

WESTERN DISTRICT PRACTICE POINTERS

12/1/17 RULE CHANGES & LOCAL PLAN

You must now use the local plan as well as the Request to Amend or Request to Modify. All three documents can be found on the US Bankruptcy Court website under the forms tab. Any request to Amend or Modify must include the revised plan (using the new local form).

For all cases filed after 12/1/17, the treatment of secured, non-government debts will now be driven by the plan, rather than the claim. Creditors must still file a claim timely to receive payments, however, we will rely on the Plan to determine the amount, interest rate, etc.

For these claims, you will still see the filed amount or claim amount on our website and NDC, however, you will need to use the 'balance due' or 'principal owed' to verify the amount that will be paid.

For secured-government debt, priority debt, and unsecured claims we will continue to pay based on the claim.

PAYMENTS:

The local plan require employer wage orders if the debtor is employed. Payments generally take 5-7 business days to post when mailing them to our bank lockbox in Chicago, IL. Please do not mail payments 'Priority' as it does not expedite the process.

If the debtor is not employed and wishes to pay online, tfsbillpay.com can be used. TFS holds payments for 5 business days.

PLAN:

Please use 7% (divide by 0.93) as our fee % when calculating plan amounts.

The first plan payment is due 30 days after the petition is filed. The code requires the debtor to remain in the plan for a full 36 months (below median) or 60 months (above median), unless 100% of creditors have been paid. That clock starts ticking with the 1st payment due date.

341 MEETING:

Debtors must appear in person with a government issued photo ID (driver's license, Military ID card, passport) & proof of social security number (social security card, W-2, 1099, etc). If these documents are not presented at the 341 Meeting, the Meeting may be adjourned until both documents can be verified simultaneously.

Complete filed tax returns (Federal & State) for the debtor's most recent tax year must be provided to the Trustee at least 10 days prior to the 341 Meeting or the Trustee may adjourn the Meeting pursuant to 11 USC § 521 & § 1308.

An Amended Fee Disclosure must be filed if substitute counsel appears at the 341 Meeting whether additional compensation is paid or not.