

# **PURCHASE A VEHICLE**

## **THE TRUSTEE WILL DENY YOUR REQUEST IF:**

1. You are NOT current on your trustee payments.
2. You have NOT submitted all your tax returns since your case was filed.
3. You owe a tax refund to the Trustee.
4. You have a pending court date.

Your lender must complete the attached terms of the loan.

Once completed, return this packet to our office, with your last 2 paycheck stubs. If you have a spouse, we will need both of your last 2 paycheck stubs. If self-employed, our office will provide a self-employment form for you to complete.

The review process may take 3-5 full business days.  
(this includes the time and work by our office)

The Trustee has a “cap limit” of \$20,000.  
Any finance amount that is above \$20k,  
will require that a motion be filed to obtain approval.

If a Motion must be filed, there is an Attorney Fee of **\$275.00**.

The fee is due before the Motion is filed.

The hearing date can be anywhere from 21 to 45 days out.

A hearing date cancels the review process of 3-5 days.

This means that you will not receive an answer within a few days.

You can pay the fee with cash, check, money order, cashier’s check, or a debit card.

Our card payment system has a transaction fee of 4.5% and it will be \$287.38 total.

Checks, Money Orders, and Cashier’s Checks – address to: Sam Henry, IV Law Office.

## **UNTIL YOU RECEIVE A PERMISSION LETTER FROM THE TRUSTEE:**

1. You **MAY NOT SIGN** any paperwork to borrow funds.
2. You **MAY NOT SIGN** any paperwork to purchase a vehicle.
3. You **MAY NOT TAKE POSSESSION** of any vehicle to be purchased.

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**IF YOU NEED ASSISTANCE IN COMPLETING THIS PACKAGE, YOU ARE TO CONTACT YOUR ATTORNEY. THE TRUSTEE'S OFFICE CANNOT ASSIST YOU IN COMPLETING THE PACKAGE.**

**Our review process takes TWO TO THREE FULL BUSINESS DAYS from the time we receive your completed information forms.**

OFFICE OF THE CHAPTER 13 TRUSTEE  
E. EUGENE HASTINGS

In accordance with Section 1305 of the Bankruptcy Code, the Chapter 13 Trustee may be asked to review and approve post-petition consumer debts (consumer debts incurred “after” your Chapter 13 Petition was filed). In order for the debt to be approved, it must be related to your ability to complete your Chapter 3 Plan; that is, the goods or services being financed must be reasonably necessary for you to continue successfully with your plan, and the proposed new debt must not be one which will jeopardize your plan.

For this credit application to be considered, your Chapter 13 plan payments must be current and all tax pledges must be met if any are included in your plan.

Our review process takes two to three full business days from the time we receive your completed information forms. Please keep in mind that the Trustee cannot guarantee that you will receive an extension of credit even though this office may approve your request. Whether you actually receive credit is up to the prospective lender.

**Also, please note the Trustee does *not* have authority to approve loan requests related to real property (real estate).** If, for example, you need approval to finance the purchase of a home, to refinance a home or to obtain a loan modification, you will need to contact your attorney so that the Court’s permission can be requested. **Additionally, the Trustee will not consider any request for the financing of a mobile or manufactured home.** You will need to contact your attorney so that the Court’s permission can be requested.

If you are requesting approval of automobile financing and if the transaction involves *trading in* a vehicle being paid through your Chapter 13 plan, you will need to contact your attorney regarding how you should handle the treatment of that vehicle in your Chapter 13 plan.

**Procedure for Loan Review:**

1. Completely read through this Credit Request Package.
2. Find a lender that is willing to give you a loan pending Trustee review.
3. Obtain the terms of the loan from the lender and complete the attached Loan Information Page and take the Loan Information Page to your attorney.
4. Have your attorney prepare an Amended Schedule I and Amended Schedule J and fax your entire package to the Trustee. That fax should include the following: (1) the Debtor Information Page, (2) the Loan Information page and (3) the Amended Schedules I and J.
5. Your request will be considered by the Trustee, and, if approved, your attorney must then file the Amended Schedule I and J with the Bankruptcy Court. **You will not receive your credit request approval letter until the Amended Schedules I and J are filed with the Bankruptcy Court by your attorney. Upon the Amended Schedules I and J being filed by your attorney, the Trustee will then issue the credit request approval letter to you.**

**Debtor Information**

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

Debtor Name: \_\_\_\_\_

Debtor Address: \_\_\_\_\_  
\_\_\_\_\_

Daytime Telephone No.: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Do you want a copy of the Trustee's decision e-mailed to you? \_\_\_\_\_ Yes \_\_\_\_\_ No

You will be notified of the Trustee's decision regarding your credit request by letter mailed to your home address on file with the Trustee unless you specifically inform the Trustee's staff at the time you turn in this credit request that you wish to pick up the letter from our office or have it e-mailed to you. Credit request decision letters **WILL NOT** be faxed.

### Loan Information

Name of Lender	
Total Purchase Price	\$ _____
Financed Amount	\$ _____
Amount of Down Payment	\$ _____
Origin of Down Payment (paycheck, savings, income tax refund, gift from family, etc.)	<b>This section <u>MUST</u> be completed for your request to be considered.</b>
Trade In Information	Description of Vehicle: _____ Trade In Allowance: _____ Is the vehicle to be traded in being paid through the confirmed Chapter 13 Plan? Yes _____ No _____
Interest Rate	_____ %
Monthly Payment Amount Due Lender	\$ _____
Number of Monthly Payments	_____
Additional Charges/ Fees	Fees to be charged - \$ _____ Gap Insurance - \$ _____ Disability/Credit/Life Insurance - \$ _____ Warranty - \$ _____ Other Amounts Added to the Monthly Payment - \$ _____ <b>This section <u>MUST</u> be completed if applicable.</b>
Reason for Loan	_____ If this is for an auto loan, provide the following: Make of Vehicle: _____ Model of Vehicle: _____ Year of Vehicle: _____ How do you plan to pay for sales tax and auto insurance? _____ If this auto will replace another auto, provide reason for replacement: _____ _____

**PERMISSION TO TRUSTEE TO CONFIRM  
TERMS OF LOAN PER THE CREDIT APPROVAL LETTER**

I/we, the undersigned debtor(s), specifically grant the Trustee permission to confirm the terms of my/our requested loan to lenders who contact the Trustee requesting confirmation of the terms of the approved loan.

\_\_\_\_\_  
Signature (Debtor 1)

\_\_\_\_\_  
Printed Name (Debtor (1))

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature (Debtor 2)

\_\_\_\_\_  
Printed Name (Debtor (2))

\_\_\_\_\_  
Date

**This Page - Office Use Only**

Case No.: \_\_\_\_\_ Debtor Name(s): \_\_\_\_\_

**CREDIT REQUEST PACKAGE VERIFICATION**

\_\_\_\_\_ Debtor address is up to date

\_\_\_\_\_ Plan payments are current

\_\_\_\_\_ Tax pledge is current (if applicable) (Tax returns provided to the Trustee's Office, Tax Certification filed, tax refunds owed to the case paid in full.)

\_\_\_\_\_ Loan Information Page is completely filled out

\_\_\_\_\_ Loan terms are calculated correctly

\_\_\_\_\_ Amended I and J are attached

\_\_\_\_\_  
Signature by attorney's office

\_\_\_\_\_  
Date