



# Bankruptcy Court Liaison Committee

# NEWSLETTER

Summer 2026

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## *Summer in Chicago*

by Ira Nikolla

After another long Chicago winter, summer has finally arrived – and with it, the city’s energy and sense of renewal are back. Crowded sidewalks, lakefront swims, weekend escapes, park playdates, vibrant rooftops, chilly drinks, and frosty ice creams are waiting for us.

As a relatively new Chicagoan – and a proud Eastern European – I have come to appreciate the traditions, places and small seasonal rituals that make this city feel like home. Summer in Chicago for me is a reminder that even after the harshest seasons, there is always room for improvement, community, and sometimes a whole new fresh start!

Here are a few things I would wholeheartedly recommend experiencing this (and every) summer in Chicago:

- **[Chi Food Truck Fest](#):** Food trucks will be lined up at Daley Plaza every Friday offering a wide array of cuisines.
  - **[After hours at Shedd Aquarium](#):** See iconic exhibits, eats and drinks, while grooving to live music from local music talent.
  - **[Chicago Taco & Tequila Fest](#):** This two-day fiesta brings together the best of local taco vendors and premium tequilas, all in a sun-soaked, neighborhood-friendly setting.
  - **[Bronzeville’s 6th Annual Juneteenth Celebration](#):** Celebrate Juneteenth in Bronzeville with a festival featuring live music, a small business vendor market, family fun and a special recognition honoring Father’s Day.
  - **[Taste of Randolph](#):** Taking place on the same street occupied by some of Chicago’s best-known restaurants, this West Loop fest boasts six blocks of food, drinks and music.
  - **[Rent a kayak/paddleboard](#):** Paddle while enjoying jaw-dropping views of the Chicago skyline.
- **[World Cup – Chicago Fire FC Soccer Celebration](#):** Join the Chicago Fire at Recess in West Loop to watch every match of the FIFA World Cup 2026™.



- [CSO America 250: A Musical Journey](#): For America's 250<sup>th</sup> anniversary enjoy concerts with the Chicago Symphony Orchestra and appearances by guest artists and jazz ensembles.
- Millennium Park [Film Series](#) & [Summer Workouts](#): Enjoy free concerts on Mondays and Thursdays throughout the summer and head to free pilates, yoga, cardio kickboxing and Zumba in Millennium Park.
- [Vibes on Logan](#): Enjoy a rotating lineup of DJs down Logan Boulevard throughout the summer, bringing the perfect rhythms for Chicago summer.
- [Camp Chicago](#): Camp Chicago is a one-day All-American festival on the banks of the Chicago River. Live music and DJs on the water, cold drinks in the sun, yard games, arts & crafts, and a fleet of boat cruises running all afternoon into the evening.
- [Dine Out On Broadway](#): Dine Out On Broadway is back in Lakeview East for its sixth season, as North Broadway transforms into the ultimate open-air dining experience.

- [Lake & River Boat Cruises](#): Hop on a boat cruise to enjoy a leisurely dinner, a fascinating architecture tour, or a high-speed thrill ride.
- [Pride Fest](#): The annual Pride Fest will have live music across three different stages, drag performances, a pet parade, guest speakers and more.
- [Moloko Ukrainian Festival](#): This outdoor festival celebrates modern Ukraine through music, authentic cuisine and more.
- [Millennium Art Festival](#): Stop by this art festival to browse works from over 110 different artists and enjoy food trucks, live music, kid-friendly art tents and more.
- [Windy City Smokeout](#): This five-day country music and barbecue festival will feature performers Hootie & the Blowfish, Treaty Oak Revival and more.
- [Taste Of Chicago](#): Enjoy Chicago's best eats on the lakefront Grant Park during the 46th annual Taste of Chicago festival.
- [Ravenswood On Tap](#): Ravenswood on Tap celebrates local breweries in a two-day festival with beers from breweries along malt row, KOVAL cocktails, live music, street food, axe-throwing and more.
- [Chinatown Summer Fair](#): The Chinatown Summer Fair is a neighborhood celebration with food, music, performances and more.
- [Pullman Railroad Days](#): Pullman Railroad Days celebrates trains, technology and more at Pullman National Historical Park. There will be exhibits, railcar tours, demos and pop-ups, live music and more.
- [Chicago Air & Water Show](#): One of Chicago's most popular summertime activities is lifting off again in August with two days of aerial demonstrations.
- [Supertri Chicago](#): Bike, run and swim through some of Chicago's most iconic destinations in the Chicago triathlon. There are also race options for kids and varying levels of ability.



- [Taste Of Polonia](#): The largest Polish festival in the country is back over Labor Day weekend, stretching across three blocks with live music, a kids stage, exhibitions showcasing Polish culture and more.
- [Chicago German-American Oktoberfest](#): Celebrate German culture with food, drinks, live music and more.
- [Amerivespa 2026](#): The biggest Vespa and scooter festival in Chicago is the combined Amerivespa 2026 and Slaughterhouse 32 rally, taking place over Labor Day Weekend. Five days of rides, friends, food, music, sightseeing, competition, and celebration of the motorscooter!
- [26th Street Mexican Independence Day Parade](#): Celebrate Mexican Independence Day in Little Village with a parade through the vibrant neighborhood.

# BANKRUPTCY & AI



## How can a bankruptcy attorney use AI?



- Search for cases
- Conduct research on a legal issue
- Draft memos and pleadings
- Identify, review, and sort voluminous documents produced during discovery
- Claims analysis
- Plan projections
- Asset valuations
- Other tasks

### ***Tips!***

- Read articles and watch videos about AI and the practice of law.
- Establish a policy for the use of AI in your office.
- Supervise the use of AI by associate attorneys and support staff in your office.
- Identify whether the bankruptcy courts have local rules or administrative orders regarding the use of AI in filings.

### ***Concerns & Pitfalls***

- AI can hallucinate
- Local rules and administrative orders may require disclosure, and even certification, of AI use to the court and opposing parties
- Misuse of AI may lead to sanctions
- AI may contain some elements of human bias based on input

Drawn From: [Western District Court of Missouri](#)

# KEYS TO GETTING A CHAPTER 13 PLAN CONFIRMED

by GLEN STEARNS



## IT STARTS WITH PROPER INTAKE

§526(a)(2) A debt relief agency shall not - make any statement, or counsel or advise any assisted person or prospective assisted person to make a statement in a document filed in a case or proceeding under this title, that is untrue or misleading, or **that upon the exercise of reasonable care, should have been known by such agency to be untrue or misleading (emphasis added).**

§527(c) requires a "...**reasonably diligent inquiry of the assisted person...**" (emphasis added).

§1325(a)(9) requires all income tax returns to have been filed as a condition of confirmation.

Review the debtors tax returns and pay stubs with the debtor(s) during intake. Getting taxes and pay stubs in advance means:

- 1) *The 341 meeting can be held on the originally scheduled day.*
- 2) *Forms 122C1 and 122C2 can be completed correctly.*
- 3) *Schedule I can be completed correctly, including proof of self-employment or 1099 income.*
- 4) *SOFA #4 can be completed correctly.*
- 5) *If you see tax fraud you can discuss it with the debtor and tell them about UST referrals.*

6) *You can be proactive in dealing with IRS issues.*

7) *If any tax returns show amounts owed, give notice to the IRS and IDOR.*

8) *If the debtor states they did not have to file, give notice to the IRS and IDOR and order Wage and Income Transcripts.*

9) *You can be ready to address the IRS's claim that returns have not been filed. If the tax returns have only recently been filed or are about to be filed, give notice to the IRS and IDOR and make sure you have signed copies of the returns in file ready to provide to them.*

10) *Getting off to a clean start greatly increases your ability to get the plan confirmed.*

Failure to provide taxes and pay advices seven days before the §341 meeting will delay the meeting and therefore delay confirmation. One in four meetings are not held on the originally scheduled date for failure to provide taxes and pay advices. Delayed meetings are delayed confirmation hearings.

Judges also expect that debtor's counsel will obtain and review tax returns and pay advices before filing a case. The following is copied from Judge Slade's published Court Procedures:



## CHAPTER 13 CASES

### a. Court's Expectations

i. To ensure compliance with the deadlines imposed by the Bankruptcy Code and Rules (see, e.g., 11 U.S.C. §§ 521, 1308; Fed. R. Bankr. P. 1007(c)) and efficient administration of cases, Debtor's counsel are expected to collect from their client prior to filing the petition all documents required for the chapter 13 trustee to hold a section 341 meeting (e.g., pay advices, tax returns/transcripts from the past 4 years), absent extenuating circumstances that necessitate a hasty filing.

ii. If a document does not exist or is not in a debtor's possession when counsel is retained (e.g., a debtor was required to file a tax return but didn't, or filed a return but lacks a copy), counsel is expected to take reasonable steps to obtain the document (e.g., having the debtor prepare and file past-due returns) before filing, again unless extenuating circumstances necessitate a hasty filing. If this is not possible, counsel are expected to either provide the information to the trustee at least seven days before the first scheduled 341 meeting or seek an extension of the deadline and, in that motion, describe why timely providing information to the trustee was not possible.

iii. All parties and counsel should note that Judge Slade may grant motions to dismiss promptly—and may deny fee petitions—if the chapter 13 trustee must expend their resources (and court resources) to seek dismissal because they have not received information that debtor's counsel could and should have collected before filing the case.

*Judge Slade's complete court procedures can be found [here](#).*



All the judges have required procedures posted on their websites, familiarize yourself with them and make sure you check the judges' site to avoid setting a motion for an invalid date.

## More Intake issues...

If the debtor is going to pay via payroll deduction, file the payroll order the day the case is filed. Prompt payroll order equals prompt plan payments, equals prompt plan confirmation (also gives you a better chance at getting your fees paid).

If not paying via payroll deduction, give them the remit to address for mail payments when the case is filed or give them the link to [TFS](#) and have them set up an account right away.

### FUN FACT

**Only about 6% of plan payments are made by Cashier's Check or Money Order, 40% are by payroll deduction and 54% are via TFS.**

Be sure the debtor sets up their [National Data Center](#) account before the 341 meeting.

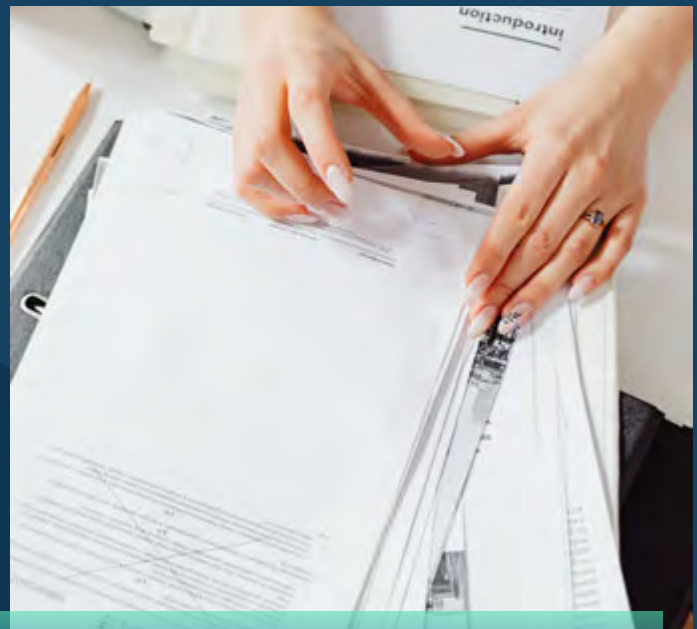
Encourage your client to complete the required Personal Financial Management class before the §341 meeting ([Trustee's Free Debtor Ed](#)).

## GETTING THE §341 MEETING CONCLUDED ON THE FIRST TRY

**Send taxes, pay advices, and proof other income including self employment income at least two weeks prior to the §341 meeting. The meeting will not be held without these documents.**

We must review all the schedules, statements, plans, taxes and pay advices for every case in advance of the §341 meeting. The sooner we have documents the sooner we can review them and let you know of any deficiencies that must be cured to hold the meeting. We need proof of **all** income listed on Schedule I to properly prepare for the meeting.

If the debtor has self-employment income on line 8a, you must attach a statement showing how that number was calculated and provide documents to support your calculations. Please be careful and drop the required documents into the correct folder in the document portal so every document is where we expect it. If taxes or pay advices are not where we look for them, the meeting may be delayed.



### Look at documents before you send them:

When the trustee's office tells you something is missing, make sure you send what we requested; do not resend documents you have already provided. This will probably delay the §341 meeting.

### Schedule A issues that might slow you down:

- If value is materially less than Zillow/Redfin, be prepared to provide a CMA.
- If the property is held as TBE, be prepared to provide a copy of the deed.
- If the property is jointly owned and it's not a joint case, complete Schedule H.
- If debtor owns other real estate, calculate the 60 month cash flow on each.
- If R/E taxes are not escrowed, give notice to the county treasurer.
- If R/E taxes are not escrowed, check the R/E tax payment status online or by phone.
- If the county has notice, the debtor has free protection against tax sales.

### Schedule D issues that might slow you down:

- Make sure all the secured creditors have complete addresses.
- Make sure they are all provided for in the plan, and by the correct name.
- List the County Treasurer if there is no escrow.
- If R/E taxes are owed, list the Treasurer and the Clerk and (if sold) the tax buyer.
- Call the county to make sure you have a good cure or redemption amount.

### Schedule E issues that might slow you down:

- Routine notice to IRS: PO Box 7346, Philadelphia, PA 19101-7346. ONLY this address.
- Routine notice to IDOR: PO Box 19035, Springfield, IL 62794-9035. ONLY this address.
- If the debtor has a DSO obligation, give notice to the DSO recipient, not just IDHFS.
- Give notice to the DSO creditor even if the debtor is current. All creditors need notice.
- Give notice to the DSO creditor even if there is no order. See definitions of claim §101(5); creditor §101(10) and domestic support obligation §101(14A).

### Schedule G issues that might slow you down:

- Provide the complete name and address of all parties with whom the debtor has a lease.
- Yes, the debtor must list their landlord.

### Schedule I issues that might slow you down:

- If debtor reports income on line 8a, failure to attach a statement detailing gross revenue and expenses and showing how line 8a was calculated, **will** delay the §341 meeting.

### Schedule J issues that might slow you down:

- Debtor must document any non-filing spouse debt service payments.

## Self Employed Debtors

*(really self employed, not Uber/Lyft/Door Dash etc.)*

### Before the §341 Meeting:

- Provide any tax returns filed by debtor's business such as 1120S or Form 1065.
- Debtors' tax returns must include all schedules that were filed with the return.
- Provide a YTD income statement with bank statements to document revenue.
- Provide a full year income statement for the most recent year.
- List co-signed or personally guaranteed business debts on Schedules D, E/F and H.
- List co-signed or personally guaranteed leases on Schedule G.



# PROOFREAD PROOFREAD PROOFREAD

Look at the PDF of the plan before filing. It is not uncommon for a plan provision to look one way on your screen, and another way entirely on the PDF that gets filed. Math errors and drafting errors will delay confirmation.

**Rule 3015(d)** requires the debtor to serve a plan filed after the petition date on all creditors, an amended plan cannot be confirmed without a certificate of service on the docket.

**Here are a few common errors that delay confirmation and are easily avoidable:**

Part 3.3, total of payments is less than the amount of claim, this plan cannot be confirmed.

Name of Creditor	Collateral	Amount of claim	Interest rate	Monthly plan payment	Estimated total payments by trustee
Regional Acceptance Co	2023 Kia Forte 8,000 miles	\$22,200.00	7.00%	\$297.02	\$17,821.03

Disbursed by:  
 Trustee  
 Debtor(s)

Per Rule 3010(b), minimum monthly payment to a creditor is \$15; this plan cannot be confirmed.

Mrc/united Wholesale M	663 E Peachtree Ln Round Lake, IL 60073 Lake County	\$1,858.00	Prepetition: \$479.37	0.00%	\$11.41	\$479.37
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Disbursed by:  
 Trustee  
 Debtor(s)

Check the math, will the creditor in Part 3 be paid in full within 60 months? If not, the plan cannot be confirmed. In the example below, the terms provided take 65 months to complete.

Name of creditor	Estimated amount of creditor's total claim	Collateral	Value of collateral	Amount of claims senior to creditor's claim	Amount of secured claim	Interest rate	Monthly payment to creditor	Estimated total of monthly payments
Bmw Financial Services	\$44,613.00	2022 BMW X3 S3000 miles	\$33,100.00	\$0.00	\$33,100.00	9.5%	\$651.10	\$41,709.60



Amounts in Part 5.1 control. Does the plan fund the amount in the first line in 5.1? In the example below, the total plan payments are \$67,970 with \$41,710 paid on a vehicle loan in Part 3.2 so it is obvious that the plan cannot fund \$67,970 to GUCs, and the plan cannot be confirmed.

5.1	Nonpriority unsecured claims not separately classified.
Allowed nonpriority unsecured claims that are not separately classified will be paid, pro rata. If more than one option is checked, the option providing the largest payment will be effective. Check all that apply.	
<input checked="" type="checkbox"/>	The sum of \$ 67,970.00

If the debtor assumes a lease in Part 6.1, the plan must provide for payments pursuant to the lease and promptly cure any arrears. A common error that will delay confirmation is for 6.1 to provide payments of \$0.00 per month.

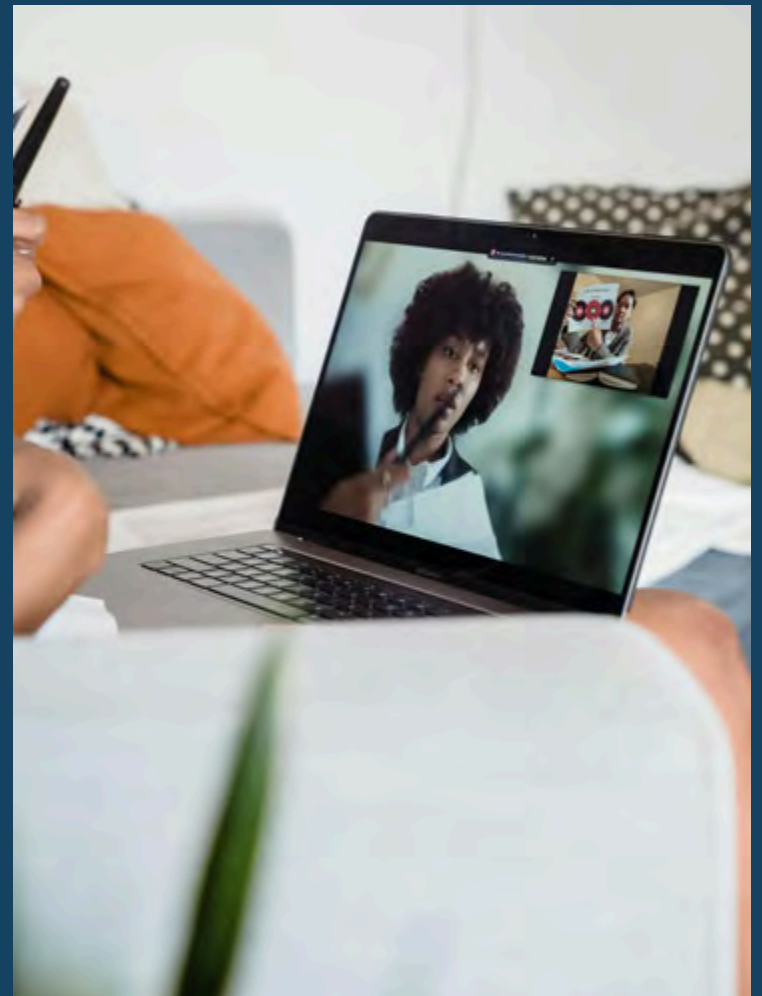
Don't let debtors pay high interest auto loans direct. Even if it's a "910" claim you can cram the interest rate down by paying it through the plan and easily save the debtor an amount greater than your and my fees combined. Do. The. Math. Debtors should never pay a 27% APR loan directly unless they are protecting a non-filing co-debtor.





## **BEFORE, DURING AND AFTER THE §341 MEETING:**

- Please prepare your client for the §341 meeting. You know all the questions. Nobody likes surprises at the meeting.
- It is your job to make sure your client makes their first plan payment on time. The first plan payment is the most important payment.
- If you know you want the confirmation hearing to be continued to a date past the bar date, let us know at the §341 meeting.
- Review the trustee's document requests and amendment requests with the debtor as soon as possible. Provide requested documents and file required amended Schedules and Statements as soon as possible.
- Please don't file an amended plan until all secured claims are on file. Wait for the bar date if debtors are required to propose a 100% plan.
- The trustee's attorney starts reviewing confirmation matters a week or more before the confirmation hearing. If amendments have not been filed by first time we look at a case it's likely to be put on the continued list.



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***In summary, the keys to getting a plan confirmed promptly are:***

- ***Intake***
  - ***Prepare (your documents and your client)***
  - ***Proofread***
  - ***Communicate***
-

# BANKRUPTCY LIAISON COMMITTEE ANNUAL OUTING

★ YANKEES VS WHITE SOX ★



TUESDAY, JULY 28, 2026 | 6:40 PM



**COST: \$86**

**INCLUDES TICKET AND PATIO PACKAGE**

**PATIO PACKAGE INCLUDES:**

- ✓ 2 HOURS INCLUSIVE FOOD AND BEVERAGE
- ✓ BEGINS AT 5:10 PM AND ENDS 30 MINUTES AFTER FIRST PITCH



**TO PURCHASE TICKETS:**

CONTACT ALEX WILSON



ALX@GERACILAW.COM



**GERACILAW LLC**

55 EAST MONROE STREET  
SUITE 3400  
CHICAGO, ILLINOIS 60603

## MENU

### BEVERAGES:

Modelo, Miller Lite, Coors Light, Wine,  
Coca-Cola Products, and Water

### FOOD:

BBQ Ribs, Cajun & Fried Chicken, Hot Dogs,  
Hamburgers, Coleslaw, Potato Salad,  
Macaroni Salad, and Pasta Salad

Send Money with Zelle®

Scan or your banking app to pay

William Wilson



Zelle

William Wilson

Business



# Join our Team for



DATE: August 13, 2026

TIME: 6:30 PM

PRICE: \$40 preregistration/\$45 full

*Be part of an inspiring day of community, impact, and fun in Chicago!*

We're rallying volunteers to come together as a team! If you'd like to participate in the race contact Claudia Badillo at [badillolawyer@gmail.com](mailto:badillolawyer@gmail.com).

Race Judicata 2026 is not your average 5K. The scenic course loops participants around Lincoln Park along the south lagoon path, up to the Diversey Harbor, and back, where they are greeted by a great band, free beer, wine and snacks.

Whether you're volunteering, running, cheering participants on, or simply showing your support, we'd love to have you on the team!

For more information visit <https://www.cvl.org/judicata/>.

# “National” Plan Instructions

by Glenn Stearns

Please note that the below instructions apply to the  
Office of Chapter 13 Trustee Glenn Stearns.

All other Trustees' offices may have different instructions, please make sure to contact the staff attorneys from each office to confirm their instructions.



Original Confirmation Hearings will often be continued to a date beyond the bar date.

Please wait until after the Bar Date for routine plan amendments. Please strive for ONE amended plan per case.



Official Form 113  
Chapter 13 Plan

Part 1: Notices

To Debtors: This form sets out options that may be appropriate in some cases, but the presence of an option on the form does not indicate that the option is appropriate in your circumstances or that it is permissible in your judicial district. Plans that do not comply with local rules and judicial rulings may not be confirmable.

In the following section on creditors, you must check each box that applies.

To Creditors: Your rights may be affected by this plan. Your claim may be reduced, modified, or eliminated. You should read the plan carefully, and discuss it with your attorney if you have one in the bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you oppose the debtor's treatment of your claim or any provision of the plan, you or your attorney must file an objection to confirmation at least 7 days before the date set for the hearing on confirmation, unless otherwise ordered by the Bankruptcy Court. The Bankruptcy Court may confirm the plan without further notice if no objection to confirmation is filed. See Bankruptcy Rule 3015. In addition, you may need to file a timely proof of claim in order to be paid under any plan.

The following notices may be of particular importance. Debtors must check one box on each line to state whether or not the plan includes each of the following items. If an item is checked as "Not included" or if both boxes are checked, the provision will be ineffective if it is not later in the plan.

1.1	A limit on the amount of a secured claim, set out in Section 3.2, which may result in a partial payment or no payment at all to the secured creditor.	<input type="checkbox"/> Included	<input type="checkbox"/> Not included
1.2	Avoidance of a judicial lien or nonpossessory, nonpurchase-money security interest, set out in Section 2.4.	<input type="checkbox"/> Included	<input type="checkbox"/> Not included
1.3	Nonstandard provisions, set out in Part 8.	<input type="checkbox"/> Included	<input type="checkbox"/> Not included

Part 2: Plan Payments and Length of Plan

2.1 Debtor(s) will make regular payments to the trustee as follows:

\$ \_\_\_\_\_ per \_\_\_\_\_ for \_\_\_\_\_ months

(and) \$ \_\_\_\_\_ per \_\_\_\_\_ for \_\_\_\_\_ months; insert additional lines if needed.

If more than 60 months of payments are specified, additional monthly payments will be made to the extent necessary to make the payments to creditors specified in this plan.

Official Form 113 Chapter 13 Plan Page 1

## Part 1: Notices

- One box and only one box must be checked in each of Parts 1.1, 1.2 and 1.3.
- If Section 3.2 values the lien of a secured creditor at less than the amount of the claim the debtor must check the first box in Section 1.1.
- If Section 3.4 avoids a lien the debtor must check the first box in Section 1.2.
- If Section 8 sets out ANY nonstandard provision the debtor must check the first box in Section 1.3.



## Part 2: Plan Payments & Length of Plan

### Section 2.1 Payments to the trustee.

- Payments are per Month only. No other time intervals are to be used. Please, only whole numbers.
- The minimum term for below median income debtors is 36 months; the minimum term for above median income debtors is 60 months. See §1322(d).
- Plan step payments are to be shown in Section 2.1, not in Section 8



### Section 2.2 Source of payments.

- If the debtor is going to make payments via payroll deduction the debtor's attorney must e-file a Proposed Order to Employer to Pay Trustee, Local Form Order No. 25, preferably immediately upon filing the case.
- If the debtor is going to make payments via TFS the debtor's attorney should see to it that the debtor is set up with a TFS account immediately upon filing the case.

### Section 2.3 Income tax refunds.

- If income tax refunds are required to be paid into the plan the third box must also be checked and the following provision added: Tax refunds must be remitted to the trustee no later than May 30 each year. Tax refunds submitted by the debtor are additional payments into the plan and increase the plan base dollar for dollar. The plan will conclude before the end of the initial term only at such time as all allowed claims are paid in full, with any interest required by the plan.



### **Section 2.4 Additional payments.**

- Other sources commonly include sale of an asset, proceeds of a lawsuit and periodic bonus; be very specific, if the debtor is entitled claim a portion as exempt, state that in this section.
- If a plan is funded in whole or in part by sale of an asset or by a large lump sum of cash already on hand, that payment must be tendered before confirmation, unless otherwise ordered by the court.
- If the plan is partially funded with any of these sources of funds the following provision must be added to Section 2.4:
- The plan will conclude before the end of the initial term only at such time as all allowed claims are paid in full, with any interest required by the plan.

**Section 2.5 Total amount of estimated payments provided for in §§2.1 and 2.4.** If the payments from §2.1 will not fund the amount required by the liquidation test of §1325(a)(4) and / or the disposable income test of §1325(b) then the debtor will have to prove that the additional payments provided are reasonably likely to be made to satisfy §1325(a)(6).

## **Part 3: Treatment of Secured Claims**

### **Section 3.1 Maintenance of payments and cure of default, if any.**

- Section 3.1 is for treatment of long term secured debts; debts with a contractual term that exceeds the term of the proposed Chapter 13 plan.
- Section 3.1 is to be used for cure and maintain of mortgages (direct pay or trustee pay) and for cure and maintain of auto loans (direct pay or trustee pay).
- The timely filed Proof of Claim controls as to the amount of the arrears to be paid unless there is no claim, then the plan controls.
- In all cases where a claim has been timely filed, the Plan must match the POC as to name of creditor, collateral, current installment payment and amount of arrearage. The claim controls over any arrears amount or monthly payment amount in the plan. The Plan controls as to any interest, if any, paid on the arrears.
- ***If no timely claim is filed, the Plan controls.***
- Mortgage creditors only receive interest on arrears if the loan originated before October 22, 1994.
- If relief from the stay is granted as to any item of collateral in Section 3.1, all payments under this section as to that collateral will cease, unless otherwise ordered by the court.
- The trustee will make adequate protection payments for all PMSI claims provided for as “Disbursed by trustee” in the amount of the installment payment listed in the plan unless directed otherwise in Part 8.

### Important notes regarding automobile loans in 3.1:

- If the trustee is disbursing, the remaining term of the loan MUST exceed the term of the Plan. There is no mechanism in 3.1 to stop disbursements. If the trustee is disbursing and the remaining term of the loan is less than the plan term, use Part 3.2 or 3.3.
- Do Not use 3.1 for ongoing HOA payments, use Schedule J. Use 3.2 for HOA arrears.
- Do Not use 3.1 for ongoing property tax payments, use Schedule J. Use 3.2 for delinquent or sold property taxes.



### **Section 3.2 Request for valuation of security, payment of fully secured claims, and modification of undersecured claims.**

This section uses 11 USC § 506 to value the liens of creditors and is not to be confused with Section 3.4 which uses 11 USC §522 to avoid liens.

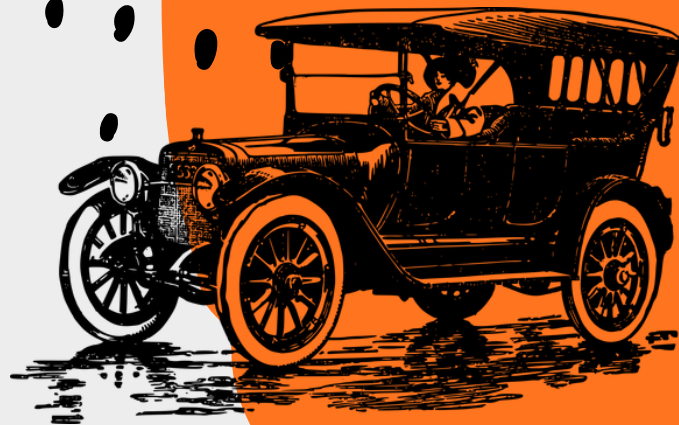
- The claim of a governmental unit controls over any contrary amount in the plan. If a governmental claim is filed the plan must be amended to match the claim or the debtor must object to the claim.
- If a claim is filed, the plan controls as to the secured amount, the claim controls as to the total amount of the claim and therefore the unsecured portion.
- If the plan gives a value of zero, any claim filed related to that collateral will be administered as wholly unsecured.
- If no claim is filed, the plan controls as to the secured amount, there is no unsecured portion.
- If a claim is filed after the applicable bar date, the secured amount in the plan controls. The trustee will seek to have an order entered determining the secured amount of the claim to be the amount in the plan and determining the unsecured amount of the claim to be zero. If the value in 3.2 is zero, the entire claim will be objected to as late.
- In all cases where a claim has been timely filed, the Plan must match the POC as to name of creditor and description of collateral. If an amended Plan is filed after the claim has been filed, the estimated amount of creditor's total claim in the plan must match the POC.
- The trustee will disburse adequate protection payments for all claims provided for in this section in the amount of the monthly payment to creditor listed in this section. Any deviation from this must be set forth in Section 8.

Note regarding "910 claims": Do NOT use Part 3.2 for 910 claims, use Part 3.3, your case filing software may try to force a 910 claim into 3.2, don't let it.

- Use 3.2 for payment of fully matured or ballooned mortgages.
- Use 3.2 to cram down an auto loan.
- Use 3.2 to pay past due homeowner's association debts.
- Use 3.2 to pay property taxes.
- Use 3.2 to pay the secured portion of an IRS or IDOR claim.

### **Section 3.3 Secured claims excluded from 11 USC § 506 (910 auto claims / one year PMSI other).**

- These claims must be paid in full, trustee disburses or debtor disburses.
- The Claim controls as to the amount unless there is no claim, then the plan controls.
- In all cases where a claim has been timely filed, the Plan must match the claim as to name of creditor, collateral and amount of claim.
- The trustee will disburse adequate protection payments for all claims provided for as “Disbursed by trustee” in the amount of the installment payment listed in this section unless directed otherwise in 8.1.



**Exceptions to automatic adequate protection payments.** The following creditors provided for in Part 3 will NOT receive adequate protection payments unless otherwise ordered or provided for in Part 8.1 because they are clearly not PMSI creditors:

- Federal and State Taxing Authorities and other Municipal entities.
- County Treasurers, County Clerks, and Property Tax Buyers.

If the debtor alleges that a creditor their plan provides for in Part 3 is not a PMSI creditor and is not entitled to pre-confirmation adequate protection payments, they must specifically state that in Part 8.

### **Section 3.4 Lien avoidance.**

- This section uses 11 USC §522(b) to avoid judicial or nonpossessory, non PMSI liens that impair debtor’s exemptions. This is not to be confused with Section 3.2 which uses 11 USC 506 to value liens. Do not attempt to use Part 3.4 for junior mortgages.
- If the claim in question has already been filed, please include the claim number in one of the fields in the column titled “Information regarding judicial lien or security interest”.
- The debtor must complete Section 3.4 once for every creditor with a lien to be avoided. The debtor must complete the “Calculation of lien avoidance” table once for every creditor with a lien to be avoided.
- If only a portion of the lien is avoided then Section 3.4 will provide for the creditor’s claim as partially secured.
- If the entire lien is avoided, the entire claim is treated as unsecured.
- Creditors provided for in section 3.4 are not entitled to pre-confirmation adequate protection payments.



### **Section 3.5 Surrender of collateral**

- Upon confirmation the debtor “requests” that the stay under 11 USC §362(a) terminate as to the collateral and the stay under §1301 terminates entirely.
- This provision surrenders collateral to the specified creditor in satisfaction of their secured claim. A wholly secured claim treated in this section will not be paid by my office.
- If a creditor provided for in Section 3.5 files a wholly unsecured claim, or amends a previously filed secured claim to an unsecured claim, their claim will be paid along with other general unsecured creditors.
- This provision appears to do away with the practice of surrendering collateral in full satisfaction of a creditor’s entire claim. Upon confirmation the §362(a) stay terminates as to surrendered property and the §1301 stay terminates entirely.

## **Part 4: Treatment of Fees and Priority Claims**

### **4.2 Trustee’s fees**

- Trustee’s fees are taken on receipt pursuant to 28 USC §586(e)(2). Trustee fees are set in the trustee’s budget as approved by the United States Trustee and as such may change from time to time.

The maximum trustee fee is 10%.

Each trustee’s fee is posted on their web site. The percentage fee entered in 4.2 is an estimate only and does not control in any way.

### **4.3 Attorney fees**

- Attorney’s fees are determined by court order, any amount entered in 4.3 is an estimate only and does not control in any way. The estimated amount in 4.3 should be consistent with the amount sought in the fee application and proposed order.

### **4.4 Priority claims to be paid in full**

- Claims control over any amount entered in 4.4. Be sure to review filed claims so the number in this section is not understated. Be sure to include any scheduled delinquent DSO.

### **4.5 DSO assigned or owed to a governmental unit and not paid in full**

- Do not include DSO owed to a parent or former spouse as those debts must be paid in full.
- This provision is for the very narrowly defined obligations assigned to or owed to a governmental unit that are eligible to be paid less than the full amount owed pursuant to 11 USC § 1322(a)(4). If this provision is invoked the term of the plan must be 60 months. Match the name of the creditor to their claim. Disbursements on these claims are at the same priority level as other priority claims.



## Part 5: Treatment of Nonpriority Unsecured Claims

### 5.1 Nonpriority unsecured claims not separately classified.

- If more than one option is selected, the option providing the largest dividend to unsecured creditors will govern.
- *Box #1 The sum of \$\_\_\_.* Use this selection when the Means Test dictates a minimum dollar amount to general unsecured creditors. Watch out for your software populating this field incorrectly.
- *Box #2 \_\_\_% of the total amount of these claims, an estimated payment of \$\_\_\_.* This selection replaces E8 from the old NDIL model plan. This will be the default choice when the liquidation test or disposable income test does not control. This box must be checked when the initial plan term is less than 60 months.
- *Box #3.* The funds remaining after disbursements have been made to all other creditors provided for in this plan. **Box #3 must always be checked.**
- If the debtor's initial plan term is less than 60 months, the plan cannot complete by paying the dividend specified in Box #2 before the end of the initial term unless all creditors have been paid in full. The initial plan term controls over all other provisions.
- If the Chapter 7 liquidation test in §1325(a)(4) controls, the minimum dollar dividend to general unsecured creditors must be entered in the field in the "hanging provision" at the end of 5.1.

### 5.2 Maintenance of payments and cure of default on nonpriority unsecured claims.

- Pursuant to §1325(b)(5) the debtor can maintain current payments and cure default for unsecured debts when the term of the debt exceeds the term of the Chapter 13.
- This provision is likely to apply only to student loan debts.
- Every claimant to be treated in this section must be listed individually. If a claim has been filed, the name of the creditor must match the name on the claim, please refer to the PACER claim number.
- If the debtor is disbursing, Schedule J must have an entry for the current installment payment(s) listed in 5.2 as disbursed by the debtor. Arrearage payments shall be disbursed by the trustee regardless of who disburses ongoing payments. The arrears amount in 5.2 is controlling: "...arrears amount will be paid in full as specified below and disbursed by the trustee".



### 5.3 Other separately classified nonpriority unsecured claims.

- §1322(b)(1) allows debtors to treat co-signed debts differently than other unsecured claims.
- Every claimant to be treated in this section must be listed individually. If a claim has been filed, the name of the creditor must match the name on the claim, please refer to the PACER claim number. The trustee's office will examine the claim and attachments to verify that the debt is in fact co-signed.



## Part 6: Executory Contracts and Unexpired Leases

**6.1 Executory contracts and unexpired leases listed in this section are assumed. All others are rejected.**

- Each lease provided for in this section must be listed separately. The debtor or the trustee may disburse ongoing payments. Any arrearage listed in the plan on any assumed lease will be disbursed by the trustee, the amount of the arrearage in the plan controls. The name of the creditor and the amount of the arrears to be paid by the trustee must match the proof of claim (if filed).

If no claim is filed the trustee will disburse the arrears amount provided in the plan, if any.

- If the term of the lease is less than the term of the plan and the trustee is disbursing ongoing payments, the plan must specify the date of the final lease payment.
- If a lease is rejected, any timely filed claim will be administered as an unsecured claim.

## Part 7: Vesting of Property of the Estate

The 7<sup>th</sup> Circuit has ruled that property of the estate, as specified by 11 USC §541 and §1306 must vest in the debtor at confirmation absent a good case-specific reason otherwise. §1322(b) (9) allows for a choice in the timing of vesting. You should carefully consider the effects of the timing of vesting.

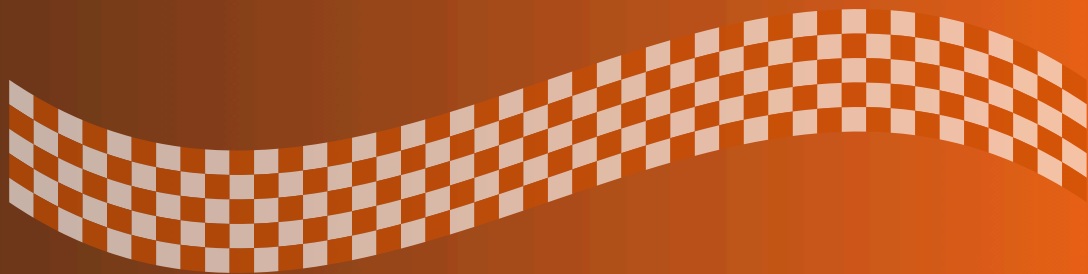


## Part 8: Nonstandard Plan Provisions

- **Do not** include “boiler plate” provisions that do not apply to the case.
- **Do:**
  - Provide for interest to unsecured creditors, if required.
  - Provide for debts to be paid directly by the non-filing co-signer.
  - Identify creditor(s) that are not entitled to pre-confirmation adequate protection payments here.
  - Provide for pre-confirmation adequate protection payments in an amount different than the fixed payment in 3.1, 3.2 or 3.3.
  - Provide for HUD (no payments will be made to HUD for their claim #1 because under the terms of the note and mortgage, no payments are due until December 1, 2056).

## Part 9: Signature(s)

- Debtor(s) signatures are optional but recommended.
- The attorney must sign; by signing the attorney certifies that the wording and provisions of the plan have not been changed from the Official Form 113, other than nonstandard provisions in Part 8.



BY GLENN STEARNS

WE'VE  
MOVED!



OFFICE OF THE  
CHAPTER 13 TRUSTEE  
THOMAS H. HOOPER

Read more about  
our office [here](#).

new  
location!

150 N. MICHIGAN AVE.  
SUITE #3800  
CHICAGO, IL 60601

***Please note this  
is our  
non-payment  
address!***





**U.S. Trustee Program**  
U.S. Department of Justice

## UPDATED CENSUS BUREAU MEDIAN FAMILY INCOME DATA (SPRING 2026)

In Part 2 of Bankruptcy Form 122A-1 and Part 2 of Bankruptcy Form 122C-1, debtors are instructed to “Fill in the median income for your state and size of household”. This information is published by the [Census Bureau](#), and the data is updated each year.

The U.S. Trustee Program will apply the updated data to cases filed on or after **April 1, 2026**.

Click [here](#) to find the table for the updated median family income data for Bankruptcy Forms 122A-1 and 122C-1

# COMMITTEE INFO BOOTH



## U.S. BANKRUPTCY COURT LIAISON COMMITTEE 2025-2026

### MISSION STATEMENT

The Bankruptcy Court Liaison Committee for the Northern District of Illinois was formed to assist the Bankruptcy Court and its practitioners to create a more efficient and collegial environment throughout the entire Northern District of Illinois. To further that purpose, the Liaison Committee publishes a periodic newsletter, develops local practice questionnaires, and sponsors educational programs and social events to encourage interaction among judges and practitioners. Additionally, section 2.01 of the Committee's bylaws provides that practitioners may relay issues, concerns, or complaints about bankruptcy judges or the bankruptcy court to the Committee – anonymously – through the co-chairs or any other committee member. The information will then be anonymously presented to the appropriate bankruptcy judges for review and consideration under 28 U.S.C. § 154(b), which provides that the chief judge of the bankruptcy court "shall ensure that the business of the bankruptcy court is handled effectively and expeditiously."

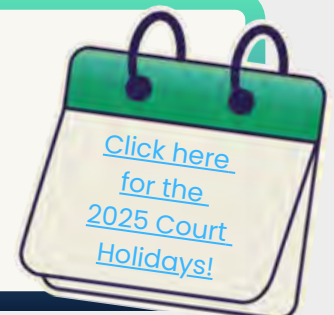
Practitioners wishing to share any issues, concerns, or complaints with the Committee may contact any of its Members anonymously via mail, email, phone, or on the Bankruptcy Court's [website](#).

Feel free to share any issues, concerns, or complaints with the Committee at the Bankruptcy Court's website!

Connect with us on **LinkedIn** for the latest Committee news and announcements!

### COURT INFO

- Customer Service (8:30 am - 4:30 pm): (312) 408-5000
- ECF Help Desk: (312) 408-7765
- Emergency New Case Filings: (773) 495-5842 & (312) 543-5460
- Clerk of Court: [Jeffrey\\_Allsteadt@ilnb.uscourts.gov](mailto:Jeffrey_Allsteadt@ilnb.uscourts.gov)
- Emergency Judge: Honorable Donald R. Cassling



# COMMITTEE INFO BOOTH



## U.S. BANKRUPTCY COURT LIAISON COMMITTEE 2025-2026

### COMMITTEE MEMBERS

- Honorable Jacqueline P. Cox - *Chief Judge*
- Honorable Janet S. Baer
- Honorable David D. Cleary
- Honorable Thomas M. Lynch
- Jeffrey P. Allsteadt - *Clerk of Court*
- Sharon Zurowski - *Chief Deputy Clerk*
- Shenitha Burton - *Assistant Operations Manager*

### ATTORNEYS

- Desirae Bedford - *Co-Chair, The Bedford Law Group*
- Mary Ann Leuthner - *Co-Chair, Prairie State Legal*
- Andrew Carroll - *Semrad Law Firm*
- Madeleine Coate - *Robertson, Anschutz, Schneid, Crane & Partners, PLLC*
- Frank Kokoszka - *Chapter 7 Trustee*
- Erica Lindsay - *Lindsay Law*
- Kerrie Mattson-Neal - *CODILIS*
- Jennifer Velasco - *Office of the Chapter 13 Trustee, Thomas H. Hooper*
- Fiona Whelan - *Office of the Chapter 13 Trustee, Lydia S. Meyer*
- Alex Whitt - *Law Office of William J. Factor, Ltd.*
- Alex Wilson - *Geraci Law LLC*
- Nathan Curtis - *Geraci Law LLC*
- Angelica Harb - *City of Chicago, Dept. of Law*
- Glenn Stearns - *Office of the Chapter 13 Trustee, Glenn Stearns*
- Kenneth Thomas - *Fox Swibel, Levin & Carroll LLP*
- Samantha Ruben - *Dentons US, LLP*
- Thomas Hooper - *Office of the Chapter 13 Trustee, Thomas H. Hooper*
- Claudia Badillo - *Badillo Law Group, PC*
- Derek Lofland - *The Law Office of Derek V. Lofland, LLC*
- Dana O'Brien - *McCalla, Raymer, Leibert, Pierce, LLP*
- Lars Peterson - *Law Office of William J. Factor, Ltd.*
- Neema Varghese - *NV Consulting Services*

### U.S. TRUSTEE'S OFFICE

- Jennifer Niemeier - *US Trustee's Office*
- Joshua Greene - *US Trustee's Office*
- Suhey Ramirez - *US Trustee's Office*