

Petitions to Dismiss for Non-Payment

When a debtor falls behind in the payment of plan payments to the Trustee, the Trustee's Office will file a Petition to Dismiss for Non-Payment. Generally, a Petition to Dismiss will be filed after a case becomes past due for two months in Conduit cases and three months past due for all other cases.

The Trustee will generally permit an agreement to resolve a Petition to Dismiss upon the debtor's agreement to cure the plan payment arrearage over a period of time and the stipulation that the Trustee may dismiss without further notice or a hearing upon any future default by the debtor on plan payments. This is known in the District of South Carolina as a PIII Arrangement. The length of time permitted to cure the arrearage is determined on a case-by-case basis but may not exceed one year. Debtor's counsel should contact the Trustee's Office at rtrichardson@columbia13.com to make PIII arrangements.

The failure to timely file a response to the Trustee's Petition to Dismiss, enter a PIII Arrangement with the Trustee's Office or to make a timely payment under a PIII Arrangement may result in dismissal of the debtor's case.