

# CELINA MUNICIPAL COURT

## TRUSTEESHIP RULES

Anyone who is a resident of Mercer County and is presently employed (but not self-employed) may apply for Trusteeship in this Court. The amount of your payments will be the same as what the garnishment would withhold from your check each pay period. Generally there is no benefit unless you have three or four creditors garnishing your wages at the same time. Participation in trusteeship will protect only your wages from attachment. Civil action may be taken against other property you own.

When the list of creditors includes obligations in the names of the applicant and spouse, the Trusteeship will be in the two names and both individuals will sign the Application form. Obligations incurred after an Application for Trusteeship is filed may not be added to a Trusteeship Account; however, if you inadvertently omit a creditor, this creditor may be added to the list at a later date.

### FILING

The following things are needed for filing:

1. \$40.00 filing fee.
2. Copy of a 15 day notice of garnishment (Notice of Court Action to Collect Debt)
3. Proof of gross earnings — pay vouchers/check stubs for the preceding month will constitute proof of earnings.
4. Application for the Appointment of Trustee (Court has form)
5. List of creditors, Statement as to Creditors (Court has form). List should include correct name, address, account number if there is one, the amount owed for each creditor and whether the debt is secured or unsecured. The Court does not accept creditors with a balance due of \$50.00 or less.

### PAYMENT

1. All payments must be made by cash, certified check or money order in the amount set by the Court. Personal checks are NOT accepted.
2. Any payment which is ten days late will cause the trusteeship to be dismissed.
3. If a debtor misses two consecutive payments and the reason for missing the payments is that the debtor has not worked and has not received wages from his employer, the debtor must, by the date that the second payment is due, submit to the trustee a written statement from the employer indicating that no wages were paid for the preceding work period. The debtor may not reopen or file for a new trusteeship within six months without satisfactorily showing that the failure to pay was not due to willful negligence.
4. If the debtor becomes unemployed a minimum payment of \$10.00 per week must be paid to the trustee.
5. No payments are to be made by you directly to the Creditors listed in the Trusteeship. Payments made by you to other Creditors will not excuse you from making full payment on your Trusteeship Account each payday.

### DISTRIBUTION OF PAYMENTS

1. A fee of 2% of the distribution will be assessed by the Court to cover costs.
2. Funds will be disbursed by the Court when we have \$800.00 or more on deposit.

Debtor shall notify the Court immediately of any change in address or employment.