

I was stuck, feeling depressed and trapped in a debtor's purgatory. With help; I found a way out.

Bankruptcy Case – Application Filed January 8, 2001

Bankruptcy Case Dismissed –Motion to Dismiss filed July 14, 2005

Settlement Agreements were made with Student Loan Creditors in which no collection costs or lawyer fees were added.

**Filing for Bankruptcy bought me:**

**• A Stay from economic pressures**

1) my creditors were prevented from garnishing my wages and  
2) my creditors were blocked from seizing my tax return refunds.  
These 'involuntary payments' were not going anywhere. My overall balance was not lessened; the funds were simply getting sucked up as collection fees and interest. It was a profitable treadmill for the creditors; and a hellish money pit for the debtor.

**• The audience of the Court,; which provided :**

- 1) an opportunity for me; the 'debtor', to demand clear figures of the claimed debt from creditors through the 'proof of claim' and
- 2) an all seeing eye; which greatly reduced the creditors ability to add collection costs and lawyer fees. They were shamed into dropping these fees. And they ultimately reached settlement agreements with me.

**• A structured repayment plan.**

Chapter 13 requires that the debtor create a plan which repays some percent of the debt owed. I proposed a 10% repayment plan and made payments to the trustee. These monies were to be dispersed evenly among my creditors upon confirmation of my chapter 13 plan. Only 10% of the debt would be paid through this means; For people without student loans, 10 cents on the dollar is all the repayment you would be responsible for. As student loans have been deemed 'non-dischargeable' in Bankruptcy; I would have to still pay the other 90% outside of Bankruptcy Court.

**• A place in legal history.**

I made a federal case out of this issue. Williams vs NYSHESC et al. is being cited as a support to creditors in that, taking every step short of the Supreme Court; Ms. Williams' student loans were 'proven' to be non-dischargeable. I feel that the value of 'Williams' will be that it serves as an example of a mechanism in circumventing the chokehold that student loan guarantee agencies have on student loan borrowers.

**• A financial and legal learning experience that I shall never forget.**

There's nothing like watching people lose everything that they own, houses, cars, and property; month after month to make one more cognizant of the ruinous consequences of poor money management.

**• The psychological victory of turning despair into learning and triumph.**

This was a 'great save'. By finding a way out of the debt trap I have gained a great appreciation of law, finance and of my own ability to determine what happens to me in life.