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8 **UNITED STATES BANKRUPTCY COURT**  
9 **FOR THE DISTRICT OF ARIZONA**

10 In re:

11 CATHERINE AGNES BIGLER,  
12 Debtor.

Case No. 2:09-bk-14282-EPB

Chapter 13

13 CATHERINE AGNES BIGLER,  
14 Plaintiff,

Adversary No. 2:12-ap-1564- EPB

15 v.

16 U.S. DEPARTMENT OF EDUCATION;  
17 SALLIE MAE, INC., on behalf of UNITED  
STUDENT AID FUNDS, INC.,

18 Defendants.

19  
20 **STIPULATION TO DISMISS ADVERSARY PROCEEDING**

21 Plaintiff Catherine Agnes Bigler ("Plaintiff") and Defendant Educational Credit  
22 Management Corporation ("Educational Credit")<sup>1</sup> stipulate and agree and therefore jointly  
23

24  
25 <sup>1</sup> The above-named defendant, Sallie Mae, Inc. on behalf of United Student Aid Funds, Inc. ("USA Funds"), is the  
26 servicer of some of the student loan debt that is the subject of this adversary proceeding. Because federal  
regulations prohibit lenders and servicers from holding interests in student loans that are subject to an adversary  
proceeding, the lender filed a claim under the loan's guaranty with USA Funds, the guarantor of the loan. By  
agreement, USA Funds assigned to Educational Credit for defense its loans that are the subject to this adversary  
proceeding.

1 move the Court to dismiss the above-captioned adversary proceeding. The grounds for  
2 dismissal are that:

3 1. Plaintiff has submitted an application for a Total and Permanent  
4 Disability (“TPD”) discharge of Plaintiff’s student loan that is the subject of the above-  
5 captioned adversary proceeding (the “Loan”);

6 2. Educational Credit has approved the Loan for a conditional TPD  
7 discharge under Federal Regulations;

8 3. These Federal Regulations require Educational Credit to assign the  
9 Loans to the United States Department of Education for final approval;

10 4. Based on this discharge, no trial in this adversary proceeding is required;  
11 and

12 5. Both the Plaintiff and Educational Credit have agreed to the dismissal of  
13 this adversary proceeding on the following terms:

14 a. The adversary proceeding will be dismissed without prejudice to  
15 allow the United States Department of Education, which is required to hold all right, title, and  
16 interest in the Loan by virtue of assignment by Educational Credit, to finish processing the  
17 request for TPD discharge; and

18 b. If the request for TPD discharge is denied by the United States  
19 Department of Education, and the Plaintiff is not granted a discharge of the student loan debt  
20 because of a permanent and total disability, then the Plaintiff may reinstate this proceeding, the  
21 Order on this Stipulation shall be vacated, the United States Department of Education will be  
22 substituted for Educational Credit, and this matter will be reset for a pretrial conference. In  
23 addition, as agreed to by the parties, the Plaintiff shall not be required to file or re-file another  
24 complaint, and the matter will continue forward on the existing record and pleadings, subject to  
25 the Plaintiff completing any outstanding discovery requests.  
26

1 For the foregoing reasons, the parties respectfully request the Court to dismiss  
2 the above-captioned adversary proceeding on the terms stated above.

3 Respectfully submitted this 3<sup>rd</sup> day of May 2013.

4 LAW OFFICE OF DOUGLAS B. PRICE, P.C. GUST ROSENFELD P.L.C.

5  
6 By Douglas B. Price  
7 Douglas B. Price  
8 Attorney for Plaintiff *SBA A7720*

By Madeleine C. Wanslee  
Madeleine C. Wanslee  
Attorneys for Defendant Educational  
Credit Management Corporation

9 Original of the foregoing electronically  
10 filed this 3<sup>rd</sup> day of May 2013 with:

11 CLERK, UNITED STATES BANKRUPTCY COURT  
12 DISTRICT OF ARIZONA  
13 230 N. First Avenue, Suite 101  
14 Phoenix, Arizona 85003-1706  
15 <https://ecf.azb.uscourts.gov>

16 Copy of the foregoing mailed  
17 this 3<sup>rd</sup> day of May 2013 to:

18 Douglas B. Price  
19 LAW OFFICES OF DOUGLAS B. PRICE, P.C.  
20 2151 E. Broadway Road, Suite 116  
21 Tempe, Arizona 85282  
22 Attorneys for Plaintiff

23  
24  
25  
26  
By Sandra D. Lonon  
/s/ Sandra D. Lonon