

CHAPTER 13 INSTRUCTIONS: *After You File Your Case*

You Must Make These Payments:

Chapter 13 plan payments to the Trustee.

Your normal monthly utility bills, rent or mortgage payments, insurance, car leases, etc.

Do NOT Make These Payments:

Car loans included in the Chapter 13 plan. (Pay car leases directly, unless you are surrendering the car.)

Arrears on house loans (mortgage payments that you missed before your Chapter 13 case was filed).

Other bills included in your Chapter 13 plan.

Chapter 13 Plan Payments:

The first plan payment to the Trustee is due within 30 days of the date your case is filed. Each month afterward, the plan payment is due by the end of the month. The Plan payments can be paid through a Wage Deduction Order or directly to the Trustee. The address to mail payments to is as follows:

Andrea E. Celli
Chapter 13 Standing Trustee
PO Box 1918
Memphis, TN 38101-1918

The Trustee's office accepts cashier's checks or money orders – they do not accept cash or personal checks.

You may decide to have your payment automatically deducted from your paycheck. Because it takes awhile to start the automatic deduction from your paycheck, you will need to make your first plan payment directly to the Trustee by cashier's check or money order. Please make sure that the payments start coming out of your wages and are sent to the Trustee. If they do not, please follow up with your Payroll Department.

Later in the case, if you are going to be late with a payment or if you need to skip a monthly payment or if you can only make part of a plan payment, make sure to call the Trustee's office before the payment would normally be due. Usually arrangements of some kind can be made.

If you are behind on your payments and do not make arrangements to catch up with the Trustee's office, the Trustee may send a "Notice of Default" to you. You should contact our office immediately so we can help you resolve the problem. We may be able to help you change the plan or you must reach an agreement with the Trustee's office within 20 days to catch up the missed payments. Otherwise the case will be automatically dismissed without any court hearing.

Contact Information for the Trustee:

Andrea E Celli, Trustee

Phone: 518-449-2043

Mailing address: 7 Southwoods Boulevard, Albany, NY 12211

Checking and Savings Accounts:

If you owe a debt to the same credit union where you have a checking or savings account, you should withdraw as much of the checking and savings account balances as you can just before filing the Chapter 13 because the credit union may take the money in your checking or savings account and apply it to your loan or freeze the account. If they do that, your checks may bounce. The freeze is called an Administrative Freeze.

Automatic Payments:

If you have payments on a debt automatically deducted from your paycheck (such as for a credit union car loan or personal loan), go to your credit union or payroll office and fill out their form requesting that such deductions stop. Do this immediately. If money continues to be taken out after you have signed the form to stop it and after your case has been filed, you should contact the credit union to get a refund of that money. If you have a problem with this, call our office.

Interest:

On unsecured debts such as most credit card debts, all interest stops as of the petition filing date.

Our Chapter 13 plan payment calculations provide for the anticipated interest on your secured claims, which require the payment of interest only, but we cannot be sure of the amounts until the creditors submit their claims. In some cases, the Chapter 13 plan payments may have to be increased if the claim amount or interest rate turns out to be higher than we calculated.

House Payments (if you do not own real property, skip this section):

Only mortgage payments that were due on or before the petition date can be paid through the

Chapter 13 plan.

You will be responsible for making payments directly to the lenders for all payments that come due after the petition filing date. If the lender refuses to accept the payments, contact us so we can help solve the problem. It is better if you make your mortgage payments by personal check and keep copies of your cancelled checks and receipts in case you must later prove you made the payments.

If you cannot make future loan payments, the lender will be likely to file a Motion for Relief from the Stay in Bankruptcy Court, asking for permission to go ahead and foreclose. Show us any legal papers your lender sends to you.

Balloon payments on real estate loans will come due as shown on the loan agreement unless the plan modifies the loan. Tell us about any balloon payment loans you have.

Car Insurance (if you do not have a car loan, skip this section):

If you have a car loan and do not have car insurance, you need to get it immediately. You will be required to produce evidence of insurance within 60 days of filing the case.

Utility Deposits (if you are not listing a debt for a utility bill, skip this section):

If you have a past-due utility bill (phone, electricity, gas, cable, water) included in the Chapter 13 plan, the utility company can make you pay a new deposit within 20 days of the petition date to continue service.

Future Loans Approved by the Trustee or Court:

If you get a loan (like a car loan) while you are making payments in the Chapter 13 plan, it may be necessary to get the Trustee's approval or the Court's approval. Call our office to find out what must be done to get the permission. *The Trustee's office does not lend money.*

Sale, Purchase, or (Re)Financing of Real Property:

If you sell, buy, or (re)finance real property while you are making payments to the Chapter 13 Trustee, you should inform your real estate or loan agent and the escrow officer about your Chapter 13. As soon as you open an escrow account, call our office to receive (e.g., by fax) a form to fill out which gives us certain necessary information about the transaction.

If you find out about any Abstracts of Judgment or liens on your property, please let us know immediately. We may be able to go to court to get them eliminated and this will take about a month.

Tax Refunds:

If you owe taxes for previous years, the Internal Revenue Service and the New York State Department of Taxation and Finance may be able to seize your future tax refunds. In addition, child support creditors, or student loan collectors may also be able to seize tax refunds you would otherwise be entitled to receive. The law is changing regarding your rights to these refunds. Call our office if your tax refund is seized so we can advise you about your rights.

Meeting with the Trustee:

Within about 45 days, you will have to attend a meeting called the 341 hearing or meeting of creditors. Most of the time no creditors come. Even if creditors do come, there are usually no serious problems. Marc Ehrlich or Anthony Arcodia Jr. will meet you at the room in the Federal Building where the meeting will be held. Security at the Federal Building is like at the airport. Do not bring sharp objects. Cell phones are okay as long as they do not have a camera feature. Bring your photo ID.

Do not be worried about this meeting. In about a week, the court will send you a notice of the time and date of the meeting. We will also send you a letter confirming the date and time of the meeting. By the time of the meeting, you must be up to date on your plan payments. If you have not yet made your payment, bring the money to the meeting – in cashier's check or money order.

Credit Reports:

The fact that you filed a Chapter 13 will show on your credit reports for 7 years at least. By law, it can be kept on for 10 years, but Experian, Equifax, and TransUnion may take a completed Chapter 13 off your record 7 years after the beginning of the case.

**** IMPORTANT – DEBTOR EDUCATION Requirement! ****

Before you can get your discharge (the order that says you no longer owe the listed debts), you must complete a "Debtor Education" class of 1 or 2 hours. If you need help locating, taking this class, and getting the necessary "Certificate", please call our assistants.

Remember to Keep Us Informed:

Let us know if you move, change your telephone number, or get a new job. We may need to contact you to help you.

Let us know if you are having problems making your Chapter 13 plan payments. If you lose your job or have other financial problems, we may be able to get your Chapter 13 plan payments reduced or skipped every so often. Remember that any skipped or partial payments will have to be made up at the end of the plan.

Let us know if you are being sued or evicted so we can help you. Please bring the papers in to our office.

Our staff can take your information and start the review of your situation regarding:

Selling, buying, or (re)financing real property or returning a vehicle you can no longer afford

Listing more creditors you forgot or stopping creditors from calling and harassing you or garnishing your wages

If you have any other problems, please tell one of our assistants what the problem is so we can do some initial work on your problem before we call you back. Please help us help you!