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TYPICAL PROCEDURE AT YOUR CHAPTER 13 MEETING OF THE CREDITORS

The meeting of the creditors is a simple, non-stressful meeting that usually lasts just a few minutes. *Please arrive early and bring your burgundy-colored folder with you.* The following is the typical procedure for the meeting of the creditors:

- (1) Chairs are usually located in the hallway outside the meeting room. Have a seat in the chairs until the security guard calls everyone into the room. Your attorney will locate you in the hallway or hearing room to go over everything. Once you are in the room, the attorney for the Chapter 13 Trustee will call roll. Your attorney will answer for you and announce that your case is ready.
- (2) The Trustee will eventually call you up to sit at the table. Your attorney will sit next to you. Hand your attorney your I.D. – You must have 2 separate things: A photo I.D., and proof of your social security number. Acceptable forms of photo I.D. include a driver's license, government I.D., State picture I.D., student I.D., U.S. Passport, or military I.D. Acceptable proof of your social security number would include a social security card, medical insurance card, pay stub, IRS W-2 form, IRS form 1099, or social security administration report. Double check to make sure that your document contains the complete social security number, and not just the last 4 digits.
- (3) The Trustee will ask you to raise your right hand while he or she administers an oath. After you take the oath, you can put your hand down and you will be asked to state your name and address. (Give your complete residence address, including the city and zip code.)
- (4) The Trustee will return your I.D. to you.

- (5) The Trustee will ask you a series of “yes” or “no” questions. Make sure to speak clearly and loudly, as you are being tape-recorded. The questions usually asked include:

Did you meet with an attorney at the law firm of Perrotta, Cahn & Prieto, to discuss your bankruptcy case?

Your answer should be “yes”.

Did you provide to your attorney all of the information used to file the bankruptcy?

Your answer should be “yes”.

Did you list all of your assets and disclose all of your debts, and is everything in the bankruptcy paperwork true and correct to the best of your knowledge?

Your answer should be “yes”.

Did you receive and read the form captioned Rights and Responsibilities Statement Between Chapter 13 Debtors and Their Attorneys?

Your answer should be “yes”. (The form is in your packet.)

The Chapter 13 Trustee will hand you a form indicating the amount of your attorney’s fees being paid through the plan, and ask you to confirm that you understand.

Your answer should be “yes”.

Do you have any credit cards in your possession?

Your answer at this point should be “no”. If so, you’ll need to throw them away.

Do you belong to a credit union that is deducting money from your pay?

Your answer at this point should be “no”.

Have you paid the first Chapter 13 payment, or has it been deducted from your paycheck?

Your answer should be “yes”. (If the payment didn’t start coming out of your check immediately, we need to mail the Trustee the difference between the amount deducted and the amount of the first payment due.)

Have you filed any other bankruptcy cases in the past 8 years?

If so, it’s OK - we probably already disclosed it in your paperwork.

Have you filed all of your Federal and State income tax returns that have come due?

Your answer should be “yes”.

Do you contribute to a 401(k) retirement plan?

Your answer should be “no” unless you are in a 100% repayment Chapter 13 plan.

Are you re-paying any 401(k) loans?

If your answer is “yes”, the Trustee wants to make sure we are planning on increasing your payments once the 401(k) loan is paid off.

Do you have any leased cars or rent-to-own furniture contracts?

Your answer should be “no” unless your plan provides for the surrender of the items or an increase in your payments once the contract is over.

Do you own, or are you purchasing, any real estate? If so:

1. Make sure you are familiar with the approximate amount we stated in your schedules that you owe on the mortgage, and the amount you stated that your property is worth. The Trustee will simply ask you if you think these figures are accurate.
2. Also, the Trustee will want to make sure you paid the mortgage payment(s) that came due after your case was filed.

Do you pay or receive any child support or alimony?

The Trustee wants to make sure it’s in the budget we filed.

Do you have any pending or possible lawsuits against anyone for any reason?

Make sure to let your attorney know in advance if your answer is “yes”.

Have you lived in Georgia for the past 2 years?

Let your attorney know if you lived in another State 2 years ago.

Has your employment or salary changed since we filed your case?

Your answer should be “no”. If, however, you are now making more money, the Trustee will require you to pay the extra income to your creditors. If you are making less money, the Trustee might not recommend approval of your plan because it may not be feasible anymore.

Has an Employment Deduction Order (“E.D.O.”) been filed?

Unless you are self-employed, the Trustee won’t recommend confirmation of your plan unless your payment has been set up to come out of your paycheck.

- (6) If you are self-employed (or if you are a 1099 employee), the Trustee may want to see proof of what is called a “tax escrow account”. This is basically a savings account where you deposit money so that you will have enough funds to pay taxes at the end of the year.
- (7) At this point in the meeting, a short conversation will take place between your attorney and the Trustee regarding the claims that have been filed and the secured claims that are expected to be filed. (We don’t usually spend any time talking about unsecured claims like medical bills and credit cards.)
- (8) The only creditors you might expect to show up would be those creditors who have financed a car or furniture for you. Be sure that your vehicles are covered by full-

coverage insurance. You may be asked to provide an insurance card so they can verify coverage.

- (9) After the creditors ask you any questions they may have, the meeting is basically over. The Trustee will announce any objections to confirmation they expect to file, and we can usually talk about the objections in the hallway after the meeting. Most objections can be easily fixed by an amendment to your plan or schedules.

Within a few days, you will receive a letter in the mail from the Chapter 13 Trustee called an "Objection to Confirmation." ***Do not worry when you receive this objection, even if it says the Trustee is moving to dismiss the case.*** The Trustee sends out this objection in almost every single case. For some reason, even if you're current with your payments, the Objection will say that the plan payments are *not* current – it probably says this just in case you fall behind before the next hearing – the confirmation hearing. The Objection will simply list several things the Trustee wants done before she approves the case for confirmation. If the Trustee requests documentation from you (for example, proof of post-filing mortgage payments or child support payments), please get these documents to our office as soon as possible.

Your next step is to plan on attending the CONFIRMATION HEARING. The confirmation hearing is held at a different location, so make sure you review the map in your packet or call us if you need directions! In any event, please call our office the day before the hearing. It is possible that the Trustee may be satisfied by our Plan and/or amendments and documents. If that's the case, you won't need you to attend the confirmation hearing. The Trustee will let us know between Noon and 4 PM the day before your confirmation hearing.

Sincerely,

PERROTTA, CAHN & PRIETO, P.C.

Brian R. Cahn

Attorney at Law