

NACM Credit Learning Center  
Credit Basics

## Session 6: Bankruptcy Overview

Presented by  
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## Review Session 5: Recovery, Litigation and the Courts

- Payment Plans
- Compromises and Settlements
  - Considerations
    - Costs
    - Risk
    - Delay
- Litigation
  - General Procedure
  - Suit Overview
  - Default v. Dispute



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## Review Session 5: Recovery, Litigation and the Courts

- Discovery, Motions and Trial
  - Real Dispute
  - Counterclaim
- Judgment Enforcement
  - Garnishments
  - Executions
  - Debtor's Exam



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# FEDERAL STATUTE

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## Title 11, United States Code

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# Chapters

- Chapter 1
- Chapter 3
- Chapter 5
- Chapter 7
- Chapter 9



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# Chapters

- Chapter 11
  - Including Plan Process
- Chapters 12 & 13
  - Why?
- Chapter 15



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# The "Players" and What They Want



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# The Judge

- Speed
- Fairness



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# Secured Creditors

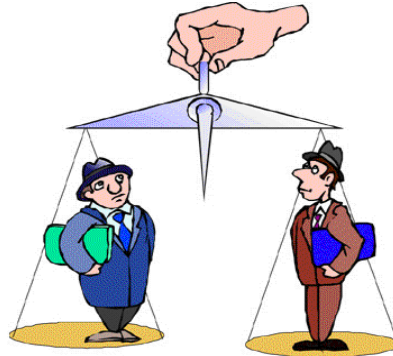
- Secured Creditors
  - Property
  - Adequate Protection



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# Unsecured Creditors

- Unsecured Creditors
  - Fairness
  - A Chance at Business (in Chapter 11)
  - Possible Recovery

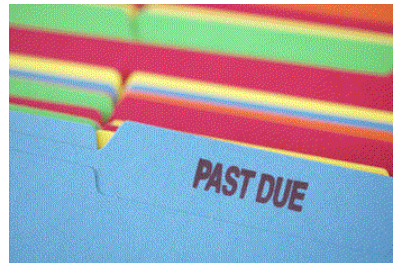


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# Debtor

- Debtor/DIP
  - Stay
  - Discharge



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# Trustee

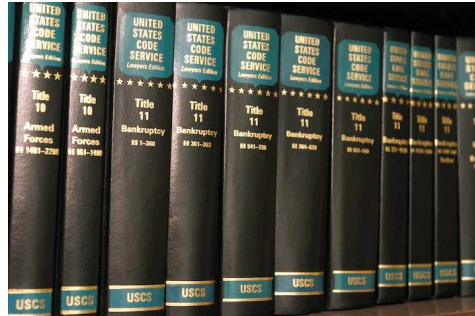
- Trustee/US Trustee
  - No Trouble
  - Assets



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# Special Unsecured Creditor Issues

- Reclamation
- 503 (b) (9)
- Preferences



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## Special Unsecured Creditor Issues

- Post Petition Credit
- Critical Vendor Protection
- Proof of Claim (when to file)



# Summary

- Federal Statute
- Chapters of Bankruptcy



## Summary

- Basic Players
  - Judge
  - Secured/Unsecured Creditors
  - Debtor
  - Trustee
- Special Issues for Unsecured Creditors





Thank you.



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## Robert S. Bernstein, Esq.

- Certified by the American Board of Certification in creditors' rights and business bankruptcy.
- Active member of the NACM and PACM.
- Member of the Association for Conflict Resolution as a trained mediator.
- Past president and treasurer of the Commercial Law League of America.
- Past chairman of the Allegheny County Bar Association in the Bankruptcy and Commercial Law Section, the Technology Utilization Committee, the Professional Ethics Committee and is a member of the Finance Committee.
- Bob was named a Pennsylvania Super Lawyer in 2004, 2005, 2006, 2007 and 2008 in the area of Bankruptcy by the *Philadelphia* magazine.
- Writes and lectures for local and national groups on matters of collection, bankruptcy, business law, and professional ethics.
- Author of *Get P.A.I.D A Guide to Getting Paid Faster* (Business Credit Publications, LLC 2007)

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## Get P.A.I.D.<sup>™</sup> A Guide to Getting Paid Faster (And What to do if You Don't!)

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- In this seminal book, he provides a solution, *The Get P.A.I.D.<sup>™</sup> System*, that can transform a business by increasing profit, enhancing the relationship with the customer and reducing overall marketing costs. Get P.A.I.D.<sup>™</sup> : A Guide to Getting Paid Faster advances a radical new philosophy, suggesting that credit policy is not just about collections. It is a business strategy to enhance customer relationships and add value to a company.
- The strategy discourages businesses from providing easy credit to their customers based upon the commonly held belief that easy credit will lead to stronger customer relationships. It usually leads to added cost and friction. The book outlines Bernstein's 4-Step Program to prompt payment and provides a "Collections Toolbox" to help businesses better manage their credit policies.



[www.getpaidsystem.com](http://www.getpaidsystem.com)

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**Bernstein Law Firm** has more board-certified Creditors' Rights specialists in Pennsylvania than any other law firm.

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