

MODEL INDIVIDUAL CHAPTER 11 PLAN

Instructions for Automated Use

The automation features of the model plan are designed to work in Microsoft Word. To use the automated features, you should:

1. Open Word and set your macro security settings to medium or low. Do this before you open the file. Word 2003 - Go to Tools, Macro, Security and you will see the selection. Newer versions of Word – Go to Word Options, Trust Center, Trust Center Settings.
2. To start the automation procedure, click "Alt-N". The program will take you through a series of queries.
3. The document has a series of tables. Fill in the raw data only and do not add the numbers. The fields with calculations are shaded and will be updated by the computer.
4. Save the document as a new document.
5. Select (highlight) all of sections 6-9. Then click "Alt-R". The program will perform its calculations.
6. Then, select sections 10-17 and press F9. Just press OK when it asks you a couple of questions.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Case Number
	§	
_____	§	_____
Debtor(s).	§	(Chapter 11)

**NOTICE OF VOTING AND OBJECTION DEADLINE
AND NOTICE OF CONFIRMATION HEARING**

A copy of a proposed plan, combined with its disclosure statement, is attached. If you are the holder of a claim that is impaired by the plan, you have the right to vote by the enclosed ballot. **The deadline for receipt of your ballot is _____.** Late ballots will not be counted.

Please read the enclosed plan and disclosure statement in its entirety before you vote. You may wish to retain your own attorney or accountant to assist you in determining whether to accept or reject the proposed plan. Neither the _____ nor their counsel can give you advice on how to vote.

The plan will not be binding on any person unless the United States Bankruptcy Court enters an order confirming the plan. There are many requirements for confirmation of a plan. These are contained in § 1129 of the Bankruptcy Code. One of the requirements is that at least one class of impaired claims votes to accept the plan, by both a two-thirds majority (measured by the dollar amounts of claims that are voted) and a simple majority (measured by the number of persons who vote). Accordingly, it is important that you return your ballot. Mailing instructions are contained on the ballot.

You may also file a written objection to confirmation of the plan. Written objections must be filed with the Clerk of the Bankruptcy Court. **The deadline to file a written objection is _____.** **A vote rejecting the plan is not the same as an objection to the plan.**

You may also file an objection as to the adequacy of the disclosure statement that is attached. The disclosure statement is required to contain "adequate information" to allow you to make an informed decision on how to vote on the plan. If you object to the adequacy of the disclosure statement, you must file a written objection that is received by the Clerk of the Bankruptcy Court not later than _____.

A hearing on whether to confirm the proposed plan has been scheduled for _____ at the United States Courthouse, Courtroom _____, 515 Rusk Street, Houston, Texas 77002. The hearing is open to the public.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Case Number
	§	_____
_____	§	(Chapter 11)
Debtor(s).	§	

**PLAN OF REORGANIZATION
AND DISCLOSURE STATEMENT**

_____ file this Plan of Reorganization and Disclosure Statement. The _____ are seeking to repay their debts over time pursuant to the terms of their Plan of Reorganization. As required by the Bankruptcy Code, the Plan classifies claims and interests in various classes according to their right to priority of payments as provided in the Bankruptcy Code. The Plan states whether each class of claims or interests is impaired or unimpaired. The Plan provides the treatment each class will receive under the Plan.

The Court has not yet confirmed the Plan. In other words, the terms of the Plan are not yet binding on anyone. If the Court later confirms the Plan, then the Plan will be binding on the _____ and on all creditors and interest holders in this case.

The _____ represent that everything in this document is true to the best of their knowledge. **READ THIS DOCUMENT CAREFULLY IF YOU WANT TO KNOW:**

- Who can vote or object.
- The treatment of your claim is (*i.e.*, what your claim will receive if the plan is confirmed).
- The history of the debtor and significant events during the bankruptcy.
- How the court will decide whether to confirm the plan.
- The effect of plan confirmation.
- Whether this plan is feasible.

1. Background

The _____ filed a voluntary petition on _____ that commenced this chapter 11 bankruptcy case. The filing of the petition constituted an order for bankruptcy relief under § 301 of the Bankruptcy Code. Upon the filing of the case, an automatic stay was imposed pursuant to § 362(a) of the Bankruptcy Code. The automatic stay prohibits most collection activities against the _____ and their property. There are certain exceptions set forth in § 362(b) of the Bankruptcy Code.

The first date scheduled for the meeting of creditors under § 341(a) of the Bankruptcy Code was _____. The meeting took place as scheduled and was concluded on that date.

When the _____ file this bankruptcy case, all of their property became property of their bankruptcy estate. The _____ were allowed to claim that certain property should be treated as exempt property and excluded from the bankruptcy estate. On _____, the _____ filed their list of claimed exempt property. Federal Rule of Bankruptcy Procedure 4003(b) requires that all objections to the claimed exemptions be filed not later than 30 days after the conclusion of the § 341 meeting of creditors. No timely objections to exemptions were filed. Accordingly, the exemptions have been allowed.

The following bankruptcy cases are related to this bankruptcy case.

Case Name	Case Number	Date Filed	Nature of Relationship
None			

2. Description of Assets

The _____ filed schedules of all of their assets and liabilities on _____. Complete copies of the schedules are available from the Clerk of the Court. The primary assets of the bankruptcy estate, their estimated values and associated liens are:

Description of Asset	Estimated Fair Market Value	Amount of Debt Secured by Liens Against this Asset	Amount Claimed Exempt	Value Available to Estate	Basis of Estimate of Value
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
TOTAL				\$ 0.00	

The _____ have identified the following lawsuits that may be filed by them. Mark only those that apply.

X Lawsuits to recover fraudulent transfers:

Potential Defendant	Date(s) of Transfer(s)	Amount of Claim

 X Lawsuits to recover preferences:

Potential Defendant	Date(s) of Transfer(s)	Amount of Claim

 X Lawsuits arising under other provisions of the Bankruptcy Code:

Potential Defendant	Description of claim	Amount of Claim

 X Lawsuits arising under non-bankruptcy law:

Potential Defendant	Description of claim	Amount of Claim	Describe Whether Debtor Intends to Pursue Lawsuit and, if not, Why

3. Events Leading Up to Bankruptcy

The _____ filed bankruptcy after the following events made them determine that bankruptcy was the best course of action for themselves and their creditors.

4. Sources of Income

In the last three years, the _____' primary sources of income have been:

Income from Employment (by him)

Year	Employer	Amount of Income
2011		
2010		
2009		
2008		

Income from Employment (by her)

Year	Employer	Amount of Income
2011		
2010		
2009		
2008		

Income from Operation of Business

Year	Name and Nature of Business	Amount of Income
2011		
2010		
2009		
2008		

5. Description of Reorganization

The _____ intend to reorganize their finances through a combination of the following:

Increasing their income. If this box is marked, complete the following:

Specifically, how do the _____ intend to increase their income?

The _____ believe that their income in each of the next five years will be:

Year	Source	Income
2011		
2012		
2013		
2014		
2015		

Surrendering the following collateral to eliminate the obligation to repay secured indebtedness.

Lender	Description of Collateral	Total Debt secured by Collateral

Lender	Description of Collateral	Total Debt secured by Collateral

Reducing their other expenditures, as follows:

Description of Expenditure	Previously Expenditures (per month)	Forecast Expenditures (per month)	Description of how reduction will be made

Selling the following assets:

Description of Asset	Forecast Net Proceeds from Sale	Forecast Date of Sale

Other: [Provide Complete Description]

6. Classification and Treatment of Claims

The following is the classification and treatment of claims under this plan:

Class #	Description of Class	Impaired or Unimpaired	Total Amount of Claims Forecast to be in this Class	Interest Rate, if any	Terms of Repayment, including security, if any, and abandonment of collateral, if any (See Section 5 for a More Complete Description of any Abandonments)	Total payable in Months 1-12	Total payable in Months 13-24	Total payable in Months 25-36	Total payable in Months 37-48	Total payable in Months 49-60	Total payable in Months 61-end
1											
2											
3											
4											
5											
TOTALS						\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Only holders of claims that are “impaired” have the right to vote to accept or reject the plan. If a claim is not marked as impaired, it will be paid in accordance with the pre-petition contract that governs the claim. If there is a discrepancy between the payments reflected in the above chart and the pre-petition contract, the pre-petition contract will control.

The forecast claims in this class are the amount of claims that the _____ believe will ultimately be allowed by the Court. The following claims either have been made or are expected to be made and are disputed:

Class	Holder of Claim	Amount of Claim Asserted by Holder	Amount of Claim Agreed by _____	Description of Dispute

The _____ are not aware of any present disputes over any other claim. Unless otherwise specified in the following paragraph, payments shall be made monthly, on the first day of each month.

7. Payment of Administrative Claims

Administrative claims are the claims allowed under § 503(b) of the Bankruptcy Code for administration of this bankruptcy case. These claims will be paid in cash on the Effective Date of the plan, unless a written agreement to the contrary is made with the holder of any such allowed claim.

The Court must approve all professional fees listed in this table. Professionals must file and serve a properly noticed fee application and the Court must rule on the application. Only the amount of fees allowed by the Court will be required to be paid under this plan.

The following are the estimated administrative claims:

Claimant	Nature of Claim	Amount Claimed by Claimant	Amount Forecast to be Paid by the _____	Total payable in Months 1-12	Total payable in Months 13-24	Total payable in Months 25-36	Total payable in Months 37-48	Total payable in Months 49-60	Total payable in Months 61-end
				\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

8. Payment of Priority, Unsecured Tax Claims of Governmental Units

Claims held by governmental units of the type described in § 507(a)(8) of the Bankruptcy Code will be paid in full, with interest at an annual rate of _____% (or such other rate as noted below), in equal monthly installments over a period beginning 30 days after the Effective Date of the plan and ending five years after the date of the filing of the petition. Notwithstanding the foregoing treatment, any holder of a § 507(a)(8) claim may file a written election to be treated on the same basis as any nonpriority unsecured claim. Any such election must be filed in writing not later than 14 days after entry of the order confirming the plan.

The following claims are in this category:

Claimant	Nature of Claim	Interest Rate (if other than general interest rate set forth above)	Amount Claimed by Claimant	Amount and nature of any dispute by the	Total payable in Months 1-12	Total payable in Months 13-24	Total payable in Months 25-36	Total payable in Months 37-48	Total payable in Months 49-60
					\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

9. Forecasts

Based on the preceding forecasts of income and expenses and on the provisions of the plan, the _____ provide these forecasts of their cash flow:

	Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49-60	Months 61-end
Beginning cash balance		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Income from Employment						
Gross Income from operation of business						
Income from sale of assets						

	Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49-60	Months 61-end
Retirement/social security income						
Domestic support received						
Rental income						
Other income						
TOTAL INCOME	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Taxes on income						
Property taxes						
Insurance						
Household expenses						
Charitable contributions						
Business expenses						
Transportation expenses						
Medical and dental						
Domestic support payments						
Recreation and entertainment						
Other expenditures (specify)						
TOTAL EXPENDITURES	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

	Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49-60	Months 61-end
NET CASH FLOW THIS PERIOD	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Payments Pursuant to Plan	\$0.00	\$0.00	\$ 0.00	\$0.00	\$0.00	\$0.00
Cash Flow this Period after Plan Payments	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Ending Cash balance	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Monthly reports have been filed showing actual income and expenses during the period of the bankruptcy case. These forecasts vary from the monthly reports for the reasons described in the following narrative.

[INCLUDE NARRATIVE].

10. Disposable Income Test

If an unsecured creditor objects to confirmation, the plan can be confirmed only if it provides for (x) a 100% distribution to creditors; or (y) a distribution to creditors that is of a value of not less than the debtor's projected disposable income to be received during the longer of (i) the 5-year period beginning on the date that the first payment is due under the plan; or (ii) the term of the plan. Disposable income is the difference between income and necessary expenses.

Notwithstanding any provision in this plan to the contrary, the _____ commit to make payments of a value not less than required by the preceding paragraph.

11. Cramdown

If a class of creditors does not accept the plan, the _____ will seek to obtain confirmation through the cramdown provisions of § 1129(b). This means that the plan must be fair and equitable to the class that does not accept the plan. The definition of whether the plan is fair and equitable may be found in § 1129(b) of the Bankruptcy Code.

12. Liquidation Analysis

Section 1129(a)(7)(A) of the Bankruptcy Code requires that each holder of a claim must either accept the plan or receive payments or property with a value of at least as much as would be available in a chapter 7 liquidation of the _____' assets.

As set forth above, each holder of a secured claim is either receiving its collateral or is being paid the value of its claim, with interest. This treatment satisfies the liquidation test under § 1129(a)(7)(A). Holders of priority claims are paid in full, with interest. This also satisfies the requirements of § 1129(a)(7).

Holders of general unsecured claims are forecast to receive a dividend of _____% of their allowed claim. The _____ have estimated that their assets, after payment of liens would generate the following amounts in a chapter 7 liquidation:

Description of Asset	Estimated Liquidation Value	Amount of Debt Secured by Liens Against this Asset	Amount Claimed Exempt	Value Available to Estate in Liquidation	Basis of Estimate of Value
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	
				\$ 0.00	

Description of Asset	Estimated Liquidation Value	Amount of Debt Secured by Liens Against this Asset	Amount Claimed Exempt	Value Available to Estate in Liquidation	Basis of Estimate of Value
				\$ 0.00	
				\$ 0.00	
TOTAL				\$ 0.00	

In a chapter 7 liquidation, the estimated liquidation value of \$ 0.00 would be applied to the chapter 7 Trustee's fees and expenses and then to priority claims. This would produce the following:

Liquidation Value	\$ 0.00
Estimated Trustee's Fees and expenses	
Estimated priority claims	
Total available for holders of unsecured claims	\$ 0.00
Estimated unsecured claims	
Estimated percentage recovery in liquidation	!Zero Divide

Because the plan forecasts to pay holders of unsecured claims _____% of the amount of their claims and a chapter 7 liquidation is forecast to pay only **!Zero Divide**, this plan satisfies the liquidation test as to holders of unsecured claims.

13. Prepayment

Any claim may be prepaid at any time, without penalty. Interest as provided in this plan must be paid through the date of prepayment.

14. Tax Issues

The federal income tax effects on holders of claims will vary depending on how the holder has treated its claim for tax purposes. For example, if the holder has a basis in its debt claim and is paid an amount less than its basis, the holder may be entitled to a federal income tax deduction for its loss. This will depend on the holder's own tax characteristics and cannot be assured. Conversely, if the holder has no basis in its debt claim, the holder may recognize income for federal income tax purposes based on payments under the plan.

Because each holder's federal income tax situation may vary, you are urged to consult your own tax advisors to determine the federal income tax effect of the plan on you.

The _____ may also have a federal income tax effect from the plan. To the extent that indebtedness is discharged, the _____ may have a basis adjustment in

their assets. Moreover, any sale of assets may produce taxable income. The forecasts set forth above incorporate the _____' best estimate of the federal income tax effect of the plan.

15. Executory Contracts and Leases

Except for the assumed contracts and leases listed in the following chart, all executory leases and contracts are rejected as of the Effective Date. Proofs of claim for damages arising from the rejection of an executory lease or contract must be filed not later than 30 days after the Effective Date. Claims filed after that date will not be paid.

Contracting Party	Description of Contract	Amount Required to Cure Any Default

The amount shown under “Amount Required to Cure Any Default” will be paid not later than 30 days after the Effective Date of the Plan.

If you are the Contracting Party on an assumed contract and disagree with the cure amounts shown, you must file an objection prior to the objection deadline of _____. If you do not file an objection prior to the objection deadline, the Court may confirm the plan and you will be bound by the terms of the confirmed plan as to the cure amount.

16. Claims Objections

Claims objections must be filed not later than 30 days after entry of the order confirming the plan. This deadline may be extended by the Court, on motion by a party in interest. Any such motion must be filed not later than 30 days after entry of the order confirming the plan.

17. Additional Provisions

[For example, a special provision concerning student loans could be inserted.]

18. Discharge, Vesting and Effective Date

Upon completion of all payments, the _____ must file a motion for discharge, served on all holders of allowed claims, in which they will certify that (i) they meet the standards set forth in § 1141(d)(5)(C) of the Bankruptcy Code; and (ii) have completed all payments under the plan. Unless a party objects and the Court sustains the objection to the motion for discharge, the _____ will be discharged of their liability on debts to the maximum extent allowed by § 1142 of the Bankruptcy Code.

Pending completion of the payments under the plan, the plan's provisions bind all persons to the extent allowed by § 1141(a) of the Bankruptcy Code.

All estate property is vested in the _____ on the Effective Date of the plan, free and clear of all claims and interests except (i) as provided in this plan; and (ii) for claims and interests that are excepted from discharge under § 523 of the Bankruptcy Code.

This Effective Date of this plan is the 15th day after entry of the order confirming the plan, unless the confirmation order is stayed. If the confirmation order is stayed, the Effective Date shall be the 15th day following the termination of the stay. No party may act pursuant to this plan prior to the Effective Date.

19. Obligations to United States Trustee

The _____ will be responsible for timely payment of United States Trustee quarterly fees incurred pursuant to 28 U.S.C. § 1930(a)(6). Any fees due as of the date of confirmation will be paid on the Effective Date. After confirmation, the _____ will continue to file timely financial reports in the format required by the United States Trustee and continue to pay quarterly fees as accrued until the case is closed, converted to a case under chapter 7, or dismissed.

20. Default

If there is a default in payment to a creditor under this plan, the default must be cured within 21 days of written notice sent by the affected creditor. If the default is not cured within the 21-day period, the creditor may seek any rights available under the Bankruptcy Code or under applicable non-bankruptcy law.

21. Conclusion

_____ have filed this plan and disclosure statement. They represent that they believe the information contained in this document to be true and correct in all respects.

Dated: March 18, 2016.

Submitted through their counsel:

Phone: _____

Fax: _____
