

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

**DUTIES AND RESPONSIBILITIES OF A DEBTOR UNDER CHAPTER 7 AND
ATTENDANCE AT THE §341 MEETING OF CREDITORS**

In either a personal or corporate bankruptcy, the Debtor (or its representative(s)) has on going legal obligations to the Trustee, the creditors and to the Bankruptcy Court. Failure to fulfill the obligations can result in a denial of discharge, revocation of discharge or criminal prosecution. It is a Debtor's legal obligation to fully comply with all statutory requirements of Title 11. A Debtor must advise the Trustee if any of the conditions and circumstances stated herein apply to you.

1. You must provide written notice to the Trustee if you remember or become aware of any property (of any kind or value) that you owned or were entitled to at the date you filed your bankruptcy, that you forgot to list or that you did not become aware of until after you filed bankruptcy.
2. You must provide written notice to the Trustee of any inheritance or monies that you receive or become entitled to as a result of a death that occurred either before you filed bankruptcy or within six (6) months after your bankruptcy filing.
3. You must provide written notice to the Trustee of any money or property you may receive as a result of a final divorce decree (excluding child support) that occurred either before you filed bankruptcy or within six (6) months after the date you filed your bankruptcy petition. (A copy of the Divorce Decree and the Property Settlement Agreement or Agreement Incident to Divorce should be sent with the notice.)
4. You must provide a written statement to the Trustee regarding the status of any domestic support obligations you owe, i.e. the amount you owe; when it is owed; are you current or delinquent; if delinquent for how long and how much is owed; and the name and address to whom you pay a domestic support obligations.
5. You must provide written notice to the Trustee of any monies you may receive as a beneficiary of a life insurance policy or as a result of a death benefit plan that you acquire or become entitled to prior to the filing of bankruptcy or within six (6) months after the date you filed your bankruptcy petition.
6. You must turn over to the Trustee any money that you receive as a result of rental properties that are not claimed as exempt.
7. You must provide written notice to the Trustee of any leases, contracts or agreements that require you to provide services or property in the future that entitle you to compensation, services or property in the future.
8. You must turnover to the Trustee the names and addresses of each and every party to whom any transfers, conveyances of gifts or your property that you made and that were not scheduled and that were made within one (1) year prior to the date you filed bankruptcy.

9. You must provide written notice to the Trustee of all debts repaid within the year prior to filing bankruptcy. You need not advise the Trustee of debts repayments that are properly scheduled or if the total amount of the debt was less than \$1,000.00.
10. You must provide written notice to the Trustee of any tax refund in excess of \$2,500.00 you anticipate receiving or actually receive.
11. Please be aware that you are still responsible for filing your own personal income tax return. You should inform your tax advisor of the filing of your bankruptcy petition, as it affects your own personal tax return. If necessary for the administration of the bankruptcy estate, I will request copies of pre petition tax returns. If you believe that you need to amend a pre-petition tax return you must notify the Trustee in writing.
12. CORPORATE OR PARTNERSHIP DEBTORS – ONLY. In order to comply with the Federal Income Tax Laws applicable to this type of bankruptcy estate, you must give the Trustee copies of your last two (2) income tax returns. If you are not current in your tax filings, please advise me of this and provide copies of the two (2) most recent returns, regardless of year. You are responsible for filing all required unfiled tax returns.
13. CORPORATE DEBTORS – ONLY. Debtor’s Representatives must advise me in writing of all bank accounts owned by the Corporation, both open and closed, on the day of filing, including the name and address of the bank, account numbers, and who is authorized to withdraw on the account. This is property of the estate from the date of the filing and no withdrawals should be made by anyone after that date. You must promptly advise the Trustee of any post petition withdrawals and provide the Trustee with a complete accounting of those transactions.
14. You are required to file and complete your statement as to your intention concerning secured consumer debt. I will assume that you have done so within the time provided unless you advise me in writing to the contrary, and state your plans to remedy any default.
15. Pursuant to the rules regarding electronic filing, you are required to provide the Trustee at least ten (10) days prior to your scheduled creditors meeting, with a copy of your schedules, statement of financial affairs, means test form, certificate of credit counseling, two years of tax returns, the bank statements for the two months prior to filing including the month of filing and proof of income for the 60 days prior to filing. Failure to provide this information within ten (10) days in advance of the First Meeting of Creditors will cause your meeting to be **reset**. Additionally, if you fail to provide these documents it could result in dismissal of your case.
16. You are required to appear and attend a Meeting of Creditors. The clerk of the U.S. Bankruptcy Court provides notice of this meeting. If you have not received notice of your meeting within 20 days after your case is filed, contact your attorney or the Clerk. The meeting can only be rescheduled as a result of an emergency or an unavoidable or unforeseen conflict. Work related conflicts must be resolved by the Debtor. Travel and/or vacations plans are not grounds for rescheduling. If you are not represented by counsel, requests for a new date and time **must be in writing** and received more than 15 fifteen days prior to your scheduled meeting and you must provide a statement as to the nature of the emergency or conflict. It is the Trustee’s discretion as to whether a reset date and time will be given. You or your attorney will be responsible for re-noticing all creditors of the date and time of the reset. Do not call our office and ask for a reset.
17. You must bring picture identification issued by a governmental authority, such as a driver’s license, and your social security card. If you do not have a social security card, you must bring a pay stub, W-2, 1099 or other documents not created by you with the complete number. Your tax

return is not sufficient. Failure to bring proper identification or proof of social security will cause your meeting to be reset.

18. If your meeting is reset, you and your attorney must sign and file with the Court a written statement that the reset date is the new date for the First Meeting of Creditors, and that you agree and acknowledge that all deadlines associated with the date set for the First Meeting of Creditors run from the new date.
19. Do not contact the Trustee or the Trustee's Office if you are represented by counsel. The Trustee and the Trustee's Office cannot provide you with legal advice. If you need to request information, you or your attorney must do so in writing. You must provide your name, case number and current address when making such request. If you do not receive a copy of your discharge contact your attorney or the Clerk, the Trustee does not issue the discharge.
20. You must swear under oath that you have read the foregoing and have complied with all of its provisions. If you have any questions regarding any of the duties or statements made herein, you or your counsel should address those to me at the §341 Meeting or in a written request.

You have a legal obligation to promptly provide the Trustee with the information requested herein as soon as you learn of it. You must advise the Trustee in writing of all facts that are necessary to fully determine whether the circumstances of your case require action by me as your Trustee. If you receive money or property under any of the categories listed above, you must keep all such monies or property in your possession until the Trustee directs you to take a specific course of action.

Along with this notice, you will be receiving a Bankruptcy Information Sheet attached hereto as Exhibit A required under 11 U.S.C. §341. You must review and be familiar with this information prior to the Meeting of Creditors. I will assume that you have done so. If you have any questions regarding the Statement, please ask at the Creditors' meeting or contact your attorney.

Dated: June 03, 2005

Signed by: /s/
Ch. 7 Trustee

STATEMENT OF INFORMATION REQUIRED BY 11 U.S.C. §341

INTRODUCTION

Pursuant to the Bankruptcy Reform Act of 1994, the Office of the United States Trustee, United States Department of Justice, has prepared this information sheet to help you understand some of the possible consequences of filing a bankruptcy petition under Chapter 7 of the Bankruptcy Code. This information is intended to make you aware of –

- (1) the potential consequences of seeking a discharge in bankruptcy, including the effects of receiving a discharge of debts;
- (2) the effect of receiving a discharge of debts;
- (3) the effect of reaffirming a debt; and
- (4) your ability to file a petition under a different chapter of the Bankruptcy Code.

There are many other provisions of the Bankruptcy Code that may affect your situation. This information sheet contains only general principles of law and is not a substitute for legal advice. If you have questions or need further information as to how the bankruptcy laws apply to your specific case, you should consult with your lawyer.

WHAT IS A DISCHARGE?

The filing of a Chapter 7 petition is designed to result in a discharge of most of the debts you listed on your bankruptcy schedules. A discharge is a Court Order that says you do not have to repay your debts, but there are a number of exceptions. Debts which may not be discharged in your chapter 7 case include, for example, most taxes, child support, alimony, and student loans; court-ordered fines and restitution; debts obtained through fraud or deceptions; and personal injury debts caused by driving while intoxicated or taking drugs. Your discharge may be denied entirely if you, for example, destroy or conceal property; destroy, conceal or falsify records; or make a false oath. Creditors cannot ask you to pay any debts which have been discharged. You can only receive a Chapter 7 discharge once every six (6) years.

WHAT ARE THE POTENTIAL EFFECTS OF A DISCHARGE?

The fact that you filed bankruptcy can appear on your credit report for as long as ten (10) years. Thus, filing a bankruptcy petition may affect your ability to obtain credit in the future. Also, you may not be excused from repaying any debts that were not listed on your bankruptcy schedules or that you incurred after you filed bankruptcy.

WHAT ARE THE EFFECTS OF REAFFIRMING A DEBT?

After you file your petition, a creditor may ask you to reaffirm a certain debt or you may seek to do so on your own. Reaffirming a debt means that you sign and file with the Court a legally enforceable document, which states that you promise to repay all or a portion of the debt that may otherwise have been discharged in your bankruptcy case. Reaffirmation agreements must generally be filed with the Court within sixty (60) days after first meeting of creditors.

Reaffirmation agreements are strictly voluntary - they are not required by the Bankruptcy Code or other state or federal law. You can voluntarily repay any debt instead of signing a reaffirmation agreement, but there may be valid reasons for wanting to reaffirm a particular debt.

Reaffirmation agreements must not impose an undue-burden on you or your dependents and must be in your best interest. If you decide to sign a reaffirmation agreement, you may cancel it at any time before the Court issues your discharge order or within sixty (60) days after the reaffirmation agreement was filed with the Court, whichever is later. If you reaffirm a debt and fail to make the payments required in the reaffirmation agreement, the creditor can take action against you to recover any property that was given as security for the loan and you may remain personally liable for any remaining debt.

OTHER BANKRUPTCY OPTIONS

You have a choice in deciding what chapter of the Bankruptcy Code will best suit your needs. Even if you have already filed for relief under Chapter 7, you may be eligible to convert your case to a different chapter.

Chapter 7 is the liquidation chapter of the Bankruptcy Code. Under Chapter 7, a trustee is appointed to collect and sell, if economically feasible, all property that you own that is not exempt from these actions.

Chapter 11 is the reorganization chapter most commonly used by businesses, but it is also available to individuals. Creditors vote on whether to accept or reject a plan, which also must be approved by the Court. While the debtor normally remains in control of the assets, the Court can order the appointment of a trustee to take possession and control of the business.

Chapter 12 offers bankruptcy relief to those who qualify as family farmers. Family farmers must propose a plan to repay their creditors over a three-to-five year period and it must be approved by the Court. Plan payments are made through a Chapter 12 trustee, who also monitors the debtor's farming operations during the pendency of the plan.

Finally, Chapter 13 generally permits individuals to keep their property by repaying creditors out of their future income. Each Chapter 13 debtor writes a plan which must be approved by the Bankruptcy Court. The debtor must pay the Chapter 13 trustee the amounts set forth in their plan. Debtors receive a discharge after they complete their Chapter 13 repayment plan. Chapter 13 is only available to individuals with regular income whose debts do not exceed \$1,000,000 (\$250,000 in unsecured debts and \$750,000 in secured debts).

AGAIN, PLEASE SPEAK TO YOUR LAWYER IF YOU NEED FURTHER INFORMATION OR EXPLANATION, INCLUDING HOW THE BANKRUPTCY LAWS RELATE TO YOUR SPECIFIC CASE.