UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

2nd MODIFIED CHAPTER 13 PLAN

IN RE: Gary Beto
and
Beverly Beto

Dated:
CASE NO. 04-34127

(In a joint case, debtor means debtors in this plan)

_____/ Debtor(s)

1. **PAYMENTS BY DEBTOR --**
   a. As of the date of this plan, the debtor has paid the trustee $ 0.00 .
   b. After the date of this plan, the debtor will pay the trustee $ 663.69 monthly for 36 months, beginning within 30 days after the filing of this plan for a total of $ 23,892.84 .
   c. The debtor will also pay the trustee _____
   d. The debtor will pay the trustee a total of $ 23,892.84 [line 1(a)+line1(b)+line1(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 $ 2,389.28 [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 debtors make 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 § 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
Attorney Fees	800.00	66.67	1	12	800.00
TOTAL					$ 800.00

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.

CREDITOR
Citi Finanical Services Inc.
Litton Loan Service

5. **HOME MORTGAGES IN DEFAULT [§1322(b)(5)] --** The trustee will cure defaults (plus interest at the rate of 0.00 per cent per annum) 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
Citi Finanical Services Inc.	1,095.57	45.65	1	24	1,095.60

TOTAL $ 1,095.60

6. **OTHER LONG-TERM SECURED CLAIMS IN DEFAULT [§1322(b)(5)]** -- The trustee will cure defaults (plus interest at the rate of 0.00 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
Litton Loan Service	7,080.94	333.32	1	24	7,999.68
TOTAL					$ 7,999.68

7. **OTHER SECURED CLAIMS [§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 6.50 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 PARAGRPAH AS A CREDITOR'S SECURED CLAIM BINDS THE CREDITOR PURSUANT TO 11 U.S.C. §1327 AND CONFIRMATION OF THE PLAN WILL BE CONSIDERED A DETERMINATION OF THE CREDITOR'S ALLOWED SECURED CLAIM UNDER 11 U.S.C. § 506(a).

CREDITOR	CLAIM AMOUNT	SECURED CLAIM	MONTHLY PAYMENT	BEGINNING IN MONTH #	NUMBER OF PAYMENTS	TOTAL PAYMENTS
Community First National Bank	5,000.40	5,000.40	209.24	1	26	5,440.36
TOTAL						$ 5,440.36

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

   a. The debtors estimate that the total claims in this class are $ 0.00.
   b. The trustee will pay this class $ 0.00.

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 ¶ 2, 3, 5, 6, 7 and 8 their pro rata share of approximately $ 6,167.92 [line 1(d) minus the totals of Paragraphs 2, 3, 5, 6, 7, and line 8(b)].
   a. The debtor estimates that the total unsecured claims held by creditors listed in ¶ 7 are $ 0.00.
   b. The debtor estimates that the debtors' total unsecured claims (excluding those in ¶ 7 and 8) are $ 16,729.62.
   c. Total estimated unsecured claims are $ 16,729.62 [line 9(a) + line 9(b)].

10. **TARDILY-FILED UNSECURED CREDITORS** -- All money paid by the debtor to the trustee under ¶ 1, but not distributed by the trustee under ¶ 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** --

12. SUMMARY OF PAYMENTS --

Trustee's Fee [Paragraph 2]	$	2,389.28
Priority Claims [Paragraph 3 Total]	$	800.00
Home Mortgage Defaults [Paragraph 5 Total]	$	1,095.60
Long-Term Debt Defaults [Paragraph 6 Total]	$	7,999.68
Other Secured Claims [Paragraph 7 Total]	$	5,440.36
Separate Class [Line 8(b)]	$	0.00
Unsecured Creditors [Paragraph 9]	$	6,167.92
TOTAL [must equal Line 1(d)]	$	23,892.84

Signed /s/ Gary Beto
Debtor: Gary Beto

Signed /s/ Beverly Beto
Debtor: Beverly Beto

NAME OF LAW FIRM: Heller Law Firm
Stephen L. Heller
606 25th Avenue South #110
St. Cloud, MN 56301

Phone: 320-654-8000
License Number: 246347

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MINNESOTA
FOURTH DIVISION

IN RE: Gary and Beverly Beto,	)	Case No: 04-34127
	)	
Debtors	)	Chapter 13

NOTICE OF HEARING
ON PRE-CONFIRMATION MODIFIED PLAN

Please take notice that a hearing on the pre-confirmation modified plan dated September 22, 2004, will be presented to the court for confirmation on October 28, 2004, at 10:00 a.m. at the U.S. Courthouse, Courtroom 228 C, 316 North Robert Street, St. Paul, MN 55101.

Date this 22nd day of September, 2004.

HELLER LAW FIRM, P.A.

Stephen L. Heller - 246347
Attorney for Debtor
606 25th Avenue South, Suite 110
St. Cloud, MN 56301
320-654-8000

AFFIDAVIT OF SERVICE BY MAIL

STATE OF MINNESOTA)
) ss.
COUNTY OF STEARNS)

Lisa Jacoby, first duly sworn, states that on the 21st day of September, 2004, she served the annexed a Notice of Hearing on Pre-Confirmation Modified Plan, and Modified Chapter 13 Plan, by mailing to said creditors and trustees a true and correct copy thereof, enclosed in an envelope, postage prepaid, and depositing same in a U.S. receptacle at St. Cloud, Minnesota, addressed to said entities as follows:

Michael Farrell
Bankruptcy Trustee
P.O. Box 519
Barnesville, MN 56514

US Trustee
1015 US Courthouse
300 South 4th Street
Minneapolis, MN 55415

Arrow Financial Services
885 S Janeville Street
White Water, WA 53190

Asset Acceptance Corp
PO Box 2036
Warner, MI 48090-2036

Calvary
PO Box 1030
Hawthorne, NY 10532

Certified Recovery Systems
PO Box 815
Eau Claire, WI 54702

Citi Financial Services Inc
40 33rd Avenue South
St Cloud, MN 56301

Citi Financial Services Inc
PO Box 7490
40 33rd Avenue South
St Cloud, MN 56302

Collection Bureau of Little Falls
120 21st Street SE, Ste 2
Little Falls, MN 56345

Community First National Bank
65 East Broadway
Little Falls, MN 56345

Consulting Radiologists Ltd
1221 Nicollet Mall, Ste 600
Minneapolis, MN 55403

Credit Management Services
PO Box 130784
Roseville, MN 55113

Family Medical Center
811 SE 2nd Street, Ste A
Little Falls, MN 56345

Financial Recovery Services
PO Box 385908
Minneapolis, MN 55438-5908

Kenny Rehab Associates

Lakes Gas Co No 43
PO Box 253
Royalton, MN 56373

Litton Loan Service
4828 Loop Central Drive
Houston, TX 77081-2226

Menards
PO Box 6150
Rapids City, SD 57709-6150

Monogram Ban of Georgia
PO Box 103036
Rosewell, GA 30076

NCO Financial Systems
PO Box 41417
Philadelphia, PA 19101

Northway Oil
PO Box 127
Little Falls, MN 56345

Otremba Disposal
PO Box 168
Royalton, MN 56373

Payments Plus
3419 3rd Street North
St Cloud, MN 56301

Phoenix Management Systems
PO Box 3972
Minneapolis, MN 55403-3972

Reliance Recoveries
6160 Summit Drive, Ste 420
Minneapolis, MN 55430

Robert M Lindstrom PA
3904 Sheridan Ave South
Minneapolis, MN 55410

Sams
PO Box 3724
Knoxville, TX 37927

Sears
PO Box 182149
Columbus, OH 43218

Sheldon Law
PO Box 7215
St Cloud, MN 56301

Shopko Optical #4061
501 Hwy 10 SE
St Cloud, MN 56304

St Gabriel's Hospital
815 SE 2nd Street
Little Falls, MN 56345

Transworld Systems
5880 Commerce Blvd
Rohnert Park, CA 94928

Wilford & Geske
Attorneys at Law
7650 Currell Blvd, Ste 300
Woodbury, MN 55125

Wolpofff & Abramson
702 King Fram Blvd
Rockville, MD 20850-5775

the last known address of said creditors and trustees.

Lisa Jacoby

Lisa Jacoby

Subscribed and sworn to before me
this 22nd day of September, 2004.

Notary Public

MARYANN ROSE MURPHY
NOTARY PUBLIC-MINNESOTA
My Comm. Exp. Jan. 31, 2005

2114

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re: Gary & Beverly Beto

Debtor(s).

SIGNATURE DECLARATION

Case No. 04-34127

___ PETITION, SCHEDULES & STATEMENTS
___ CHAPTER 13 PLAN
___ SCHEDULES AND STATEMENTS ACCOMPANYING VERIFIED CONVERSION
___ AMENDMENT TO PETITION, SCHEDULES & STATEMENTS
✓ MODIFIED CHAPTER 13 PLAN
✓ OTHER (Please describe: Notice of Hearing on Pre-Confirmation Modified Plan

I [We], the undersigned debtor(s) or authorized representative of the debtor, ***make the following declarations under penalty of perjury:***

- The information I have given my attorney and provided in the electronically filed petition, statements, schedules, amendments, and/or chapter 13 plan, as indicated above, is true and correct;
- The information provided in the "Debtor Information Pages" submitted as a part of the electronic commencement of the above-referenced case is true and correct;
- [**individual debtors only**] If no Social Security Number is included in the "Debtor Information Pages" submitted as a part of the electronic commencement of the above-referenced case, it is because I do not have a Social Security Number;
- I consent to my attorney electronically filing with the United States Bankruptcy Court my petition, statements and schedules, amendments, and/or chapter 13 plan, as indicated above, together with a scanned image of this Signature Declaration and the completed "Debtor Information Pages," if applicable; and
- [**corporate and partnership debtors only**] I have been authorized to file this petition on behalf of the debtor.

Date: 9-22-04

X [signature] X [signature]

Signature of Debtor or Authorized Representative — Signature of Joint Debtor

Gary Beto — Beverly S. Beto

Printed Name of Debtor or Authorized Representative — Printed Name of Joint Debtor

Form ERS 1 (Rev. 10/03)