

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re: Paul Durant Klossner
Cynthia Lynn Allen Klossner

**MODIFIED
CHAPTER 13 PLAN**

Dated: October 20, 2004

Case No.04-43946

DEBTOR
In a joint case,
Debtor means debtors in this plan.

1. PAYMENTS BY DEBTOR -

- a. As of the date of this plan, the debtor has paid the trustee \$3419.55.
- b. The debtor will pay the trustee \$1434.00 per month for 60 months, beginning 8/15/04 for a total of \$86040.00. (Month 1 is August 2004)
- c. The debtor will also pay the trustee _____
-
- d. The debtor will pay the trustee a total of \$86040.00 [line 1(a) + line 1(b) + line 1(c)].

2. PAYMENTS BY TRUSTEE - The trustee will make payments only to creditors for which proofs of claim have been filed, make payments monthly as available, and collect the trustee's percentage fee of 10% for a total of \$8604.00 [line 1(d) x .10] or such lesser percentage as may be fixed by the Attorney General. For purposes of this plan, month one (1) is the month following the month in which the debtor makes the debtor's first payment. Unless ordered otherwise, the trustee will not make any payments until the plan is confirmed. Payments will accumulate and be paid following confirmation.

3. PRIORITY CLAIMS - The trustee shall pay in full all claims entitled to priority under Section 507, including the following. The amounts listed are estimates only. The trustee will pay the amounts actually allowed.

Creditor	Estimated Claim	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a. Attorney Fees	\$1000.00	\$1000.00	1	1	\$1000.00
b. Internal Rev. Ser.	\$29955.25	\$266/930	19/26	39	\$29955.25
c. Minn. Dept. Rev.	\$11692.75	\$104/361	19/26	39	\$11692.75
d. _____ \$		\$			\$
TOTAL					\$42648.00

4. LONG-TERM SECURED CLAIMS NOT IN DEFAULT - The following creditors have secured claims. Payments are current and the debtor will continue to make all payments which come due after the date the petition was filed directly to the creditors. The creditors will retain their liens.

- a. _____
- b. _____

5. HOME MORTGAGES IN DEFAULT [Section 1322(b)(5)] - The trustee will cure defaults on claims secured only by a security interest in real property that is the debtor's principal residence as follows. The debtor will maintain the regular payments which come due after the date the petition was filed. The creditors will retain their liens. The amounts of default are estimates only. The trustee will pay the actual amounts of default.

Creditor	Amount of Default	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a. Aurora Loan	\$5400.00	\$318.00	2	17	\$5400.00
b. Hiway Fed CU	\$815.88	\$52.00	2	17	\$815.88
c. \$		\$			\$
d. TOTAL					\$6215.88

6. **OTHER LONG-TERM SECURED CLAIMS IN DEFAULT [Section 1322(b)(5)]** - The trustee will cure defaults (plus interest at the rate of 8 per cent per annum) on other claims as follows and the debtor will maintain the regular payments which come due after the date the petition was filed. The creditors will retain their liens. The amounts of default are estimates only. The trustee will pay the actual amounts of default.

Creditor	Amount of Default	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a.	\$	\$			\$
b.	\$	\$			\$
c. TOTAL					\$

7. **OTHER SECURED CLAIMS [Section 1325(a)(5)]** - The trustee will make payments to the following secured creditors having a value as of confirmation equal to the allowed amount of the creditor's secured claim using a discount rate of 8 percent. The creditor's allowed secured claim shall be the creditor's allowed claim or the value of the creditor's interest in the debtor's property, whichever is less. The creditors shall retain their liens. NOTE: NOTWITHSTANDING A CREDITOR'S PROOF OF CLAIM FILED BEFORE OR AFTER CONFIRMATION, THE AMOUNT LISTED IN THIS PARAGRAPH AS A CREDITOR'S SECURED CLAIM BINDS THE CREDITOR PURSUANT TO 11 U.S.C. SECTION 1327 AND CONFIRMATION OF THE PLAN WILL BE CONSIDERED A DETERMINATION OF THE CREDITOR'S ALLOWED SECURED CLAIM UNDER 11 U.S.C. SECTION 506(a).

Creditor	Claim Amount	Secured Claim	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a. Capital One Auto	\$29027.37	\$20797.00	\$921.74	2	24	\$22121.68
b.	\$	\$	\$			\$
c.	\$	\$	\$			\$
d. TOTAL						\$22121.68

8. **SEPARATE CLASS OF UNSECURED CREDITORS** - In addition to the class of unsecured creditors specified in paragraph 9, there shall be a separate class of nonpriority unsecured creditors described as follows: _____

- a. The debtor estimates that the total claims in this class are \$ _____.
- b. The trustee will pay this class \$ (100% of the allowed claim).

9. **TIMELY FILED UNSECURED CREDITORS** - The trustee will pay holders of nonpriority unsecured claims for which proofs of claim were timely filed the balance of all payments received by the trustee and not paid under paragraph 2, 3, 5, 6, 7 and 8 their pro rata share of approximately \$ 6450.44 [line 1(d) minus lines 2, 3(e), 5(d), 6(d), 7(d), and 8(b)].

- a. The debtor estimates that the total unsecured claims held by creditors listed in paragraph 7 are \$8230.37
- b. The debtor estimates that the debtor's total unsecured claims (excluding those in paragraph 7 and paragraph 8) are \$81756.90
- c. Total estimated unsecured claims are \$89987.27 [line 9(a) + line 9(b)].

10. **TARDILY-FILED UNSECURED CREDITORS** - All money paid by the debtor to the trustee under paragraph 1, but not distributed by the trustee under paragraph 2, 3, 5, 6, 7, 8, or 9 shall be paid to holders of nonpriority unsecured claims for which proofs of claim were tardily filed.

11. **OTHER PROVISIONS** Trustee may distribute funds not specifically designated to a creditor at her discretion. Upon payment of the secured portion of debts listed in #6 and #7, liens shall be released by creditors. Property tax claims shall be paid per claim, whether filed as secured or priority. The stay pursuant to 11 U.S.C. 362(a) shall not prevent deduction of current child support payments from debtor's wages. Capital One Auto Finance shall receive interest of 6% annually on its secured claim. The debtors will file as and when due, without seeking extensions of time, any and all post petition federal income taxes and will timely pay any post petition federal income taxes. Should the debtors default on the timely filing of returns, and/or payment of federal income tax, the IRS will be entitled to an ex-parte order for dismissal of this case without notice or hearing on the filing of an affidavit with the Court that attests to such default and also that the IRS had mailed by first class mail to debtors and debtors' counsel that gave notice of said default and a 30 day period to cure and that such a cure had not been performed.

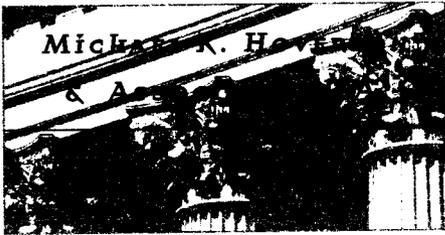
12. **SUMMARY OF PAYMENTS -**

Trustee's Fee [Line 2]	\$8604.00
Priority Claims [Line 3(e)]	\$42648.00
Home Mortgage Defaults [Line 5(d)]	\$6215.88
Long-Term Debt Defaults [Line 6(d)]	\$0
Other Secured Claims [Line 7(d)]	\$22121.68
Separate Class [Line 8(b)]	\$0
Unsecured Creditors [Line 9(c)]	\$6450.44
TOTAL [must equal Line 1(d)]	\$86040.00

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Signed _____
 DEBTOR

Signed *Cynthia Lynn Allen*
 DEBTOR (if joint case) *Klossner*



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October 20, 2004

To: All interested parties listed on attached matrix, including
Jasmine Z. Keller, Chapter 13 Trustee, and U.S. Trustee

RE: Paul Durant Klossner and Cynthia Lynn Allen Klossner
Chapter 13 Case No: 04-43946

Enclosed herein and served upon you by U.S. Mail, please find the
Debtors' **MODIFIED CHAPTER 13 PLAN**.

This is a preconfirmation modification. This matter is set for
confirmation on November 4, 2004 at 10:30 am in U.S. Bankruptcy
Court, Courtroom West 7 of the U.S. Courthouse, 300 S. 4th St,
Minneapolis, MN 55415.

Pursuant to local rule, an objection to confirmation of a plan
shall be made by motion, be served by delivery not later than 24
hours or by mail not later than three days before the hearing date,
and be filed not later than one day after service.

Sincerely,


Michael K. Hoverson
Attorney at Law

Encls.

cc: Paul and Cynthia Klossner

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