

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION – DETROIT

IN THE MATTER OF:

S.S.# XXX-XX-

CASE NO.  
CHAPTER 13  
JUDGE

and

S.S.# XXX-XX-

Debtor(s)  
\_\_\_\_\_ /

**CHAPTER 13 PLAN**

[ ] Original **OR** [ ] Modification # \_\_\_\_\_

**NOTICE: YOUR RIGHTS MAY BE AFFECTED.**  
**READ THIS DOCUMENT CAREFULLY AND SEEK THE ADVICE OF AN ATTORNEY**

**I. PLAN PAYMENTS**

- A. The debtor shall make payments in the amount of \$ \_\_\_\_\_ per \_\_\_\_\_ (frequency).
- B. Plan length: \_\_\_ months, commencing on the date of entry of the Order Confirming Plan, which shall also be the effective date of the Plan. The Trustee is hereby authorized to automatically extend the Plan length an additional six (6) months to accomplish the purposes of this Plan, but in no event shall this Plan continue more than sixty months from the effective date of the Plan.
- C. Debtor commits 100% of all Federal tax refunds received or entitled to be received after commencement of the case, and shall not alter any withholding deductions/exemptions without Court approval. Such amounts shall be in addition to, and not in lieu of or used to offset against, any other payment to be made by debtor pursuant to the terms of this plan.

**II. DISBURSEMENTS**

The following Classes of claims are established for payment from funds available by the Trustee except those identified as "direct payments".

**Class One** – TRUSTEE FEES as determined by statute.

**Class Two** - ATTORNEY FEES AND COSTS

- a. **PRE-CONFIRMATION ATTORNEY FEES – check one**
- **IF NEITHER BOX IS CHECKED, THEN COUNSEL SHALL NOT SEEK OR BE AWARDED ANY FEES FOR SERVICES RENDERED PRE-CONFIRMATION.**
  - **IF BOTH BOXES ARE CHECKED, THEN OPTION ONE SHALL CONTROL**
- OPTION ONE - FLAT FEE:** An agreed fee of \$ \_\_\_\_\_ less amounts paid as reflected in the Rule 2016(b) Statement, leaving a balance due of \$ \_\_\_\_\_ plus costs advanced in the amount of \$ \_\_\_\_\_ which totals \$ \_\_\_\_\_. Said sum to be paid at the rate of \$ \_\_\_\_\_ in month one and \$ \_\_\_\_\_ per month thereafter until paid in full.

- **OPTION TWO - FEES BY APPLICATION:** Counsel shall file an Application for Compensation pursuant to 11 USC Sections 327 and 330. For 30 days following the entry of the Order Confirming Plan, the Trustee shall hold from distribution the sum of \$ \_\_\_\_\_ from funds remaining after payment of claims required to be paid prior to attorney fees pursuant to the Order of Payment of Claims as specified in this Plan or in the Order Confirming Plan as a fund for payment of the attorney fees and costs that shall be determined by the court. If a fee application is timely filed, the Trustee shall continue to withhold the above indicated sum until an Order resolving the fee application has been entered by the Court. At that time, the Trustee shall distribute the funds according to the terms of the plan and the Order granting or denying attorney fees. If a fee application is not filed within this 30 day period, the reserved funds shall be released for distribution.
- b. **POST-CONFIRMATION ATTORNEY FEES** – Counsel reserves the right to file Applications for compensation for services rendered subsequent to the Confirmation of this Plan. Such fees awarded shall be paid in the same manner and at the same frequency and priority of payment as Attorney Fees awarded for services rendered prior to confirmation unless the Order Awarding Post-Confirmation Attorney Fees expressly directs otherwise. There shall be no disbursement for payment of the post-confirmation attorney fees awarded until after all pre-confirmation attorney fees have been paid in full.

**Class Three - NON-ASSIGNED OBLIGATIONS FOR DOMESTIC SUPPORT.** To the extent that the holder of such claim has not agreed to other treatment as specified in Class Nine of this Plan.

|                 |                         |                              |
|-----------------|-------------------------|------------------------------|
| <u>Creditor</u> | <u>Monthly Payments</u> | <u>Direct or via Trustee</u> |
|-----------------|-------------------------|------------------------------|

**Class Four – SECURED CLAIMS ON WHICH THE LAST PAYMENT IS DUE BEYOND THE LENGTH OF THE PLAN.** A Proof of Claim is deemed filed for purposes of distribution under this Class Four for any claim that appears in the Schedules filed in this case for which Debtor intends to retain the collateral, except a claim that is scheduled as disputed, contingent or unliquidated.

- a. Post-Confirmation payments - These claims shall be paid in Equal Monthly Installments commencing with the first disbursement after confirmation.

|                 |                   |                              |
|-----------------|-------------------|------------------------------|
| <u>Creditor</u> | <u>Collateral</u> | <u>Equal Monthly Payment</u> |
|-----------------|-------------------|------------------------------|

The Trustee shall adjust the monthly payment to any secured creditor to account for fluctuations in tax, insurance, interest or other contract provisions or other requirements of applicable non-bankruptcy law, when the holder of such claim provides notice of adjustment pursuant to Local Bankruptcy Rule 3001-2. The effective date for any such adjustment shall be the date of the first disbursement by the trustee following trustee's receipt of notice of such adjustment. If such adjustment increases the amount of the monthly payment to such creditor, the debtor shall increase Plan payments as needed for such compliance.

- b. Post-Petition/Pre-Confirmation Arrears - Unless a different treatment is proposed herein, all post-petition pre-confirmation arrearages shall be calculated as of the date of confirmation and paid in twelve (12) Equal Monthly Installments commencing with the first disbursement after confirmation.

|                 |                   |  |                              |                     |
|-----------------|-------------------|--|------------------------------|---------------------|
| <u>Creditor</u> | <u>Collateral</u> | <u>Post-petition pre-confirmation<br/>Arrears Amount</u> | <u>Equal Monthly Payment</u> | <u>Time to Cure</u> |
|-----------------|-------------------|--|------------------------------|---------------------|

**Class Five - SECURED CLAIMS ON WHICH THE LAST PAYMENT WILL BECOME DUE WITHIN THE PLAN DURATION.** These claims shall be paid in Equal Monthly Installments commencing with the first disbursement after confirmation.

| <u>Creditor/Collateral</u> | Indicate if "Crammed down" or modified | If "crammed down" - Market Value of collateral | Interest Rate | Equal Monthly Payment (Incl. Interest) | Total to Pay (Incl. Interest) | Number of Monthly payments from confirmation |
|----------------------------|--|--|---------------|--|-------------------------------|--|
|----------------------------|--|--|---------------|--|-------------------------------|--|

**Class Six – EXECUTORY CONTRACTS AND/OR UNEXPIRED LEASES TO BE ASSUMED** – This class consists of all unsecured claims that are separately classified pursuant to Section 1322(b) as such claims arise out of assumption of pre-petition Executory Contracts or Unexpired Leases. Any Executory Contract or Unexpired Lease (i) expressly rejected in Class 7; or (ii) not expressly assumed in Class 6 or in the Order Confirming Plan shall be deemed rejected effective on the date of entry of an Order Confirming this Plan, and the property and debtor’s interest in the rejected Executory Contract or Unexpired Lease shall thereafter no longer be property of the estate and the stay under 11 USC Section 362(a) shall automatically terminate as to such property.

**Debtor hereby expressly assumes the following Executory Contracts and Unexpired Leases:**

- a. Continuing Lease/Contract Payments – those payments coming due after the commencement of the case, in Equal Monthly Installments in an amount equal to the monthly payment specified in the contract or lease being assumed.

| <u>Creditor</u> | <u>Property subject to Unexpired Lease or Executory Contract</u> | <u>Equal Monthly Installment</u> | <u>Lease/Contract expiration date</u> |
|-----------------|--|----------------------------------|---------------------------------------|
|-----------------|--|----------------------------------|---------------------------------------|

- b. Pre-petition Arrearages on Assumed Executory Contracts and Leases – those payments which are due and payable as of the commencement of the case, based on the amounts and due dates specified in the contract or lease being assumed:

| <u>Creditor</u> | <u>Property subject to Unexpired Lease or Executory Contract</u> | <u>Arrears Amount</u> | <u>Interest Rate</u> | <u>Number of months to cure</u> | <u>Monthly Payment</u> |
|-----------------|--|-----------------------|----------------------|---------------------------------|------------------------|
|-----------------|--|-----------------------|----------------------|---------------------------------|------------------------|

For all assumed executory contracts and unexpired leases, confirmation of this Plan shall constitute a finding that this Plan complies with all requirements for assumption of the executory contracts and unexpired leases being assumed, including all requirements set forth in 11 USC Section 365(b).

**Class Seven - EXECUTORY CONTRACTS AND UNEXPIRED LEASES TO BE REJECTED**

**Debtor hereby expressly rejects the Executory Contracts and Unexpired Leases:**

| <u>Creditor</u> | <u>Property subject to lease or Executory Contract</u> |
|-----------------|--|
|-----------------|--|

Claims arising out of Debtor’s rejection of an Unexpired Lease or Executory Contract (whether listed in this Class 7 or rejected by operation of law based on debtor’s failure to expressly assume the Unexpired Lease or Executory Contract in Class 6) shall receive the same dividend as and shall be paid pro-rata with general unsecured claims to be paid in Class 11.

**Class Eight - PRE-PETITION ARREARAGE ON SECURED CLAIMS** - Those amounts which are due and payable as of the commencement of the case on secured claims on which the last payment is due beyond the length of the Plan.

Creditor                      Arrears Amount                      Interest Rate      Monthly Payment      Number of months to cure

**Class Nine – PRIORITY UNSECURED CLAIMS**

1.      Non-Assigned Domestic Support Claims [11 U.S.C. §1322(a)(2)]

Amount                      Interest Rate                      Direct or Via Trustee

2.      Assigned Domestic Support Obligations [11 U.S.C. §1322(a)(4)]

Amount                      Interest Rate                      Direct or Via Trustee

3.      All Other Priority Unsecured Claims [11 U.S.C. §1322(a)(2)]

Amount                      Interest Rate

**Class Ten – SEPARATELY CLASSIFIED UNSECURED CLAIMS** – This class consists of general unsecured claims that are separately classified from General Unsecured Claims in Class Eleven herein. The legal basis for separate classification is set forth herein. Claims in this Class Ten shall be paid in full and concurrently with Class Eleven General Unsecured Claims.

Creditor                      Amount                      Interest Rate                      Reason for Special Treatment

**Class Eleven - GENERAL UNSECURED CREDITORS** – General Unsecured Creditors shall receive the dividend specified below:

- a.      **DEBTOR WITH ANNUALIZED CURRENT MONTHLY INCOME IN EXCESS OF APPLICABLE MEDIAN FAMILY INCOME** (check one – if no box is checked or if more than one box is checked, then claims in this Class shall be paid as specified in Class Eleven.a Option Three):

**Option One - UNSECURED BASE PLAN:** General Unsecured Claims shall be paid not less than \$ \_\_\_\_\_. Pro rata dividend will be calculated by the Trustee upon review of filed claims. This Plan shall provide either the total dollar amount stated herein or shall continue for the length stated, whichever will offer the greater dividend to general unsecured creditors in this class.

**Option Two – PERCENTAGE DIVIDEND:** General Unsecured Claims shall be paid shall be paid \_\_\_\_\_% of such amounts with interest at the rate of \_\_\_\_\_% per annum. This Plan shall provide either the percent stated or shall continue for the length stated, whichever will offer the greater dividend to general unsecured creditors in this class.

**Option Three – 100% PLAN:** General Unsecured Claims shall be paid shall be paid 100% of such amounts with interest at the rate of \_\_\_\_\_% per annum. If the Debtor seeks at any time during the pendency of this case to reduce the dividend to any amount less than 100%, Debtor agrees that the

plan length pursuant to Paragraph I.B above shall automatically be increased to 60 months.

- b. **DEBTOR WITH ANNUALIZED CURRENT MONTHLY INCOME LESS THAN APPLICABLE MEDIAN FAMILY INCOME** (check one – if no box is checked or if more than one box is checked, then claims in this Class shall be paid as specified in Class Eleven.B Option One):

- Option One – PERCENTAGE DIVIDEND:** General Unsecured Claims shall be paid shall be paid \_\_\_\_\_% of such amounts with interest at the rate of \_\_\_\_\_% per annum. This Plan shall provide either the percent stated or shall continue for the length stated, whichever will offer the greater dividend to general unsecured creditors in this class.
- Option Two – UNSECURED BASE PLAN:** General Unsecured Claims shall be paid not less than \$ \_\_\_\_\_. Pro rata dividend will be calculated by the Trustee upon review of filed claims. This Plan shall provide either the percent stated or shall continue for the length stated, whichever will offer the greater dividend to general unsecured creditors in this class.

**Class Twelve - OTHER PROVISIONS** - Insert as necessary

### III. **GENERAL PROVISIONS**

- A. **THIS PLAN CONFORMS TO THE SUGGESTED PLAN ENDORSED BY THE STANDING CHAPTER 13 TRUSTEES FOR THE EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION, IN ALL RESPECTS, WITH THE EXCEPTION OF:**

If no changes are noted, this Plan contains no changes or variances from the Suggested Plan.

- B. **VESTING, POSSESSION OF ESTATE PROPERTY AND LIEN RETENTION:** Upon confirmation of the Plan, all property of the estate shall vest in the debtor and shall cease to be property of the estate. The debtor shall remain in possession of all property during the pendency of this case unless specifically provided herein, and shall not seek to sell, transfer or otherwise dispose of such property (except in the ordinary course of debtor's business or personal activities) without prior Court approval. Debtor shall have standing to commence turnover actions under 11 U.S.C. Section 542, to assert strong-arm powers under 11 U.S.C. Section 544, to avoid statutory liens under 11 U.S.C. Section 545, to recover preferences under 11 U.S.C. Section 547, and/or to avoid fraudulent conveyances under 11 U.S.C. Section 548 and in furtherance thereof to commence and prosecute adversary proceedings. Confirmation of Debtor's Plan shall not constitute or be considered an adjudication on the merits of any possible action under Sections 542, 544, 545, 547 and/or 548, and shall not constitute or have any *res judicata* or collateral estoppel effect on or against any such action.
- C. **SURRENDER OR ABANDONMENT OF COLLATERAL:** Upon confirmation the automatic stay is lifted as to any collateral treated as surrendered or abandoned.
- D. **PROHIBITION AGAINST INCURRING POST-PETITION DEBT:** While this case is pending, the debtor shall not incur a debt in excess of \$2,000.00 without first obtaining approval from the Court.
- E. **UNSCHEDULED CREDITORS FILING CLAIMS:** If a creditor who is not otherwise listed in the Chapter 13 Schedules or this plan files a proof of claim, the Trustee is authorized to classify the claim into one of the existing classes under this Plan and to schedule the claim for payment within that class.
- F. **PROOFS OF CLAIMS FILED AT VARIANCE WITH THE PLAN:** In the event that a creditor files a proof of claim that is at variance with the provisions of this Plan, the following method is to be employed to resolve the conflict:
1. Regarding claims for which the Plan does not propose a "cramdown" or modification, the proof of claim shall supersede the Plan as to the claim amount, percentage rate of interest, monthly payments, valuation of collateral and classification of the claim.

2. As to claims for which the Plan proposes a "cramdown" or modification, the proof of claim governs only as to the claim amount, but not with respect to valuation or any other contractual term.
3. If a holder of a claim files a proof of claim at variance with this Plan or related schedules, the Trustee shall automatically treat that claim as the holder indicated, unless provided otherwise in this Paragraph F or by order of the Court.
4. A proof of claim or interest shall be deemed filed under 11 U.S.C. §501 for any claim or interest that appears in Classes Two, Three, Four or Five of this plan, except a claim or interest that is scheduled as disputed, contingent or non-liquidated **and** is labeled as such in this plan.

G. **TAX RETURNS AND TAX SET-OFFS:** All tax returns which have become due prior to the filing of this Plan have been filed except the following:

H. **DEBTOR ENGAGED IN BUSINESS:** [ ] If the box to the immediate left is "checked", the debtor is self-employed **AND** incurs trade credit in the production of income from such employment. Debtor is bound by and shall comply with the requirements of Title 11, United States Code, and all applicable Local Bankruptcy Rules (as those sections and rules may be amended at any time and from time to time) regarding operation of the business and duties imposed upon the debtor.

I. **ORDER OF PAYMENT OF CLAIMS:** All claims for which this Plan proposes payment through the Trustee shall be paid in the order specified herein, to the extent that funds are available. Each level shall be paid as provided in this Plan before any disbursements are made to any subordinate class. If there are not sufficient funds to pay all claims within a level, then the claims in that level shall be paid *pro rata*.

***check one - (if no box is checked or if more than one box is checked, then the Order of Payment of Claims shall be Option One listed below):***

- Option One**
- a. Class One
  - b. Class Three
  - c. Class Four, Class Five, Class Six.A, and Class Eight Claims (monthly disbursements to each creditor in such classes shall not exceed the Equal Monthly Installment amount for such creditor for the month in which disbursement is being made plus any unpaid Equal Monthly Installments accruing before the date of disbursement)
  - d. Class Two
  - e. Class Six.B
  - f. Class Nine
  - g. Class Seven, Class Ten and Eleven.

- Option Two**
- a. Class One
  - b. Class Three
  - c. Class Four, Class Five, and Class Six.A Claims (monthly disbursements to each creditor in such classes shall not exceed the Equal Monthly Installment amount for such creditor for the month in which disbursement is being made plus any unpaid Equal Monthly Installments accruing before the date of disbursement)
  - d. Class Two
  - e. Class Six.B and Class Eight
  - f. Class Nine
  - g. Class Seven, Class Ten and Class Eleven.

- Option Three**
- a. Class One

- b. Class Three
- c. Class Two
- d. Class Four, Class Five and Class Six.A (monthly disbursements to each creditor in such classes shall not exceed the Equal Monthly Installment amount for such creditor for the month in which disbursement is being made plus any unpaid Equal Monthly Installments accruing before the date of disbursement)
- e. Class Six.B and Class Eight
- f. Class Nine Priority Claims;
- g. Class Seven, Class Ten, and Class Eleven.

J. **WORKSHEET:** The worksheet on a form available from the clerk's office, is required by L.B.R. 3015-1(b)(2) (E.D.M.). It is attached hereto.

K. **CONFLICT OF DEBT AMORTIZATION:** If the amortization figures conflict with respect to those stated in Class Four, Class Six.B or Class Eight, the time to cure shall be paramount, and the Trustee shall adjust the amount of the equal monthly installments to the correct amount to pay such claims in the time specified in the plan.

L. **DEBTOR DUTY TO MAINTAIN INSURANCE:** Debtor shall maintain all insurance required by law and contract upon property of the estate and the debtor's property. After confirmation of this Plan, if the debtor fails to maintain full coverage collateral protection insurance as required above, any party in interest may submit an affidavit of default and in the event that the default is not cured within ten (10) days from the date of service of the affidavit upon the debtor, debtor's counsel and the Trustee, said party may submit an Order Granting Relief from the Automatic Stay as to the collateral to the Court along with a further affidavit attesting to the debtor's failure to cure. Said Order shall be granted without motion or hearing.

M. **SECURED CREDITORS, LESSORS AND PARTIES TO EXECUTORY CONTRACTS AS TO WHOM THERE IS NO STAY:**

1. Upon entry of Order Lifting Stay, no distributions shall be made to the party obtaining relief from the stay until such time as an amended claim is filed by such party.
2. If the stay expires by operation of 11 U.S.C. Section 362, no distributions shall be made to any secured creditor unless and until such secured creditor files a claim dated after the date on which the stay expired.
3. If the stay terminates as to any non-assumed or rejected Executory Contract or lease by operation of 11 U.S.C. Section 365 or the provisions of this Plan, no distributions shall be made to the lessor or other party to the non-assumed or rejected Executory Contract unless and until such lessor or other party to the non-assumed or rejected Executory Contract files a claim dated after the date on which the lease or Executory Contract is rejected or deemed to have been rejected.
4. If no stay is imposed by operation of 11 U.S.C. Section 362, no distributions shall be made to any secured creditor until such time as a claim is filed by such creditor.

To the extent that distributions to any creditor cease pursuant to this Paragraph III.M, those funds originally designated for distribution to that creditor shall be released for distribution to other creditors provided for in this Plan.

N. **PRE-CONFIRMATION ADEQUATE PROTECTION:** Pre-Confirmation Adequate Protection in Chapter 13 for Creditors holding purchase money security interests in personal property under 11 U.S.C. §1326(a)(1)(B) and 11 U.S.C. §1326(a)(1)(C) shall be paid pursuant to the applicable Local Bankruptcy Rule for the Eastern District of Michigan, unless otherwise ordered by Court.

O. **PROVIDING FUTURE TAX RETURNS TO TRUSTEE:** Debtor shall provide to the Trustee a copy of each Federal Income Tax Return filed or required to be filed under applicable law during the pendency of this case, at the same time such Return is filed with the taxing authority.

P. **PROVIDING ANNUAL STATEMENTS OF INCOME AND EXPENSES:** Annually after confirmation of Debtor's Plan, within 45 days prior to the anniversary date of confirmation of Debtor's Plan, Debtor shall provide to

the Trustee an annual statement under penalty of perjury of the debtor's income and expenditures for the calendar year immediately preceding the date of the statement, and a statement of Debtor's Current Monthly Income (as defined in 11 U.S.C. Section 101(10A)) including showing how income, expenditures and Current Monthly Income are calculated.

- Q. **DEADLINES IN EVENT OF CONVERSION:** In the event of conversion of this case to a case under Chapter 7 of the United States Bankruptcy Code, the rights of the Chapter 7 Trustee and all creditors (including but not limited to the right to object to exemptions and the right to object to discharge pursuant to 11 U.S.C. Section 727 and/or dischargability pursuant to 11 U.S.C. Section 523) will be determined as if the Petition was filed on the date of conversion. The date of the Order converting this case to one under Chapter 7 will be treated as the date of the Order For Relief and all applicable deadlines shall be determined as if the post-conversion First Meeting of Creditors pursuant to 11 USC Section 341 was the initial First Meeting of Creditors.
- R. **OBJECTIONS TO PROOFS OF CLAIM:** All parties shall have the right to object to Proofs of Claim. Confirmation of this Plan shall not constitute a waiver of any objection and shall not constitute or have any *res judicata* or collateral estoppel effect on or against any such objection to Proof of Claim. If any objection to Proof of Claim is filed and sustained, in whole or in part, after the Trustee has begun making disbursements under this plan as confirmed, Trustee shall have no obligation or duty to recoup any payments or disbursements made to the creditor whose Proof of Claim was the subject of the objection.



**WORKSHEET**

1. Length of Plan is \_\_\_\_\_ weeks; \_\_\_\_\_ months; \_\_\_\_\_ years.

Debtor #1:

2. \$ \_\_\_\_\_ per pay period x \_\_\_\_\_ pay periods per Plan = \$ \_\_\_\_\_ total per Plan

Debtor #2:

\$ \_\_\_\_\_ per pay period x \_\_\_\_\_ pay periods per Plan = \$ \_\_\_\_\_ total per Plan

3. \$ \_\_\_\_\_ per period x \_\_\_\_\_ periods in Plan = \_\_\_\_\_

4. Lump Sums: \_\_\_\_\_

5. Equals total to be paid into the Plan \_\_\_\_\_

6. Estimated trustee's fees \_\_\_\_\_

7. Attorney fees and costs \_\_\_\_\_

8. Total priority claims \_\_\_\_\_

9. Total installment mortgage or other long-term debt payments \_\_\_\_\_

10. Total of arrearage including interest \_\_\_\_\_

11. Total secured claims, including interest \_\_\_\_\_

Total of items 6 through 11 \$ \_\_\_\_\_

12. Funds ESTIMATED TO BE available for unsecured creditors (item 5 minus item 11) \$ \_\_\_\_\_

Official Form B22C Line 58 x 60 \$ \_\_\_\_\_

13. Total unsecured claims (if all file) \$ \_\_\_\_\_

14. Estimated percentage to unsecured creditors under Plan (item 12 divided by item 13) \_\_\_\_\_ %

15. Estimated dividend to general unsecured creditors if Chapter 7, (see liquidation analysis attached) \$ \_\_\_\_\_

COMMENTS: