item of personal property that is exempt under your State’s law or that the trustee has abandoned, you may be able to redeem the item rather than reaffirm the debt. To redeem, you make a single payment to the creditor equal to the current value of the security property, as agreed by the parties or determined by the court.

**NOTE:** When this disclosure refers to what a creditor “may” do, it does not use the word “may” to give the creditor specific permission. The word “may” is used to tell you what might occur if the law permits the creditor to take the action. If you have questions about your reaffirming a debt or what the law requires, consult with the attorney who helped you negotiate this agreement reaffirming a debt. If you don’t have an attorney helping you, the judge will explain the effect of your reaffirming a debt when the hearing on the reaffirmation agreement is held.

**PART B: REAFFIRMATION AGREEMENT.**

I (we) agree to reaffirm the debts arising under the credit agreement described below.

1. Brief description of credit agreement:

2. Description of any changes to the credit agreement made as part of this reaffirmation agreement:

SIGNATURE(S):

Borrower:

Co-borrower, if also reaffirming these debts:

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted by creditor:

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

Date of creditor acceptance: \_\_\_\_\_

**PART C: CERTIFICATION BY DEBTOR'S ATTORNEY (IF ANY).**

*[Check each applicable box.]*

☐ I hereby certify that (1) this agreement represents a fully informed and voluntary agreement by the debtor; (2) this agreement does not impose an undue hardship on the debtor or any dependent of the debtor; and (3) I have fully advised the debtor of the legal effect and consequences of this agreement and any default under this agreement.

☐ *[If applicable and the creditor is not a Credit Union.]* A presumption of undue hardship has been established with respect to this agreement. In my opinion, however, the debtor is able to make the required payment.

Printed Name of Debtor's Attorney: \_\_\_\_\_

Signature of Debtor's Attorney: \_\_\_\_\_

Date: \_\_\_\_\_

**PART D: DEBTOR'S STATEMENT IN SUPPORT OF REAFFIRMATION AGREEMENT**

1. I believe this reaffirmation agreement will not impose an undue hardship on my dependents or me. I can afford to make the payments on the reaffirmed debt because my monthly income (take home pay plus any other income received) is \$\_\_\_\_\_, and my actual current monthly expenses including monthly payments on post-bankruptcy debt and other reaffirmation agreements total \$\_\_\_\_\_, leaving \$\_\_\_\_\_ to make the required payments on this reaffirmed debt. I understand that if my income less my monthly expenses does not leave enough to make the payments, this reaffirmation agreement is presumed to be an undue hardship on me and must be reviewed by the court. However, this presumption may be overcome if I explain to the satisfaction of the court how I can afford to make the payments here: \_\_\_\_\_.

2. *Either:* I received a copy of the Reaffirmation Disclosure Statement in Part A and a completed and signed reaffirmation agreement.

— *Or* ---

*[If the creditor is a Credit Union and the debtor is represented by an attorney]* I believe this reaffirmation agreement is in my financial interest. I can afford to make the payments on the reaffirmed debt. I received a copy of the Reaffirmation Disclosure Statement in Part A and a completed and signed reaffirmation agreement.

Signed: \_\_\_\_\_  
(Debtor)

\_\_\_\_\_  
(Joint Debtor, if any)

Date: \_\_\_\_\_

**PART E: MOTION FOR COURT APPROVAL**

*(To be completed only if the debtor is not represented by an attorney.)*

**MOTION FOR COURT APPROVAL OF REAFFIRMATION AGREEMENT**

I (we), the debtor(s), affirm the following to be true and correct:

I am not represented by an attorney in connection with this reaffirmation agreement.

I believe this reaffirmation agreement is in my best interest based on the income and expenses I have disclosed in my Statement in Support of this reaffirmation agreement, and because (provide any additional relevant reasons the court should consider):

Therefore, I ask the court for an order approving this reaffirmation agreement.

Signed: \_\_\_\_\_  
(Debtor)

\_\_\_\_\_  
(Joint Debtor, if any)

Date: \_\_\_\_\_

**DAVID M. SIEGEL & ASSOCIATES**

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