

# ***OFFICE OF THE STANDING CHAPTER 13 TRUSTEE***

---

## **ALBERT RUSSO**

STANDING CHAPTER 13 TRUSTEE

1 AAA Drive • Suite 101

Robbinsville, New Jersey 08691-1803

voice (609) 587-6888 • fax (609) 587-9676

*Howard Schmidt, Esq.  
Erik D. Collazo, Esq.  
Counsel*

***Mailing Address:***  
*CN 4853  
Trenton, NJ 08650*

---

***For Payments Only:***  
*PO Box 933  
Memphis, TN 38101-0933*

Dear Debtor:

The Standing Chapter 13 Trustee is mandated by law to perform a business examination in all Chapter 13 business cases unless otherwise ordered by the court. According to information provided, I have identified your Chapter 13 case as a business case. Your case will not be confirmed until this business examination is completed, or your attorney has provided this office with an order of the court waiving this examination. Failure to cooperate in the examination of your business may result in a motion seeking dismissal, or conversion, of your case.

The purpose of this business examination is to allow me the opportunity to review your financial circumstances, in detail, and in advance of your confirmation hearing. Therefore, failure to provide all requested information, in a detailed and organized fashion, will result in seeking dismissal of your case.

If you have any questions regarding this examination, please contact your attorney.

Very truly yours,

OFFICE OF THE CHAPTER 13 STANDING TRUSTEE

*/s/ Albert Russo*

Albert Russo  
Standing Trustee

# OFFICE OF THE STANDING CHAPTER 13 TRUSTEE

---

## ALBERT RUSSO

STANDING CHAPTER 13 TRUSTEE

1 AAA Drive • Suite 101

Robbinsville, New Jersey 08691-1803

voice (609) 587-6888 • fax (609) 587-9676

Howard Schmidt, Esq.  
Counsel

**Mailing Address:**  
CN 4853  
Trenton, NJ 08650

---

## Business Case Questionnaire

---

Debtor Name(s): \_\_\_\_\_

Case Number: \_\_\_\_\_

Business Name: \_\_\_\_\_

### CHECKLIST

- Provide copies of prior twelve (12) months *Monthly Profit and Loss Statements*
- Provide a current *Schedule of Accounts Receivable* (including names, amounts, due date)
- Provide copies of prior one (1) year personal *Income Tax Returns* (all schedules)
- Provide copies of prior one (1) year business *Income Tax Returns* (all schedules) [if separate]
- Provide copies of prior twelve (12) months *Bank Statements*.
- Provide copies of prior six (6) months proof of payment of *Employee Wages* [if applicable]
- Provide copies of prior six (6) months proof of payment of *Payroll Taxes* [if applicable]
- Provide copies of prior six (6) months proof of payment of *Sales Tax* [if applicable]
- Provide proof of coverage of all applicable insurance policies (i.e. liability, worker's comp, auto, etc.)
- Complete *Business Case Questionnaire*
- Sign *Your Responsibility as a Business Debtor*
- Complete *Monthly Business Budget* (income & expense)

### 1. What circumstance(s) led you to file Chapter 13 Bankruptcy?

---

---

---

### 2. Are you presently self-employed or operating a business?

YES

NO

a. If NO, when were operations terminated?

Month: \_\_\_\_\_ Day: \_\_\_\_\_ Year: \_\_\_\_\_

b. If YES,

i. When did the business begin operating?

Month: \_\_\_\_\_ Day: \_\_\_\_\_ Year: \_\_\_\_\_

- 1) Did you purchase the business?  YES  NO  
a) If YES, what was the purchase price? \$ \_\_\_\_\_  
b) If NO, what was the start-up cost? \$ \_\_\_\_\_

ii. Type of business, products and services?

---

- iii.  Sole Proprietorship  Partnership  Corporation  
 Limited Partnership  Limited Liability Company

- 1) Name(s) and percentage interest of owner(s)?  
a) Owner 1: \_\_\_\_\_ %  
b) Owner 2: \_\_\_\_\_ %  
c) Owner 3: \_\_\_\_\_ %  
d) Owner 4: \_\_\_\_\_ %

- 2) If INCORPORATED,  
a) Date and State of Incorporation:  
Month: \_\_\_\_\_ Day: \_\_\_\_\_ Year: \_\_\_\_\_  
State: \_\_\_\_\_  
b) Are all corporate books (i.e. minute minutes) up to date?  YES  NO  
c) Location of Corporate Books? \_\_\_\_\_

iv. Where is the business operated? \_\_\_\_\_

- 1) Is the property  OWNED or  LEASED?

a) Property Owner

a. Name and Address of Owner

---

---

b. Relationship to Debtor (if any)

---

b) Is there a written lease?  YES  NO

c) Do you intend to continue the lease?  YES  NO

- 2) Are you leasing separate office space?  YES  NO

a) Property Owner,

a. Name and Address of Owner

---

---

b. Relationship to Debtor (if any)

---

- b) Is there a written lease?  YES  NO
- c) Do you intend to continue the lease?  YES  NO
- 3) Are you currently leasing any business equipment?  YES  NO
  - a) Item 1: \_\_\_\_\_ Creditor: \_\_\_\_\_
  - b) Item 2: \_\_\_\_\_ Creditor: \_\_\_\_\_
  - c) Item 3: \_\_\_\_\_ Creditor: \_\_\_\_\_
  - d) Item 4: \_\_\_\_\_ Creditor: \_\_\_\_\_
  - e) Item 5: \_\_\_\_\_ Creditor: \_\_\_\_\_
- 4) Is your business seasonal?  YES  NO
  - a) Busy Months: \_\_\_\_\_
  - b) Slow Months: \_\_\_\_\_
- 5) Have you pledged any receivables, rents, profits, or other cash collateral for loans?  
 YES  NO

**3. Description of Assets**

- a. On a separate page, items with a value over \$500
  - i. Description
  - ii. Original price
  - iii. Age
  - iv. In it's present condition, for how much could you sell the item
- b. Estimated market value of inventory? \$ \_\_\_\_\_
- c. Estimated market value of accounts? \$ \_\_\_\_\_
- d. If you were to buy your business, as of today, how much would you pay? \$ \_\_\_\_\_

**4. Bank Accounts**

- a. Are you the only authorized signatory(ies) on the account(s)?  YES  NO
  - i. If NO, who else is authorized? \_\_\_\_\_

b.

Bank Name	Account Number	Account Type	Purpose

**5. Employees**

a.

Name	Position	Monthly Pay	Part-Time / Full-Time

b. Does, or has, your business employ independent contractors?  YES  NO

i. If YES, provide names, amounts paid and copies of 1099s for the past two (2) years.

**6. Pension, 401(k), Profit Sharing, Other Retirement Plans**

a. Does, or has, the business maintained a pension, 401(k), profit sharing, or other retirement plan?

YES  NO

i. If YES,

1)  Pension  401(k)  Profit Sharing

Other Retirement Plan: \_\_\_\_\_

2) Name of Plan Trustee: \_\_\_\_\_

3) Name of Plan Administrator: \_\_\_\_\_

4) Location of Funds: \_\_\_\_\_

5) Audit Results: \_\_\_\_\_

I / We certify that the foregoing information and attached documentation is true and correct to the best of my / our knowledge and belief. If this information is willfully false, I / we understand that I am / we are subject to punishment.

\_\_\_\_\_  
Debtor 1

\_\_\_\_\_  
Date

\_\_\_\_\_  
Debtor 2

\_\_\_\_\_  
Date

---

## Your Responsibilities as a Business Debtor

---

- ❖ If you have borrowed money from any creditor, and as security or collateral for the loan you have pledged accounts, rents, or other cash, you may not use the accounts receivables, rents or cash without express written consent from the creditor, or an Order from the Court allowing the use. Failure to obtain creditor consent, or an Order from the Court, before using these assets will likely result in severe penalties.
- ❖ During the course of your Chapter 13 Petition, it is your responsibility to pay any state and federal taxes on time. Failure to do so may result in severe penalties.
- ❖ There are strict laws governing the use and disposal of toxic materials and wastes. The filing of your bankruptcy case does not alleviate your responsibility to comply with these laws; you, and only you, will be held fully liable and responsible. If you are now in violation of these laws, you must immediately cease and desist any continued violation, and immediately correct any violations. If you are aware of any problems or violations, or potential problems or violations in this area, you must immediately notify the United States Trustee, the Chapter 13 Trustee, and your attorney.
- ❖ In order to continue the operation of your business, it is your responsibility to obtain, and maintain, comprehensive liability insurance.
- ❖ If you are leasing commercial space, you must assume, or reject, your lease through the United States Bankruptcy Court within sixty (60) days after the filing of your bankruptcy petition, or your lease will be automatically terminated by operation of law.
- ❖ It is your responsibility to keep accurate records for your business and to provide the Trustee with such information as may be required both before and after confirmation.

*If you have not already discussed the above issues with your attorney, immediately contact your attorney as these matters are extremely important. Do not contact the Trustee's office.*

**I have read and acknowledge receipt of the above.**

\_\_\_\_\_  
Debtor 1

\_\_\_\_\_  
Date

\_\_\_\_\_  
Debtor 2

\_\_\_\_\_  
Date

Return this signed copy to the Office of the Standing Trustee.

---

## Your Responsibilities as a Business Debtor

---

- ❖ If you have borrowed money from any creditor, and as security or collateral for the loan you have pledged accounts, rents, or other cash, you may not use the accounts receivables, rents or cash without express written consent from the creditor, or an Order from the Court allowing the use. Failure to obtain creditor consent, or an Order from the Court, before using these assets will likely result in severe penalties.
- ❖ During the course of your Chapter 13 Petition, it is your responsibility to pay any state and federal taxes on time. Failure to do so may result in severe penalties.
- ❖ There are strict laws governing the use and disposal of toxic materials and wastes. The filing of your bankruptcy case does not alleviate your responsibility to comply with these laws; you, and only you, will be held fully liable and responsible. If you are now in violation of these laws, you must immediately cease and desist any continued violation, and immediately correct any violations. If you are aware of any problems or violations, or potential problems or violations in this area, you must immediately notify the United States Trustee, the Chapter 13 Trustee, and your attorney.
- ❖ In order to continue the operation of your business, it is your responsibility to obtain, and maintain, comprehensive liability insurance.
- ❖ If you are leasing commercial space, you must assume, or reject, your lease through the United States Bankruptcy Court within sixty (60) days after the filing of your bankruptcy petition, or your lease will be automatically terminated by operation of law.
- ❖ It is your responsibility to keep accurate records for your business and to provide the Trustee with such information as may be required both before and after confirmation.

*If you have not already discussed the above issues with your attorney, immediately contact your attorney as these matters are extremely important. Do not contact the Trustee's office.*

---

## Profit & Loss Statement

---

### **Due Date**

*Quarterly.*

*No later than the 15<sup>th</sup> day of the month following the calendar quarter being reported.*

*Example: If reporting the first quarter of the year (i.e. January, February, March), the statement is due by April 15.*

### **Mail To**

*Albert Russo*

*Standing Chapter 13 Trustee*

*CN 4853*

*Trenton, NJ 08650*

Pursuant to Trustee Guidelines, all self-employed Debtors with ongoing business activities must file quarterly profit and loss statements with the Standing Trustee. Remember the following when preparing this report:

- Make extra copies of the report before you begin; you will need to send it every quarter.
- Keep a copy of the completed report for your records.
- The Trustee will have no choice but to file a motion to dismiss if the reports are not filed in a timely fashion.
- Be sure the report is dated, and contains an original signature.
- Verify the report is clear, organized and legible.



## BUSINESS DEBTOR PROFIT AND LOSS STATEMENT

Debtor Name(s): \_\_\_\_\_

Case Number: \_\_\_\_\_

Business Name: \_\_\_\_\_

Quarter: 1st    2nd    3rd    4th    200\_\_

### INCOME

Gross Receipts / Sales    \$ \_\_\_\_\_ (1)  
 Other Income    \$ \_\_\_\_\_  
     Asset Sales    \$ \_\_\_\_\_ (2)  
     Loan Proceeds    \$ \_\_\_\_\_ (3)  
     Rent Proceeds    \$ \_\_\_\_\_ (4)  
     Tax Refunds    \$ \_\_\_\_\_ (5)  
     Other    \$ \_\_\_\_\_ (6)

Total Income    \$ \_\_\_\_\_ (7)  
(add lines 1 through 6)

### EXPENSE

**Do Not Include Chapter 13 Plan Payments**

<p>Business Rent / Lease    \$ _____ (8)                  Employee Wages    \$ _____ (9)                  Employee Benefits    \$ _____ (10)                  Equipment Leases                      Auto    \$ _____ (11)                      Truck    \$ _____ (12)                      Other    \$ _____ (13)                  Purchases                      Equipment    \$ _____ (14)                      Inventory    \$ _____ (15)                      Supplies    \$ _____ (16)                      Other    \$ _____ (17)                  Utilities                      Electric    \$ _____ (18)                      Gas    \$ _____ (19)                      Internet    \$ _____ (20)                      Telephone    \$ _____ (21)                  Repairs &amp; Maintenance    \$ _____ (22)                  Professional Fees                      Accounting    \$ _____ (23)                      Legal    \$ _____ (24)</p>	<p>Insurance                  Liability    \$ _____ (25)                  Property    \$ _____ (26)                  Vehicle    \$ _____ (27)                  Workers' Comp    \$ _____ (28)                  Other    \$ _____ (29)                  Taxes                  Payroll    \$ _____ (30)                  Sales    \$ _____ (31)                  Other    \$ _____ (32)                  Miscellaneous                  Fuel    \$ _____ (33)                  Postage    \$ _____ (34)                  Travel    \$ _____ (35)                  Other 1    \$ _____ (36)                  Other 2    \$ _____ (37)                  Other 3    \$ _____ (38)                  Total Expenses    <span style="border: 1px solid black; padding: 2px;">\$ _____</span> (39)  <small>(add lines 8 through 38)</small>  <b>NET INCOME</b>    <span style="border: 1px solid black; padding: 2px;">\$ _____</span>  <small>(subtract line 39 from line 7)</small></p>
--	---

I / We certify that the foregoing information is true and correct to the best of my / our knowledge and belief. If this information is willfully false, I / we understand that I am / we are subject to punishment.

\_\_\_\_\_  
Debtor 1

\_\_\_\_\_  
Date

\_\_\_\_\_  
Debtor 2

\_\_\_\_\_  
Date