

B1 (Official Form 1)(04/13)

**United States Bankruptcy Court  
Middle District of Georgia**

**Voluntary Petition**

|   |   |
|---|---|
| Name of Debtor (if individual, enter Last, First, Middle):<br><b>Highway 300 Properties, LLC</b>  | Name of Joint Debtor (Spouse) (Last, First, Middle):  |
| All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):  | All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):                                |
| Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all)<br><b>26-2093010</b>  | Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)                         |
| Street Address of Debtor (No. and Street, City, and State):<br><b>2044 Highway 300 South<br/>Cordele, GA</b><br><div style="text-align: right; font-size: small;">ZIP Code<br/><b>31015</b></div> | Street Address of Joint Debtor (No. and Street, City, and State):<br><div style="text-align: right; font-size: small;">ZIP Code</div>   |
| County of Residence or of the Principal Place of Business:<br><b>Crisp</b>  | County of Residence or of the Principal Place of Business:  |
| Mailing Address of Debtor (if different from street address):<br><div style="text-align: right; font-size: small;">ZIP Code</div>   | Mailing Address of Joint Debtor (if different from street address):<br><div style="text-align: right; font-size: small;">ZIP Code</div> |

Location of Principal Assets of Business Debtor (if different from street address above):

|  |   |  |
|--|---|--|
| <b>Type of Debtor</b><br>(Form of Organization) (Check one box)<br><input type="checkbox"/> Individual (includes Joint Debtors)<br><i>See Exhibit D on page 2 of this form.</i><br><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)<br><input type="checkbox"/> Partnership<br><input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.) | <b>Nature of Business</b><br>(Check one box)<br><input type="checkbox"/> Health Care Business<br><input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B)<br><input type="checkbox"/> Railroad<br><input type="checkbox"/> Stockbroker<br><input type="checkbox"/> Commodity Broker<br><input type="checkbox"/> Clearing Bank<br><input checked="" type="checkbox"/> Other | <b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check one box)<br><input type="checkbox"/> Chapter 7<br><input type="checkbox"/> Chapter 9<br><input checked="" type="checkbox"/> Chapter 11<br><input type="checkbox"/> Chapter 12<br><input type="checkbox"/> Chapter 13<br><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding<br><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding |
| <b>Chapter 15 Debtors</b><br>Country of debtor's center of main interests:<br><br>Each country in which a foreign proceeding by, regarding, or against debtor is pending:  | <b>Tax-Exempt Entity</b><br>(Check box, if applicable)<br><input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).  | <b>Nature of Debts</b><br>(Check one box)<br><input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."<br><input checked="" type="checkbox"/> Debts are primarily business debts.  |

|  |   |
|--|---|
| <b>Filing Fee</b> (Check one box)<br><input checked="" type="checkbox"/> Full Filing Fee attached<br><input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.<br><input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B. | <b>Chapter 11 Debtors</b><br>Check one box:<br><input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).<br><input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).<br>Check if:<br><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,490,925 (amount subject to adjustment on 4/01/16 and every three years thereafter).<br>Check all applicable boxes:<br><input type="checkbox"/> A plan is being filed with this petition.<br><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b). |
|--|---|

**Statistical/Administrative Information**

Debtor estimates that funds will be available for distribution to unsecured creditors.  
 Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors

|                                     |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 1-49                                | 50-99                    | 100-199                  | 200-999                  | 1,000-5,000              | 5,001-10,000             | 10,001-25,000            | 25,001-50,000            | 50,001-100,000           | OVER 100,000             |

Estimated Assets

|                          |                          |                                     |                          |                             |                              |                               |                                |                              |                          |
|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input type="checkbox"/>     | <input type="checkbox"/>      | <input type="checkbox"/>       | <input type="checkbox"/>     | <input type="checkbox"/> |
| \$0 to \$50,000          | \$50,001 to \$100,000    | \$100,001 to \$500,000              | \$500,001 to \$1 million | \$1,000,001 to \$10 million | \$10,000,001 to \$50 million | \$50,000,001 to \$100 million | \$100,000,001 to \$500 million | \$500,000,001 to \$1 billion | More than \$1 billion    |

Estimated Liabilities

|                          |                          |                                     |                          |                             |                              |                               |                                |                              |                          |
|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|------------------------------|-------------------------------|--------------------------------|------------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input type="checkbox"/>     | <input type="checkbox"/>      | <input type="checkbox"/>       | <input type="checkbox"/>     | <input type="checkbox"/> |
| \$0 to \$50,000          | \$50,001 to \$100,000    | \$100,001 to \$500,000              | \$500,001 to \$1 million | \$1,000,001 to \$10 million | \$10,000,001 to \$50 million | \$50,000,001 to \$100 million | \$100,000,001 to \$500 million | \$500,000,001 to \$1 billion | More than \$1 billion    |

THIS SPACE IS FOR COURT USE ONLY

|   |  |   |                               |
|---|--|---|-------------------------------|
| <b>Voluntary Petition</b><br><i>(This page must be completed and filed in every case)</i>   |  | Name of Debtor(s):<br><b>Highway 300 Properties, LLC</b>  |                               |
| <b>All Prior Bankruptcy Cases Filed Within Last 8 Years</b> (If more than two, attach additional sheet)   |  |   |                               |
| Location<br>Where Filed: <b>Middle District of Georgia</b>  |  | Case Number:<br><b>13-10070</b>   | Date Filed:<br><b>1/15/13</b> |
| Location<br>Where Filed:  |  | Case Number:  | Date Filed:                   |
| <b>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor</b> (If more than one, attach additional sheet)  |  |   |                               |
| Name of Debtor:<br><b>- None -</b>  |  | Case Number:  | Date Filed:                   |
| District:   |  | Relationship:   | Judge:                        |
| <b>Exhibit A</b>  |  | <b>Exhibit B</b>  |                               |
| (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)<br><br><input type="checkbox"/> Exhibit A is attached and made a part of this petition.  |  | (To be completed if debtor is an individual whose debts are primarily consumer debts.)<br>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).<br><br><input checked="" type="checkbox"/> _____<br>Signature of Attorney for Debtor(s) (Date) |                               |
| <b>Exhibit C</b>  |  |   |                               |
| Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?  |  |   |                               |
| <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.<br><input checked="" type="checkbox"/> No.  |  |   |                               |
| <b>Exhibit D</b>  |  |   |                               |
| (To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)  |  |   |                               |
| <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.   |  |   |                               |
| If this is a joint petition:  |  |   |                               |
| <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.  |  |   |                               |
| <b>Information Regarding the Debtor - Venue</b>   |  |   |                               |
| (Check any applicable box)  |  |   |                               |
| <input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.  |  |   |                               |
| <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.  |  |   |                               |
| <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District. |  |   |                               |
| <b>Certification by a Debtor Who Resides as a Tenant of Residential Property</b>  |  |   |                               |
| (Check all applicable boxes)  |  |   |                               |
| <input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)   |  |   |                               |
| _____   |  |   |                               |
| (Name of landlord that obtained judgment)   |  |   |                               |
| _____   |  |   |                               |
| (Address of landlord)   |  |   |                               |
| <input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and   |  |   |                               |
| <input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.   |  |   |                               |
| <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).  |  |   |                               |

**Voluntary Petition**

*(This page must be completed and filed in every case)*

Name of Debtor(s):  
**Highway 300 Properties, LLC**

**Signatures**

**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.  
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.  
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**X** \_\_\_\_\_  
Signature of Debtor

**X** \_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Telephone Number (If not represented by attorney)

\_\_\_\_\_  
Date

**Signature of a Foreign Representative**

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

**X** \_\_\_\_\_  
Signature of Foreign Representative

\_\_\_\_\_  
Printed Name of Foreign Representative

\_\_\_\_\_  
Date

**Signature of Attorney\***

**X** /s/ Wesley J. Boyer  
Signature of Attorney for Debtor(s)

Wesley J. Boyer 073126  
Printed Name of Attorney for Debtor(s)

Katz, Flatau, & Boyer, L.L.P.  
Firm Name

355 Cotton Avenue  
Macon, GA 31201

\_\_\_\_\_  
Address

(478) 742-6481 Fax: (478) 742-0108  
Telephone Number

September 26, 2014  
Date

\*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

**Signature of Non-Attorney Bankruptcy Petition Preparer**

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
Address

**X** \_\_\_\_\_  
Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. §110; 18 U.S.C. §156.*

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**X** /s/ Teresa Smith  
Signature of Authorized Individual

Teresa Smith  
Printed Name of Authorized Individual

Owner  
Title of Authorized Individual

September 26, 2014  
Date

B4 (Official Form 4) (12/07)

**United States Bankruptcy Court  
Middle District of Georgia**

In re Highway 300 Properties, LLC

Debtor(s)

Case No.

Chapter 11

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

| (1)  | (2)  | (3)   | (4)  | (5)   |
|--|--|---|--|---|
| <i>Name of creditor and complete mailing address including zip code</i>                    | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i> | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
| <b>Crisp County Power Commission<br/>PO Box 1218<br/>Cordele, GA 31010</b>                 | <b>Crisp County Power Commission<br/>PO Box 1218<br/>Cordele, GA 31010</b>   | <b>utility</b>  |  | <b>Unknown</b>  |
| <b>Doherty, Duggan &amp; Rouse<br/>4875 Riverside Drive, Suite 105<br/>Macon, GA 31210</b> | <b>Doherty, Duggan &amp; Rouse<br/>4875 Riverside Drive, Suite 105<br/>Macon, GA 31210</b>   | <b>insurance</b>  |  | <b>Unknown</b>  |
| <b>Georgia Department of Revenue<br/>PO Box 161108<br/>Atlanta, GA 30321</b>               | <b>Georgia Department of Revenue<br/>PO Box 161108<br/>Atlanta, GA 30321</b>   | <b>taxes</b>  |  | <b>6,000.00</b>   |
| <b>Insurance of South</b>  | <b>Insurance of South</b>  | <b>insurance</b>  |  | <b>3,100.00</b>   |
|  |  |   |  |   |
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|  |  |   |  |   |

B4 (Official Form 4) (12/07) - Cont.

In re Highway 300 Properties, LLC  
Debtor(s)

Case No. \_\_\_\_\_

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**  
(Continuation Sheet)

| (1)   | (2)  | (3)   | (4)  | (5)   |
|---|--|---|--|---|
| <i>Name of creditor and complete mailing address including zip code</i> | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i> | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
|   |  |   |  |   |
|   |  |   |  |   |
|   |  |   |  |   |
|   |  |   |  |   |
|   |  |   |  |   |
|   |  |   |  |   |

**DECLARATION UNDER PENALTY OF PERJURY  
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Owner of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date September 26, 2014

Signature /s/ Teresa Smith  
**Teresa Smith**  
**Owner**

*Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.*

**United States Bankruptcy Court  
Middle District of Georgia**

In re Highway 300 Properties, LLC  
Debtor

Case No. \_\_\_\_\_

Chapter 11

**LIST OF EQUITY SECURITY HOLDERS**

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

| Name and last known address<br>or place of business of holder            | Security<br>Class | Number<br>of Securities | Kind of<br>Interest |
|--|-------------------|-------------------------|---------------------|
| <b>Jesse Vernon Smith</b><br>2044 Highway 300 South<br>Cordele, GA 31015 |                   | 1%                      |                     |
| <b>Jimmy Smith</b>   |                   | 98%                     |                     |
| <b>Teresa Smith</b><br>2044 Highway 300 South<br>Cordele, GA 31015       |                   | 1%                      |                     |

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP**

I, the Owner of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date September 26, 2014

Signature /s/ Teresa Smith  
**Teresa Smith**  
Owner

*Penalty for making a false statement or concealing property:* Fine of up to \$500,000 or imprisonment for up to 5 years or both.  
18 U.S.C §§ 152 and 3571.

**United States Bankruptcy Court  
Middle District of Georgia**

In re Highway 300 Properties, LLC

Debtor(s)

Case No.  
Chapter

11

**VERIFICATION OF CREDITOR MATRIX**

I, the Owner of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: September 26, 2014

/s/ Teresa Smith

**Teresa Smith/Owner**  
Signer/Title

ABC Wrecker & Roadside Service  
2044 Highway 300 South  
Cordele, GA 31015

Crisp County Power Commission  
PO Box 1218  
Cordele, GA 31010

Crisp County Waterworks  
PO Box 370  
Cordele, GA 31010

Doherty, Duggan & Rouse  
4875 Riverside Drive, Suite 105  
Macon, GA 31210

Georgia Department of Revenue  
PO Box 161108  
Atlanta, GA 30321

Insurance of South

Miles Plate

Patrick Investment Corporation  
c/o Alexander H. Hart, Esq.  
Hall, Williamson & Hart, PC  
PO Drawer 70639  
Albany, GA 31708-0639

Patrick Investments, Inc.\*

Smith Auto and Diesel Repair, LLC

Teresa Smith  
2044 Highway 300 South  
Cordele, GA 31015

Vernon Smith  
2044 Highway 300 South  
Cordele, GA 31015

**United States Bankruptcy Court  
Middle District of Georgia**

In re Highway 300 Properties, LLC

Debtor(s)

Case No.  
Chapter

11

**CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)**

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for Highway 300 Properties, LLC in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

None [*Check if applicable*]

September 26, 2014

Date

/s/ Wesley J. Boyer

Wesley J. Boyer

Signature of Attorney or Litigant

Counsel for Highway 300 Properties, LLC

Katz, Flatau, & Boyer, L.L.P.

355 Cotton Avenue

Macon, GA 31201

(478) 742-6481 Fax:(478) 742-0108

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

### INTRODUCTION

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

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

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

### WHAT IS A DISCHARGE?

The filing of a chapter 7 petition is designed to result in a discharge of most of the debts you listed on your bankruptcy schedules. A discharge is a court order that says you do not have to repay your debts, but there are a number of exceptions. Debts which may not be discharged in your chapter 7 case include, for example, most taxes, child support, alimony, and student loans; court-ordered fines and restitution; debts obtained through fraud or deception; and personal injury debts caused by driving while intoxicated or taking drugs. Your discharge may be denied entirely if you, for example, destroy or conceal property; destroy, conceal or falsify records; or make a false oath. Creditors cannot ask you to pay any debts which have been discharged. You can only receive a chapter 7 discharge once every eight (8) years.

### WHAT ARE THE POTENTIAL EFFECTS OF A DISCHARGE?

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

### WHAT ARE THE EFFECTS OF REAFFIRMING A DEBT?

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

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

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

### OTHER BANKRUPTCY OPTIONS

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

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

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

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

Finally, chapter 13 generally permits individuals to keep their property by repaying creditors out of their future income. Each chapter 13 debtor writes a plan which must be approved by the bankruptcy court. The debtor must pay the chapter 13 trustee the amounts set forth in their plan. Debtors receive a discharge after they complete their chapter 13 repayment plan. Chapter 13 is only available to individuals with regular income whose debts do not exceed \$1,347,500 (\$336,900 in unsecured debts and \$1,010,650 in secured debts).

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

Date September 26, 2014

Signature /s/ Teresa Smith  
Teresa Smith  
Owner