

You've received a notice of bankruptcy. Use this checklist to help navigate your accounts through the initial steps.

1. Check the dates that are included in the notice of bankruptcy

The notice of bankruptcy will include several important dates:

- Date of the Section 341 meeting of creditors
- Deadline to object to a debtor's discharge under Section 727 (for Chapter 7) or dischargeability under Section 523 (for Chapters 7, 11, and 13)
- Deadline to file a proof of claim (for Chapter 13 only; deadlines to file a proof of claim in Chapters 7 and 11 will be included in subsequent notices)

2. Halt all collection activity on the account and flag it

- Escalate the account to a priority according to your business's policies and procedures
- Cancel any scheduled repossession activity or foreclosure sales
- Immediately cease all debt collection activity, including communications
- Halt all collection activity as to related parties, such as non-filing spouses or guarantors, until it's confirmed that the automatic stay or co-debtor stay does not apply
- If collateral is on hand, cancel any scheduled auctions or sales until it's confirmed that the collateral is not subject to the automatic stay or part of the debtor's bankruptcy estate
- Flag all communications and route through the debtor's bankruptcy attorney, if available (if questions about whether communications constitute "debt collection," discuss with your attorney before sending)

3. Review the account

- Evaluate whether the account is current (if not, analyze and determine the arrears)
- Determine whether the account has one or more loans (is there a lease, rather than a loan, on this account?)
- Verify the location of the collateral at the present time
- Check for any foreclosures or sales scheduled as to the collateral
- Determine if there is any pending litigation on the account
- Determine if there is any credit reporting on this account and make any appropriate adjustments

If you are in search of answers or have questions that were not addressed above, please do not hesitate to contact any of the attorneys in Bradley's Bankruptcy Compliance and Consumer Bankruptcy Litigation Practice Group.



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