Filing for Consumer Bankruptcy

WHAT YOU NEED TO KNOW

WESTBROOK
LAW FIRM, PLLC

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Table of Contents

Table of Contents

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FOREWORD

Nicholas R. Westbrook, founder and owner of the Westbrook Law Firm, PLLC.

My name is Nicholas R. Westbrook, founder and owner of the Westbrook Law Firm, PLLC. I am a native Texan, born in Lubbock. I attended The University of Texas at Austin and received a Bachelor of Arts in Biology. After graduation, I attended South Texas College of Law, where I graduated with the highest distinction of summa cum laude.

I am very proud to be a Texas Bankruptcy Attorney. It is extremely rewarding to help good people in bad financial situations. I have helped hundreds of consumers and small businesses bounce back from difficult circumstances and gain a fresh start. Bankruptcy is one of the few areas of the law where an attorney can make a real difference in someone's life. My goal is to significantly reduce, and sometimes fully eliminate, my clients' debts. Whether your credit cards are out of control, your home is scheduled for foreclosure, or your medical bills are past due, my firm can help.

The choice to file Bankruptcy is a serious legal decision and should not be taken lightly. It is critical to understand the Bankruptcy process and its effects on your situation before moving forward. I have produced this book, Filing For Consumer Bankruptcy: What You Need to Know, to help consumers, just like you, understand their options when dealing with overwhelming debt.

If you are struggling financially, please read the information contained in this book and then schedule a free consultation at my office. I will analyze your situation and help determine whether Bankruptcy is right for you and your family. Call me today at 281-888-5581. You can also learn more about our firm and Bankruptcy at www.HoustonBankruptcyHelp.com. The road to financial freedom starts here.

INTRODUCTION

The decision to file Bankruptcy can be very difficult. The first meeting with your Bankruptcy attorney can be tough. Some clients are embarrassed, ashamed and upset . . . It seems like you have hit the end of the road.

When you are at the end of your rope, Bankruptcy is your legal safety net.

The primary purposes of the federal Bankruptcy laws are to: (1) give an honest Debtor a "fresh start" in life by relieving the Debtor of most debts; and (2) repay creditors in an orderly manner to the extent that the Debtor has property available for payment. Congress enacted the Bankruptcy laws to give the honest, but unfortunate person a fresh start, a second chance at being productive and a contributing member of society, instead of being weighed down by the burdens of debt.

A recent Associated Press-AOL Health Poll found that the stresses and worry associated with debt contribute significantly to health problems including ulcers or digestive tract problems; migraines or other headaches; severe anxiety; severe depression; heart attacks; muscle tension; and trouble concentrating and sleeping. The impact of overwhelming debt can overwhelm every aspect of your life.

Bankruptcy is not the only option for people struggling with debt. The aim of this short book is to help you identify your debt problem, discuss possible solutions, and provide a brief introduction to the Bankruptcy process. Every situation is unique and different, so your debt problem solution should not come from a “one size fits all” approach. At the Westbrook Law Firm, PLLC we listen to our clients, identify their problems, and help them reach the best short and long term solutions.

Disclaimer

This book should be in no way interpreted, inferred, read, and/or taken as offering legal advice. While the author has worked to ensure the accuracy of the

information as of the time of this writing, the state and federal laws are constantly changing and may alter the assertions made in this book. This book is meant as a general guide and not as specific advice pertaining to your individual situation or circumstances. Enjoy the book and don’t hesitate to contact the Westbrook Law Firm, PLLC for specific legal advice. The road to financial freedom starts here.

CHAPTER ONE

HOW BAD IS IT?

A detailed examination of your finances is the first step in deciding whether Bankruptcy can help straighten out your financial difficulties. Many people facing Bankruptcy have lost control over their finances and some can't even say with certainty who they owe. Occasionally a client will walk in with a shoe box, grocery bag, or even trash bag stuffed with bills that go back many months or even years. The situation has gotten so bad that keeping track of their bills no longer matters. There is just not enough money to pay everyone.

A detailed financial examination begins with a simple accounting. Your household finances can be broken down into four basic categories:

- Assets – everything you own and the liquidation value of each item;
- Debts – all of your secured debts (house, car, etc.) and unsecured debts (credit cards, medical bills, etc.);
- Income – your household's monthly income; and
- Expenses – your household monthly expenses.

These categories are also used during the Bankruptcy process to determine your ability to pay creditors. By listing all of your assets, debts, income and expenses, you will have a clearer picture of your family finances and you can answer the question, "How bad is it?"

Assets

Most of our clients can adequately list their personal assets without any problems. The Bankruptcy Code directs Debtors to list all "legal and equitable interests" in property. Sometimes a client will forget to account for ownership in property that is outside his or her control. For instance, if you co-signed for your brother to obtain a vehicle loan, you are probably on the title, and you must disclose this ownership interest even though it is "his" car and you have never made a payment. Your attorney needs this information to adequately assess your financial situation and protect your assets.

Once you have listed your assets, you need to provide a good-faith estimated value for each item of property. Some of your property is easily valued, like stock, bank account deposits, or cash money. Other items can be more difficult to value, like household furniture or personal items. The value of your property for Bankruptcy purposes is the "liquidation" value. Technically this is the value your property will bring if sold in a quick commercially reasonable manner. The value is usually an educated guess at what the item would bring at auction.

Many people over-value the value of their household and personal items. Used clothing, linens, and furniture sell for a small fraction of the original purchase price. On the other hand, most people under-value expensive items like guns and antiques. If you need help estimating the value of your property, online resources like EBay and Craigslist can offer good examples of what the general public is paying for similar items. Online resources like Kelly Blue Book (http://www.kbb.com), or the NADA motor vehicle price guide (http://www.nada.com), are

helpful in determining the fair market value of your automobile.

Most homeowners have a good idea of what their real estate is worth through the tax appraisal. If the value of your real estate becomes an issue in the Bankruptcy case, you may need to hire a professional real estate appraiser to determine the fair market value. Your Bankruptcy attorney can assist you in deciding whether this is necessary.

Debts

It is very important to identify all of your creditors when assessing your financial situation. The Bankruptcy process requires that you list all of your creditors, even those you want to continue to pay. You must also make a good-faith effort to list the amount owed to the creditor.

Fortunately, there are two excellent sources for discovering who you owe. The first is the US Postal Service. Original creditors and collection agencies are very good at sending bills when you owe them money. Collect your mail for a month and you will have a good start on listing your creditors.

The second excellent source for creditor information is your credit report. There are three main consumer credit reporting agencies:

Each of the above consumer credit reporting agencies are required by federal law to provide one free credit report to you every 12 months. You can obtain an absolutely free credit report from Equifax, Trans Union, and/or Experian by visiting the following website: https://www.annualcreditreport.com/cra/index.jsp. If you choose to file Bankruptcy with our firm, we will run a full credit report on your behalf – which pulls from all 3 agencies.

Equifax	Experian	Trans Union
www.equifax.com	www.experian.com	www.tuc.com/
800-685-1111	888-397-3742	800-916-8800
P.O. Box 740241	P.O. Box 2104	P.O. Box 2000
Atlanta, GA 30374-0241	Allen, TX 75013	Chester, PA 19022

Obtaining a copy of your credit report is a good step in making a good-faith effort to identify your creditors and the amounts owed. However, do not rely exclusively on credit report information as not all creditors report to the credit reporting agencies. Medical providers, for example, rarely report past due accounts. Additionally, the information contained in your reports may be inaccurate, outdated, or incomplete.

Income

If you have steady paycheck, you have an advantage to figuring your monthly income. All income sources must be listed, including salary, hourly pay, tips, bonuses, retirement income, social security, disability pay, unemployment checks, rental income, etc. The Bankruptcy laws require that you provide all income information for the past six months. All income is totaled for the past six full months and divided by six to determine your average monthly income and your projected ability to repay creditors in the future. While this is the general practice, a recent Supreme Court case allows the Bankruptcy Court to deviate from this six month historical figure and use the actual current pay in certain cases. The Westbrook Law Firm, PLLC can assist you with the necessary Motion in this typical situation.

Ask your employer or human resources office to provide you with a printout of your pay history for the past six months. If you are self-employed or have a part-time job, bank deposits or other financial records may be your best source for calculating your monthly pay. Our office can also provide an easy-to-follow profit and loss statement, which is acceptable by all Bankruptcy Courts.

Expenses

It is sometimes surprising to look at a budget and determine where you money goes each month. A monthly budget is important for financial health. Your attorney can help you develop two budgets: your current budget to help assess your need to file Bankruptcy; and a projected budget for after you file Bankruptcy.

There are four types of monthly expenses: fixed, variable, discretionary, and non-reoccurring. Fixed bills like a mortgage payment, car payment, or child support are easy to calculate as the amount you pay does not

change from month to month. The amount paid on variable bills, such as utility payments, changes each month. Variable bills can be averaged from the past six to twelve months for budgeting purposes.

Discretionary expenses are entirely within your control. These items include food, transportation expenses, and entertainment expenses. It is important to make a conservative, but realistic estimate of your expenditures for these categories each month. For instance, the Internal Revenue Service estimates that the average vehicle operating costs for one vehicle in the Houston area is $312 per month. That includes expenses for maintenance, repairs, insurance, fuel, registrations, licenses, inspections, parking and tolls. Your Bankruptcy attorney will have questions if you state that you pay $60 per month or $600 per month to drive one vehicle. Discretionary expenses also include a morning cup of coffee or afternoon soda. Be sure to account for these purchases!

Non-reoccurring expenses include out of pocket medical and dental expenses, or seasonal clothing expense (e.g. back to school clothes for kids). Non-reoccurring expenses are also averaged over twelve months.

Adding It Up

By comparing your assets, debts, income and expenses, you will have a better understanding of your family finances and can answer the question, "How bad is it?" The right path to financial recovery may be obvious after comparing these categories. For instance, if you have a steady income and a small amount of debt, you may be able to temporarily decrease your expenses or increase your income with part-time work to pay off your debt. If you have a large amount of assets, you may be able to sell your property to pay your creditors. If you have a large amount of debt, few assets, and not enough income, Bankruptcy may be the best option.

Divorce

Divorce can have a devastating impact on individual finances and is directly responsible for many Bankruptcy filings each year. If you are going through a divorce and have a large number of debts, consult with a Bankruptcy attorney to determine whether Bankruptcy can help un-complicate your finances and make the process of divorce more manageable.

One serious consequence of divorce is its affect on a joint obligation to pay a debt. You may be surprised to learn that even though a family Court Judge may order your spouse to pay a joint obligation, your divorce decree will not protect your credit rating if your spouse fails to pay the obligation. The family Court's order did nothing to change your obligation to the creditor. The contract between you, your ex, and the creditor was not altered by the family Court because the creditor was not a party to your divorce. The family Court did not have the authority to alter the contract. If your ex fails to pay the debt, the family Court order will not protect you during a lawsuit.

In many cases it is better to file a Bankruptcy before you file for divorce. In certain circumstances, property that is owed by a husband and wife receives better protection from creditors than it receives if owned by a single person. Additionally, certain debts that are ordered by a family Court cannot be discharged by the Bankruptcy Court, so it is better to discharge those debts prior to a family Court order.

A divorce can create very complicated legal problems. If you are considering divorce, and have significant debt, speak with a Bankruptcy attorney before the divorce is final to avoid any unnecessary complications.

CHAPTER TWO

Non-Bankruptcy Options

After understanding your financial situation, the next question you face is, "What can I do about it?" You need a plan of action. In plain terms, there are generally three options to deal with overwhelming debt: (1) do nothing; (2) negotiation; and (3) Bankruptcy. In this Chapter I will discuss the first two non-Bankruptcy options, do nothing and negotiation.

Do Nothing

Doing nothing is the most common response for a person unable to pay a bill. Doing nothing is a natural reaction to an inability to pay. If you can't pay, you can't pay - right? Doing nothing may also be used in conjunction with rationalizing, making yourself a promise to deal with the situation in the future: "I will catch up my bills with my bonus/tax refund/next paycheck."

The "Do Nothing" approach may be common, but it is also is the worst response. Ignoring your debt problem only makes things worse. The best example of this is to look at the effects of three missed payments on a typical credit card account. In our example, Sarah has a $1,000 balance on his Visa credit card and an interest rate of 19%. Sarah has a steady income and manages to scrape together the minimum 4% payment each month, or $40.00. The chart below shows Sarah's Visa card terms:

Original Balance	Interest Rate	Minimum Monthly Payment	Months to Pay Off
$1,000	19%	$40.00	88

Unfortunately, Sarah is laid off for work and is unable to make her minimum credit card payments. Sarah chooses the "Do Nothing" option. After missing payments the credit card company suspends her charging privileges and raises her interest rate to 36%, the default interest rate. The credit card company also charges Sarah late fees of $35 each month. At the end of three months Sarah's new credit card balance has increased to $1,200.91! The chart below indicates Sarah's new Visa card terms after her missed payments:

Original Balance	Interest Rate	Minimum Monthly Payment	Months to Pay Off
$1,200.91	36%	$50.00	169

Sarah's missed payments also impact her credit score. A 90 day late record will affect Sarah's credit score for up to seven years. The credit scoring models treat 90 day late records as a serious indication that Sarah is likely to pay 90 days late or later in the future. While a 30 or even 60 day late record may temporarily harm a credit score, a 90 day or later record can impact the credit score for years.

To add insult to injury, while Sarah is job hunting and unable to pay her credit card bill, the credit card company has launched a systematic attack to harass and intimidate her into paying. The first wave is from the company's in-house collectors, who repeatedly call her home and cell phone in an effort to obtain information about Sarah's financial situation. Sarah also receives regular notices from the card company, sometimes in embarrassing pink envelopes indicating late payment or default.

After 90 to 120 days the credit card company has closed her account and transferred the debt to an outside collection agency. These collectors call Sarah's family members and neighbors. They monitor her Facebook account and send her emails. One nasty debt collector calls Sarah's elderly next door neighbor and asks her to walk to Sarah's house to relay an

"urgent message" to call the collector. These tactics are meant to shame Sarah into paying and are very effective.

After a year, Sarah's debt is sold to a debt company for pennies on the dollar. The debt company specializes in default debt and renews a campaign of harassment. The debt company discovers that Sarah is now employed and begins calling her at work, sometimes speaking to co-workers and Sarah's new boss.

Finally, after two years of harassment, an attorney for the creditor sues Sarah. The attorney sends her documents in the mail labeled "Plaintiff's First Request for Production." Predictably, Sarah ignores this request. The Judge grants default judgment against Sarah in the amount of $3,237.72 (for principle and interest owed on the account) with continuing interest and costs and attorney fees in the amount of $500. Two months later Sarah discovers that the attorney is garnishing from his paycheck and has seized all the money from her bank account.

Sarah's horrific story is not usual – it's the typical scenario that we see on a weekly basis. The moral of this story is: Do not ignore your debts. If you are facing a situation like Sarah's, please call the Westbrook Law Firm, PLLC today. We can help.

Negotiation

The second option is "Negotiation." This option goes by many different names (e.g. credit counseling, debt settlement, debt mediation, etc.), but the process is the same: the Debtor asks the creditor for more favorable terms in exchange for payment.

The benefits of Negotiation can be considerable and the results can depend on the stage of the debt and the parties involved. In our example above, there are five stages Sarah's Visa card debt passed through: **(1) late payment; (2) default; (3) collection; (4) bad debt; and (5) litigation.**

Negotiating during the **late payment** stage can be very easy. By contacting the credit card company early, before any missed payments, Sarah (from our example above) could have deferred payments and avoided defaulting on the card. If the credit card company had agreed to wait three months until Sarah can resume payments, she would have avoided defaulting and perhaps avoided costly fees and a default interest rate.

The credit card company is less willing to negotiate after the default stage has occurred. The company has already increased Sarah's interest rate and charged penalty fees. After default, the credit card company may "re-age" the account and restore the original terms, but usually only after a substantial payment and proof of hardship. In some extreme cases they may cancel fees. This re-aging generally does not repair the damage to a credit report, but it does bring the account current. Generally in the default stage the credit card company will try to set up a monthly payment arrangement to bring the account current and restore charging privileges.

By the **collection stage**, the credit card company has washed its hands of the debt. The credit card company and the collection agency is interested in collecting as much as it can, as fast as it can. The whole debt is now due and accelerated. The collection company wants either monthly payments (which continue to incur interest at the default rate) that will pay the debt in 18 months or less, or satisfaction of the debt with one or more lump sum payments. If Sarah is able to pay all at once, the collection agency may reduce the debt to 80-90% of the current amount. In some cases a credit counseling program may be able to negotiate monthly payments at more favorable terms.

A word of caution regarding credit counseling programs: these programs may claim to be not-for-profit, but most of them are funded and subsidized directly by the credit card industry. When a Debtor participates in a monthly payment program, the Debtor pays a small fee to the credit counseling program and the credit card company gives a "kick back" to the program. It makes you wonder just who the credit counselors are serving! Additionally, some credit counseling programs will establish a program to re-age the accounts after a certain time, others will not. Re-aging the account brings the account current so your payments are credited as timely (which helps you rebuild your credit report and score). Otherwise the collection agency will continue to record negative items on your credit report each month. Finally, be aware that if you are unable to complete the credit counseling

program, all of the "forgiven" interest and penalties will be reinstated to your accounts.

When the credit card company sells the debt in the bad debt stage, it has declared the debt uncollectible and will take a tax credit for the loss. The debt is sold (and perhaps re-sold many times) to a debt company for pennies on the dollar. Unfortunately, even though the debt company only has a few hundred dollars invested in Sarah's account, she is legally obligated to the debt company for the entire debt.

Sarah can still turn to a credit counselor to set up monthly payments on more favorable terms, but he now has a new option: the debt settlement company. These companies are notorious for defrauding consumers. The basic premise of the debt settlement company is to negotiate a lump-sum payment. Often this is accomplished through monthly payments to the debt settlement company "on account" until there are sufficient funds to negotiate a settlement amount (generally between 30-50% of the present amount owed). Licensed attorneys will sometimes negotiate settlements at better terms (20-40%), but the fee is greater.

Debt settlement is a tricky business and can take many months. The basic tactic is to wear down the debt company until they figure "something is better than nothing" and accept a pennies-on-the-dollar settlement from the Debtor. Of course, if the original debt was $1,000, and the current debt is $2,000, when the debt settlement company finally agrees to $1,000 you are really paying 100% of the debt (minus fees and interest). During the settlement negotiation you may still receive harassing calls (unless you are represented by a licensed attorney) and you may be sued. Also, after the debt settles, you will receive an IRS Form 1099 to pay taxes on the "forgiven" debt. In the end the results of a debt settlement process are a paid debt in exchange for headaches, ruined credit, and a tax debt.

The final stage is the litigation stage. It is extremely difficult to negotiate any payment terms at this stage since a lawsuit has already been filed. Once a judgment has been rendered against Sarah the attorney can seize property, bank accounts, and garnish wages. To avoid a judgment on her credit report, Sarah may need to spend thousands on an attorney to negotiate a lump-sum settlement.

Let's turn to the third option and the focus of this book: Consumer Bankruptcy. This may be the best option for your situation.

CHAPTER THREE

Bankruptcy Overview

Bankruptcy is a federal legal process for declaring an inability to pay your debts. The U.S. Constitution authorizes the Bankruptcy process, and Congress writes the laws that govern all Bankruptcy cases.

For each Bankruptcy case, a federal Bankruptcy Court Judge is appointed. For example, there are 5 Bankruptcy Judges in the Southern District of Texas. Much of the Bankruptcy process is administrative and conducted outside of Court. A Debtor's involvement with the Bankruptcy Judge is generally very limited, and most Chapter 7 Debtors never go to Court or see the Judge. In nearly all Bankruptcy cases, a Trustee is appointed to oversee the out of Court administration of the Bankruptcy case (see the section below entitled Who is the Bankruptcy Trustee?).

Usually, the only formal proceeding at which a Debtor must appear is the Meeting of Creditors, also called the "341 Meeting." Section 341 of the Bankruptcy Code requires that the Debtor attend a meeting where creditors can question the Debtor about debts and property. The particulars of the 341 Meeting is detailed later in this book.

The most important purpose of the federal Bankruptcy laws to the Debtor is to provide a financial "fresh start." At the end of most Bankruptcy cases, the Judge will discharge certain debts and release the Debtor from personal liability.

There are six basic types of Bankruptcy cases: **Chapter 7,** an erase-your-debts-start-fresh Bankruptcy; **Chapter 13**, a repayment plan for an individual; Chapter 11, a reorganization plan generally used by businesses; **Chapter 12**, a repayment plan specially designed for family farmers and fishermen; **Chapter 9**, a reorganization plan for cities and other local government entities; and **Chapter 15,** a Bankruptcy chapter for international cases. This book will focus on the two options for consumers: **Chapter 7** and **Chapter 13.** The Westbrook Law Firm, PLLC is dedicated to these powerful debt relief solutions.

Chapter 7

A Chapter 7 case is also called a "straight Bankruptcy" or a "liquidation Bankruptcy." Chapter 7 is the most basic form of Bankruptcy. The idea behind Chapter 7 is to liquidate o sell all of the Debtor's property and pay creditors from the proceeds. Whatever debt is left after the Debtor is penniless is no longer legally enforceable against the Debtor.

Obviously, taking all of a person's property is not very practical, so state and federal laws allow a Bankruptcy Debtor to keep certain modest property like clothing, household furniture, retirement accounts, and, in most cases, basic transportation and a home. These assets are protected by legal "exemptions", which protect a person's property, and typically leave no assets for creditors to liquidate. Bankruptcy cases where legal exemptions protect all of the Debtor's property are called "no asset cases." This is the common type of Chapter 7 case.

A typical no asset Chapter 7 Bankruptcy case will take less than six months and the Debtor will not lose any property. At the end of the case, the Bankruptcy Judge will sign a Court Order, which discharges many – if not all – of the Debtor's financial obligations, and the case closes.

If you are not concerned with secured debts (e.g., you own a home or vehicle and are current on the payments), but have significant unsecured debts (such as credit cards), you may qualify for Chapter 7 relief. This option provides a quick way to eliminate certain debts and start over. The Westbrook Law Firm, PLLC

has helped hundreds of people, just like you, with Chapter 7 relief.

Chapter 13

A Chapter 13 Bankruptcy is also called a "reorganization plan" or a "wage earners plan." The Chapter 13 Bankruptcy Debtor states the intent to repay all or part of her debts in installments to creditors over three to five years. The individual's repayment plan term cannot exceed five years.

Chapter 13 is sometimes selected over Chapter 7 because it is not a liquidation process. The Chapter 13 Debtor does not lose property during the Bankruptcy (unless the property is voluntarily returned to the creditor). Instead, the Debtor proposes a repayment plan based on the Debtor's projected income. Chapter 13 plans typically include secured debts (e.g., house payment, car note), arrears on the secured debts (e.g., past due taxes, HOA fees, and mortgage payment), and a percentage to the unsecured debts (which can vary depending on your income).

The Chapter 13 plan must be approved by the Bankruptcy Court. At the end of most repayment plans, creditors who are not paid in full are discharged by the Bankruptcy Court. Moreover, if you pay a small percentage to the unsecured creditors during the Bankruptcy, your liability on those debts after the case is concluded will be discharged or eliminated.

Means Test

The choice of Chapter 7 or Chapter 13 is a decision most Debtors voluntarily make. However, in some cases the choice is made for the Debtor through the results of the Bankruptcy "Means Test". This "test" is designed to identify Debtors who can afford to pay some of their unsecured debts (for instance, credit card debt) and encourage repayment of these debts through a Chapter 13 repayment plan. Debtors that "fail" the Means Test are disqualified from filing Chapter 7 Bankruptcy.

The Means Test is actually two tests. The first part determines whether your current monthly income is less than your state's median income for a household of your size. The current state median income figures can be found at the U.S. Trustee's website: http://www.usdoj.gov/ust/eo/bapcpa/meanstesting.htm

If your family's income is less than your state's median income for a family of your size, you PASS the Means Test. There is no other testing and you can proceed with a Chapter 7 Bankruptcy.

If your family's income is more than your state's median income, you must complete the Means Test worksheet to calculate if you have (or should have) money to repay unsecured creditors. In the end if you are able to pay a significant portion of your unsecured debt, you will FAIL the Means Test and cannot file a Chapter 7 Bankruptcy.

The truth is: very few Debtors fail the Means Test. Many Debtors earn significant incomes and still qualify for Chapter 7 Bankruptcy. Debtors with large monthly secured debt payments (e.g. house, car) often pass the Means Test as there is no extra money at the end of the month to pay unsecured creditors.

CHAPTER FOUR

Before Filing

Choosing an Attorney

Choosing the right attorney to represent you during your case is the most important step in the Bankruptcy process. An experienced attorney will competently represent you and your financial interests against creditors and the Bankruptcy Trustee. The decisions that you and your attorney make during your Bankruptcy will affect your financial well-being for years to come.

In the Bankruptcy world, there is no substitute for experience. Bankruptcy law is a complex mixture of federal law, state law, prior Court cases, and the common practices of the Bankruptcy Court and the Trustee. It is often important to be familiar with local creditor practices and their attorneys. It is easy for an inexperienced attorney to make an easy Bankruptcy case difficult, and a complicated case a complete disaster.

Bankruptcy law deals with a person's finances and sometimes requires the attorney to be knowledgeable about various aspects of family law, business, law, criminal law, estates and trusts, real estate law, sales and leases, etc. Experienced attorneys have "been there," and "done that." Inexperienced attorneys will be learning for the first time with your case. Just like traveling an old country road, many mistakes attorneys make during the Bankruptcy process can be avoided by knowing where the difficult areas are along the journey. When selecting a Bankruptcy attorney, ask how much time your attorney will spend with you and your case. The Bankruptcy Code requires that you list all of your property, all of your debts, all of your income, and all of your expenses on the Bankruptcy schedules. This information gathering and processing is an important part in avoiding problems during the case. When you have a proper accounting of your finances, and your attorney has applied the proper legal exemptions, there is less chance that the Bankruptcy Trustee will scrutinize your case. Skilled and experienced paralegals are an important part of this information gathering process, but they cannot substitute for your attorney's judgment or experience. So how much time will your attorney give to you and your case?

For personal Bankruptcy cases, an attorney should meet with you a minimum of three times: at the initial appointment/consultation, when you sign/date the finalized Bankruptcy Petition and Schedules, and at the Trustee's 341 Meeting. Your attorney should also be available by appointment, by telephone, and/or by email. Many common questions about the Bankruptcy process can be answered by the attorney's staff, but any change in your financial condition should be discussed with your attorney.

Finally, are you personally comfortable with the attorney? You will work with your attorney throughout your Bankruptcy case. It is important that you have faith in the person you hire. A good Bankruptcy attorney asks the right questions, listens to the answers, and discusses the matter frankly and honestly. If you have doubts or reservations about your legal representative, find another attorney.

Representing Yourself

The federal legal system guarantees the opportunity to represent yourself during Bankruptcy. The question is not CAN you represent yourself, but SHOULD you? As stated previously Bankruptcy law is a complex combination of federal and state laws. In most cases, it is important to understand the law, as well as how the law applies in certain situations.

Why should you hire an attorney?

(1) There are many reasons to hire an experienced attorney to represent you in a legal proceeding. In a Bankruptcy case there are a few generally unknown reasons, like:

(2) The Bankruptcy Trustee will scrutinize your case and assume that you have either inadvertently or purposely failed to disclose all of your assets, debts, income or expenses. The Trustee also knows that many of the questions on the Statement of Financial Affairs form are misunderstood and can lead to the turnover of assets. Finally, you may not fully understand the exemption laws which may also lead to losing your home, car, cash, or other personal property.

(3) An experienced Bankruptcy attorney may be reluctant to jump into the middle of your case once it is under the Bankruptcy Trustee's microscope. If you do find someone, the attorney fees will likely be much more than the usual pre-Bankruptcy competitive rate.

A pro se Debtor must appear personally before the Bankruptcy Judge in order to reaffirm a debt, like a house or car loan. The Court will examine your ability to pay the loan. Debtors represented by counsel do not need to do this.

While you may save a few dollars representing yourself, is it worth risking your property, your future finances, and, in extreme cases, your liberty?

Bankruptcy Fees

There are three types of fees in a Bankruptcy case: (1) attorney fees; (2) Bankruptcy Court fees; and (3) credit counseling fees. The attorney fees are negotiated between yourself and your attorney. Attorney fees are generally paid up-front in Chapter 7 cases. In Chapter 13 cases, your attorney may require a partial payment of the attorney fees before filing your case. Attorneys may elect to be paid the remaining amount in equal monthly installments through the Chapter 13 plan.

Bankruptcy Court fees are the same across the country and vary by Chapter. For a Chapter 7, the filing fee is $306.00. For a Chapter 13, the filing fee is $281.00. Typically, the filing fee is paid at the time of filing, although there are exceptions to this rule. In some cases, the filing fee may be paid in installments, and for extremely poor Debtors, the fee may be waived.

The 2005 amendments to the Bankruptcy Code require the Bankruptcy Debtor to receive credit counseling from a nonprofit budget and credit counseling agency approved by the United States Trustee within 180 days of filing a Bankruptcy. This counseling fee is around $30.00 per household and is available in-person, by telephone, or over the internet. The Westbrook Law Firm, PLLC can provide you with a good referral for this necessary counseling.

The Bankruptcy Code also requires that the Debtor complete an "instructional course concerning personal financial management." This class is also available online, in-person, and/or by telephone.

Your Initial Bankruptcy Appointment

4.Your attorney will have many questions for you during your initial meeting. Your attorney needs to learn about your financial situation in order to help you to determine whether Bankruptcy is the right option for you and your family. You can help speed the process by preparing for your initial meeting. Below is a list of the most common documents and records your attorney will need to see in order to prepare your Bankruptcy petition and schedules:

1.Photo ID and social security card;

2.The last six months of pay check stubs. This information can be obtained from your employer;

3.Last two years of income tax returns;

4.Real estate deeds and mortgage paperwork;

5.Vehicle titles along with lease or purchase agreements;

6.All loan paperwork;

7.Any child support or maintenance (alimony) Court order;

8.Any recent credit report (you can obtain a free credit report at https://www.annualcreditreport.com/cra/index.jsp);

9.Information regarding your debts;

10.Any important documents that impacts your income, assets, debts, or expenses. For instance: a foreclosure notice, or a notice of an upcoming bonus;

11.Investment records;

12.Last six months of bank statements;

13.Any tax bill showing assessed value;

14.Proof of insurance on all property secured by a lien; and

15.Any documents pertaining to a legal claim or pending lawsuit (e.g. a personal injury or worker's compensation claim).

While this is not an exhaustive list, it is a start to help your attorney understand your circumstances and advise you on how to improve your financial situation.

Pre-Bankruptcy Credit Counseling

You are required to complete a pre-Bankruptcy counseling session with an approved credit counseling organization prior to filing a Chapter 7 or Chapter 13 Bankruptcy case. Completion of this counseling session is mandatory and your case will be dismissed if it is not completed within 180 days before your Bankruptcy filing. The Bankruptcy Court will only accept credit counseling certificates from those agencies that have been approved by the United States Trustee.

The charge for a credit counseling session is around $30 per household, although the federal law also requires counseling organizations to provide the counseling free of charge for those consumers who cannot afford to pay. In certain extreme circumstances the credit counseling requirement may be waived by the Bankruptcy Court.

The typical counseling session lasts about 60 to 90 minutes and can take place in-person, over the telephone, or online. The session will include an evaluation of your personal financial situation, a discussion of alternatives to Bankruptcy, and a personal budget plan. Once you complete the counseling session, you will receive a certificate as proof of completion which must be filed by your attorney at the time of your Bankruptcy filing.

Keeping Property

One of the most important questions during Bankruptcy is, "What will I lose?" As discussed previously, in a Chapter 13 the Debtor does not lose any property. In a Chapter 7 case the Debtor can potentially lose property that is non-exempt (see discussion of Exemptions, below).

Nationwide, only around four percent of all Chapter 7 Bankruptcy cases have assets that are seized or turned over during Bankruptcy. That is only one case in twenty-five that have non-exempt property that is taken, sold, and the proceeds distributed to creditors. Over 70% of all of these "asset cases" involve less than $10,000 in disbursements.

Accurately identify and value the property before a Bankruptcy case is filed is a crucial step in protecting your property.

Every Bankruptcy attorney has a story about the client that reveals an asset at the Trustee's meeting for the first time. "I didn't tell my lawyer this, but my sister and I have 5 acres of beachfront property on the Gulf. My name is on the deed, but it's really her property." This may seem funny, but is usually a tragic story for the client. There are many ways to protect property,

and you and your attorney should discuss all of your property, and all of options to protect your property prior to filing your Bankruptcy case.

Valuing Property in Bankruptcy

During Bankruptcy, a Debtor is required to list all property and provide an estimated value. Valuing property is one of the most important tasks a Debtor has during the case. It is important to understand that one of the chief functions of the Bankruptcy Trustee is to uncover assets for the benefit of creditors. Federal and state laws allow the Debtor to keep certain modest items of household property that are considered "necessary," like clothing and household items, but only up to a certain dollar amount. That amount is called an "exemption," and that property is considered "exempt" and protected from a creditor's collection remedies. Any property that is worth more than the allowed exemption amount is subject to be liquidated, usually at auction.

As owner of your property, you are entitled to give an opinion regarding its value. It is important not to under-value or over-value your household property, but instead give a fair and reasonable estimate. So the Debtor should value property at yard sale prices.

Exemptions

After the value of your property has been determined, the next step is for your attorney to apportion the legal exemptions you are entitled to for protecting and keeping property. The Bankruptcy Code allows an individual Debtor to protect some property from the claims of creditors because it is exempt under federal Bankruptcy law or under the laws of the Debtor's home state. Texas Bankruptcy Debtors are able to choose federal or state exemptions.

The State of Texas exemptions allow you keep your homestead (regardless of value), and up to $30,000.00 of property value in the following categories ($60,000.00 for joint husband and wife filers):

1) household furniture
2) farming or ranching vehicles and implements
3) tools, equipment, books, and apparatus, including boats and motor vehicles used in a trade or profession
4) clothing
5) jewelry not to exceed $7,500.00 ($15,000.00 for a married couple)
6) two firearms;
7) athletic and sporting equipment
8) a two-wheeled, three-wheeled, or four-wheeled motor vehicle per licensed driver
9) two horses, mules, or donkeys and a saddle, blanket, and bridle for each;
10) 12 head of cattle;
11) 60 head of other types of livestock;
12) 120 fowl; and
13) household pets.

Life insurance and certain types of retirement accounts are also generally exempt.

Texas residents may claim the exemptions made available by Texas law only if they were domiciled in Texas for all of those two years before the Bankruptcy filing. If you were not domiciled in Texas for all of the past two years, consult with your Bankruptcy attorney to determine which state or federal exemption laws apply to your case.

Exemption laws and federal non-Bankruptcy laws offer broad and, in some cases, complex protections. Failure to understand these exemptions is a chief reason Debtors lose property during Bankruptcy. Don't risk your property by hiring an inexperienced attorney or by representing yourself! Experienced legal counsel should be consulted to determine what property can be claimed as exempt and how to apply the value limitations found in Texas or federal statutes.

Retirement Accounts

Many Debtors have retirement accounts. Fortunately, Congress has provided substantial protections in the Bankruptcy laws that safeguard retirement accounts during Bankruptcy. Congress has declared that certain retirement funds are exempt from creditors during a Chapter 7 Bankruptcy case. These funds include retirement accounts classified under sections 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code. These sections cover most retirement plans and include pension plans, profit sharing plans, stock bonus plans, employee annuities, IRAs, Roth IRAs, government deferred compensation plans, plans of tax exempt organizations, and certain trusts. The laws exempt these funds to over a million dollars for each Debtor.

The Bankruptcy laws further protect retirement accounts by providing that retirement funds not otherwise exempt are protected if they are necessary for the support of the Debtor and the Debtor's dependents. The Bankruptcy laws also protect certain retirement accounts subject to title 1 of ERISA, 457 deferred compensation plans, 403(b) tax deferred annuities, and health insurance plans regulated by state law. The federal Bankruptcy laws provide many ways to protect your retirement accounts during Bankruptcy. The key is to identify the type of account and the corresponding protection prior to filing the Bankruptcy case. As always, discuss your individual circumstances with an experienced Bankruptcy attorney prior to taking any action to either move retirement funds, make contributions, or take withdrawals as these actions may impair your attorney's ability to protect your retirement account.

Reaffirmation Agreements

During a Chapter 7 Bankruptcy, a Debtor is required to either pay a secured creditor or return the property in satisfaction of the debt. Secured creditors retain an interest in property to guarantee payment on a loan. Generally, even though the secured debt is discharged during Bankruptcy, a secured creditor's right in the property will survive the Bankruptcy discharge. In simple terms, the Bankruptcy discharges the debt, but the secured creditor can still take the property securing payment of the debt.

If during your Chapter 7 Bankruptcy you decide to keep and continue to pay on a secured item (such as an automobile), you may "reaffirm" the debt. A reaffirmation agreement is a contract between you and your creditor in which you will remain liable on the debt and promise to continue paying the secured creditor. The creditor promises that it will not repossess the property so long as you continue to pay the debt. Reaffirmation is only available to Chapter 7 Bankruptcy Debtors.

If you decide to reaffirm a debt, you must do so before the Bankruptcy Court enters its discharge order (generally at the end of the case). You and the creditor execute a written reaffirmation agreement and it is filed with the Court. The Bankruptcy Code requires that you must disclose your current income and expenses to demonstrate that there are sufficient monthly funds to pay the reaffirmed obligation. If there is not enough in the monthly budget to pay the reaffirmed debt, there is a presumption of undue hardship and the Court may not approve the reaffirmation agreement.

Once the reaffirmation is filed and approved, you are personal liability for that debt which will not be discharged in your Bankruptcy. That means that you can be sued for any breach of the agreement and the property securing the debt can be repossessed. Reaffirmation agreements can be very useful during Bankruptcy. The agreement can re-write the terms of the loan including reducing principle, interest, or lengthening payment terms.

Redemption

Redemption is a process in a Chapter 7 case where the Debtor pays a secured creditor only the value of the secured property, not the total debt that is owed. For example, if you owe $5,000 to Ford Motor Credit, but the car securing the debt is only worth $3,000, you can use the redemption process to pay only the value of the vehicle ($3,000), keep the car, and discharge the remaining unsecured debt ($2,000). The entire value of the vehicle, $3,000, must be paid in one lump sum to Ford Motor Credit in satisfaction of the secured debt. The remaining unsecured portion of this debt is discharged at the end of the Bankruptcy case.

Redemption is widely used to eliminate unsecured vehicle debt and usually involves a late model vehicle that has depreciated faster than the Debtor has paid on the loan. The value of the vehicle is determined either by agreement between the Debtor and creditor, or by the Bankruptcy Judge after a hearing. The Court approves the redemption and the secured creditor must accept a sum from the Debtor in exchange for a release of its secured lien. In plain terms, the lender is paid a lump sum and the lien on the vehicle is released.

It is often difficult for a Debtor in Bankruptcy to raise the lump sum payment required for redemption. Fortunately, some finance companies offer Bankruptcy redemption loans. We have helped numerous clients with this process. These finance companies require a loan application and assurances that the loan will be repaid. While the interest rate can be high for a redemption loan, the resulting monthly payment is often lower than the original monthly payment. If you are interested in lowering your monthly payments through the redemption process, discuss your options with your attorney. It is important to carefully consider all of the advantages and disadvantages before making a decision to redeem a vehicle.

Cram-Down

Redemption is only available for Chapter 7 cases; however a “cram-down” is a feature available in Chapter 13. The same basic principles apply: the Debtor pays a secured creditor only the value of the secured property, not the total amount that is owed. Chapter 13 cram-down allows the Debtor to pay the secured value of the property over the life of the Chapter 13 repayment plan at a reasonable Court-directed interest rate. Any remaining debt is treated in the same class as all unsecured creditors (usually paid pennies on the dollar, if anything). The monthly payment in Chapter 13 is often much better than the Chapter 7 redemption option.

Cram-down is used to reduce the principle, interest, or monthly payment amounts of a secured loan. Cram-down is not available to reduce a home mortgage amount; to reduce the security interest in a personal motor vehicle purchased within 910 days of the Bankruptcy filing date (about 2.5 years); or to reduce loans for any other property purchased within 1 year of the filing date.

Real Estate Issues

Cram-down cannot reduce the amount owed on a home mortgage. Under current Bankruptcy law there is no way to modify a first mortgage secured by a Debtor’s home. However, Chapter 13 does allow a second mortgage to be stripped away, if the loan is entirely unsecured. This process, called “lien stripping” is useful to an individual who has multiple mortgages, and the value of the property is less than the amount owed on the first mortgage.

For example, let’s say you purchased your home several years ago for $500,000, made a cash down-payment, and obtained two mortgage loans. You have made your monthly mortgage payments, and today you owe $405,000 on the first mortgage and $70,000 on the second. Unfortunately, property in your area has depreciated and your home is only worth $400,000. During a Chapter 13 Bankruptcy case a Bankruptcy

Court can strip away the second mortgage lien on your home because it is entirely unsecured by your home (i.e. the value of your home is not more than the first mortgage debt). The stripped second mortgage is discharge along with other unsecured debt at the end of the Bankruptcy case.

The above example is not possible if the second mortgage is secured at all by the value of the home. If the home is merely under-secured, lien stripping is not authorized. For instance, if the value of the home in our example is $405,001, then the loan is partially secured (by one dollar) and its second mortgage lien cannot be stripped. Consequently, the success of any lien stripping case boils down to the value of the property. An early appraisal of the property prior to litigation is very important. Lien stripping is especially useful to homeowners who have Home Equity Lines of Credit secured by a second mortgage on their primary residence, or homeowners that purchased a home using 80/20 loan financing.

Surrendering Property

In some cases, it doesn't make financial sense to keep a secured loan. A Bankruptcy Debtor may surrender property back to the secured creditor. Surrendering property is usually as simple as coordinating a time between your attorney and the creditor, and then delivering the property. Once the Debtor surrenders the property, the debt is unsecured and is either discharged with the Chapter 7 Bankruptcy, or, in a Chapter 13, paid according the Debtors ability to pay, then discharged at the end of the case.

While surrendering secured property can be a no-brainer when the Debtor cannot afford to pay the debt, the threat of surrendering property can be a powerful negotiating tool with secured creditors when negotiating the terms of reaffirmation, redemption, or cram-down.

Discharging Debt

The Bankruptcy code generally classifies debt into three major categories: (1) secured; (2) unsecured; and (3) priority. Generally, secured debts must be paid for or returned; unsecured debts get paid pennies on the dollar (if anything) and are discharged; priority debts are non-dischargeable. Before filing a Bankruptcy case it is important to know what debts will be discharged.

Secured debts include mortgage loans, vehicle loans, purchase money security interests (like in house financing to buy a plasma TV), and non-purchase money security interests. Secured debts must generally be paid or the property must be returned. Keeping secured property during a Bankruptcy case usually involves a reaffirmation agreement, redemption, or cram-down. Non-purchase money loans are typically used by finance companies to secure personal loans with personal property.

These loans may be "avoided" in a Chapter 7 case by asking the Bankruptcy Court to strip the lien on the property. The finance company debt is discharged in the Bankruptcy and you keep the property.

Unsecured debts include credit cards, hospital bills, utility bills, and unsecured personal loans. These debts are discharged in a Chapter 7 case and are paid in a Chapter 13 case according the Debtor's financial ability.

Priority Debts

Congress has identified debts in the Bankruptcy Code that it considers "priority debts" deserving of special treatment. Section 507 sets forth categories of unsecured claims which Congress has, for public policy reasons, given priority of distribution over other unsecured claims. "Priority" refers to the order in which unsecured claims in a Bankruptcy case are paid from the money available in the Bankruptcy estate. The higher the priority, the sooner the claim is paid from

money in the estate. When the money runs out, the remaining lower priority claims are paid nothing from the Bankruptcy estate.

Non-Dischargeable Debt

The Bankruptcy law is designed to give the honest Debtor a fresh start, but not a head start. Therefore, Congress has identified certain debts that cannot be discharged in a Bankruptcy. Many debts that would ordinarily qualify for discharge may be determined as non-dischargeable if a Debtor has committed a crime or fraud in acquiring the debt.

Generally, the following are non-dischargeable debts:

1. Back child support or alimony obligations, and debts considered in the nature of support;
2. Student loans, unless repayment would cause you undue hardship;
3. Criminal fines or restitution;
4. Debts listed in a prior Bankruptcy where Debtor was denied a discharge;
5. Recent income taxes less than three years past due; and
6. Auto accident claims involving intoxication.

Additionally, there are circumstances which may make a debt non-dischargeable:

1. Debts incurred on the basis of fraud;
2. Debts from willful or malicious injury to another or another's property;
3. Recent purchases with credit cards (usually in the last 90 days before filing);
4. Debts from larceny (theft), breach of trust or embezzlement; and
5. Most federal, state and local taxes and any money borrowed on a credit card to pay those taxes.

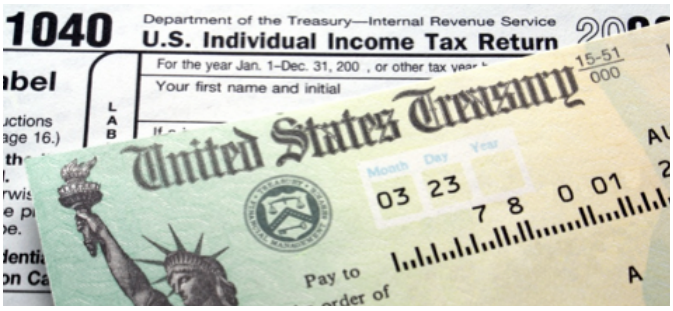
There are exceptions to these rules and each situation has its own rules and challenges. Be sure to discuss your unique situation with a qualified Bankruptcy attorney and learn your options.

Contested Matters

Occasionally there is a creditor that contests the Debtor's Bankruptcy case. There are many scenarios when this may occur. For instance, in a case where the creditor claims that the Debtor procured a loan as a result of fraud, the creditor must contest the discharge of this debt within a certain time, or the debt will be discharged. In other circumstances, like student loans and child support, the creditor does not have to file anything and the debt is not discharged.

The Bankruptcy Code allows creditors to file a contested case within a Bankruptcy case. This process is called an adversary case. A creditor claiming that a Debtor owes a debt on account of fraud or dishonesty, or a creditor who claims a non support obligation which arose during a divorce must file an adversary action within 60 days of the first Meeting of Creditors and then prove to the Court that the debt should not be discharged. An adversary case may also be initiated by the Bankruptcy Trustee, or by the Debtor against a creditor, to determine the discharge ability of a debt or to sanction the creditor for a violation of the automatic stay.

Other Concerns Income Tax Refunds



Each year, pro se Debtors and inexperienced attorneys fail to protect income tax refunds from turn-over to the Bankruptcy Trustee. This is an unfortunate and preventable situation. Fortunately, most Debtors receive only a modest income tax refund that is too small for the Trustee to administer, or is protected by the Debtor's Bankruptcy exemptions. In other cases, the Debtor may miscalculate the refund amount and receive more than expected.

If you are entitled to a tax refund, it is important to have your taxes prepared by a professional in advance of the Bankruptcy filing. Be sure to tell your attorney about the refund. If you cannot exempt the tax refund, it may be necessary to use the money on reasonable expenses, such as home or car repairs, prior to filing. Our office can properly advise you on all options when you schedule your free consultation.

Inheritances

If you file for Bankruptcy and receive an inheritance within180 days of the filing, that inheritance will likely become property of the Bankruptcy estate. Even if the Bankruptcy Court has already entered an order of discharge and closed the Bankruptcy case, you could lose the property.

The Bankruptcy law calculates the 180-day period from the date of death. For example, if your grandmother left you $5000, but you did not actually receive it until two years after she passed away, your inheritance could still become property of the Bankruptcy estate, provided your grandmother died within 180 days after you filed for Bankruptcy.

The treatment of an inheritance depends on the Bankruptcy Chapter. If the Debtor filed a Chapter 7, the entire inheritance must be paid over to the Bankruptcy Trustee, without any exemptions, and will be used to repay creditors. In a Chapter 13, an inheritance is used to calculate how much you should pay back to the unsecured creditors (i.e., up to the amount of your non-exempt property).

Spending Sprees

In rare cases, a person will go on a credit card spending spree after realizing that a Bankruptcy is unavoidable. A credit card spending spree with the intent on discharging the debt may be fraud, and it may also be a criminal act. Debts incurred as a result of fraud may lead to a dismissal with no discharge of the debt. In more serious cases, you can go to jail.

The Bankruptcy Code provides that "luxury goods or services" purchased with a credit card totaling more than $500.00 within 90 days prior to filing a Bankruptcy case are presumed non-dischargeable debts and will

survive the Bankruptcy discharge. The Bankruptcy Code states that "luxury goods or services do not include goods or services reasonably necessary for the support or maintenance of the Debtor or a dependent of the Debtor."

Additionally, the Bankruptcy Code provides that if you take a cash advance from a credit card (or use a credit card check), within 70 days prior to filing your Bankruptcy case, there is a presumption that those the debt on those funds are non-dischargeable.

Preference Payments and Hiding Assets

Property transfers can create serious problems for the Bankruptcy practitioner. Usually the transfer is entirely innocent, however the Bankruptcy Code does not consider the Debtor's intent or mental state during the transfer.

Sometimes a property transfer is a payment made to a friend or family member just before filing. For example: Mary borrows $3,000 from her mother to help pay bills. In March, Mary receives her income tax refund and repays her mother the $3,000. Mary files Bankruptcy in May. This situation is called a "preference payment." A preference payment occurs when there is a transfer of money by a Debtor, on account of a pre-existing debt, that is made while the Debtor is insolvent, and gives the creditor more than it would receive from the liquidation of the Debtor's assets during a Chapter 7.

The idea behind a preference payment is that the Debtor chose to pay the friend or family member instead of other creditors – the Debtor "preferred" this creditor. Preference payments are unfair to the Debtor's other creditors, and, if the transaction took place within

90 days, the Bankruptcy Trustee can compel the recipient to turn over this preference payment to the Bankruptcy estate for equal distribution to all creditors. Also, if the payment is made to an "insider," then the avoidance period is one year. An "insider" is a generally a relative, business partner, etc. who has a special relationship with the Debtor.

Another situation is a property transfer just prior to filing Bankruptcy. The Bankruptcy Trustee will be highly suspicious of any large transfer immediately preceding the Bankruptcy filing. The assumption will be that the transfer was an attempt to hide an asset and protect it from the Bankruptcy estate. Take, for instance, adding your mother to your car title just prior to the Bankruptcy filing. The Bankruptcy Trustee may bring an action in the Bankruptcy Court to avoid this transfer of title, strip your mother's ownership in the vehicle, and seize and sell the vehicle.

There are many ways to protect property in Bankruptcy. Discuss your issues with an experienced Bankruptcy attorney, as self-help solutions rarely work.

Monthly Payments

The internet is full of good advice concerning Bankruptcy. However, every situation is different, and what is good legal advice for one person may be horrible legal advice for another. It is critical to discuss your unique situation with a qualified and experienced Bankruptcy attorney in your area.

Here is one piece of common internet advice: "If you are sure you are going to file Bankruptcy, stop paying your monthly credit card bill." The theory behind this is that the credit card debt will be included into the Bankruptcy and discharged, so spend your money on something else (like your Bankruptcy lawyer!).

This advice may be terrific for 99% of Debtors entering Bankruptcy. Nevertheless, there are some situations in which the Debtor makes things worse by skipping these payments. Let's say that Mary loses her job in November. She is broke, has no savings, and cannot afford to pay her credit card payments. However, she has about $5,000 in available credit and uses her credit cards to pay for modest Christmas gifts for her family, groceries, and utilities. She makes no payments after the purchases and decides to file Bankruptcy in April.

In the above example, Mary may have opened the door for an adversary proceeding for fraud. Because she made charges and purchases during a time when she was insolvent, the credit card company could claim that she obtained money from the credit card company under false pretenses. The credit card company's case is strengthened by the fact that Mary did not make any attempt at monthly payments after the charges were incurred.

If you are in Mary's shoes, discuss your situation with a dedicated Bankruptcy attorney and do not take legal advice from internet Bankruptcy discussion boards. What works well for others may not work for you.

Bad Checks and Other Criminal Charges

The Bankruptcy automatic stay does not stop the criminal prosecution of the Debtor for writing a bad check. Most states now agree that while the Bankruptcy can discharge the underlying debt, it does not discharge a criminal act or the ability of the state to order restitution for the criminal act. What that boils down to is that even though the Bankruptcy discharges the obligation between you and the creditor, if you have written a bad check, the prosecutor may still prosecute you, you may still be convicted, and the Judge may still order you to pay criminal restitution to the creditor/victim.

The Bankruptcy Code states that criminal restitution is non-dischargeable. That generally includes fines like municipal traffic tickets, or victim restitution for serious offenses. If you have a serious problem criminal restitution problem, it is likely affecting your personal finances. An experienced Bankruptcy attorney can discuss your options with you.

Payday Loans

Payday loan companies offer a short-term loan of a few hundred dollars that will be repaid on the borrower's next payday. To obtain the loan the borrower usually writes a post-dated check to the lender. Often the payday loan lender will require a statement that the borrower is not considering Bankruptcy, and, sometimes, that the borrower will not file Bankruptcy in the future.

Many individuals worry that they will face a criminal bad check charge when they are unable to pay the post-dated check. With a few narrow exceptions, being unable to pay the payday loan check is not a criminal act. It is important to note that the post-dated check may still be presented for payment even after the Bankruptcy has been filed, resulting in significant bank fees. In some areas of the country (notably in the 6th and 8th Circuit Court of Appeals) Courts have stated that the presentment of the post-dated check does not violate the automatic stay provisions of the Bankruptcy code. However, these Courts have said that the funds collected by the payday loan company may be an "avoidable transfer," meaning that the Debtor may get that money back.

While an agreement to not file Bankruptcy is generally considered void because it violates public policy, a representation to the payday loan lender that the borrower is not contemplating Bankruptcy is a serious matter. A borrower that takes a payday loan with the intention of discharging it through Bankruptcy, and with no intention on repaying the loan, may have committed fraud and even a criminal act! The best advice – stay away from these loans.

Utility Disconnects

The Bankruptcy Code protects against disconnection of necessary utilities, such as water, electricity or gas. A utility company may not alter, refuse, or discontinue service to an existing customer solely because either (1) the customer filed for Bankruptcy protection; or (2) the customer failed to pay a pre-petition debt to the utility.

This protection against utility disconnects is limited, and within 20 days after the Bankruptcy filing, the Debtor must give the utility company "adequate assurance of future payment," which usually means a new security deposit. The law allows the utility company to keep any previous security deposit and apply that deposit to your prior bill. If the Debtor does not provide "adequate assurance of future payment" within the 20 day time period, the utility provider may discontinue services.

Bankruptcy Myths

- There is a minimum amount of debt required to file Bankruptcy.
- There is no debt threshold you must meet in order to file Bankruptcy.

- You can't keep your home or car if you file Bankruptcy.
- Many individuals file for Bankruptcy protection in order to save their homes from foreclosure or their vehicles from repossession.

•Taxes cannot be discharged in Bankruptcy

•Taxes are difficult to discharge in Bankruptcy, but it is possible to discharge tax debt under certain circumstances.

•Medical bills can't be discharged in Bankruptcy

•Medical bills are generally among the easiest type of debt to discharge in Bankruptcy.

•All of your debts are erased in Bankruptcy

•Not all debts are discharged in Bankruptcy. See the section on Non-Dischargeable Debts in this book for more information.

•You can't get credit after a Bankruptcy

•Most people rebuild their credit after Bankruptcy and buy homes, automobiles and save for retirement.

•You must list all of your creditors on the Bankruptcy schedules.

•Non-disclosure of a debt may prevent a discharge of your other debts and could land you in criminal trouble for Bankruptcy fraud. There are several different ways that a debt may survive the Bankruptcy (e.g. a non-dischargeable debt, or the Debtor executing a reaffirmation agreement). Speak with your attorney if you want a debt to survive the Bankruptcy.

•You can only file Bankruptcy once.

•An individual Debtor can file a Chapter 7 Bankruptcy every eight years. An individual who has received a Chapter 7 discharge may also file a chapter 13 after four years. A person who files a Chapter 13 can file another Chapter 13 after two years, and a Chapter 7 after six years.

CHAPTER FIVE

After Filing

Publicity

Bankruptcy cases are public records and are available to members of the general public upon request to the Bankruptcy Court. Bankruptcy hearings, trials, and meetings of creditors are open to the public. However, since there are over a million and a half consumer Bankruptcy filings every year, it is uncommon for a newspaper to publish news of a Bankruptcy filing – unless it is news. Of course, if you are famous or newsworthy, news of your Bankruptcy may be reported; otherwise news of your Bankruptcy will not appear in the newspaper.

After you file Bankruptcy, the Court will send a notice of the Meeting of Creditors to all of your creditors. Your friends, bank. employer, and relatives will not be sent notice unless they are either also a creditor, a co-Debtor with you, or otherwise financially impacted by your Bankruptcy filing (e.g. your friend is also your landlord and you want to break the lease through the Bankruptcy process). Bankruptcy is usually a very private process and your Bankruptcy filing is not known by anyone locally unless you tell them.

Automatic Stay

The Automatic Stay immediately stops all creditor actions against a Debtor. This is a primary reason for filing a Bankruptcy case. The Automatic Stay is invoked automatically upon filing; in fact, no hearing is necessary and no Judge's signature is required. This powerful injunction applies even against creditors that have no actual knowledge of the Bankruptcy!

The intent of the Automatic Stay is to give the Debtor a "breathing spell" from the pressures and harassment from creditors while the Bankruptcy process proceeds.

The Automatic Stay prohibits a creditor from taking performing many collection actions, including:

- Contacting the Debtor to request payment (stops collection calls)
- Initiating or continuing a lawsuit against the Debtor (stops lawsuits)
- Enforcing a judgment against the Debtor (stops wage garnishments)
- Repossessing personal property or foreclosing on real estate (stops repossessions and foreclosure)

Violation of the Automatic Stay is serious business. The Bankruptcy Court may sanction the violating creditor. Since the Automatic Stay is a temporary injunction, the Bankruptcy Court can "lift it" after notice and a hearing. There are a few exceptions to the Automatic Stay. For instance, the Automatic Stay does not prevent criminal prosecutions. Likewise, the Automatic Stay does not stop lawsuits to establish or modify alimony, maintenance, or child support.

Co-Debtor Stay

The "Co-Debtor Stay" is a unique feature of Chapter 13 case. It is only available in Chapter 13 cases and is designed to protect the Debtor from indirect pressures that a creditor may exert through friends or relatives. The Co-Debtor Stay stops all collection action against any individual who is obligated on a consumer debt owed by the Debtor. The Co-Debtor Stay continues until the Chapter 13 case has concluded.

It is important to understand that the Co-Debtor Stay is a protection intended for the Bankruptcy Debtor. The Debtor's Chapter 13 Bankruptcy will not discharge the co-Debtor's responsibilities to the creditor. However, the Co-Debtor Stay will prevent collection action by the creditor against the co-Debtor during the pendency of the Chapter 13 case.

The Co-Debtor Stay is effective immediately upon the filing of the Debtor's Chapter 13 petition and continues until the case is closed, dismissed, or converted to Chapter 7 or 11. Like the Automatic Stay, this temporary injunction can be modified or terminated by the Bankruptcy Court. Termination of the Co-Debtor Stay may be successful if the co-Debtor received "consideration" for the debt (e.g. you cosigned a car loan for your brother, who actually owns the car). The Co-Debtor Stay may also be terminated if your Chapter 13 plan proposes to not pay a debt, or if the creditor's interests would be irreparably harmed by continuation of the Co-Debtor Stay.

Similar to the Automatic Stay, a knowing violation of the Co-Debtor Stay may also be contempt of Court and punishable by damages, including attorney's fees. Additionally, any collection action taken by a creditor in violation of the co-Debtor Stay is void.

Personal Financial Management Course

An "instructional course concerning personal financial management" is required after your Bankruptcy case is filed. Notice of completion of this course must be filed within 45 days of the 341 Meeting of Creditors for a Chapter 7 case, or no later than the last payment required by the plan in a Chapter 13 case. To avoid these deadlines, it is prudent to complete the class before or soon after the 341 Meeting.

The Personal Financial Management Course is also available in-person, by telephone, or online for a fee around $35.00 per filer. The United States Trustee, who oversees the organizations offering this class, has directed that the Personal Financial Management Course should average two hours in length and include written information and instruction on four major topics:

(1) Budget development;

(2) Money management skills;

(3) Wise use of credit; and

(4) Consumer information.

Most Debtors appreciate the Personal Financial Management Course and state that it is a worthwhile experience. It is a good way to start new habits and maximize your fresh start opportunity.

Who is the Bankruptcy Trustee?

The Bankruptcy Trustee is not your legal representative and is not the Bankruptcy Judge. So who is the Trustee? Generally, the person identified as the Bankruptcy Trustee in a Chapter 7 case is a "panel Trustee," also called an "interim Trustee." The Panel Trustee is by the United States Trustee Program (a

component of the U.S. Department of Justice) as a local agent to review the Debtor's Bankruptcy petition and schedules, and to determine if the Debtor has any non-exempt assets available for distribution to creditors. While the Panel Trustee is required to be independent and disinterested in the Debtor's case, the Panel Trustee works primarily for the benefit of the Debtor's unsecured creditors.

Panel Trustees are usually attorneys or accountants with extensive Bankruptcy law and auditing experience. The Bankruptcy Trustee is forbidden from offering legal advice to Debtors in Bankruptcy.

Chapter 7 Panel Trustees are paid a small flat fee per case. In addition, Panel Trustees receive an incentive commission on each dollar they collect from the Debtor. The commission rate works on a sliding scale from 25% for the first $5,000 to 3% of anything over $1,000,000. In other words, if you have a non-exempt curio cabinet worth $200, the Trustee's potential commission from taking this item is $50. At $50 it is generally not worth the Trustee's time or effort to pursue the asset, coordinate the collection, execute the sale, and file the required paperwork. This is why most Chapter 13 Bankruptcy cases are "no asset" cases.

The same Trustee is appointed to every case: the Chapter 13 Trustee. The responsibilities of the Chapter 13 Trustee include the evaluation of the Debtor's proposed Chapter 13 Plan and the distribution of payments from the Debtor to creditors. The Chapter 13 Trustee, or an assistant Trustee, also oversees the 341 Meeting of Creditors, and files objections to the plan as required by the Bankruptcy code.

Meeting of Creditors

Regardless of the Chapter you file, between 20 and 40 days after your Bankruptcy filing you must appear at a "Meeting of Creditors," also called the "341 Meeting" (after section 341 of the Bankruptcy code which requires the Meeting). This Meeting is an opportunity for your creditors to appear and ask you questions under oath. While all of your creditors will be mailed an invitation to attend the Meeting, they generally do not attend or appear in the typical Bankruptcy case. Your attorney will be present with you at this Meeting.

The Panel Trustee is almost always the individual that presides over the Debtor's Section 341 Meeting of Creditors in a Chapter 7 case. The Chapter 13 Trustee, or one of the assistant Chapter 13 Trustees, may conduct the Chapter 13 Meeting of Creditors. The Trustee is required to investigate the Debtor's financial affairs, examine the Debtor under oath, and submit reports to the Bankruptcy Court and Office of the U.S. Trustee. At the 341 Meeting, the Trustee is required to ask the Debtor specific questions outlined in the U.S. Bankruptcy Code. These questions include:

- Did you read the Schedules before signing?
- Did you list all of your assets?
- Did you list all of your debts?
- Are the schedules accurate?
- Do you want to make any corrections to the schedules?
- Do you have a domestic support obligation?

The Trustee may have specific questions regarding assets, income, expenses, debts, or transactions. The Trustee may require certain information or documents to be presented to the Trustee either before or at the meeting including bank statements, pay stubs, tax returns, vehicle titles, and land ownership and debt documents. Most of this information should already be in your attorney's possession. You are also required to provide proof of identity including social security number and a government issued photo I.D.

Most 341 Meetings are quick and easy, and neither the Panel Trustee nor the Chapter 13 Trustee has the power to decide anything. It is simply a Meeting to obtain information. However, what is discovered at this Meeting can be used against you. After the Trustee concludes questioning the Debtor, any creditors may ask questions. Most Trustees operate 341 Meetings on very limited time constraints, so creditor questioning is usually limited to a few minutes. If the creditor needs additional time for questioning the Debtor, it can ask the Bankruptcy Court for an Order requiring the Debtor to appear for a further examination between just the creditor and the Debtor. This examination is conducted

like a deposition with your counsel present and only occurs in the rarest cases.

Chapter 13 Plan

The Debtor's Chapter 13 plan must be filed with the Bankruptcy petition or within 14 days after filing. Our office typically files all necessary documents together on the day of filing. A copy or summary of the Plan is mailed to all creditors. The Chapter 13 Plan is largely guided by the outcome of the Debtor's Means Test and may result in no payments to unsecured creditors and a three year plan, a five year plan with 100% payment to all creditors, or anything in between. The Chapter 13 Plan must provide payment of at least as much to unsecured creditors as they would have received had the Debtor filed a Chapter 7 liquidation Bankruptcy. The Chapter 13 Plan may also require the payment of unsecured creditors from the Debtor's "disposable income" as calculated by the Means Test. Any priority claims must be paid in full and include a plan for paying secured debts during the plan term. Long term debts, like a mortgage payment or student loans, do not need to be paid off during the plan term, but the plan may provide for the cure of a defaulted note.

The Chapter 13 Plan acts like a consolidation loan and the Debtor makes payments directly to the Chapter 13 Trustee, who distributes the payments to creditors. No more late fees! While the Debtor's Chapter 13 Plan may not be confirmed by the Bankruptcy Court until later, the Debtor's first plan payment is due 30 days after the case is filed. If no payment is made, the Chapter 13 Trustee will file a motion to dismiss the case for failure to commence payments. It is recommended that the Debtor execute a voluntary wage withholding to pay the Chapter 13 Trustee, although there is no requirement to do so.

No later than 45 days after the Meeting of Creditors, the Bankruptcy Judge holds a confirmation hearing to decide whether the plan is feasible and meets the standards for confirmation as described in the Bankruptcy Code. This hearing is sometimes waived. Creditors receive notice of the hearing and may object to confirmation.

In order to receive payments from the Chapter 13 Trustee, the creditor (or Debtor) must file a Proof of Claim with the Court within 90 days after the first date set for the Meeting of Creditors. A governmental unit has 180 days from the date the case is filed file a proof of claim. Failure to file a Proof of Claim may result in the creditor not being paid. Once the Chapter 13 Plan is confirmed, it binds all the parties to the terms of the Plan. The Plan can be changed only by modification through the Bankruptcy Court.

Modifying the Chapter 13 Plan

Sometimes, after the Court confirms a Chapter 13 Plan, the financial affairs of the Debtor may change. Fortunately, Congress allowed broad flexibility in the Chapter 13 process, and Debtors may ask the Court to modify their confirmed Plan to account for a change of circumstances. Selling property, reducing (or increasing) Plan payments, and lengthening or shortening the Plan term can be accomplished through a Motion to the Bankruptcy Court. The proposed Modification must meet certain legal requirements for Court approval. Additional legal fees may be required. If you are interested in modifying your Plan, you should discuss the matter with your attorney.

The Modification process is also used to assist Debtors who fall behind on their Plan payments to the Chapter 13 Trustee. Typically, if you fall behind 2 full payments, the Chapter 13 Trustee will file a Motion to Dismiss the case. A Modification can help the Debtor get current on the payments by spreading the deficiency through the remainder of the Plan. Our firm has helped hundreds of Chapter 13 clients with this important procedure.

CHAPTER SIX

Bankruptcy Discharge

At the end of a Bankruptcy case, most Debtors receive an Order of Bankruptcy Discharge. The Bankruptcy Judge issues the Discharge Order, which operates as a permanent injunction against any collection action against you personally. The Discharge Order is commonly misunderstood as "erasing your debts." This is not the case. The debt still exists, but it is not legally enforceable against you personally. Creditors cannot take any collection action to force or coerce you into paying a discharged debt, including: legal actions (lawsuits, garnishments, etc.); or personal contact. Violation of the Bankruptcy discharge injunction can result in a contempt of Court sanctions by the federal Bankruptcy Court against the creditor.

While a discharged creditor cannot collect from the Debtor personally, a secured creditor may still execute against property when the creditor has a valid lien that was not made unenforceable by the Bankruptcy Court. In other words, a secured debt that is not paid for or otherwise avoided may be repossessed by the creditor after the case.

A creditor can collect from any co-Debtor who has not also filed Bankruptcy. For instance, if your father co-signed a personal loan with you, your personal obligation to pay the debt is discharged, but your father is still 100% obligated to pay the loan.

The Bankruptcy Discharge is ordered after the time allowed for objections has expired. That is approximately four months after the date the Bankruptcy Petition is filed. In Chapter 13 cases, the Bankruptcy Court generally orders the Discharge soon after the Debtor completes all payments under the Chapter 13 Plan. Typically, the Bankruptcy Court issues the Discharge automatically at the end of the case. Copies of the Discharge Order are mailed to all creditors, the Trustee, the Debtor and the Debtor's attorney. A Notice informs creditors that all dischargeable debts have been ordered discharged and that they should not attempt any further collection on penalty of contempt.

There is no absolute right to a Discharge. The Bankruptcy Court may deny the Debtor a Bankruptcy Discharge if the Debtor has failed to provide requested documents; failed to complete a course on personal financial management; transferred or concealed property; destroyed or concealed records; committed perjury or other fraudulent acts during the case; failed to account for the loss of assets; or violated a Bankruptcy Court Order.

Can a Discharged Debt Be Repaid?

Yes! A Debtor may repay a discharged debt even though it can no longer be legally enforced. There is no prohibition against repayment of a debt, and commencement of voluntary payments does not affect the enforceability of the discharge injunction. In other words, you can make voluntary payments without fear of waiving your Discharge or creating an enforceable debt.

It is a good idea to discuss any debt that you wish to repay with your attorney. In some cases there may be a better financial option for you or there may a legal process that you can take to protect yourself. This is especially true if you wish to repay a secured creditor (i.e. car or house loan) and keep property securing the debt. Failure to take advantage of legal processes during the Bankruptcy may expose you to repossession even if you make timely after Bankruptcy payments to your creditor.

The Effect of Bankruptcy on a Credit Report

The Fair Credit Reporting Act ("FCRA") directs credit reporting agencies to exclude Bankruptcy case information from all consumer reports ten years after

"the date of entry of the order for relief." The FCRA does not distinguish between Chapter 7 or Chapter 13. Section 301 of the Bankruptcy code states that the "order of relief" date is the filing date, so the ten year period is measured from the Bankruptcy filing date, not the discharge date. Information about your Bankruptcy must be removed from your credit report not later than ten years after the date you filed the case. If you file on January 1, 2014, the Bankruptcy must be removed before January 1, 2024.

Many people ask at the initial meeting with their Bankruptcy attorney, "Won't Bankruptcy ruin my credit score?" How the Bankruptcy affects your credit score will depend on your circumstances. As a general rule, the Bankruptcy filing will have an immediate adverse affect on the score, although in some cases there is no score change and in a few cases the score actually improves. Bankruptcy immediately stops any adverse negative reporting and allows your credit to improve after your Bankruptcy filing date.

Rebuilding After Bankruptcy

Rebuilding your credit history can start immediately after your case closes. While there are many ways to rebuild credit after a Bankruptcy case, below briefly describes a typical process.

Step One: Obtain a copy of your credit report from Experian, Equifax, and TransUnion. You can obtain an entirely free report from each of these agencies at: https://www.annualcreditreport.com

Step Two: Review each report for errors and report inaccuracies to the credit bureau. Discharged debts should be described as "Discharged in Bankruptcy" with a "Zero Balance." There should be no activity since the date of your Bankruptcy filing.

Step Three: After correcting your credit report, it is time to rebuild your credit score. Approximately 1/3 of your credit score is based on your payment history, so many individuals have found that they can quickly rebuild by making on-time payments to a secured credit card or small bank loan (that may require a co-signor). On-time payments to a secured debt, such as a home mortgage or auto loan, will also improve your score.

Slow and steady really does win the credit rebuilding race. Making wise credit choices and paying bills on time will dramatically improve your score.

Omitted Creditors

If you discover an overlooked creditor, inform your Bankruptcy attorney immediately. If the omission is discovered during the Bankruptcy, the Debtor is required to file Amended Schedules and identify the creditor.

The process for dealing with an overlooked creditor discovered after the Bankruptcy case closes depends on the Court and the circumstances. Sometimes it is important to ask the Bankruptcy Court to reopen the Bankruptcy case and discharge the debt. In other cases, the debt may be considered discharged as a matter of law: that the Bankruptcy Discharge took care of that debt even though it wasn't listed in the Schedules (which is the typical case). Finally, in some rare cases the debt cannot be discharged and the Debtor is simply stuck with it.

Overlooking creditor means that creditor did not receive notice of the Bankruptcy and was not given an opportunity to protect its interests during the case. In a "no asset" Bankruptcy case, where unsecured creditors receive no money, omission of a creditor means very little and most Courts will find that the debt was discharged with the Bankruptcy. On the other hand, an omission in an asset case, where creditors receive funds from the estate, means that the creditor was deprived the opportunity to be paid. In that case, most Courts will find that the debt was not discharged.

CHAPTER SEVEN

Why You Should Choose The Westbrook Law Firm, PLLC

The Westbrook Law Firm, PLLC is dedicated to every client. We offer a combination of Compassion and Focus that separates our office from other Bankruptcy firms around South Texas. We have numerous locations around Houston, including Katy, Jersey Village, the Woodlands, and Champions.

Compassion

At the Westbrook Law Firm, PLLC, we understand that Bankruptcy is a difficult and stressful time. As such, we provide compassionate legal services to every client.

We take the time to listen and understand our clients' financial circumstances. After analyzing each situation, we discuss the available solutions and determine if Bankruptcy is the right step.

We are not a Bankruptcy "mill" -- meaning, we accept fewer clients than other firms. By handling fewer cases, we can dedicate the necessary time and resources for every client. We are dedicated to excellent customer service.

Focus

As a debt relief firm in Houston and the surround areas, we have developed efficient processes for handling all types of Bankruptcy cases. Unlike general practice firms, we do not have to "recreate the wheel" every time a Bankruptcy client walks in the door.

The Westbrook Law Firm, PLLC recognizes the special needs of Bankruptcy clients, and we are able to quickly assist clients in all types of cases.

Because of our experience and dedication, we can quickly assist clients in emergency situations, such vehicle repossession and home foreclosure.

The Westbrook Law Firm, PLLC combines a thorough understanding of Bankruptcy law with compassionate client service. We are honored to represent our clients honestly, diligently, and respectfully. Our clients deserve it!

If you are seeking the highest degree of legal representation from a law firm that is warm, friendly and caring, look no further than the Westbrook Law Firm, PLLC.

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