

§341 Meeting and Financial Management Class

Schedule of Events

8:30 – 9:00 INTRODUCTION

1. What to expect this morning: §341/Meeting of Creditors
2. What to expect this afternoon: Personal Financial Management Class
3. Wage Directive & ACH information

9:00 – §341/MEETING OF CREDITORS

At 9:00 am, presiding officers will begin calling cases. Listen for your name. If you need to leave the room before your name is called, notify your attorney or the presiding officer. Make sure you have the following information ready to **show** the presiding officer.

You do not need to copy these items:

- Your own (and your spouse's) tax returns for the last two (2) years
- Original picture I.D. (example: driver's license)
- Original Social Security card

Make a copy of the following to present to the presiding officer:

- Your own (and your spouse's) last two paystubs. Write your case number on the top of each copy.

If you fail to produce these documents, your Meeting may be reset and you will have to appear again to provide them.

LUNCH (on your own)

AFTER your Meeting of Creditors has concluded

12:10 to 3:30 – **PERSONAL FINANCIAL MANAGEMENT CLASS**

1. The Class begins in this room at 12:10 pm. The Trustee's class is FREE.
2. You will learn what to expect in your bankruptcy in the coming months
3. Examine the factors that influence your success in Chapter 13
4. Set goals and learn what it takes to achieve them

TRUSTEE AND COURT INFORMATION

Your case number: _____

Your judicial district: Northern District of Texas, Dallas Division

Trustee's name: Tom Powers

Trustee's address: 125 E. John Carpenter Frwy., Suite 1100, Irving, Texas 75062

Trustee's phone number: 214-855-9200

Office hours: 8:30 am to 4:00 pm, weekdays, closed on Federal holidays

Trustee website: www.dallasch13.com

**Mail plan payments to: Tom Powers Chapter 13 Trustee
P.O. Box 1958
Memphis, TN 38101-1958**

Please keep this handout for future reference. If you have any questions concerning the following information, please ask your attorney first. If you are for any reason unable to get answers to your non-legal questions from your attorney, please call our staff during business hours.

We are not allowed to discuss legal questions with you and will ask you to contact your attorney.

*Attend the Trustee's FREE – **PERSONAL FINANCIAL MANAGEMENT CLASS***

Before you can receive a bankruptcy discharge you are required to complete a Personal Financial Management Class from an approved provider. Your Trustee provides this class to you free of charge. Other providers require you to pay for the class. Unlike other generic classes, the Trustee class is tailored for you as a participant in a Chapter 13 program. An added benefit is the section in which we discuss what you are expected to know and do in the coming months, borrowing money while in Chapter 13, and understanding how to avoid the pitfalls that might prevent you from being successful.

IMPORTANT GENERAL INFORMATION

TRUSTEE'S OFFICE

When you call or come to the office, do not feel you have to talk personally to the Trustee. Our staff is familiar with the policies and guidelines under Chapter 13, and is well qualified to answer your questions or discuss problems or non-legal questions. Office hours: 8:30 am to 4:00 pm, weekdays, closed on Federal holidays

YOUR CURRENT ADDRESS

The Trustee and the bankruptcy court must have your current address on file at all times. Please notify your attorney immediately, in writing, of any changes in your address. Your attorney must file your change of address with the court. Writing your new address on a payment is not adequate notice.

PAYMENTS

Your first payment is due 30 days from the date your case was filed; subsequent payments are due on the same day of the month thereafter. Your first two monthly payments must be made by cashier's check or money order to the PO Box. If your first payment is not made on time and in full, your case may be dismissed on only 7 days notice to you and your attorney.

DO NOT send cash or a personal check. Payments are not accepted at the Trustee's office.

DO NOT MAIL payments to the Trustee's physical address in Irving, Texas.

Mailed payments must be sent directly to:

Tom Powers Chapter 13 Trustee, P.O. Box 1958, Memphis, TN 38101-1958.

This P.O. Box is for payments only. Be sure to write your case number on all payments. Your payment will be considered on time if it is postmarked on or before the due date and sent to the P.O. Box. If you send payment by "overnight delivery", do not request a signature upon receipt. This is a lock box and no one will be there to sign for the delivery. Requesting a signature will only delay posting of your payment.

WAGE DIRECTIVE - IF YOU RECEIVE WAGES OR SALARY

If you receive wages or salary, the court requires you to make your payment under a Wage Directive, which requires your employer to deduct your plan payment from your wages and send it to the Trustee's office. You must complete a Wage Directive Information Sheet (see the last page of this handout) and submit it to the Trustee no later than your first Meeting of Creditors (341 Meeting). Only the court can release you from this requirement.

Your Wage Directive is supposed to start in the third month of your bankruptcy. If it is not deducted from your first paycheck in the third month, you should send in the payment amount

that is due and contact your employer and/or the Trustee's office. You are still responsible for your plan payments.

FOR SELF-EMPLOYED, SOCIAL SECURITY, SSI, PENSION INCOME

If you are self-employed or receive income from sources such as social security, social security insurance, unemployment, pension or retirement distributions, or worker's compensation; you have the option of making your plan payment via i) cashier's check or money order; ii) electronic payment transfer through the Automated Clearing House (ACH), or iii) utilizing an online payment system (ePay).

Cashier's check or money orders allow you to mail your payment to the Trustee's PO Box. Include your name and case number on the cashier's check or money order.

Electronic payments through the ACH allows the Trustee to draft your plan payment from a savings or checking account once each month on the 5th or 20th. . To request this, you must complete the ACH form to authorize the withdrawal of funds from your account

You may also fund your plan through ePay, an online payment system that allows you to make payments to the Trustee using funds in your checking or savings account. ePay requires that you have an internet connection, know your case number and the last 4 digits of your social security number, have a checking or savings account and a valid e-mail address. **Note:** ePay is only activated on Confirmed cases. If your case is not Confirmed or is pending reinstatement, payments must be made via money order or cashier's check.

ACH authorization forms and ePay Registration and payment instructions are located under the Payment tab at www.dallasch13.com.

EXTRA PAYMENTS

Please consult with your attorney if you wish to make extra payments or pay off your Chapter 13 Plan early. You need a thorough understanding of the Bankruptcy Law requirements for paying off a Chapter 13 Plan early.

CONFIRMATION HEARING

Confirmation is the official approval of your plan by the judge. Under some circumstances you may be required to attend the Confirmation pre-hearing at the Trustee's office or a hearing before the Bankruptcy Judge. Consult your attorney if you are not sure whether you are required to attend these hearings. Your failure to attend a required hearing may result in your Chapter 13 case being dismissed.

Until your confirmation hearing, you may add creditors you left off, forgot, or did not realize you had at the time your case was filed. You are required to list ALL DEBTS you owed at the time you filed your bankruptcy.

If you forgot or failed to list a creditor in your bankruptcy, you only have until confirmation to add more creditors. Compare your list of creditors in your bankruptcy with your credit reports. You can get a free credit report from each of the three credit bureaus. Contact your attorney if you believe you need to add one or more creditors.

TRCC – TRUSTEE’S RECOMMENDATIONS CONCERNING CLAIMS

After the claims bar date has passed, approximately seven months after filing, the Trustee’s staff will compare the amount in your plan with the claims filed by your creditors. If the claims of your secured creditors do not match those in your plan, they must be reconciled before your plan can proceed. If you have further questions upon receipt of the TRCC letter from the Trustee, contact your attorney.

PAY ONLY ACCORDING TO YOUR PLAN

Unless specified in your plan to be paid “direct”, you cannot pay some creditors “on the side” or outside your bankruptcy payment. These kinds of payments are considered “preference” payments and are disallowed by the court. You are responsible for paying your current monthly bills, such as utilities, telephone/internet, etc.

MORTGAGE PAYMENTS

For cases filed October 1, 2016 or later: If you are behind two months or more on your mortgage payment at the time of filing, you must pay your mortgage arrears and your ongoing post-petition mortgage payment through the Plan. Payment is disbursed to the mortgage lender by the Trustee from your bankruptcy payments sent to the Trustee.

If any mortgage lien (1st lien or other lien) is delinquent, all mortgage liens should be paid through the Trustee.

If you are not behind on your mortgage payments when you filed, you can elect to have your post-petition mortgage payment paid through your Plan. If you choose not do this, then all ongoing monthly mortgage payments must be paid directly by you to the mortgage company.

INCURRING DEBT WHILE IN CHAPTER 13

You are not allowed to incur debt while in Chapter 13, unless permission is granted by the court or the Trustee. For approval to incur debt to purchase an automobile or home, you should contact your attorney first to advise you of the steps you must take to receive permission.

If you incur medical expenses or other debt while in Chapter 13, these debts cannot be added to your Chapter 13.

SALE OF PROPERTY

Before you sell your house, car, or any other major item of property, contact your attorney. You may be required to obtain the permission of the Court and/or the Trustee.

GENERAL ORDER 2017-01

Special local procedures applicable to your case are in a General Order issued jointly by the Bankruptcy Courts in the Northern District of Texas. Copies of this Order can be obtained from the Bankruptcy Clerk or the Chapter 13 office. Ask your attorney to familiarize you with the

provisions that are applicable to you. You have certain duties and responsibilities under this Order.

TAX REFUNDS

Whether you file a joint or separate Tax Return, DO NOT SPEND more than \$2000.00 of your combined Tax Refund unless you receive permission from the Trustee to do so. The Trustee may request all or part of the amount above \$2,000.00 to be paid to your general unsecured creditors.

If you have any questions about what you are required to do with your tax return or tax refund, please contact your attorney.

TAX RETURNS

Pursuant to 11 U.S.C. Section 521, the Trustee requests that you provide a copy of the first two pages of your 1040 Federal Tax Return, or page one if you file a 1040 EZ, to the Chapter 13 Office. Include a copy of Schedule C if you have business income.

When preparing your copies to send to the Trustee, **black out the complete social security numbers on all pages for you and your dependents and all bank account numbers.** The Trustee does not need this information. Write your case number at the top of page one.

If you request an extension from the IRS for filing your Return, provide a copy to the Trustee of your application for extension when it is filed. Provide a copy of your tax Return once it is filed.

If you file an amended Return, send a copy to the Trustee.

If you are not required to file a Return, contact your attorney so that he or she can assist you in preparing a sworn statement as to why a Return is not required. The signed, sworn statement should be provided to the Trustee by April 15th.

Use **ONE** of the following methods to send a copy of your Return, Extension or Sworn Statement.

Upload a PDF copy at <https://www.13Documents.com> (see Instructions for Registration and Document Upload for 13Documents on the Trustee's website at www.dallasch13.com)
Fax a copy to 214-855-1441
Mail a copy to 125 E. John Carpenter Freeway, Suite 1100, Irving, TX 75062

If the trustee does not receive a copy of your Return, Extension, or Sworn Statement in a timely manner, a motion may be filed to dismiss your case. If you have any questions about what you are required to do, please contact your attorney or the Trustee's office.

SAVINGS ACCOUNT

The Trustee and his staff would like to commend you for choosing Chapter 13 as a way to deal with your present financial problems and pay back a substantial portion of your debts. We sincerely wish you the best of luck in paying off your Plan.

We know that over the next three to five years, that things will come up that will threaten your successful completion of the Plan. It may be an interruption of income or an unexpected expense. We do not know what or when, but from our experience we know that such an event is likely to occur.

If you, too, will recognize this probability and make plans to set aside a small portion of your income on a weekly or monthly bases into a savings account your chances of success will improve dramatically. You will be better prepared to handle unexpected problems and expenses that arise. We strongly urge you to open a savings account at your bank or credit union and make a commitment to “pay yourself” first each payday. Make this a habit. The important thing is not how much, but how regularly you make your deposit.

IN CASE YOU CANNOT MAKE YOUR PAYMENT WHEN IT COMES DUE

MODIFICATION OR INTERLOCUTORY ORDER

If a financial emergency arises that might keep you from making your plan payment, contact your attorney immediately to discuss a Modification. It would allow your plan payment to be lowered temporarily. Your attorney will charge a fee to prepare this request and appear for you in court. The Trustee will object to any Modification fee that exceeds \$400.00.

Only the judge can authorize skipped payments, late payments, or any other change to the original plan. If you default on your payment and a Notice of Intent to Dismiss has been filed by the Trustee’s office, there are three options to avoid a dismissal after an NOI has been issued:

- Pay the delinquency in full by the 14th day following the Notice.
- Sign an Interlocutory Order acceptable to the Trustee by the 14 day. (In the Notice, a date will be indicated to come in and sign the Interlocutory Order).
- Your attorney files and serves a Response to the NOI and sets a hearing on the docket before the expiration of 14 days. The hearing must be the first available court day after the expiration of 14 days.

Please be aware that our office will not notify your prior to the dismissal of your case if the terms of the I/O are not met.

Remember, if you do nothing, then your case will probably be dismissed and you will lose all the benefits you have already built up while in Chapter 13. To do nothing is the worst possible thing to do.

OFFICE OF THE STANDING CHAPTER 13 Trustee
TOM POWERS, TRUSTEE
125 E. John Carpenter Freeway, Suite 1100
Irving, Texas 75062
Phone: 214-855-9200 Fax: 214-965-0755

ATTN: WAGE DIRECTIVE APPLICANTS

To start the payroll deduction you must complete the Wage Directive Information Sheet and return it to the Trustee's office. If you filed with your spouse, you may choose to have the payment taken from one or both your paychecks.

The Trustee's Office will send a Wage Directive to your employer's payroll department with instructions to deduct your Chapter 13 Plan payment from your paycheck. You and your attorney will also receive a copy of this Directive.

The payroll deduction continues until termination of your employment or notice from the Trustee to your employer to stop the deductions. A Wage Directive cannot be terminated unless the case has been completed, converted, or dismissed. If you have an emergency that you believe requires you to stop the payroll deduction, your attorney must submit a written request to the Trustee.

NOTE: You are required to make the first two monthly payments to the Trustee by cashier's check or money order.

Your payroll deduction will begin in the third month. It should be deducted from every paycheck you receive during that month and every month thereafter. If the payment does not come out of your paycheck, you must mail a payment for the amount that should have been deducted from your paycheck. (For example: if you are paid weekly and your weekly deduction is \$50.00, mail a cashier's check or money order for \$50.00 each week until the payroll deduction begins.) If you do not make your plan payments on time, A Notice of Intent to Dismiss may be filed with the court.

PAYMENTS ARE NOT ACCEPTED AT THE TRUSTEE'S PHYSICAL LOCATION
PAYMENTS MUST BE MAILED TO:

**TOM POWERS CHAPTER 13 TRUSTEE
P.O. BOX 1958
MEMPHIS, TN 38101-1958**