

## How the Library System Handles Customer Bankruptcy Filings May 2012 update

### Bankruptcy Filings

#### 1. For Accounts in Good Standing (No Overdue materials or Balance Due)

If your account(s) does/do not have any fines, fees or overdue materials as of the date of your bankruptcy filing:

1. Your library card holder status with the library does not change. We will list the date of your bankruptcy filing on your record. Once your bankruptcy proceedings have been completed, you can also report to us whether your bankruptcy has been discharged (granted) or dismissed. However, it's not necessary to tell us.
2. After the date of your bankruptcy filing, if you incur any fines or fees, the library system will bill you for any charges that are incurred. (We can do this because these charges were not pending when you filed for bankruptcy.)
3. As with other borrowers, if you incur fines or fees of \$5 or more, your borrowing privileges will be suspended at that time. Also, if you incur \$25 or more in fines or fees, your account(s) may be referred to a collection agency.

#### 2. For Accounts with Fines or Overdue Materials Less than \$5

**Important!**

**Please notify us in writing if there are any other library accounts that are related to this bankruptcy filing (such as a spouse or minor children). We will need a list of their names.**

If your account(s) has/have fines, fees or overdue materials **that total less than \$5** as of the date of your bankruptcy filing:

1. Your library card holder status with the library does not change and **your account(s) fees will be waived by the library.**
2. We will list the date of your bankruptcy filing on your record. Once your bankruptcy proceedings have been completed, you can also report to us whether your bankruptcy has been discharged (granted) or dismissed. However, it's not necessary to tell us.
3. After the date of your bankruptcy filing, if you incur any fines or fees, the library system will bill you for any charges that are incurred. (We can do this because these charges were not pending when you filed for bankruptcy.)
4. As with other borrowers, if you incur fines or fees of \$5 or more, your borrowing privileges will be suspended at that time. Also, if you incur \$25 or more in fines or fees, your account(s) may be referred to a collection agency.

## How the Library System Handles Customer Bankruptcy Filings May 2012 update

### 3. For Accounts with Fines or Overdue Materials of \$5 or More

**Important!**

**Please notify us in writing if there are any other library accounts that are related to this bankruptcy filing (such as a spouse or minor children). We will need a list of their names.**

If your account(s) has/have fines, fees or overdue materials totaling **\$5 or more** as of the date of your bankruptcy filing:

1. When you have fines or fees of \$5 or more, your account(s) will be moved to a **Bankruptcy Pending** status.
2. You may still visit the library and use library materials while in the building. However, until your bankruptcy case has been decided by the court, your borrowing privileges are suspended. (If you wish to reinstate your borrowing privileges during this period, you may pay an amount on each account that will reduce the balance due to less than \$5 per account. The library system waives any remaining charges that are less than \$5 per account and this will move your account out of Bankruptcy Pending status.)
3. **When your case has been either discharged (granted) or dismissed (denied) by the court, be sure to report this to us so that we can move your account(s) out of Bankruptcy Pending status.** (See below for more information on how we handle court bankruptcy decisions.)
4. The library will file paperwork with the court listing the amounts you owe the library.
5. If we have already referred you to a collection agency, we will notify the collection agency (Unique Management) of your bankruptcy filing. They will stop making any contacts with you until your bankruptcy filing has been decided by the court.

### When the Court Makes Its Decision (Dismissals or Discharges)

**Important!**

**Please notify us in writing if there are any other library accounts that are related to this bankruptcy decision (such as a spouse or minor children). We will need a list of their names.**

You are responsible for reporting the court's decision to the library system. Here is how we will handle your account(s):

## **How the Library System Handles Customer Bankruptcy Filings** *May 2012 update*

### **1. For Bankruptcy Dismissals (Denied) for Accounts with Balances Due**

If your bankruptcy filing is not discharged (denied) by the court:

1. Your account(s) will be moved out of Bankruptcy Pending status.
2. The library system will resume its collection proceedings against you.
3. You may reinstate your account(s) to good standing by returning any overdue materials, and making payment arrangements with the library for any balance due.

### **2. For Bankruptcy Discharges (Granted) for Accounts with Balances Due**

If your bankruptcy is discharged (granted) by the court:

1. Your account(s) will be moved out of Bankruptcy Pending status.
2. Any charges on your account(s) as of the date of your bankruptcy filing will be waived.
3. If you have not incurred any charges greater than \$5 since the filing date of your bankruptcy, your account(s) will be placed in good standing. You may use the library and borrow materials again. You will now be sent regular pick-up notices, due date reminders, and overdue notices from the library.
4. If you have incurred any charges greater than \$5 since the filing date of your bankruptcy, your account(s) is still suspended and we will resume collection procedures for any balance due. If these charges total \$25 or more, you will be referred to a collection agency since these charges were not pending when you filed for bankruptcy.

These policies and procedures may be changed without notice at any time by the Cumberland County Library System Board.