APPLICATION TO INCUR DEBT - NON-VEHICLES
TODD JOHNS - CHAPTER 13 TRUSTEE'S POLICY
REGARDING INCURRING DEBT IN CHAPTER 13 CASE

1. Debtor(s) may not incur any non-emergency consumer debt in excess of $1,000.00 without written approval of the Trustee or order of the Court.

2. The following is the Chapter 13 Trustee's procedure for incurring consumer debt in excess of $1,000.00.

3. A request to incur consumer debt in excess of $1,000.00 other than the relief requested in paragraph 9 below, shall be made by completion of the Application to Incur Debt located later in this document.

4. The application with the supporting documents requested in the application shall be submitted to your paralegal or attorney at Simon Fitzgerald, LLC for their review. An in-office or telephone appointment will typically be necessary in order to review the submitted documents and application prior to submission to the Chapter 13 Trustee or the Court. The supporting documents and loan criteria shown in the application form should be reviewed carefully. Applications which lack the required supporting documentation or which are contrary to the loan criteria shown in the application may be denied.

5. Once submitted, the Chapter 13 Trustee will notify the Debtor(s)' in writing of the approval or denial of the request. The Chapter 13 Trustee will also file with the Court either a Chapter 13 Trustee's Notice of Approval of Debtor's Application to Incur Debt or a Chapter 13 Trustee's Notice of Denial of Debtor' Application to Incur Debt.

6. Upon the filing by the Trustee of a notice of approval of Debtor(s)' application, Debtor is authorized to incur debt according to the terms set forth in the application.

7. Upon the filing by the Trustee of the notice of approval for a non-vehicle debt, Debtor must file within 30 days the amended budget which was submitted to the Trustee in support of the application.

8. Upon the filing by the Trustee of a notice of denial of Debtor(s)' application, Debtor may resubmit an application to the Trustee or seek permission from the Court to incur debt by filing a motion with the Court.

9. A request to incur consumer debt which includes the following relief will not be granted by the Chapter 13 Trustee. Permission to incur consumer debt which includes the following relief should be made solely by a motion filed with the Court:
a. Purchase or refinancing of a home;
b. Ratification of a sale already completed;
c. Sale or trade in of collateral or other estate property;
d. Substitution of collateral.

Todd S. Johns
Chapter 13 Trustee
Guidelines for Application to Incur Debt for Non-Vehicles

Procedure:

- Application is accepted by approved forms.
- The application with the supporting documents requested in the application shall be submitted to your paralegal or attorney at Simon Fitzgerald, LLC for their review. An in-office or telephone appointment will typically be necessary in order to review the submitted documents and application prior to submission to the Chapter 13 Trustee or the Court.
- Provide a copy of the proposed loan documentation to your paralegal and/or attorney.
- Sign amended Schedules I and J (reflecting the proposed loan payment) which will be filed with the Court by your Attorney.
- Provide 60 days most recent pay advices from all sources which will be filed as supporting documents with you amended Schedules I & J.

Trustee Review Criteria:

- The Debtor(s) budget must remain feasible.
- The Debtor(s) plan payments must be current.
- If down payment contemplated/required, application must disclose source of down payment and amount.
- If Student Loan request, application must state the degree or certification sought, the length of time to complete the degree, and the benefit to the debtor of obtaining the degree.

Limits to Trustee review:

If Application includes the following relief, Trustee is unable to approve these requests and a denial of the request will be entered to allow the debtor to file a Motion to obtain the requested relief:

- Substitution of Collateral
- Surrender of Collateral
- Ratification of sale already completed

Application to Incur Debt for Non-Vehicles

The application with the supporting documents requested in the application shall be submitted to your paralegal or attorney at Simon Fitzgerald, LLC for their review. An in-office or telephone appointment will typically be necessary in order to review the submitted documents and application prior to submission to the Chapter 13 Trustee or the Court. The supporting documents and loan criteria shown in the application form should be reviewed carefully. Applications which lack the required supporting documentation or which are contrary to the loan criteria shown in the application may be denied.

Date: _____ Case Number: _____

Debtor 1: _____ Debtor 2: _____

Reason to Incur Debt:

- ☐ Purchase Tools
- ☐ Repair Home
- ☐ Obtain Student Loan
- ☐ Other: _____

Have you made any previous loan requests while in bankruptcy? Yes____ or No____ If Yes, provide the date, amount, was the debt granted or denied, and payment status:

_____

What is the name, address, telephone, and fax number of the LENDER you wish to use:

_____

Terms of Financing: Loan Amount: _____

Monthly Payment: _____

Term of Loan: _____

Interest Rate: _____

Down Payment: _____

If down payment is necessary, what is the source of the down payment: _____.

Will the monthly payment of this new loan be made in addition to, or in replace of some other payment that you currently pay directly or in your Chapter 13 Plan? _____

_____

Before this application can be reviewed you must submit the following:

- Provide 60 days of pay records in order to prepare an amended Schedules I and J
- Any loan documents, purchase agreement, or financing information with your application.
- This application must be complete and signed by both Debtors, if applicable.
- An in-office or telephone appointment will typically be necessary in order to review the submitted documents and application prior to submission to the Chapter 13 Trustee or the Court. The supporting documents and loan criteria shown in the application form should be reviewed carefully. Applications which lack the required supporting documentation or which are contrary to the loan criteria shown in the application may be denied.
- Your request must be within the guidelines provided to be considered.

Signature of Debtor 1: _____ Date: _____

Signature of Debtor 2: _____ Date: _____

When applying for a loan, please review the Trustee's criteria for approval:

IF A STUDENT LOAN REQUEST

- The degree or certification sought.
- Length of time to complete program.
- Benefit to debtor obtaining the degree.