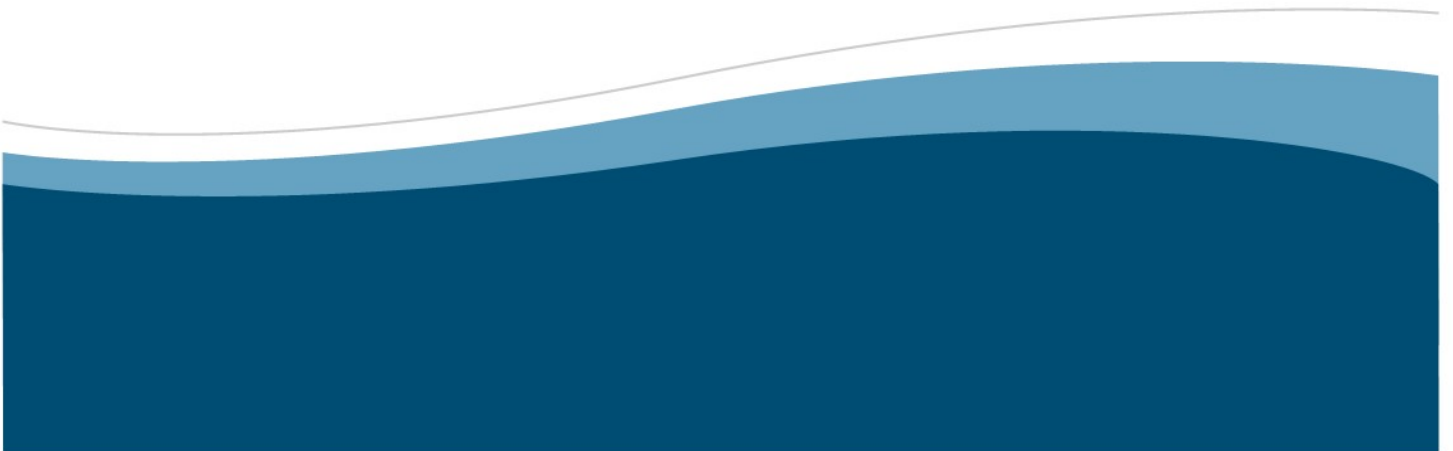




# Chapter 13 Handbook

## The Road to a Financial Fresh Start



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# A MESSAGE FROM THE CHAPTER 13 STAFF

The Chapter 13 staff understands that making the decision to file bankruptcy was not easy. Some of the many factors, which cause one to file bankruptcy, include loss of employment, medical bills, and helping family members in need. Please remember that filing Chapter 13 is not the end of the world but is a chance for you to earn a fresh financial start. Upon completion of the plan, most people will be debt free, except for mortgage payments and/or student loans.

To be successful in your plan, you must make your plan payments each month and earn a discharge of your debt. Cases filed in Akron, Ohio, have one of the highest completion rates in the country. To be successful we encourage you to read this booklet, and visit our website at [www.chapter13info.com](http://www.chapter13info.com) for more information. The website provides an overview of Chapter 13, definitions of bankruptcy terms, and a section on frequently asked questions. You also have the option of keeping up to date on your case by setting up your online account with the National Data Center at [NDC.org](http://NDC.org). The more you know about the program, the greater your chance of success.

This online booklet is being provided to you in order to answer some common questions that arise during a Chapter 13 bankruptcy plan. This booklet should be read in full at the beginning of your case and referred to throughout the case as the need arises.

The Chapter 13 staff wishes you every success.

## **WHAT YOU SHOULD KNOW ABOUT YOUR CHAPTER 13 CASE**

Your Chapter 13 Case Number    Click or tap here to enter text.

**Attorney:**    Click or tap here to enter text.            **Phone:**    Click or tap here to enter text.

**Case Administrator Email:**    Click or tap here to enter text.

**For correspondence that cannot be emailed please send to the address below.**

Your Trustee's name, address, and office telephone number is:

Keith L. Rucinski  
Chapter 13 Trustee  
One Cascade Plaza, Suite 2020  
Akron, OH 44308  
330-762-6335

The Confirmation Hearing  
You are not required to attend your Court Confirmation hearing (Thursdays at 1:30 PM).  
For attendance at other hearings, please consult your attorney.

TRUSTEE WEBSITE:  
[www.chapter13info.com](http://www.chapter13info.com)

**THIS COURSE IS REQUIRED TO EARN YOUR DISCHARGE!**

## Online Chapter 13 Bankruptcy Course

\*\* The Trustees' Education Network (TEN) – an affiliate of the National Association of Chapter 13 Trustees – has created an online financial management course for the benefit and financial education of Chapter 13 debtors. This course is approved by the United States Trustee Program. \*\*

# **THIS COURSE IS FREE!**

**SIGN UP ONLINE AT [WWW.13CLASS.COM](http://WWW.13CLASS.COM)**

### **WHAT YOU WILL NEED TO SIGN UP**

- Unique Trustee Identifier Number
  - **TEN13010**
- Bankruptcy Case Number
- Your full Name “exactly” as shown on bankruptcy petition
- A valid email address (each debtor will need a separate email address)
- Your bankruptcy Schedules A/B, D, and E/F for Lesson 1 and Schedules I and J for Lesson 3.



You must complete the entire course (all lessons and quizzes) to receive a Certificate of Completion from the Trustees' Education Network. Once you complete all coursework, the Trustees' Education Network will send a Certificate of Completion to you and to your Bankruptcy Court.

***\*\*Course satisfies legal requirements for debtors' Certificate of Completion and to gain a discharge of their bankruptcy case.***

***\*Other course providers may charge you a fee for this course.***

# MAKING CHAPTER 13 PAYMENTS

Most filer's will have their payments coming directly out of their paychecks and paid by their employer, but there could be a time when a payment needs to be made directly to the Trustee by you. Below is the payment options available to you.

Online: [tfsbillpay.com](http://tfsbillpay.com)

Mailing payments: Keith L. Rucinski  
Chapter 13 Trustee  
3600 Momentum Place  
Chicago, IL 60689-5336

*It is important that your name and case number appear on all payments*

**\*\*\*\*\*Only PAYMENTS are accepted at the above address\*\*\*\*\***

*Payments must be made by the 10<sup>th</sup> of each month.*

Trustee Website: [www.chapter13info.com](http://www.chapter13info.com)

**You must continue making your monthly payment until an Order is received telling you to stop making your payment!**

**(You will be refunded any money that is overpaid)**

**All correspondences or questions should be emailed to your case administrator  
(see page 3)**

## What Every Chapter 13 Filer Should Know

1. Your first Chapter 13 payment must be paid within 30 days of the date the plan is filed.
2. Under the bankruptcy law, if you are paying less than 100% to your unsecured creditors, your plan may be required to last up to 60 months.
3. Every debt you owe, contingent or disputed (business or individual), must be listed in your plan. This includes delinquent utilities. All debts must be paid through the plan unless there is justification, which is rare. There is no Chapter 13 protection if you pay direct.
4. All income of occupants of the home must be listed in your plan; child support, rental income, etc.
5. It is important that you review and understand your plan. Review all documents sent you, via email or regular mail, by the Chapter 13 Trustee's Office, including the annual ledger of your case. The best way to stay current on your case is to review, at least monthly, your online statement to ensure all of your payments have been received and see how your balances fall! You can access your case online from the Chapter 13 web page at [www.chapter13info.com](http://www.chapter13info.com) or at [NDC.org](http://NDC.org) directly.
6. All regularly employed Chapter 13 filers must make payments to the Trustee by payroll deductions. All other payments received must be in the form of a cashier check, money order or online payment.
7. Keep your attorney and the Chapter 13 Trustee's Office informed of future changes in your address. This information is useful for notices, and for refund checks payable to you.
8. If your employer is required to make deductions for your Chapter 13 payment, it is your responsibility to make sure those deductions are being made. If your employer does not make deductions, you must mail your payment to the Trustee's bank lockbox or you may pay online. The online payment option can be found on the Trustee's web page at [www.chapter13info.com](http://www.chapter13info.com).
9. If payments are missed, it is probable that your expected completion date will change. Note: You cannot complete your plan as originally proposed if you don't make all of your payments into your plan!!
10. The plan will not work if payments are not received. If you have an interruption in employment, please contact your attorney as well as your case administer to advise of your situation. Remember: Neither the Trustee, nor his staff, can give you legal advice!! Contact your attorney.

For Additional Information  
see "Overview of Chapter 13" at  
[www.chapter13info.com](http://www.chapter13info.com)

# MONITORING YOUR CHAPTER 13 CASE

## National Data Center

As a participant in a Chapter 13 Plan, you have the ability to monitor the progress of your Chapter 13 case online. The Chapter 13 office uses a site known as the National Data Center. You will need to follow the instructions carefully to obtain password and log on identification. There is no cost to you to use this site to monitor your Chapter 13 Plan. Please be advised that creditors also use this site to monitor payments of participants in Chapter 13 cases.

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[WWW.NDC.ORG](http://WWW.NDC.ORG)

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Notice: The National Data Center is not part of the Chapter 13 office. The Chapter 13 Trustee is not responsible for the actions of this organization.



## THINGS TO KNOW UNDER THE BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2005

1. To successfully complete your Chapter 13 Plan, you must take a financial management course. This is in addition to the credit counseling you took in order to file bankruptcy. (See next page for directions on locating a financial management class).
2. If your household income is higher than the average income for Ohio, you must make payments into your Chapter 13 Plan for 60 months. You may only complete earlier if you are paying all creditors 100 percent of their claims.
3. If your household income is less than the average income for Ohio, you must make payments into your Chapter 13 Plan for at least 36 months. However, your case could take up to 60 months of payments to complete. You may only complete earlier than 36 months if you are paying all creditors 100 percent of their claims.
4. Failure to timely make all child support and alimony payments (Domestic Support Obligations) can result in dismissal of case or conversion to a Chapter 7 bankruptcy.
5. Failure to timely file all tax returns can result in dismissal or conversion to a Chapter 7 bankruptcy.
6. If your case is dismissed and you attempt to file a new bankruptcy case, you may not be able to stop foreclosure on your home. This case may be your only opportunity to save your home.
7. The U.S. Department of Justice – United States Trustee Program is required to randomly audit cases to verify that the disclosures on the bankruptcy petition and schedules are complete and accurate.

**UNDERSTAND YOUR PLAN.** It is imperative that you fully understand your Chapter 13 Plan. You have an opportunity to amend or modify your Chapter 13 Plan subsequent to the 341 meeting and prior to a confirmation hearing on your case. If you do not understand any aspect of your Chapter 13 Plan you should make an appointment with your attorney to go over your plan as it is essentially a financial blueprint for what you have to live by for the next 3 to 5 years.

**SERIAL FILINGS OF CHAPTER 13 CASES.** Please be advised that the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 limits the number of times that a Chapter 13 Plan should be undertaken.

In the past, some people have felt that should they not be able to finish this Chapter 13 case that they will simply file a new case. There are several procedural issues with filing a second Chapter 13 case, which could cause successive cases to be dismissed or not allow you to save your home. As the second bankruptcy case may not protect your house from foreclosure actions in state court. You should work with your attorney to make every effort to complete your current Chapter 13 case successfully.

### **ATTENTION ALL CHAPTER 13 INDIVIDUALS**

The following are requirements of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005:

1. In order to file a Chapter 13 bankruptcy, you were required to take a credit counseling course.
2. In order to earn a discharge, you must take a financial management course (this is in addition to the credit counseling). You should plan on taking the course within a month of attending the 341 meeting with the Trustee. Even if you make all payments under the plan, you will not earn a discharge until the completion of a financial management course. Without a discharge your creditors could pursue you for additional money after the conclusion of your Chapter 13 Plan. A discharge prohibits your creditors from pursuing additional money if the debt has been scheduled and discharged through the Chapter 13 Plan.

### **APPROVED PERSONAL FINANCIAL MANAGEMENT COURSE PLACES**

The Chapter 13 office offers the personal financial management class online. There is no cost to take these classes if a person has filed a Chapter 13 in Akron, Ohio. You may access the class at [www.13class.com](http://www.13class.com). For further information please check our website for more details. The Chapter 13 website is [www.chapter13info.com](http://www.chapter13info.com). (See page 4)

To locate an approved financial management course, other than the one offered by our office, please take the following steps:

1. Go to the Trustee's website [www.chapter13info.com](http://www.chapter13info.com).
2. Click on the "Financial Management Course Information" click on the box.
3. Under "For other Courses see" – you will see the United States Trustee Program link, click on it. Then click Proceed.
4. On the left side of the webpage, click the category "Credit Counseling & Debtor Education".
5. In the box titled "For Consumers", "Debtor Education", click on the "List of Approved Debtor Education Providers" link.

6. Scroll down to the bottom of page and under "See All Credit Counseling by District" choose Ohio-Northern District and click Go.
7. After this you will see the name of the businesses and contact information.

**NOTICE**

Organizations providing credit counseling and financial management courses are not part of Chapter 13 Trustee's office. The Chapter 13 Trustee is not responsible for the actions of these organizations.

**CASE NUMBER.** Your Chapter 13 case number is very important. Keep it handy. You will need your case number when you make a plan payment to the Trustee. Your name and case number must appear on your cashier's check or money order. Your case number should also appear on any letters that you send to the Trustee's office.

**KEEP THE TRUSTEE AWARE OF ANY ADDRESS CHANGE.** It is important to keep the Bankruptcy Court aware of any changes in your address. It is common for Chapter 13 debtors to accumulate additional funds at the end of their Chapter 13 case. Said funds are returned to you once the Trustee has performed a final audit in your case, to ensure that all creditors have been properly paid, and a discharge has been issued. Some debtors have lost thousands of dollars in funds because they have moved and not provided a forwarding address with the Bankruptcy Court. You should contact your attorney to advise of any address change so your attorney can file the change of address with the Bankruptcy Court.

**CALLING THE TRUSTEE'S OFFICE.** The Chapter 13 office phone number is 330-762-6335 (follow the prompts). Do not feel that you must talk personally with the Trustee; the staff is well qualified to answer your questions or discuss any problems that may arise while you are in a Chapter 13 Plan.

**The ideal way of getting any answers to questions is through email,** you may e-mail your assigned case person at the Chapter 13 office. On the Chapter 13 website there is a box titled, "Contact the Chapter 13 Staff". Each Chapter 13 case has an assigned administrator. To find your administrator on the list provided please use the last two digits of your case number. The Chapter 13 website is [www.chapter13info.com](http://www.chapter13info.com). All responses to email(s), from your case administrator, will be copied to your attorney.

***Please remember that the Chapter 13 staff is not permitted to give you legal advice. Legal questions must be discussed with your attorney.***

**IF CREDITORS CALL YOU.** If any creditors listed in your Chapter 13 Plan seek to call you, you should keep a log of said creditor's name and the time that they called you. You should also provide creditors with the name of your attorney and your Chapter 13 case number. The creditor may ask you what district you filed your Chapter 13 case. Your case has been filed in the Northern District of Ohio.

**WAGE DEDUCTIONS.** If you are making your plan payments through wage deductions, your employer will be served with a court order instructing the employer to deduct your Chapter 13 payment from each paycheck in accordance with your plan. It is important for you to save your pay stubs so that in the event of a problem, you can prove that the deductions were actually taken.

If for any reason, your employer fails to withhold your Chapter 13 payment, you are ultimately responsible to make sure your payment is made timely. It is also your responsibility to ensure that the correct amount is being taken out of your paycheck each pay.

As a Chapter 13 participant, your wages are under the jurisdiction of the U.S. Bankruptcy Court and cannot be attached for any debts other than your plan payment, child support, alimony, and repayment of a loan from your retirement account.

**DIRECT PAYMENTS.** If a wage deduction is not possible or has not begun yet, send your payments as specified in your plan directly to the Trustee.

All payments must be in the form of a money order or cashier's check made **payable to:**

Chapter 13 Trustee

Send all payments to the following **address:**

3600 Momentum Place  
Chicago, IL 60689-5336

Include your name and case number on all payments (in clear writing) to ensure that the funds will be properly credited to your account. **DO NOT SEND CASH.**

**MAKING PAYMENTS ONLINE.** If you are making direct payments, you have the option of making those payments online. On the Chapter 13 website is a box titled, "Make your Chapter 13 Payment Online". The Chapter 13 website is [www.chapter13info.com](http://www.chapter13info.com). Your full monthly plan payment must be made by the 10<sup>th</sup> of each month until completion of your case.

**PROBLEMS MAKING CHAPTER 13 PLAN PAYMENT.** It is extremely important for you to let both your attorney and the Chapter 13 Trustee know if something interrupts your employment or otherwise makes it impossible for you to make your payments to the Trustee. On a limited basis, you may be able to suspend your plan payments. Suspended payments will be added to the end of your plan.

In some cases, depending on how long your plan has been going and the kind of creditors being paid under your plan, you may be able to modify or amend your plan. You should contact your attorney to discuss your options.

If you stop paying and do not contact your attorney or the Trustee, the U.S. Bankruptcy Court can dismiss your case. Should the Bankruptcy Court dismiss your case, all the creditors under your plan can seek full payment plus interest and penalties from you under applicable state law.

**NEW DEBTS.** Obtaining credit without permission from the Court is not only a violation of the Court's orders; it is subject to disapproval by the Court and may be grounds for dismissal of the

plan. When you have major repairs that are needed to your home or car, large medical bills, or other costly unexpected items, you should always discuss this with your attorney. Your attorney can advise you on the necessary court pleadings which may allow you to take on new debt.

**INCOME TAX RETURNS AND PAYMENT OF POST-PETITION TAXES.** While under Chapter 13 bankruptcy protection, you are required to timely file all local, state, and federal income tax returns during the duration of your Chapter 13 Plan. You are also responsible to see that all applicable post-petition taxes are paid and kept current while you are in a Chapter 13. This includes not only local, state, and federal income taxes, but also real property taxes. Should you fail to keep your tax payments current to the respective tax agency, said agency may ask the Court to dismiss your Chapter 13 Plan. The Trustee reserves the right to review tax returns. \*Per the Order Confirming Plan, **you must supply the Trustee a copy of your tax returns each year upon request.**

**TAX REFUNDS.** If you receive a tax refund in excess of \$1,500.00, you must consult your attorney. In most cases, the Trustee requires refunds in excess of \$1,500.00 to be paid into your Chapter 13 Plan for the benefit of creditors. Per the Order Confirming Plan, you are permitted to keep all earned income credits and child care credits.

**TAX REFUND ANTICIPATION LOANS.** Before using a tax refund anticipation loan and losing a large portion of your refund, please ask yourself why you cannot wait thirty (30) days for the funds to keep the entire refund yourself!

**OBTAINING INFORMATION FROM YOUR TRUSTEE.** In addition to having 24/7 access to your case through the National Data Center, [NDC.org](http://NDC.org), once a year the Chapter 13 Trustee will send you a complete history of your account, all payments received and all creditors paid under your plan. **The Trustee e-mails these ledgers to you in January. If you do not have access to a computer and need a ledger on your case, you may call the Chapter 13 office at 330-762-6335, and a ledger will be mailed to you.**

It is imperative that you keep your address current with the Trustee and the Clerk of the Bankruptcy Court so that you receive not only these documents but also important Court documents throughout the duration of your Chapter 13 Plan.

The ledger sent to you, via email, will allow you to calculate your approximate payoff balance on your plan and will include an explanation sheet on how to use the ledger. Please be advised, the Trustee's office is not permitted to give individual legal advice, but can provide information to you on the administration of your case. Your request for such information must be in writing and submitted to the Trustee preferably by email. A letter may be mailed to the Chapter 13 Office with your questions, but could possibly delay the response time. Please note that due to the volume of cases, it may take up to 30 days to get a response. If the information is of an urgent nature due to some type of court litigation, you should work through your attorney who will advise the Trustee accordingly on the urgency of such request. If you believe a creditor listed on the ledger is not your creditor or has claimed an amount greater than you owe them, contact your attorney immediately so that an objection to the claim can be filed. If you remain silent, you will pay all claims as filed. All information concerning your plan, including the payoff balance, is subject to review and audit by the Trustee.

**FILING OF CLAIMS.** Creditors generally have approximately seventy (70) days from the date you file your bankruptcy case to file their claim. Any claim not filed within the time limit is a late claim and may be disallowed; and therefore, not paid. Tax claims and secured claims are usually the exception to this time limit.

If you have an objection to any claim, which has been filed in your case, or feel that a claim has been filed incorrectly, you should contact your attorney immediately so that he or she can advise you of your options. Please note that it is your responsibility to review the annual ledger to see that all the creditors listed are accurate.

In addition to the annual ledger, you have 24/7 access to your case through the National Data Center. You can access the National Data Center through the Chapter 13 website at [www.chapter13info.com](http://www.chapter13info.com) or at [NDC.org](http://NDC.org).

**SMALL BUSINESS CHAPTER 13.** Debtors engaged in their own sole proprietorship business may, unless the Court orders otherwise, operate that business and incur trade credit in the production of income.

With regard to personal finances, debtors engaged in business are subject to the same requirements, restraints, and jurisdiction as individuals with only personal debts.

Small business debtors may be required to file semi-annually with the Trustee a statement of financial affairs which can include current profit and loss statements, bank account statements, and request for balance sheets and income statements, proof of insurance, and proof that quarterly payroll tax returns and sales tax returns are paid. The Trustee may also require annual tax returns from you concerning both your individual and business finances.

If you are a small business debtor, the Trustee may send an email or a letter to you in January and July of each year requesting said information. Failure to supply the Trustee with this information in a timely manner can result in dismissal of your Chapter 13 Plan.

**TRUSTEE ADMINISTRATION FEE.** Chapter 13 programs are not funded by tax dollars. The funding for Chapter 13 is from individuals who have filed Chapter 13 to earn a fresh financial start. The Trustee Administration Fee can be as high as ten (10) percent. The fee is charged on all payments made into the plan. For example, if your monthly payment is \$100.00 and the Trustee Administration Fee is ten (10) percent, then \$90.00 will be posted to your case and \$10.00 will be used to pay overhead for the Chapter 13 Trusteeship. The administration fee must be approved by the United States Department of Justice-United States Trustee Program. Although the fee can fluctuate throughout your plan, it cannot go higher than ten (10) percent and in most cases it is significantly less than ten (10) percent.

You can help keep the administration fee as low as practical by helping the Trustee keep overhead low. One way to do this is to give email consent allowing the Chapter 13 staff to communicate with you by email which helps reduce printing and postage cost.

**PAYMENT OF UNSECURED CLAIMS.** A Chapter 13 Plan must provide for payment of all your creditors, including unsecured creditors. Unsecured creditors are creditors such as credit cards. Upon the filing of your Chapter 13 case, unsecured creditors must cease adding finance charges and other interest charges to your account. Said unsecured creditors must file a total account balance that you owe them upon the date of the filing of your Chapter 13 Plan. Upon the successful completion of your plan, said unsecured creditors cannot seek payment from you for any additional finance charges and interest charges based on a claim which has been discharged through your plan. However, please be advised that should you fail to complete your Chapter 13 Plan, all the interest and other charges which would have accrued under your account except for the Chapter 13 Plan can be charged against your account and said creditors can seek collection under applicable state law. It is to your benefit and very important that you make every effort to complete your Chapter 13 Plan or you could find yourself in a worse financial situation than when you started your Chapter 13 Plan.

**QUITTING YOUR PLAN.** If your financial situation is drastically altered and payment of the plan is no longer practical, contact your attorney as soon as possible. He or she may be able to find a solution in spite of the difficult circumstances since there are a number of options to consider.

Be aware that a dismissal of your case would reactivate all disputed debts and all interest and charges not allowed by the Bankruptcy Court while your case is pending.

You will find yourself, again, dealing with the remaining creditors on their terms, not yours or those provided for under the Bankruptcy Code.

**SIGN UP FOR THE DO NOT CALL LIST.** An important first step to avoid the use of costly credit advances in the future would be to sign up for the national do not call list at 1-888-382-1222 or [www.donotcall.gov](http://www.donotcall.gov). You may also opt out of pre-approved credit offers by calling 1-888-567-8688 or [www.optoutpresecreen.com](http://www.optoutpresecreen.com)

**BEWARE OF PAY DAY LENDERS.** Many people use the services of pay day lenders. These lenders often will advance funds and hold your personal check until pay day. It is not unusual for the fees charged in these pay day loans to average around four hundred (400) percent. These costs are often hidden and hard to calculate. While you are in a Chapter 13 Plan, please be advised that you cannot take out pay day loans without Court permission. It is in your long-term financial interest never to use the services of a pay day lender again.

**DISPOSING OF PROPERTY.** While under Chapter 13 bankruptcy protection you are not permitted to sell real estate, vehicles, or other personal property (valued at \$1,500.00 or more) without permission of the U.S. Bankruptcy Court. You should contact your attorney to seek Court permission before disposing of any property.

**CHANGE IN INCOME DURING CHAPTER 13 PLAN.** Chapter 13 requires that you devote best efforts in repayment to your creditors. This means if your income increases significantly you will need to amend your plan and increase the repayment to creditors. Changes in your income can include, but is not limited to: wage, bonuses, inheritance, large lottery winnings, personal injury settlements, payment of accrued vacation and sick time, stock options, and significant increases in your wages subsequent to filing Chapter 13 (generally an increase of income of ten (10) percent or greater than the amount on your bankruptcy schedules).

Failure to report these changes in income can result in dismissal of your case. Generally, the Trustee will work with you to allow you to retain a portion of these funds if you are honest and reported the change in income.

Failure to report changes in income may result in your case be referred to the U.S. Department of Justice-United States Trustee Program.

**ATTORNEY FEES.** Attorney fees in Akron, Ohio are governed by Administrative Order No. 12-03. A copy of this order is available at the Chapter 13 website [www.chapter13info.com](http://www.chapter13info.com) (under attorney section) "Court Order Regarding Attorney Fees in Akron, Ohio". If you do not have access to the internet, you may write the Trustee at:

Office of the Chapter 13 Trustee  
One Cascade Plaza  
Suite 2020  
Akron, Ohio 44308

and a copy will be sent to you without charge.

This order outlines your responsibility as a Chapter 13 participant and provides a guideline of attorney fees you may expect as issues arise in your case. The attorney fees listed are a guide and your actual attorney fees may be greater or less depending on the retainer letter you signed with your attorney.

**Your attorney remains your attorney throughout the duration of your Chapter 13 Plan (3 to 5 years). Your attorney is there to help you with the bankruptcy process. Please contact your attorney if you have legal questions about your Chapter 13 Plan.**

(Attorney information on page 3)

**RECORD OF MORTGAGE PAYMENTS.** Pursuant to the U.S. Bankruptcy Court's Administrative Order 19-04, all Chapter 13 cases which are delinquent in mortgage payments on the date of filing Chapter 13, are required to pay both the mortgage arrearage and current mortgage payment through the Chapter 13 Plan as part of the monthly Chapter 13 Plan payment. The Administrative Order includes all mortgage payments, including the mortgage on your residence and all other real property you are seeking to retain through your Chapter 13 Plan. You may monitor the payment of mortgages paid through your Chapter 13 Plan by accessing your case information through the National Data Center at [NDC.org](http://NDC.org).

If your plan allows you to make your mortgage payment directly, your mortgage payment will NOT be made through your Chapter 13 Plan. On the following page is a form for you to keep track of the date, mailing address, and amount of payment you make to your mortgage company. Many times, mortgage lenders sell loans and do not always keep borrowers informed on the new information needed to make the mortgage payment. By keeping a record of your payments, you will be able to assist yourself and your attorney should the mortgage company assert that you have not made the mortgage payment.



You may print out pages 18 thru 20 to help keep track of your payments. You can also find an Excel document, that you can save to your computer that can be used to keep track of your payments, on our website [www.chapter13info.com](http://www.chapter13info.com) under Financial Management Course Information. You should also keep copies of any notices your mortgage lender may send you.

**MORTGAGE MODIFICATION.** While in a Chapter 13 Plan you are permitted to seek a modification of your mortgage. Many people who have been turned down for a modification prior to filing Chapter 13 are successful in obtaining a modification of their mortgage after filing Chapter 13. If you are successful during the trial period and are offered a permanent modification you will need a Court order which your attorney can help you prepare. Please see the box titled "Mortgage Modifications" on the Chapter 13 website for information on Court orders necessary for a modification. The Chapter 13 website is [www.chapter13info.com](http://www.chapter13info.com).

**REFINANCING.** Many debtors refinance their home during their Chapter 13 Plan. Please be advised that Court approval is necessary for any type of refinancing and you must contact your attorney to seek such Court approval. The Trustee will not release any information to any title company or lender until such order to refinance has been approved by the Court.

**CAR PAYMENTS.** As with mortgage payments, if you are paying your car directly and not through the Chapter 13 Plan, it is advisable that you keep track of all your car payments and remittances while in a Chapter 13 Plan. You may print out pages 18 thru 20 to help keep track of your payments. You can also find an Excel document, that you can save to your computer that can be used to keep track of your payments, on our Website [www.chapter13info.com](http://www.chapter13info.com) under Financial Management Course Information.

**CAR TITLES.** Please note that the Trustee does not take possession of your car title during the Chapter 13 Plan. Should you pay off a car loan through the Chapter 13 plan, the creditor will send the title directly to you. Should you not receive this title in a timely fashion, you should contact your attorney for assistance.

**INSURANCE.** Under Ohio law you are required to have automobile insurance at all times. You must maintain homeowner's insurance on your property throughout the Chapter 13 Plan. *The Trustee may randomly audit your case and request proof of insurance. Failure to provide proof of insurance can result in dismissal of your Chapter 13 Plan.*

**REQUESTING YOUR CREDIT REPORT.** You are entitled to a free report every 12 months. This does not mean every year, it means if you get a credit report today, the reporting agencies are not required to provide another one to you for 12 months from today. You can find the form on our website at [www.chapter13info.com](http://www.chapter13info.com) under Financial Management Course Information.

**FINALIZING AND CLOSING YOUR CASE.** Six months is not an unusual amount of time to require the Trustee to prepare the final report and accounting of your case and file it with the Court. The exact closing date of your case is affected by the following: the Trustee writes checks to your creditors every 30 days. Closing of your case will depend on the date monies are received and disbursed, when creditors cash their checks, and whether there are additional problems.

Once your employer receives the stop payment order, the deductions will cease. If your employer has a computerized payroll system, an additional deduction or two may occur. This money will be refunded to you when your account is finalized.

Be sure to maintain all documents concerning the finalization and discharging of your case. The Trustee's office only keeps closed files for a short time and you may need your final report in the future when you try to obtain credit.

**DISMISSAL VS. DISCHARGE.** The terms dismissal and discharge in a bankruptcy case are two different terms which have two completely different meanings.

**DISMISSAL.** If the Chapter 13 Plan is dismissed, creditors may immediately initiate or continue with state court litigation pursuant to applicable state law to foreclose on the filer's property or garnish their income. If a bankruptcy case is dismissed, the legal effect is that the bankruptcy is deemed void.

For example- If when filing a Chapter 13 petition, the filer owes the IRS \$10,000.00 and manages to pay the IRS \$9,000.00 before the case is dismissed, this does not necessarily mean that only \$1,000.00 is remaining to be paid to the IRS outside the plan. During a Chapter 13 Plan, many creditors (including credit card companies) hold interest and penalty charges in abeyance. If a Chapter 13 Plan is successfully completed, the interest and penalty charges are void and collection is not sought from the filer. However, if the case is dismissed, all money paid under a Chapter 13 bankruptcy may be applied toward interest and penalties; and therefore, filers may find themselves still owing a large balance to creditors. In the above example with the IRS, it cannot be assumed that there is only a \$1,000.00 balance owed as the IRS would be allowed to collect interest and penalties which were held in abeyance during the Chapter 13 Plan.

A dismissal of a Chapter 13 case in which a filer has made substantial compliance is a serious matter. The filer is urged at all times to keep in contact with their attorney to determine their best course of options should the filer discover that it is not possible to continue with the monthly Chapter 13 Plan payments as proposed in the plan.

**DISCHARGE.** If a Chapter 13 Plan is completed successfully, the filer will earn a discharge. Discharge means that all debt listed in the Chapter 13 Plan is satisfied; and therefore, creditors may not pursue additional collection actions pursuant to applicable state law. If a debt has been discharged in a bankruptcy, and a creditor seeks further collection from the filer, the filer should immediately contact their attorney regarding the efforts to collect by a creditor who has had their claim discharged in bankruptcy. Please note that certain debts are not dischargeable even if the bankruptcy was successfully completed and a discharge was earned. (ie student loans, mortgage)

For more information, go to [www.chapter13info.com](http://www.chapter13info.com).

**VISIT OUR WEBSITE.** For more educational information on Chapter 13, please visit our website at [www.chapter13info.com](http://www.chapter13info.com).

# Automobile Payment Information

It is in your best interest to maintain copies of your money orders/checks when making automobile payments.

Make/Model of car: \_\_\_\_\_

	Date Paid	Amount Paid	Check/M.O. Number		Date Paid	Amount Paid	Check/M.O. Number
1				31			
2				32			
3				33			
4				34			
5				35			
6				36			
7				37			
8				38			
9				39			
10				40			
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# Mortgage Payment Information

It is in your best interest to keep copies of your money orders/checks when making mortgage payments. If there are any changes in who you make your payment to, be sure and note the new name and/or address of the lender. Lenders often sell mortgages which can result in some confusion when they record your payments. By following these instructions, you will have an efficient way to track your payments. This information will assist you and your attorney in resolving problems which may arise with your mortgage lender.

	Date Paid	Amount Paid	Check/M.O. Number	Payment Address	Account Number
1					
2					
3					
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# MONTHLY BUDGET ALLOWANCE WORKSHEET

\*See Schedule J of your petition for allocated amount

\*Copies of worksheet available at [www.chapter13info.com](http://www.chapter13info.com) under "Financial Management"

\*Excel file available to download at [www.chapter13info.com](http://www.chapter13info.com) under "Financial Management"

<b>BILL</b>	<b>AMOUNT ALLOCATED</b>	<b>BILL AMOUNT</b>	<b>DIFFERENCE (+) (-)</b>	<b>REASON(S)FOR DIFFERENCE</b>
Rent/Mortgage				
Electric				
Gas				
Cable/Internet				
Phone/Cell				
Water/Sewer/Trash				
Home Maintenance				
Food				
Clothing				
Laundry/Dry Cleaning				
Medical/Dental Expenses				
Transportation/Gas				
Recreation				
Charitable Contributions				
Car Insurance				
Life Insurance				
Health Insurance				
Home/Rental Insurance				
Taxes				
Car Payment				
Car Payment				
Alimony/Child Support				
Child Care				
Miscellaneous Expenses				
Miscellaneous Expenses				
<b>TOTALS</b>				

