
Contents

<i>Preface</i>	<i>xix</i>
<i>Acknowledgments</i>	<i>xxi</i>
Introduction: Paralegals and the Bankruptcy System	1
A. Role of the Paralegal	2
B. Common Activities	3
Chapter 1. A Short History of Bankruptcy	5
A. Origins of Bankruptcy Systems	5
B. Bankruptcy in the Middle Ages	8
C. Early English Insolvency Laws	9
D. Bankruptcy in the United States	11
<i>Summary</i>	<i>13</i>
<i>Key Terms</i>	<i>13</i>
<i>Discussion Questions</i>	<i>14</i>
Chapter 2. Introduction to the Bankruptcy Code	15
A. Organization of the Bankruptcy Code and a Note on the Text	15
B. Overview of the Bankruptcy Code	16
C. The Bankruptcy System	19
D. Composition Agreements—A Bankruptcy Alternative	20
<i>Summary</i>	<i>21</i>
<i>Key Terms</i>	<i>22</i>
<i>Discussion Questions</i>	<i>22</i>
Chapter 3. Filing a Petition	25
A. Gatekeeper Provisions in Individual Bankruptcies	25
1. Prepetition Credit Counseling	25
2. Debt Relief Agency Provisions	28
B. Voluntary Petitions	29

C. Involuntary Petitions	35
<i>Summary</i>	39
<i>Key Terms</i>	40
<i>Chapter 3 Checklist</i>	40
<i>Discussion Questions</i>	42
<i>Practice Exercises</i>	43
Chapter 4. Chapter 1—General Provisions	45
A. Notice and a Hearing	46
B. Rules of Grammatical Construction	49
C. Powers of the Court	50
D. Statutes of Limitations	51
E. Who May Be a Debtor	52
<i>Summary</i>	55
<i>Key Terms</i>	56
<i>Chapter 4 Checklist</i>	56
<i>Discussion Questions</i>	58
Chapter 5. Needs Based Bankruptcy or “Means Testing”	59
A. Introduction	59
B. Current Monthly Income	60
C. Deductions	61
D. Special Circumstances	63
E. “Totality of Circumstances”	64
F. Procedure	64
G. Needs Based Bankruptcy Examples	65
<i>Summary</i>	68
<i>Key Terms</i>	69
<i>Chapter 5 Checklist</i>	69
<i>Discussion Questions</i>	69
<i>Practice Exercises</i>	70
Chapter 6. Useful Definitions—Section 101	71
A. Claim	71
B. Community Claim	72
C. Corporation	72
D. Creditor	72
E. Current Monthly Income	73
F. Debt	73
G. Debt Relief Agency	74
H. Domestic Support Obligations	74
I. Equity Security Holder	74
J. Individual with Regular Income	75
K. Insiders	75
L. Insolvency	76
M. Judicial Lien	76

N. Lien	76
O. Median Family Income	77
P. Person	77
Q. Security	78
R. Security Agreement	78
S. Statutory Lien	78
T. Transfer	79
<i>Summary</i>	79
<i>Discussion Questions</i>	80
 Chapter 7. Overview of Chapter 7	 81
A. Employment and Compensation of Professionals	82
B. Bankruptcy Petition Preparers	88
C. The Chapter 7 Process	89
D. Rule 2004 Examinations	93
E. Discharge and Reaffirmation	94
<i>Summary</i>	98
<i>Key Terms</i>	100
<i>Chapter 7 Checklist</i>	100
<i>Discussion Questions</i>	102
<i>Practice Exercises</i>	102
 Chapter 8. Conversion and Dismissal	 103
A. Conversion	104
B. Dismissal	107
<i>Summary</i>	109
<i>Key Terms</i>	109
<i>Discussion Questions</i>	109
<i>Practice Exercises</i>	110
 Chapter 9. Exemptions	 111
A. Background	111
B. Selecting Exemptions	114
C. Federal Exemptions	116
D. Unaffected Claims	121
E. Lien Avoidance to Preserve Exemption	122
F. Claiming and Objecting to Exemptions	123
<i>Summary</i>	124
<i>Key Terms</i>	125
<i>Chapter 9 Checklist</i>	125
<i>Discussion Questions</i>	127
<i>Practice Exercises</i>	127
 Chapter 10. Trustees, Examiners, and Creditors Committees	 129
A. The United States Trustee	129
B. The Trustee's Duties	131

C. Preparing a Case for a Trustee	133
<i>Summary</i>	136
<i>Key Terms</i>	137
<i>Discussion Questions</i>	137
Chapter 11. The Automatic Stay— 11 U.S.C. §362	139
A. The Automatic Stay	139
B. Activity Subject to the Automatic Stay	141
C. Activity Not Subject to the Automatic Stay	143
D. Duration of the Automatic Stay	148
E. Obtaining Relief from the Automatic Stay	150
<i>Summary</i>	155
<i>Key Terms</i>	157
<i>Chapter 11 Checklist</i>	157
<i>Discussion Questions</i>	159
<i>Practice Exercises</i>	159
Chapter 12. Objections to Discharge and the Dischargeability of Individual Debts	161
A. Distinguishing a Discharge from the Dischargeability of Individual Debts	161
B. Debts Nondischargeable Without Creditor Action	163
C. Debts Nondischargeable with Creditor Action	169
D. Complaints to Determine Dischargeability of a Debt	173
E. Objecting to Discharge	175
F. Complaints Objecting to Discharge	177
<i>Summary</i>	178
<i>Key Terms</i>	180
<i>Discussion Questions</i>	180
<i>Practice Exercises</i>	180
Chapter 13. Property of the Estate, Turnover Complaints, and Introduction to Avoiding Powers	181
A. Property of the Estate	181
B. Turnover Complaints	186
C. The Trustee's Avoiding Powers	187
<i>Summary</i>	189
<i>Key Terms</i>	190
<i>Discussion Questions</i>	190
Chapter 14. Avoiding Powers	193
A. Introduction and Definitions	193
B. Fraudulent Transfers	193

C. Postpetition Transfers	194
<i>Summary</i>	195
<i>Key Terms</i>	196
<i>Chapter 14 Checklist</i>	196
<i>Discussion Questions</i>	197
<i>Practice Exercises</i>	198
Chapter 15. Liquidation Provisions	199
A. Liquidating Estate Assets	199
B. General Rules	199
<i>Summary</i>	201
<i>Key Terms</i>	203
<i>Chapter 15 Checklist</i>	203
<i>Discussion Questions</i>	204
Chapter 16. Claims and Administration	205
A. Claim Determination	205
B. Filing a Proof of Claim	206
C. Secured Claims	207
D. Statement of Intention	210
E. Redemption	211
F. Order of Distribution	212
G. Bankruptcy Administration Timeline	214
<i>Summary</i>	216
<i>Key Terms</i>	219
<i>Chapter 16 Checklist</i>	219
<i>Discussion Questions</i>	222
<i>Practice Exercises</i>	222
Chapter 17. Chapter 13: Reorganization Proceedings	223
A. Introduction — Reorganization Proceedings	223
B. Special Chapter 13 Provisions	224
C. Dismissal or Conversion — Reorganization Provisions	226
D. Chapter 13 Plan Provisions	229
E. Confirmation Hearings	235
F. Confirmation Conditions	236
G. Feasibility Analysis	238
H. Cramdown	240
I. Effect of Confirmation and Chapter 13 Discharge	241
<i>Summary</i>	243
<i>Key Terms</i>	245
<i>Chapter 17 Checklist</i>	245
<i>Discussion Questions</i>	247
<i>Practice Exercises</i>	248

Chapter 18. Chapter 11: Reorganization Proceedings	249
Introduction to Chapter 11	249
<i>Summary</i>	251
<i>Key Terms</i>	252
<i>Chapter 18 Checklist</i>	253
<i>Discussion Questions</i>	255
Chapter 19. Chapter 12: Reorganization Proceedings	257
<i>Key Terms</i>	258
<i>Discussion Questions</i>	258
Chapter 20. Introduction to Courts and Jurisdiction	259
A. Bankruptcy and Federal Judges	259
B. Activity Within a Bankruptcy	260
C. BAFJA	261
D. Core and Noncore Proceedings	263
E. Removal and Appeals	264
F. Jury Trials	266
<i>Summary</i>	266
<i>Key Terms</i>	267
<i>Discussion Questions</i>	267
Chapter 21. Statements and Schedules Tutorial	269
A. Introduction	269
B. Ken and Bretony Bottomline	270
C. Schedules	272
D. Statement of Financial Affairs	288
<i>Summary</i>	301
<i>Discussion Questions</i>	301
Chapter 22. Means Testing Tutorial	303
A. Introduction	303
B. Current Monthly Income	305
C. Deductions—Internal Revenue Expense Standards	309
D. Deductions—Additional Expense Deductions	315
E. Deductions for Debt Payment	317
F. Determining Whether the Presumption Arises	319
<i>Summary</i>	321
<i>Discussion Questions</i>	321
Chapter 23. Researching Bankruptcy Issues	323
A. Traditional Methods	323
B. The Internet	326
<i>Chapter 23 Checklist</i>	327
<i>Discussion Questions</i>	327

<i>Appendix 1. Noticed Motions and Ex Parte Applications</i>	329
<i>Appendix 2. Documents and Deadlines</i>	331
<i>Glossary</i>	333
<i>Table of Cases</i>	347
<i>Table of Statutes</i>	349
<i>Table of Federal Rules of Bankruptcy Procedure</i>	353
<i>Table of Secondary Authorities</i>	355
<i>Index</i>	357