VAN-002

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA

CLERK, U.S. BANKRUPTCY COURT, POST OFFICE DRAWER 2807
WILSON, N.C. 27894-2807

IN RE:
D´ANJOLELL, RICHARD MICHAEL, JR.
DBA CHRISTOPHER SOUND PRODUCTIONS; DBA EXCHANGE FASHION AND MUSIC; DBA RADIO RECORDS
DBA SPINWILLY MUSIC PUBLISHING

CASE NO.: 02-03218-8-JRL

DATE FILED: April 15, 2002

CHAPTER 7

DSSN:187-62-8179 DTAXID:
JDSSN: JDTAXID:
3717 E. BEACH DRIVE, OAK ISLAND, NC 28465
,

NOTICE AND INSTRUCTIONS TO DEBTOR

The purpose of this order and notice is to give you information concerning your chapter 7 bankruptcy case.

Your voluntary petition has been received for filing with the court. If you intend to file a petition for relief under the bankruptcy law of the United States, and your debts are primarily consumer debts, the Clerk of Court is required to notify you of each chapter of the Bankruptcy Code under which you may seek relief. You may proceed under chapter 7, chapter 1 1, chapter 12, or chapter 13.

In chapter 7, a trustee takes control of the debtor's property. Property not claimed as exempt by the debtor or not abandoned by the trustee will be sold. Proceeds from the sale will be distributed to creditors.

In chapter 13, creditors are paid over a period of time through the debtor's plan from earnings rather than from the sale of assets. For the plan to be approved by the court, the debtor must pay all of his or her disposable income into the plan for a period of at least three years. The plan must also pay secured creditors the value of their collateral and unsecured creditors must receive as much as they would receive in chapter 7. Debtors are ineligible for chapter 13 relief if unsecured claims are $269,250 or more and if secured claims are $807,750 or more.

Chapter 1 1 is designed primarily for the reorganization of financially troubled businesses. It is also available to consumers and farmers. Creditors vote to approve or reject proposed plans. The chapter 1 1 process is more time consuming and expensive than chapter 7 or chapter 13.

Chapter 12 is designed for the reorganization of financially distressed family farmers. It is available to farmers with regular annual income, whose aggregate debts are less than $1,500,000, 80% of their noncontingent, liquidated claims arise from the farming operation and over 50% of the family farmer's gross income comes from farming.

If you should have any questions concerning any of these chapters or should you want to convert your case to another chapter, contact your attorney.

Chapter 7 of the Bankruptcy Code is designed to give honest individuals who find themselves in financial difficulty a "fresh start."

If an individual makes a full disclosure of that individual's financial affairs, submits to examination by the trustee and creditors, has not committed fraudulent acts prior to or in connection with the bankruptcy, has not received a chapter 7 discharge within 6 years, and is not "substantially abusing" the bankruptcy process, then that individual is entitled to the "fresh start. "

There are several elements that make up the "fresh start" in a chapter 7 case. The first is the automatic stay which goes into effect immediately upon filing the petition. The stay prohibits creditors from taking any action to collect most pre-bankruptcy debts. This means no lawsuits, no repossessions, no threatening telephone calls and no collection letters.

Another aspect of the fresh start, is the debtor's right to retain exempt property. The exemptions provided by North Carolina law are recognized in bankruptcy cases and chapter 7 debtors may keep exempt property.

Probably the most important part of the fresh start is the discharge, the effect of which is to eliminate your personal liability for most of your pre-bankruptcy debts.

A meeting of creditors in your case will be conducted within the next 20-60 days. You are required by law to attend this meeting. You will be examined under oath by the court appointed officer presiding over the meeting.

If an emergency situation arises where you find yourself unable to comply with the order requiring your appearance at the 341 meeting, contact your attorney immediately. Failure to appear at the 341 meeting could result in an order being issued to dismiss your case or deny your discharge without further notice.

You are directed to take the following action or steps to assist the court in administering your bankruptcy estate:

(1) KEEP THE COURT INFORMED OF YOUR CURRENT MAILING ADDRESS AT ALL TIMES.

(2) If your petition does not contain an itemized listing of the major household goods and personal belongings with a statement of the fair market value of each item, you should prepare such a list and forward to your attorney for delivery to the trustee at the meeting of creditors. If you do not have an attorney, forward the list to the trustee.

(3) You must file a schedule of your current income and current expenditures within 15 days of the date your petition was filed.

(4) Within 30 days after the date of the filing of your petition or by the time of the meeting of creditors, whichever is earlier, you must file a statement as to the disposition of the property securing consumer debts. You must advise the court:

(a) whether you intend to abandon the property;

(b) whether you intend to redeem the property; or

(c) whether you intend to reaffirm the debt secured by the property.

(5) As a result of the filing of your petition, all of your property is now under the exclusive jurisdiction of the United States Bankruptcy Court. The term "property" is used in its broadest meaning and includes all tangible property, intangible property and all rights to receive property such as accounts receivables and tax refunds.

The general rule is that any property that you acquire after filing your bankruptcy petition is your property, and not part of your bankruptcy estate. There is, however, an important exception.

If you acquire money or property within 180 days after filing your petition as the result of (a) an inheritance, (b) property settlement or divorce decree, or (c) as a beneficiary of a life insurance policy or death benefit plan, you must report that acquisition to the trustee within 10 days of the time that the property was acquired. That property becomes part of your bankruptcy estate.

If you inherit property 181 days after filing the petition, that property is yours and it need not be reported.

(6) All of your property should be kept at one location. Any property in the possession of another person or at a different location should be identified for the trustee.

(7) You should deliver to your attorney any tax refunds you receive after your petition is filed. A copy of your current tax return should be furnished to the trustee.

(8) Do not transfer any property or surrender possession of any property to any person, firm or corporation, other than your attorney or the trustee without a specific order of this court authorizing the same.

(9) Cooperate with the trustee and the court appointed appraiser or auctioneer.

(10) If a complaint is filed against you or if you are served with any papers regarding your case which you do not understand, contact your attorney and let him or her advise you.

(11) If the debtor is an individual, failure to keep adequate insurance coverage on any motor vehicle could result in the court entering an order that the vehicle be stored at your expense until proof of insurance is furnished to the court and the creditor involved.

(12) If no objections are filed to the claim for exemptions within 30 days after the initial meeting of creditors, they will be allowed as claimed.

(13) If no complaints are filed against you objecting to your discharge generally or if no extensions of time have been granted for the filing of such complaints, your discharge will be entered. You should receive your discharge in the mail within 30 days after the last date for filing objections to your discharge.

The discharge injunction will go into effect when the discharge order is entered. It will replace the automatic stay and will be your permanent protection from creditor harassment. The discharge injunction does not prevent creditors with collateral from repossessing that collateral if your secured loans are in default, but you are protected from any actions by a creditor to collect a discharged debt. If a creditor tries to collect a discharged debt from you, that creditor may have violated the discharge injunction and could be held in contempt. YOUR DISCHARGE ORDER IS AN IMPORTANT DOCUMENT AND SHOULD BE KEPT WITH YOUR PERMANENT RECORDS.

Not all pre-bankruptcy debts are discharged in chapter 7 cases. Obligations for alimony, child support, current taxes, governmental and nonprofit educational loans, fines and penalties, and judgments arising from death or personal injury while driving under the influence of alcohol, drug or another substance are not affected by your Chapter 7 discharge. Educational loans excepted from discharge may nevertheless be discharged if you can show that paying the debt will create an "undue hardship" on you and your dependents.

If you fail to list a creditor and that creditor had no knowledge of your bankruptcy, your obligation to that creditor will not be discharged. Debts that arose after the filing of your petition are not affected by the discharge.

Your chapter 7 discharge does not affect the liability of any co-maker, endorsor or guarantor for your debts. If a friend guaranteed a loan for you with a bank, the bank is free to collect the debt from the guarantor.

A chapter 7 discharge will not affect the validity of most liens. If you borrowed money to purchase an automobile and the automobile is collateral for repayment of the loan, the lien on the automobile will survive your bankruptcy even though your personal liability for the underlying debt is eliminated.

This means that if you do not keep the car payment up to date, when the automatic stay is lifted, the lender may repossess the automobile, sell it, and apply the proceeds to the debt. If the proceeds from the sale of the automobile are not enough to pay the debt, you will not have personal liability for the deficiency because that debt will be discharged. You need to be aware that the automatic stay, which will protect you from repossessions while it is in effect, may terminate when the discharge order is entered.

Any agreement you sign after entry of the discharge order agreeing to repay a discharged debt is void and unenforceable. Agreements that you signed prior to the entry of the order of discharge agreeing to be personally liable for a prepetition debt may be enforceable if the requirements of the Bankruptcy Code are met.

You may want to pay a debt that has been discharged and you may do so. Keep in mind, however, that any payment you make is strictly voluntary on your part -- you have no obligation to pay a discharged debt and if a creditor should put pressure on you to collect a discharged debt, that creditor may be in violation of the discharge injunction.

The bankruptcy law permits individual debtors to avoid judicial liens Judgments) and nonpossessory, nonpurchase money liens on certain types of property (including household goods but not including automobiles), to the extent that the lien impairs an exemption. If you own property which would be exempt except for a judicial lien or a nonpossessory, nonpurchase money lien, you may be able to avoid the lien to the extent of the exemption. Procedurally, a motion must be filed with the court requesting that such a lien be avoided -- if not avoided, the lien remains enforceable.

The bankruptcy law prohibits governmental units from discriminating against you because of your bankruptcy petition. A city, county, state, or federal government may not deny you a license, permit, charter, or franchise because of your bankruptcy.

You also have the protection from discrimination in employment by either a governmental unit or private employer. If you are fired, don't get promoted, or are denied a raise because of your bankruptcy, your employer may have violated the antidiscrimination provision in the Bankruptcy Code and the employer may be liable to you for damages. Similarly, if you apply for new employment, the prospective employer is prohibited from denying you employment based solely on your bankruptcy filing.

Failure to comply with any of the instructions set forth herein could result in a dismissal of your case or denial of your discharge. If you have any questions regarding the use or disposition of your property or the administration of your case, contact your attorney and let him or her advise you.

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The court knows that bankruptcy is not a happy experience, but once your discharge is entered we hope that you will receive the "fresh start" which is your right under the Bankruptcy Code.

DATED: April 16, 2002

J. Rich Leonard

J. RICH LEONARD, JUDGE
U.S. BANKRUPTCY JUDGE

BAE SYSTEMS
11400 Commerce Park Drive
Suite 600
Reston, Virginia 22091-1506

CERTIFICATE OF SERVICE

District/off: 0417-8 User: DK Page 1 of 1 Date Rcvd: Apr 16, 2002
Case: 02-03218-8-JRL Form ID: VAN-002 Total Served: 3

The following entities were served by first class mail on Apr 18, 2002.
DA ALGERNON L. BUTLER, III, P. O. BOX 38, WILMINGTON, NC 28402
D D'ANJOLELL, RICHARD MICHAEL, JR., 3717 E. BEACH DRIVE, OAK ISLAND, NC 28465
T Walter L. Hinson, P. O. Box 7479, Wilson, NC 27895-7479

The following entities were served by electronic transmission.
NONE. TOTAL: 0

***** BYPASSED RECIPIENTS *****
NONE. TOTAL: 0

I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

Date: Apr 18, 2002 **Signature:** Joseph Speetjens