

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF IOWA  
FT. DODGE DIVISION

IN RE:	)	
	)	
Tinna Rae Watson,	)	Case No. 11-02709 F
	)	Chapter 7
Debtor.	)	
_____	)	
	)	
Tinna Rae Watson,	)	
	)	Adversary No. 12-9050
Plaintiff,	)	
	)	
Vs.	)	
	)	
U.S. Department of Education,	)	
Iowa Student Loan Liquidity Corporation,	)	
Sallie Mae Financial,	)	
	)	
Defendants.	)	
	)	
Educational Credit Management	)	
Corporation,	)	
	)	
Intervenor.	)	

**JOINT MOTION AND STIPULATION OF DISMISSAL WITHOUT PREJUDICE**

Plaintiff, Tina Rae Watson (hereinafter Plaintiff), by and through her attorney and the remaining Defendants, United States of America on behalf of its agency, the United States Department of Education (DOE) and Iowa Student Loan Liquidity Corporation; and Intervenor Educational Credit Management Corporation, respectfully file their dismissal without prejudice and hereby state:

1. On June 7, 2012, Plaintiff commenced this action by filing an adversary proceeding requesting that student loans serviced and guaranteed by the Defendants be discharged pursuant to 11 U.S.C. § 523(A)(8)(A).

2. On June 20, 2012, Defendant Sallie Mae Financial was granted its motion to be dismissed as a Defendant. Said Order further approved a Stipulation between Sallie Mae and the Plaintiff to include the education loan owed to Sallie Mae in the general discharge.

3. On June 27, 2012, Educational Credit Management Corporation (ECMC) filed an Answer to the Complaint contending Plaintiff had failed to exercise her administrative remedies.

4. On June 30, 2012, the DOE filed an Answer to the Complaint contending that the debt should not be discharged because the debtor could not meet the totality of circumstances tests for undue hardship.

5. On July 3, 2012, Defendant Iowa Student Loan Liquidity Corporation (ISLLC) filed an Answer to the Complaint denying Plaintiff's allegations for lack of information and requesting that the Complaint be dismissed.

6. The scheduling order was entered on September 28, 2012. Plaintiff's Motion to Stay Discovery was granted November 6, 2012, pending Plaintiff's completion of a Consolidation Loan Application.

7. Plaintiff, Defendant DOE, and Intervenor hereby Stipulate to the following:

- A. This matter shall be dismissed without prejudice.
- B. Plaintiff was granted a Loan Consolidation on January 21, 2013, with an income based repayment plan. Said plan requires initial monthly payments of zero dollars subject to annual review in January of each year commencing January, 2014.
- C. The loan serviced by ISLLC was not part of the Consolidation request. Said loan was, however, resolved pursuant to a settlement agreement filed in an Iowa District Court action, *Iowa Student Loan*


*Liquidity Corp. v. Tinna and Wendell Watson*, Wright County No. LACV02385. Pursuant to the settlement agreement, signed March 31, 2011, Plaintiff confessed judgment to \$7,500 and agreed to make monthly payments of \$50 per month.

- D. The parties agree that the Loan Consolidation Repayment Plan and the settlement agreement with ISLLC will control repayment of the outstanding debt.

WHEREFORE, for all the reasons set forth above, the parties respectfully request that the Court enter an Order consistent with their Joint Motion and Stipulation of Dismissal as set forth herein, and for such additional relief as the Court may deem appropriate.

Respectfully submitted,  
Tinna Rae Watson, Debtor

By:



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From Article at [GetOutOfDebt.org](http://GetOutOfDebt.org)