

NOTICE OF BANKRUPTCY

What it Means

How to Read it

You Need to Know...

1. **Who is the Debtor?**
...and the attorney for the debtor?
2. **Which Chapter?**
3. **Is there a trustee?**
4. **Where was it filed, who is the judge?**
5. **When**
 - Is the automatic stay imposed?
 - Is the first meeting of creditors?
 - Is the last date for filing claims?
 - Is the last date for filing a complaint to determine the dischargeability of a debt?
 - Is the last date for filing objections to discharge?

Why it is Important

1. The Notice will provide the name of the debtor, trade names and aliases used in the last six years. The debtor's address will also be stated. It will give information with respect to the debtor's attorney.
2. The Notice will tell you the "Chapter" of the Bankruptcy Code that the case is filed under. In a Chapter 7 case, all of the debtor's assets are liquidated and disbursed to creditors. In a Chapter 11 case, a business enterprise attempts to reorganize. Chapter 12 provides for the reorganization of a family farmer, and Chapter 13 permits an individual with regular income to design a plan to pay his debts.
3. If the Notice indicates that the case is one filed under Chapters 7 or 13, the name of the appointed trustee will appear on the Notice.
4. The Notice will tell you in which bankruptcy court the debtor has filed its petition. A creditor must file its proof of claim in the proper court.

5. (a) Immediately upon filing of the case, the court imposes a stay on all actions by creditors: Don't take any steps to collect a debt after the filing date. Any attempt to collect a debt without relief from the stay could be contempt of court.

(b) After the filing of the bankruptcy case, the debtor must appear and answer questions under oath. The purpose of the examination is to enable creditors and the trustee to determine if assets have been improperly converted or concealed, or if there are grounds to object to discharge. If a creditor has questions, it should attend this meeting.

(c) The Notice may set forth a Bar Date by which claims must be filed. A claim filed after this date may be disallowed by the court. The notice may also state that there are no assets and that until notified to the contrary, you do not have to file a claim.

(d) By filing bankruptcy, the individual debtor is seeking a "fresh start" by having his or her debts discharged in bankruptcy. A creditor, by the filing of a complaint, may dispute the dischargeability of its specific debt or may also challenge a debtor's entire discharge. The notice will list a date within which the creditor must file these actions.

Look For...

1. "In re"

- Will tell you debtor's name, address, will list trade names and "akas," and will give the case number.

"Attorney for Debtor"

- Will tell you attorney's name and telephone number

2. "Chapter"

- Will tell you whether the filing is a liquidation or reorganization

"To Request"

- Will tell you how to order copies of documents

3. "Interim Trustee"

- Will tell you the trustee's name, address and telephone number

4. "United States Bankruptcy Court"

"Bankruptcy Judge"

5. ... "An Order for Relief under 11 U.S.C. Chapter _____ ...on _____"

... "A meeting of creditors pursuant to 11 U.S.C. Section 341(a) shall be held at _____."

... "The last day to file proof of claim in this proceeding is _____."

... " _____ is the last day for filing a complaint"

... " _____ is the last day for filing objections to discharge"

*Prepared by the Pamphlet Committee of the
Commercial Law League of America*

*The information contained herein is not intended
as legal advice. Readers should consult an
attorney to determine specific applications
to the particular situation.*