

Bankruptcy Success Guide

Chapter 13 Reorganization

Documents You Will Need:

- Last two years of tax returns
- Financial statements for month of filing
(including bank statements, pre-paid cards)
- Last six months of paystubs
- Credit Counseling (before filing)
- Personal Financial Management (after filing)
- Lawsuits, divorce paperwork (if applicable)
- Deeds, mortgage paperwork (if applicable)
- Rental lease agreement (if applicable)
- Insurance policy paperwork
- Retirement account paperwork
- Child support obligation paperwork
- Complete list of creditors / debts

Reading the entirety of this guide is part of our agreement for services.

2024

LEWIS LEGAL SERVICES, P.C.
www.debtfreeindy.com





LEWIS LEGAL SERVICES

PROFESSIONAL CORPORATION

STEPS TO A SUCCESSFUL CHAPTER 13 BANKRUPTCY CASE

Step 1 Before Filing

- **Read everything** given to you by your attorney and don't hesitate to ask questions
- Gather all your "Documentation Needed to File" from the checklist provided by our office
- If on a payment plan for upfront fees to file, continue to timely make **attorney fee payments**

Step 2 Before Filing

- email or drop off documentation to your attorney as soon as possible
- Once documentation is received, your attorney will begin to draft your bankruptcy petition
- Once your upfront fees have been paid (including court costs), you will **set an appointment** to come into the office and review your petition and plan to ensure it is ready to file in court

Step 3 Before Filing

- Appointment with attorney to **sign and review** petition and make sure all documentation has been provided; attorney will advise you of any pending issues and will answer any questions
- At this appointment, your attorney will discuss your "**plan to file**" including the timetable

Case Filed!

- Your attorney will prepare your case for electronic filing with the bankruptcy court
- Once your case is filed, notice is sent out to the creditors listed that the "**automatic stay**" against collection effort is in immediate effect (including against paycheck garnishments)
- Creditors are given a 90 day deadline in which to file a "**Proof of Claim**" with the Court to be paid and part of the proceeding

Step 1 After Filing

- The court will set a meeting in which you have to attend with your lawyer called the "**Meeting of Creditors**" or "**341 Meeting**" (named 341 because it is required by bankruptcy code section 341)
- Take the second required course in "personal financial management" at your earliest convenience
- If not on wage withholding from payroll, make your first payment to the Trustee within 30 days

Step 2 After Filing

- Attend your scheduled "Meeting of Creditors" (actual meeting time typically 5 to 10 minutes)
- If the bankruptcy Trustee requires more information or documentation, comply with that request. It is very common for the Trustee to request a modification of your proposed plan before confirmation will be recommended to the judge so don't panic if you are told you need an amendment. Also, it is very common to receive an **objection and a court hearing**. Remember, you do not need to attend any court hearing UNLESS your attorney specifically tells you that you need to attend.

Bankruptcy Discharge

- After Confirmation of your plan, continue to make timely payments for the length of your plan. At the end of the repayment period, and upon completion of your second course, if you are eligible, you will receive a **discharge of the balance on your debts** that are remaining unpaid and subject to discharge

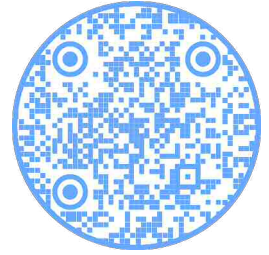


BANKRUPTCY LAW OFFICE OF ERIC C. LEWIS

A Law Firm and Debt Relief Agency Helping Honest People File for Bankruptcy Relief

**BANKRUPTCY SUCCESS GUIDE –
YOUR FREST START BEGINS HERE**

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The purpose of this “Bankruptcy Success Guide” is to illustrate what should be expected to complete your bankruptcy filing. For most people, having to filing bankruptcy can be a very stressful situation, but the process of filing doesn’t and shouldn’t have to be stressful and we are here to guide you every step of the way.

1. **Read Everything.** We wouldn’t give you documentation if it wasn’t very important to you and the success of your case. We realize that it can be difficult to read through many pages of “legalese” but do your best and ask questions.
2. **Time is Key.** Don’t drag this out. Timing of your filing is critical under the law because the longer you drag out the process, the more time it will allow creditors to sue you, garnish wages, and in some cases, based on your present source(s) of income, it may disqualify you from filing under a particular chapter of bankruptcy code or result in you losing certain assets.
3. **Updates.** If anything in your financial situation changes (you get a new job, increased or decreased pay, etc) or you change your address, phone number or email, plan to get married, tell your attorney immediately. I cannot help you if I cannot get ahold of you or know about significant life changes. Communication is essential!
4. **Mailings/Emails.** If you get something in the mail from our office, the trustee or from the court, open it and read it as soon as possible, it’s probably important and time sensitive.

Cancellation and Termination Policy

Should you choose, for whatever reason, to close out your file before the case is filed with the bankruptcy court, you will need to provide written notice to Lewis Legal Services, P.C. Upon receipt of notice, the firm will do an accounting of work done to date and you will be charged only for work done up to the date of cancellation. Per our agreement, attorney work is billed at \$300/hour (clerk work \$100/hour) and you will receive an itemized billing and a return of any paid but unearned fees, if any. There is no such thing as cancelling your Chapter 7 bankruptcy after the case is filed with the court. With some exception, **Chapter 13 bankruptcy may be cancelled voluntarily at any time.** There are instances in which inaction on your part may result in a case being “dismissed” but you generally cannot choose to “cancel” your Chapter 7 bankruptcy once it is filed with the bankruptcy court and if you have non-exempt assets, they would still be taken by the trustee whether you want to move forward with your bankruptcy or not. Also, we understand that this may be a very stressful situation, and we’re here to help you through it, but if you are uncooperative, disagreeable or fail to act in a timely manner or fail to abide by terms of the contract, this firm may terminate the agreement upon notice sent to you, the client, and you will be billed accordingly.

CONTACT INFORMATION

Phone: (317) 623-3030 Ext. 2
Mail: P.O. Box 40603, Indianapolis, IN 46240
Fax: 1-317-623-3062
Email: debtfreeindy@gmail.com
Payments: Checks payable to “Lewis Legal Services” (cash and checks preferred)
You may also make a secure payment by “echeck” or debit card

SCAN WITH YOUR PHONE TO MAKE A SECURE PAYMENT



How is my payment obligation calculated? There are a number of factors that are considered to determine not only the length of repayment (minimum 36 months, maximum 60 months), but also how much you would be obligated, or expected, to pay to creditors in Chapter 13. The length of your payment is dictated by your income at the time of filing in relation to median income for your household size. Below median income and your “commitment period” is typically 36 months. If you’re above the median income, your plan payment period must be set at 60 months.

The payment calculation is based on two things: your “best efforts” and your creditor’s “best interests” under the law. Your best effort, as you would expect, is a determination of your “disposable income.” In other words, after you have paid for living expenses and everything needed for the support of your family, what’s left? A “determination of disposable income” developed by Congress is applied to determine what the minimum amount available to unsecured creditors should reasonably be. In some cases, the “best interest of the creditors” test applies where you have non-exempt equity in property. If you have what is called “exposed equity,” the minimum amount you would have to pay must equal that exposed equity – the amount that creditors would get if your property was sold. Remember, Chapter 13 is not a liquidation – you don’t lose any property, but there are minimum expectations as to your ability to pay creditors.

Mandatory Credit Counseling

Bankruptcy law requires that all persons filing Chapter 7 or Chapter 13 bankruptcy must complete two credit counseling courses by court-approved counseling agencies. These courses may be completed online or over the phone and generally take about an hour of your time. One course, the **Pre-Filing Credit Counseling** (your ticket in) must be completed before your bankruptcy case is filed. The second course (your ticket out), called the **Financial Management Education** course, must be completed after your case is filed with the bankruptcy court in order for you to receive a discharge of liability on your debts when the case is closed by the bankruptcy court.

Clients with judgments/lawsuits and real estate: In Indiana, a judgment entered by a court automatically becomes a lien against real property that you own in the county in which the judgment is entered. Also, a party may record the judgment in another county to “perfect” a lien against your real property situated in that county. A motion to void a “judgment lien” is available in bankruptcy only if the lien impairs your entitled exemption (i.e. you have very little or no equity); therefore, it is essential that if you have a lawsuit against you that you get your bankruptcy case filed before a judgment is rendered. You are encouraged to take all action within legal means to prevent the entry of a judgment against you before your bankruptcy petition is filed with the court. In the event that you already have a judgment against you or will have one before your case is filed, depending on your equity in the real property, the lien may either 1) not be discharged in bankruptcy and will impair the future transfer or sale of the home unless satisfied or 2) will necessitate the preparation and filing of a motion to void the judgment lien, which will cost you more than a typical bankruptcy proceeding.

Do Not Delay, Get Everything in Order to File ASAP: The filing of a bankruptcy petition is a plea to the court to provide protection against your creditors by means of an “automatic stay” against collection. Merely hiring a law firm or providing some paperwork does not mean that your case is filed. Your bankruptcy will not be filed with the court until you have completed all the requirements, including payment of all fees in full (if Chapter 7) or as specified in contract (Chapter 13 only), provided all necessary documents and information, reviewed and signed your bankruptcy petition. The longer you delay in getting your case filed may result in changes in circumstances that may alter the advice of your attorney at an initial consultation. For example, it is possible to qualify for Chapter 7 one month and not qualify the next because of increased income. It is also not uncommon for property to change in value, which may put it at risk of liquidation. Commit yourself to getting everything done as soon as possible and if there are any changes in your situation, advise your attorney immediately.

Taxes, Tax Refunds and Overwithholding: Tax refunds are the most common asset that people may have to give up as part of doing bankruptcy. Some repayment plans call for a debtor paying half of every federal tax refund to the trustee for your creditors every year of the plan (most common). Sometimes, you are able to keep all or part of the refund. If the amount is small enough, the trustee may just let you keep it. Again, there are a number of factors to consider and discuss in more detail.

Notice Required by 11 U.S.C. § 342(b) for Individuals Filing for Bankruptcy (Form 2010)

This notice is for you if:

You are an individual filing for bankruptcy,
and

Your debts are primarily consumer debts.
Consumer debts are defined in 11 U.S.C.
§ 101(8) as “incurred by an individual
primarily for a personal, family, or
household purpose.”

The types of bankruptcy that are available to individuals

Individuals who meet the qualifications may file
under one of four different chapters of the
Bankruptcy Code:

- Chapter 7 — Liquidation
- Chapter 11— Reorganization
- Chapter 12— Voluntary repayment plan
for family farmers or
fishermen
- Chapter 13— Voluntary repayment plan
for individuals with regular
income

**You should have an attorney review your
decision to file for bankruptcy and the choice of
chapter.**

Chapter 7: Liquidation

	\$245	filing fee
	\$78	administrative fee
+	\$15	trustee surcharge
	\$338	total fee

Chapter 7 is for individuals who have financial
difficulty preventing them from paying their
debts and who are willing to allow their non-
exempt property to be used to pay their
creditors. The primary purpose of filing under
chapter 7 is to have your debts discharged. The
bankruptcy discharge relieves you after
bankruptcy from having to pay many of your
pre-bankruptcy debts. Exceptions exist for
particular debts, and liens on property may still
be enforced after discharge. For example, a
creditor may have the right to foreclose a home
mortgage or repossess an automobile.

However, if the court finds that you have
committed certain kinds of improper conduct
described in the Bankruptcy Code, the court
may deny your discharge.

You should know that even if you file
chapter 7 and you receive a discharge, some
debts are not discharged under the law.
Therefore, you may still be responsible to pay:

- most taxes;
- most student loans;
- domestic support and property settlement
obligations;

- most fines, penalties, forfeitures, and criminal restitution obligations; and
- certain debts that are not listed in your bankruptcy papers.

You may also be required to pay debts arising from:

- fraud or theft;
- fraud or defalcation while acting in breach of fiduciary capacity;
- intentional injuries that you inflicted; and
- death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs.

If your debts are primarily consumer debts, the court can dismiss your chapter 7 case if it finds that you have enough income to repay creditors a certain amount. You must file *Chapter 7 Statement of Your Current Monthly Income* (Official Form 122A-1) if you are an individual filing for bankruptcy under chapter 7. This form will determine your current monthly income and compare whether your income is more than the median income that applies in your state.

If your income is not above the median for your state, you will not have to complete the other chapter 7 form, the *Chapter 7 Means Test Calculation* (Official Form 122A-2).

If your income is above the median for your state, you must file a second form—the *Chapter 7 Means Test Calculation* (Official Form 122A-2). The calculations on the form—sometimes called the *Means Test*—deduct from your income living expenses and payments on certain debts to determine any amount available to pay unsecured creditors. If

your income is more than the median income for your state of residence and family size, depending on the results of the *Means Test*, the U.S. trustee, bankruptcy administrator, or creditors can file a motion to dismiss your case under § 707(b) of the Bankruptcy Code. If a motion is filed, the court will decide if your case should be dismissed. To avoid dismissal, you may choose to proceed under another chapter of the Bankruptcy Code.

If you are an individual filing for chapter 7 bankruptcy, the trustee may sell your property to pay your debts, subject to your right to exempt the property or a portion of the proceeds from the sale of the property. The property, and the proceeds from property that your bankruptcy trustee sells or liquidates that you are entitled to, is called *exempt property*. Exemptions may enable you to keep your home, a car, clothing, and household items or to receive some of the proceeds if the property is sold.

Exemptions are not automatic. To exempt property, you must list it on *Schedule C: The Property You Claim as Exempt* (Official Form 106C). If you do not list the property, the trustee may sell it and pay all of the proceeds to your creditors.

Chapter 11: Reorganization

	\$1,167	filing fee
+	\$571	administrative fee
	\$1,738	total fee

Chapter 11 is often used for reorganizing a business, but is also available to individuals. The provisions of chapter 11 are too complicated to summarize briefly.

Read These Important Warnings

Because bankruptcy can have serious long-term financial and legal consequences, including loss of your property, you should hire an attorney and carefully consider all of your options before you file. Only an attorney can give you legal advice about what can happen as a result of filing for bankruptcy and what your options are. If you do file for bankruptcy, an attorney can help you fill out the forms properly and protect you, your family, your home, and your possessions.

Although the law allows you to represent yourself in bankruptcy court, you should understand that many people find it difficult to represent themselves successfully. The rules are technical, and a mistake or inaction may harm you. If you file without an attorney, you are still responsible for knowing and following all of the legal requirements.

You should not file for bankruptcy if you are not eligible to file or if you do not intend to file the necessary documents.

Bankruptcy fraud is a serious crime; you could be fined and imprisoned if you commit fraud in your bankruptcy case. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Chapter 12: Repayment plan for family farmers or fishermen

	\$200	filing fee
+	\$78	administrative fee
	\$278	total fee

Similar to chapter 13, chapter 12 permits family farmers and fishermen to repay their debts over a period of time using future earnings and to discharge some debts that are not paid.

Chapter 13: Repayment plan for individuals with regular income

	\$235	filing fee
+	\$78	administrative fee
	\$313	total fee

Chapter 13 is for individuals who have regular income and would like to pay all or part of their debts in installments over a period of time and to discharge some debts that are not paid. You are eligible for chapter 13 only if your debts are not more than certain dollar amounts set forth in 11 U.S.C. § 109.

Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them, usually using your future earnings. If the court approves your plan, the court will allow you to repay your debts, as adjusted by the plan, within 3 years or 5 years, depending on your income and other factors.

After you make all the payments under your plan, many of your debts are discharged. The debts that are not discharged and that you may still be responsible to pay include:

- domestic support obligations,
- most student loans,
- certain taxes,
- debts for fraud or theft,
- debts for fraud or defalcation while acting in a fiduciary capacity,
- most criminal fines and restitution obligations,
- certain debts that are not listed in your bankruptcy papers,
- certain debts for acts that caused death or personal injury, and
- certain long-term secured debts.

Warning: File Your Forms on Time

Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information about your creditors, assets, liabilities, income, expenses and general financial condition. The court may dismiss your bankruptcy case if you do not file this information within the deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

For more information about the documents and their deadlines, go to:

<http://www.uscourts.gov/forms/bankruptcy-forms>

Bankruptcy crimes have serious consequences

- If you knowingly and fraudulently conceal assets or make a false oath or statement under penalty of perjury—either orally or in writing—in connection with a bankruptcy case, you may be fined, imprisoned, or both.
- All information you supply in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the U.S. Trustee, the Office of the U.S. Attorney, and other offices and employees of the U.S. Department of Justice.

Make sure the court has your mailing address

The bankruptcy court sends notices to the mailing address you list on *Voluntary Petition for Individuals Filing for Bankruptcy* (Official Form 101). To ensure that you receive information about your case, Bankruptcy Rule 4002 requires that you notify the court of any changes in your address.

A married couple may file a bankruptcy case together—called a *joint case*. If you file a joint case and each spouse lists the same mailing address on the bankruptcy petition, the bankruptcy court generally will mail you and your spouse one copy of each notice, unless you file a statement with the court asking that each spouse receive separate copies.

Understand which services you could receive from credit counseling agencies

The law generally requires that you receive a credit counseling briefing from an approved credit counseling agency. 11 U.S.C. § 109(h). If you are filing a joint case, both spouses must receive the briefing. With limited exceptions, you must receive it within the 180 days **before** you file your bankruptcy petition. This briefing is usually conducted by telephone or on the Internet.

In addition, after filing a bankruptcy case, you generally must complete a financial management instructional course before you can receive a discharge. If you are filing a joint case, both spouses must complete the course.

You can obtain the list of agencies approved to provide both the briefing and the instructional course from: <http://www.uscourts.gov/services-forms/bankruptcy/credit-counseling-and-debtor-education-courses>.

In Alabama and North Carolina, go to:

<http://www.uscourts.gov/services-forms/bankruptcy/credit-counseling-and-debtor-education-courses>.

If you do not have access to a computer, the clerk of the bankruptcy court may be able to help you obtain the list.



LEWIS LEGAL SERVICES PC

A Law Firm and Debt Relief Agency Helping Honest People File for Bankruptcy Relief

DISCLOSURE PURSUANT TO 11 U.S.C. § 527(A)(2)

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527(a)(2) DISCLOSURE

All individuals seeking to file bankruptcy must take notice that:

- (A)** all information that you are required to provide with a petition and thereafter during a case under this title is required to be complete, accurate, and truthful;
- (B)** all assets and all liabilities are required to be completely and accurately disclosed in the documents filed to commence the case, and the replacement value of each asset as defined in section 506 must be stated in those documents where requested after reasonable inquiry to establish such value;
- (C)** current monthly income, the amounts specified in section 707 (b)(2), and, in a case under chapter 13 of this title, disposable income (determined in accordance with section 707 (b)(2)), are required to be stated after reasonable inquiry; and
- (D)** information that you provide during your case may be audited pursuant to this title, and that failure to provide such information may result in dismissal of the case under this title or other sanction, including a criminal sanction.



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IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY OR BANKRUPTCY PETITION PREPARER

If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST. Ask to see the contract before you hire anyone.

The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief available under the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a 'trustee' and by creditors.

If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so. A creditor is not permitted to coerce you into reaffirming your debts.

If you choose to file a chapter 13 case in which you repay your creditors what you can afford over 3 to 5 years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on your plan which will be before a bankruptcy judge.

If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what should be done from someone familiar with that type of relief.

Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice.

BANKRUPTCY INFORMATION SHEET

BANKRUPTCY LAW IS A FEDERAL LAW. THIS SHEET PROVIDES YOU WITH GENERAL INFORMATION ABOUT WHAT HAPPENS IN A BANKRUPTCY CASE. THE INFORMATION HERE IS NOT COMPLETE. YOU MAY NEED LEGAL ADVICE.

WHEN YOU FILE BANKRUPTCY

You can choose the kind of bankruptcy that best meets your needs (provided you meet certain qualifications):

Chapter 7 – A trustee is appointed to take over your property. Any property of value will be sold or turned into money to pay your creditors. You may be able to keep some personal items and possibly real estate depending on the law of the State where you live and applicable federal laws.

Chapter 13 – You can usually keep your property, but you must earn wages or have some other source of regular income and you must agree to pay part of your income to your creditors. The court must approve your repayment plan and your budget. A trustee is appointed and will collect the payments from you, pay your creditors, and make sure you live up to the terms of your repayment plan.

Chapter 12 – Like chapter 13, but it is only for family farmers and family fishermen.

Chapter 11 – This is used mostly by businesses. In chapter 11, you may continue to operate your business, but your creditors and the court must approve a plan to repay your debts. There is no trustee unless the judge decides that one is necessary; if a trustee is appointed, the trustee takes control of your business and property.

If you have already filed bankruptcy under chapter 7, you may be able to change your case to another chapter.

Your bankruptcy may be reported on your credit record for as long as ten years. It can affect your ability to receive credit in the future.

WHAT IS A BANKRUPTCY DISCHARGE AND HOW DOES IT OPERATE?

One of the reasons people file bankruptcy is to get a “discharge.” A discharge is a court order which states that you do not have to pay most of your debts. Some debts cannot be discharged. For example, you cannot discharge debts for–

- most taxes;
- child support;
- alimony;
- most student loans;
- court fines and criminal restitution; and
- personal injury caused by driving drunk or under the influence of drugs.

The discharge only applies to debts that arose before the date you filed. Also, if the judge finds that you received money or property by fraud, that debt may not be discharged.

It is important to list all your property and debts in your bankruptcy schedules. If you do not list a debt, for example, it is possible the debt will not be discharged. The judge can also deny your discharge if you do

something dishonest in connection with your bankruptcy case, such as destroy or hide property, falsify records, or lie, or if you disobey a court order.

You can only receive a chapter 7 discharge once every eight years. Other rules may apply if you previously received a discharge in a chapter 13 case. No one can make you pay a debt that has been discharged, but you can voluntarily pay any debt you wish to pay. You do not have to sign a reaffirmation agreement (see below) or any other kind of document to do this.

Some creditors hold a secured claim (for example, the bank that holds the mortgage on your house or the loan company that has a lien on your car). You do not have to pay a secured claim if the debt is discharged, but the creditor can still take the property.

WHAT IS A REAFFIRMATION AGREEMENT?

Even if a debt can be discharged, you may have special reasons why you want to promise to pay it. For example, you may want to work out a plan with the bank to keep your car. To promise to pay that debt, you must sign and file a reaffirmation agreement with the court. Reaffirmation agreements are under special rules and are voluntary. They are not required by bankruptcy law or by any other law. Reaffirmation agreements—

- must be voluntary;
- must not place too heavy a burden on you or your family;
- must be in your best interest; and
- can be canceled anytime before the court issues your discharge or within 60 days after the agreement is filed with the court, whichever gives you the most time.

If you are an individual and you are not represented by an attorney, the court must hold a hearing to decide whether to approve the reaffirmation agreement. The agreement will not be legally binding until the court approves it.

If you reaffirm a debt and then fail to pay it, you owe the debt the same as though there was no bankruptcy. The debt will not be discharged and the creditor can take action to recover any property on which it has a lien or mortgage. The creditor can also take legal action to recover a judgment against you.

IF YOU WANT MORE INFORMATION OR HAVE ANY QUESTIONS ABOUT HOW THE BANKRUPTCY LAWS AFFECT YOU, YOU MAY NEED LEGAL ADVICE. THE TRUSTEE IN YOUR CASE IS NOT RESPONSIBLE FOR GIVING YOU LEGAL ADVICE.