

FILED

OCT 13 2005

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

U.S. BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re: .)	Chapter 13
RICHARD I. SMITH,)	No. 4-05-bk-02224-JMM
)	MEMORANDUM DECISION
_____ Debtor.)	(Opinion to Post)

Before this court is an objection to the Debtor's eligibility to file for chapter 13 relief. 11 U.S.C. § 109(e). The parties have briefed and argued the issues, and the court has reviewed the entire administrative file and the applicable law.

FACTS

1. Bankruptcy Case

The Debtor filed a chapter 13 petition on April 25, 2005. In his schedules, he listed, in Schedule F, ten unsecured creditors holding debts of \$90,700. Among those listed is the moving creditor herein, Bill Britt, assignee of Sovereign Equity Management Partners. Mr. Britt is listed in the schedules as holding a debt, in an "unknown amount, which was noted to be contingent, unliquidated, and disputed.

2. Pre-filing Dispute

The moving papers describe a pre-petition lawsuit, in which the Debtor was an officer, director, or shareholder of an entity known as United Forex Exchange, Inc. ("UFX"), and was alleged to have been an alter ego thereof. Sovereign alleged that it invested \$1,575,000 with UFX. Several

1 \$116,534. When added to the scheduled amount, the Debtor's obligations are \$217,234, \$73,000 less
2 than the prohibited threshold.

3 The Debtor has therefore not exceeded the statutory threshold of \$290,525, and is eligible
4 for chapter 13 relief.

5
6 **RULING**

7
8 A separate order will be entered which DENIES creditor Britt's motion to dismiss.

9
10 DATED: October 13, 2005.

11
12 
13 _____
14 JAMES M. MARLAR
15 UNITED STATES BANKRUPTCY JUDGE
16
17
18
19
20
21
22
23
24
25
26

1 COPIES served as indicated below this 13
day of October, 2005, upon:

2 Thomas A. Denker
3 2321 E. Speedway Blvd
4 Tucson, AZ 85719-4730
5 Attorney for Debtor
6 E-mail Tad@TADenker.com

7 Steven M. Cox
8 Waterfall Economidis Caldwell Hanshaw & Villamana, P.C.
9 5210 E. Williams Cir., #800
10 Tucson, AZ 85711
11 Attorneys for Sovereign Equity Management
12 Email smcox@wechv.com

13 Dianne C. Kerns
14 7320 N. La Cholla #154
15 PMB 413
16 Tucson, AZ 85741-2305
17 Email andrea.hopkins@dcktrustee.com
18 Chapter 13 Trustee

19 Office of the United States Trustee
20 230 North First Avenue, Suite 204
21 Phoenix, AZ 85003-1706
22 U.S. Mail

23
24
25
26
By MB Thompson
Judicial Assistant