

§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. Payment Options: TFS Bill Pay/MoneyGram, Wage Directive & ACH

9:00 – §341/MEETING OF CREDITORS

At 9:00 AM, presiding officers from the Trustee's office 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:

- 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.
- Your own (and your spouse's) tax returns for the last two (2) years
- Write your case number on the top of each paystub and tax return 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 – Deli located on the Lower Level)

Please wait to eat until 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 in-house class is FREE. You will learn what to expect in your bankruptcy case during the upcoming months and examine the factors that influence your success in completing a Chapter 13 case.
2. A free class is available in Spanish on-line through the Trustees' Education Network. Ask your Presiding Officer for more information.
3. For a class in a language *other than English or Spanish*, or if you cannot attend the Trustee's class, a list approved providers and the languages offered are on the U.S.Trustee website. (www.justice.gov/ust: [Credit Counseling & Debtor Education: Approved Debtor Education Providers](#))
Contact the provider for class information and cost.

TRUSTEE AND COURT INFORMATION

Your case number: _____

Your judicial district: Northern District of Texas, Dallas Division

Trustee's name: Tom Powers

Trustee's address: 105 Decker Court, Suite 1150, Irving, Texas 75062

Trustee's phone number: 214-855-9200

Office hours: 8:30 am to Noon; 1:00 pm - 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. For any reason, if you are unable to get answers to your non-legal questions from your attorney, please call our trustee staff during business hours.

Please note: we are not allowed to discuss or answer any legal questions. We will refer you to your attorney to assist you on any legal matters.

PERSONAL FINANCIAL MANAGEMENT CLASS – Attend the FREE Trustee 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 in-house free of charge. The class is normally held during the afternoon when we hold Section 341 Hearings. The content of the Trustee class is tailored for you as a participant in a Chapter 13 program in the Northern District of Texas. The class specifically addresses what you are expected to do throughout your case, what steps you must take before you are allowed to borrow money (obtain a loan) while in Chapter 13, and how to avoid the pitfalls that might prevent you from being successful in completing your plan and receiving a discharge.

TRUSTEE WEBSITE: WWW.DALLASCH13.COM

We strongly encourage you to use our Chapter 13 Trustee website. The site contains a wealth of information, forms and resources you will need throughout your Chapter 13 bankruptcy.

IMPORTANT GENERAL INFORMATION

TRUSTEE'S OFFICE

When you call or come to the Trustee's office, do not feel that you have to personally talk 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. If your address changes at any time during your case, notify your attorney immediately, in writing, of your new address. **Your attorney must file your change of address with the court.** Notifying the Trustee or 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 monthly plan payments are due on the same day of the month thereafter. If your first full monthly payment is not made on time, your case may be dismissed after 7 days from the notice date to you and your attorney.

Your first three monthly plan payments must be made by cashier's check or money order to the Trustee's PO Box or through our electronic payment method, TFS Bill Pay.

- ***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.

PAYMENT METHODS

1) Cashier Check or Money Order

Cashier Checks or Money Orders, payable to Tom Powers, Chapter 13 Trustee, are to be mailed directly to the following post office box:

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 "express delivery", do not request a signature upon receipt. The payment address 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.

2) Wage Directive – if you receive wages or salary from your employer

If you receive wages or a salary from your employer, the Bankruptcy Court for the Northern District of Texas requires you to make your payment under a Wage Directive order. A Wage Directive requires your employer to deduct your plan payment from your wages and send it to the Trustee's P.O. Box. 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 bankruptcy judge can release you from the Wage Directive requirement.

The Wage Directive typically starts in the fourth month of your bankruptcy. If it is not deducted from your first paycheck in the fourth month, you should send in the payment amount that is due for the month and contact your employer and/or the Trustee's office. If your employer fails to send your full monthly plan payments to the trustee, you are still responsible to assure the monthly plan payment is received by the payment due date.

PAYMENT METHODS 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 (TFS Bill Pay).

1) 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. See Cashier Check or Money Order payment method for more information concerning this payment method.

2) Automated Clearing House ("ACH") payment is electronic, bank-to-bank funds transfer processed by the Automated Clearing House financial network. ACH payments are a way to transfer money from one bank account to another bank account without using paper checks, wire transfers, money orders or cash.

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 payment method, you must complete the ACH form to authorize the withdrawal of funds from your account. You must have enough funds in your bank account on the date of the transfer. *If your financial institution indicates there are Non-Sufficient Funds ("NSF") on the day of transfer, the Trustee will terminate the ACH payment method and you will have to send payments directly to the Trustee in the future through money orders, cashier checks or TFS Bill Pay.*

3) TFS Bill Pay. You may also fund your plan through TFS Bill Pay, a secure online payment system that allows you to make payments using funds in your checking or savings account. You control when and how much you wish to transfer throughout the month, as long as the entire monthly payment is received by the due date.

Wage Directive Forms, ACH authorization forms and a link to create a TFS Bill Pay account are located on the Trustee's webpage under the Payment tab at www.dallasch13.com.

EMERGENCY PAYMENTS – TFS MoneyGram – Phone (888) 739-2749

If there is an outstanding motion-to-dismiss (“MTD”) your case for a deficiency of your monthly plan payment amount, please contact your attorney to discuss your options. The Trustee does provide a payment method through TFS MoneyGram that will post transferred funds to your case within 48 hours of payment through an authorized MoneyGram location. You do not need a TFS account to utilize this emergency payment method, but you must have a TFS MoneyGram Card to assure proper payment posting to your case. Use the TFS Information link on the Payment Tab on the Trustee’s website www.dallasch13.com for more information on TFS MoneyGram. The MoneyGram transaction fee is \$8.99. TFS MoneyGram office hours are 9:00 am – 5:00 pm.

EXTRA PAYMENTS

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

CONFIRMATION HEARING

Confirmation is the official approval of your plan by the bankruptcy judge. Under some circumstances you may be required to attend the Confirmation pre-hearing at the Trustee’s office or attend the Confirmation Hearing at the bankruptcy court 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 which you omitted from your plan 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 additional 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 (Experian, Equifax, TransUnion). 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 bankruptcy petition, the Trustee’s staff will compare the scheduled amounts listed 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 two months or more behind on your mortgage payment at the time of filing, you must pay your pre-petition mortgage arrears and your ongoing post-petition mortgage payment through your Plan. The Trustee will disburse your regular monthly mortgage payment and your pre-petition mortgage arrears to the mortgage lender received as part of your bankruptcy monthly plan payment.

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 still elect to have your post-petition mortgage payment paid through your Plan. If you are current on your mortgage payment at the time of filing and choose not to have your mortgage paid through your plan, then all ongoing monthly mortgage payments must be paid directly by you to your mortgage company on a timely basis.

INCURRING DEBT WHILE IN CHAPTER 13

You are not allowed to incur debt while in Chapter 13, unless permission is granted by the Court. For approval to incur debt to purchase an automobile or home, you must contact your attorney. Your attorney will 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 prior to sale.

GENERAL ORDERS

General Orders are special local procedures applicable to your case. General Orders are issued the Bankruptcy Courts in the Northern District of Texas. Copies of this Order can be obtained from the Bankruptcy Clerk or under the Resources Tab on the Chapter 13 website www.dallasch13.com. Ask your attorney to familiarize you with the provisions that are applicable to you. The Order defines duties and responsibilities of all parties associated with a case.

DEBTOR ELECTRONIC BANKRUPTCY NOTICING (DeBN)

You can request to receive notices and orders from the bankruptcy court by email rather than by U.S. Mail. The **Debtor Electronic Bankruptcy Noticing (DeBN)** program is available to all debtors with an open bankruptcy case. To activate, you must complete the DeBN Form available on the court's website at www.txnb.uscourts.gov under the Forms (Local Forms – All) section for each case you file. Mail or hand carry the completed form to the Clerk's Office located at the Earle Cabell Building, 1100 Commerce St. Rm. 1254, Dallas, TX 75242-1496.

TAX REFUNDS

Whether you file a joint or separate federal tax return, DO NOT SPEND more than the first \$2000.00 of your combined Tax Refund unless you receive permission from the Trustee. 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 requires that you provide a copy of the first two pages of you and your spouse (if filing separately) 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. Returns for the past two years are required at your Section 341 Hearing and each year while you have an active Chapter 13 bankruptcy case.

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 each page.

If you **request an extension** from the IRS for filing your Return, you must provide a copy of your filed IRS Form 4868 to the Trustee when it is filed. Once your tax returns are filed with the IRS, you are required to provide a copy to the Trustee, along with Schedule C, if you have business income. 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 each year if you did not file a tax return with the IRS.

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

1) 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)

2) Fax a copy to 214-855-1441

3) Mail a copy to: 105 Decker Court, Suite 1150, 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.

From our experience, we know that over the next three to five years, events will occur that will threaten the successful completion of your bankruptcy plan. It may be an interruption of income or an unexpected expense. If you are able to set aside a small portion of your income, on a weekly or monthly basis, and deposit it into a savings account at your financial institution, your chances of a successful completion of your plan will improve dramatically. You will be better prepared to handle unexpected problems and expenses that arise if you have an emergency savings account. 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 you save, but how regularly you make your deposit.

IN CASE YOU CANNOT MAKE YOUR PAYMENT WHEN IT COMES DUE

MODIFICATION OR INTERLOCUTORY ORDER (“I/O”)

If a financial emergency arises that prevents you from making your full monthly plan payment, contact your attorney immediately to discuss a Modification of your Plan. A Modification allows 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 charged by your attorney that exceeds \$400.00.

Only the judge can authorize skipped payments, late payments, or any other change to the original confirmed plan. If you default on your payment and a Notice of Intent (“NOI”) to Dismiss has been filed with the court 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 (“I/O”) acceptable to the Trustee by the 14 day following the Notice date. (In the Notice to Dismiss, 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 from the Notice date. 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
105 Decker Court, Suite 1150
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 three monthly payments to the Trustee by cashier's check or money order or TFS Bill Pay.

Your payroll deduction will begin in the fourth 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**