

MEMO

TO: Advisory Committee on Bankruptcy Rules

FROM: Raymond P. Bell, Jr., Vice President, Creditors Interchange Receivables Management, LLC.

SUBJECT: Testimony: Bankruptcy Rule 3001

I thank the Committee for this opportunity to testify on the proposed changes to the Bankruptcy Rule 3001. It is a pleasure to return from past testimonies and/or written responses to past Rules for comment.

I will list my observations and comments as follows:

- The validation of an unsecured debtor already exists regarding a proof of claim filed in a bankruptcy case.
- Recent and past court decisions suggest the current system works.
- The requirement to attach a statement last sent to a debtor proceeding the bankruptcy filing will not reduce the number of objections, but possibly increase them due to the cycle billing of credit card banks. An additional attachment will increase the number of documents filed supporting the claim.
- The rule may have been introduced as a result of the number of objection cases but this data may not support the existing proposal. Key examples of inconsistent data were experienced by the Burdick Commission in the 70's, National Bankruptcy Review Commission in the 90's and Congress since 1978.
- I believe it may be prejudice to single out credit card (revolving credit) that according to the FDIC report as of 9/30/09 suggests that credit card loans by loan composition represents 5% of loan compositions.
- If standards are going to be applied then they should be applicable to all debts listed in the bankruptcy schedules as well as the penalty to be applied to the accuracy of the bankruptcy schedules.

It is likely there is nothing original in what I have commented upon in this short period, because bankruptcy is an ancient subject and I am an ancient professional who has studied and managed bankruptcy cases for over 40 years.

I look forward to responding to any questions you may have today or at a later time.

Raymond P. Bell, Jr.

Raymond P. Bell, Jr. is a Vice President of Creditors Interchange Receivables Management, LLC and is in charge of their Bankruptcy and Probate Collection Division. Mr. Bell managed collection, bankruptcy and probate departments for three national credit card banks and was a former manager in two law firms servicing consumer bankruptcies for creditors nationally encompassing over 35 years. Mr. Bell served on the Governor's Task Force for Working Families in PA.(2005) and Get Help Program(2009). He testified at the National Bankruptcy Review Commission. Mr. Bell has written and been cited widely on consumer bankruptcy including the Widener Law Journal, Volume XV, Issue 3 2006, American Bankruptcy Institute Journal, Consumer Bankruptcy News, NACTT Quarterly, NABTALK - Volume 21, Number 1, 2005, Collection Technology News - January 2005, Market Watch and Comcast Channel 66.

Mr. Bell is a Board member of the Coalition for Consumer Bankruptcy Debtor Education and Institute for Financial Literacy. He is a member of the American Bar Association (Associate Member), American Bankruptcy Institute, National Association of Chapter 13 Trustees, National Association of Bankruptcy Trustees, and National Conference of Bankruptcy Clerks. Mr. Bell has been cited in: Business Week, The Washington Post, Consumer Bankruptcy News, MyFairCredit.com, Credit and Collections World, Forbes Magazine, Credit Risk Management Report, Credit Card Management, West's Bankruptcy Newsletter, Lawdragon.com, Mortgage Banking, The Legal Intelligencer, Advocate – Oklahoma Trial Lawyers Association, Bank Installment Lending Newsletter, The Times Leader, The Credit Union Manager Newsletter, and Credit Card Bankruptcies.

Mr. Bell is also a regular speaker and commentator at seminars and conferences nationally on the subject of consumer bankruptcy and collection.