# UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

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In the Matter of: Procedural and Administrative Matters

Administrative Order No. 22-05<sup>1</sup> Northern Division Only

#### AMENDED AND RESTATED ADMINISTRATIVE ORDER REGARDING PLEADINGS PERMITTED TO BE FILED WITH NEGATIVE NOTICE

**A. Applicability.** For pleadings permitted to be filed with negative notice ("Notice") in the Northern Division of the Northern District of Alabama, the pleading must include a Notice provision which substantially complies with the requirements set forth herein.

#### B. Notice, Service, and Hearing.

- i. The Movant must serve the pleading and Notice upon the following:
  - the Debtor;
  - the Claimant;
  - the Trustee; and
  - any other entity required to be served pursuant to the Federal Rules of Bankruptcy Procedure and as the Court may direct.
- ii. The Notice must advise the parties of the date by which a response is due (the "Response Deadline") and that failure to timely file a response may result in the Court entering an order approving the relief requested without further notice or hearing.
- iii. For Motions to Lift the Automatic Stay, the Notice must include a waiver, stating substantially as follows:

NEGATIVE NOTICE WAIVER: The movant hereby waives any and all applicable 11 U.S.C. § 362(e) deadlines and agrees that the automatic stay shall continue in effect pending the conclusion of any hearing on, and final determination of, this Motion.

iv. If a response is filed by the Response Deadline, the Court will schedule the matter for hearing within thirty (30) days following the response date.

<sup>1</sup> Administrative Order No. 17-01, Amended Administrative Order Restating Pleadings Permitted to be filed with Negative Notice, is revoked.

v. If a response is not timely filed by the Response Deadline, the Court will consider the pleading unopposed and may enter an order approving the requested relief without further notice or hearing. The Court may, however, schedule a hearing even if no response is filed.

#### C. Pleadings Permitted to be Filed with Negative Notice.

i. **ALL** Chapter 7 Motions to Lift the Automatic Stay.

ii. Chapter 13 Motions to Lift the Automatic Stay or Co-Debtor Stay when the confirmed Plan provides for either surrender of the subject collateral or to reject a lease.

iii. Objections to Claims [*unless the creditor is a government entity*] based on the following grounds:

- Interest Rate;
- Surrender of Collateral;
- Automatic Stay having lifted;
- Repossession of collateral;
- Statute of Limitations;
- Claim paid direct by a third party or by the Debtor(s) as provided in the Plan;
- Claim filed in the wrong case;
- Transferred claim in a severed case;
- Claim is a duplicate of another claim;
- Claim was untimely filed, and the claimant is a creditor whose name and address were accurately shown on the Debtor's timely filed schedules and matrix;
- Claim is not entitled to secured status;
- Claim is for an unsecured debt that was incurred prior to the filing of a prior bankruptcy case in which the Debtor received a discharge; or
- Claim is not entitled to priority status.
- iv. Motions to Modify Chapter 13 Plan to Reduce Payments or Surrender Collateral.
- v. Chapter 13 Trustee Motions to Modify Chapter 13 Plan for the following purposes:
  - to modify or remove fixed payments to a creditor(s);
  - to cure a default in Plan payments;
  - to increase the Base amount to be paid through the Plan:

(a) to include additional proceeds and assets;

- (b) to pay unscheduled claims;
- (c) to pay postpetition mortgage arrearage;
- (d) to pay specific dividends to unsecured creditors pursuant to the confirmed Plan;
- to increase Plan payments; or
- to reduce Plan term.

vi. Motions to Avoid Lien under 11 U.S.C. § 522(f) [unless the creditor is a government entity].

vii. Motions to Avoid Lien coupled with an Objection to Claim [unless the creditor is a government entity].

viii. Motions to Suspend Chapter 13 Plan Payments, provided that:

- The Motion may not request more than a three-month suspension of Plan payments with negative notice;
- The Motion must specifically plead cause or reason for the suspension with supporting facts sufficient to allow the Trustee and creditors to evaluate the merits of the Motion;
- The Motion must propose a three-month payment monitoring period upon resumption of Plan payments;
- The Debtor's counsel must contact the Trustee upon expiration of the negative notice period for an updated Plan payment amount; and
- The Order Approving the Motion must be submitted to the Court within seven (7) calendar days of expiration of the negative notice period by Counsel for the Debtor(s) or the Motion will be denied.
- ix. Applications to Amend Schedules to add creditors.

IT IS SO ORDERED this the  $5^{\pm 1}$  day of October 2022.

CLIFTON/R. JESSUP, JR. United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA WESTERN DIVISION

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In Re:

(Third) Western Division Administrative Order Regarding (I) Attorney's Fees Under § 4.3 of the Local Form Plan, and (II) the Sequence of Payments Under Part 7 of the Local Form Plan

Administrative Order No. 22-04 (Western Division Only)

#### (THIRD) WESTERN DIVISION ADMINISTRATIVE ORDER REGARDING (I) ATTORNEY'S FEES UNDER § 4.3 OF THE LOCAL FORM PLAN AND (II) THE SEQUENCE OF PAYMENTS UNDER PART 7 OF THE LOCAL FORM PLAN

(A) <u>Applicability</u>. This administrative order ("<u>AO 22-04</u>") applies in all chapter 13 bankruptcy cases (each, a "<u>Chapter 13 Case</u>") filed in the Western Division (the "<u>Western Division</u>") of the United States Bankruptcy Court for the Northern District of Alabama (the "<u>District</u>") on or after October 1, 2022 (the "<u>Effective Date</u>"). Additionally, from and after the Effective Date, AO 22-04 shall apply in any Western Division Chapter 13 Case in which the Debtor(s) file a chapter 13 plan or amended chapter 13 plan (each, a "<u>Plan</u>") prior to confirmation. In the event a Chapter 13 Case is transferred from the Western Division to another division within the District (or to another district) prior to confirmation, AO 22-04 shall cease to apply in the Chapter 13 Case.

**(B)** <u>Authority</u>. AO 22-04 is authorized by Rule 9029 of the Federal Rules of Bankruptcy Procedure (the "<u>Bankruptcy Rules</u>") and Local Rules 1001-1 and 3015-1. (*See also* Local Form Plan<sup>1</sup> § 4.3 and pt. 7.)

(C) <u>Prior Administrative Orders Superseded and Replaced</u>. If AO 22-04 is made applicable in a Western Division Chapter 13 Case by part A hereof, then AO 22-04 supersedes and replaces any other administrative order regarding § 4.3 or part 7 of the Local Form Plan (including, without limitation, Western Division Administrative Order 20-03).

# (D) Payment of Compensation Under § 4.3 of the Local Form Plan.

(1) Attorney Compensation in Chapter 13 Cases. Whether allowed by the order confirming the Debtor(s)' Plan or by separate order, the term "<u>Compensation</u>" (as used herein) refers to compensation awarded the Debtor(s)' bankruptcy counsel in a Chapter 13 Case

<sup>&</sup>lt;sup>1</sup> As used herein, the term "<u>Local Form Plan</u>" refers to the local form chapter 13 plan adopted by the District in accordance with Bankruptcy Rule 3015.1. (*See* Local Rule 3015-1.) Citations to the Local Form Plan are provided for illustrative purposes and refer to the version of the Local Form Plan in effect as of the date hereof.

("<u>Bankruptcy Counsel</u>")<sup>2</sup> that is to be paid from disbursements by the Trustee<sup>3</sup> under § 4.3 of the Debtor(s)' confirmed Plan (if any).<sup>4</sup>

(2) Requirements for Completing § 4.3 of the Local Form Plan. If AO 22-04 applies, the Plan *may not* select the option to pay Compensation "in accordance with any applicable administrative order regarding fees entered in the division where the case is pending." Instead, the Plan *must* specify the Compensation that is to be paid at confirmation to Bankruptcy Counsel (the "Fee at Confirmation"), if any, and, if the Fee at Confirmation will not pay the Compensation allowed Bankruptcy Counsel in full, the Plan *must* provide for Monthly Fixed Payments<sup>5</sup> to be made to Bankruptcy Counsel on the unpaid balance of the Compensation (collectively with the Fee at Confirmation, the "<u>Plan Compensation Payments</u>"). A Plan may provide for the Monthly Fixed Payments to Bankruptcy Counsel to vary over the term of the Plan, provided the Plan specifies the date that the amount of the Monthly Fixed Payments to Bankruptcy Counsel will adjust. Unless the Plan provides otherwise, Monthly Fixed Payments under § 4.3 of a Plan shall commence upon confirmation of the Plan.

"AO 22-04 Available Funds" Fee at Confirmation. The Plan may (3)provide that the Fee at Confirmation shall be the "AO 22-04 Available Funds." If the Plan so provides, and so long as the operative regular Plan payment amount remains sufficient to fully fund the Plan (the "Feasibility Requirement"),<sup>6</sup> then, the Fee at Confirmation shall equal the total amount of the Regular Funds (as said term is hereinafter defined) that have been received and posted by the Trustee in the Chapter 13 Case and that remain on hand (the "Regular Funds on Hand") as of the last business day of the month during which the confirmation hearing was concluded (the "AO 22-04 Available Funds Determination Date"), less \$15.007 and less the total amount needed to fund the following payments under the Plan: (a) any Trustee percentage fee(s) then due or that will be due as of the Trustee's next distribution date (the "Initial Post-Confirmation Distribution Date"); (b) any Filing Fee (as said term is hereinafter defined) installment payments then due or that will be due as of the Initial Post-Confirmation Distribution Date; (c) any Monthly Fixed Payment(s) then due or that will be due (including any Monthly Fixed Payment to Bankruptcy Counsel) as of the Initial Post-Confirmation Distribution Date; (d) any adequate protection payment(s) then due or that will be due as of the Initial Post-Confirmation Distribution Date; and (e) the amount necessary to bring Continuing Installment Payments<sup>8</sup> for which the

 $<sup>^{2}</sup>$  AO 22-04 does not apply to compensation awarded to special counsel retained by a Debtor in connection with a Chapter 13 Case.

<sup>&</sup>lt;sup>3</sup> As used herein, the term "<u>Trustee</u>" refers to the chapter 13 trustee serving in a Chapter 13 Case.

<sup>&</sup>lt;sup>4</sup> If, post-Confirmation, the Debtor(s)' bankruptcy counsel is allowed compensation not provided for by § 4.3 of the Debtor(s)' Plan ("Additional Compensation"), the order allowing the Additional Compensation may increase the Compensation being paid under § 4.3 of the Plan by the amount of the Additional Compensation. (*See generally* Local Rule 2016-1(l)-(n).)

<sup>&</sup>lt;sup>5</sup> As used herein, the term "<u>Monthly Fixed Payments</u>" refers to equal, monthly payments granted to a creditor under the Debtor(s) Plan to pay the creditor's allowed claim on the terms of the Plan. Continuing Installment Payments (as said term is hereinafter defined) are not considered Monthly Fixed Payments.

<sup>&</sup>lt;sup>6</sup> If the Feasibility Requirement is not met, the Trustee shall reduce the allowed amount of the Fee at Confirmation by the amount necessary to satisfy the Feasibility Requirement.

<sup>&</sup>lt;sup>7</sup> The Trustee typically maintains a balance of \$15.00 in each Chapter 13 Case pending Plan completion (or dismissal or conversion of the Chapter 13 Case).

<sup>&</sup>lt;sup>8</sup> As used herein, the term "<u>Continuing Installment Payments</u>" refers to regular, periodic payments owed by the Debtor(s) that first become due postpetition that are to be paid by the Debtor(s) to a creditor while the Debtor(s)'

Trustee is the disbursing agent under the Plan substantially current as of the Initial Post-Confirmation Distribution Date. Unless the Plan states otherwise in part 9 thereof, and absent a timely objection to confirmation by an affected creditor or contract counter-party, Continuing Installment Payments for which the Trustee is the disbursing agent shall be *deemed* substantially current as of the AO 22-04 Available Funds Determination Date (for purposes hereof and for purposes of any proceeding on a post-confirmation motion for relief from stay filed by an affected creditor or contract counter-party), so long as (a) the Continuing Installment Payments for which the Trustee is the disbursing agent will be no more than two (2) months (the "Gap Period") in arrears following the Trustee's distribution(s) of Regular Funds on Hand on the Initial Post-Confirmation Distribution Date and (b) the Feasibility Requirement is satisfied. The Plan, in part 9, may specify a longer or shorter Gap Period if the Plan provides that the Fee at Confirmation shall be the AO 22-04 Available Funds, but the Trustee may shorten the Gap Period if necessary to meet the Feasibility Requirement. If the Plan provides that the Fee at Confirmation shall be the AO 22-04 Available Funds, the Trustee, in his or her sole discretion, shall determine the allowed amount of the Fee at Confirmation to be paid to Bankruptcy Counsel, in accordance with the requirements hereof (and based on the Regular Funds on Hand as of the AO 22-04 Available Funds Determination Date), and the Trustee shall update the Trustee's automated payment system to include the allowed amount of the Fee at Confirmation prior to the Initial Post-Confirmation Distribution Date.

"Sum Certain" Fee at Confirmation. If the plan specifies a sum certain (4) Fee at Confirmation, the Plan shall not be confirmable unless, as of the close of business of the business day immediately preceding the confirmation hearing (the "Sum Certain Fee Determination Date"), the Feasibility Requirement is met and there are sufficient Regular Funds on Hand to fund the following payments under the Plan (plus \$15.00): (a) any Trustee percentage fee(s) then due or that will be due as of the Initial Post-Confirmation Distribution Date; (b) any Filing Fee installment payments then or that will be due as of the Initial Post-Confirmation Distribution Date; (c) any Monthly Fixed Payment(s) then due or that will be due (including any Monthly Fixed Payment to Bankruptcy Counsel) as of the Initial Post-Confirmation Distribution Date; (d) any adequate protection payment(s) then due or that will be due as of the Initial Post-Confirmation Distribution Date; (e) any Continuing Installment Payment(s) (for which the Trustee is the disbursing agent) then due or that will be due as of the Initial Post-Confirmation Distribution Date: and (f) the Fee at Confirmation. If the amount of the Fee at Confirmation is the only impediment to confirmation of the Plan, the Trustee shall reduce the Fee at Confirmation by the amount necessary to allow confirmation to proceed, and the confirmation order shall specify the modification to the allowed amount of the Fee at Confirmation. Bankruptcy Counsel shall be deemed to consent to any such reduction, and neither the Trustee nor the court need provide notice to Bankruptcy Counsel of any such reduction prior to entry of the confirmation order.

(5) Unnecessary Delays. Multiple continuances of the confirmation hearing may result in reductions to the Fee at Confirmation and/or the allowed amount of Compensation. Without limitation, if the court determines that, due to a lack of reasonable diligence by Bankruptcy Counsel, confirmation has been unnecessarily delayed, the court may reduce or disallow a requested Fee at Confirmation, without notice or opportunity for hearing. Bankruptcy

Chapter 13 Case is pending, either by disbursements made by the Trustee to the creditor under the Debtor(s)' Plan or by payments made directly to the creditor by the Debtor(s).

Counsel shall not delay confirmation for purposes of maximizing the allowed amount of the Fee at Confirmation.

#### (E) <u>Sequence of Payments Under Part 7 of the Local Form Plan</u>.

(1) **Default Payment Sequence for Regular Funds.** Unless otherwise ordered, the Trustee shall make monthly disbursements of the funds received by the Trustee under § 2.1, § 2.2, or § 2.3 of a Plan (collectively, the "<u>Regular Funds</u>") in accordance with the following sequence of payments (the "<u>Default Payment Sequence</u>"):

(a) First, the Trustee shall collect the percentage fee(s) *then due* the Trustee from the Regular Funds, until paid in full. (*See, e.g.*, Local Form Plan § 4.1.)

(b) Second, if the Plan proposes to pay the Chapter 13 Case filing fee (the "<u>Filing Fee</u>") through the Plan, the Trustee shall disburse the Filing Fee installment payments *then due* to the clerk of court, until paid in full. (*See, e.g.,* Local Form Plan § 4.2; *see also* Local Rule 1006-1.)

(c) Third, the Trustee shall disburse the Plan Compensation Payments payable to Bankruptcy Counsel (if any), until the amounts *then due* are paid in full. (*See, e.g.,* Local Form Plan § 4.3.)

(d) Fourth, the Trustee shall disburse adequate protection payments provided for by the Plan<sup>9</sup> (if any), other Monthly Fixed Payments provided for by the Plan (if any), and Current Installment Payments for which the Trustee is the disbursing agent under the Plan (if any), until the payments *then due* are paid in full. (*See, e.g.*, Local Form Plan § 2.5, § 3.1, § 3.2, § 3.3, § 3.4, § 4.4, § 4.5, § 5.4, § 6.1, and pt. 9.)

(e) Fifth, the Trustee shall disburse the amounts to be paid to holders of allowed priority claims for domestic support for which no Monthly Fixed Payment is granted (if any), until paid in full.<sup>10</sup> (*See, e.g.*, Local Form Plan § 4.5.)

(f) Sixth, the Trustee shall disburse the amounts to be paid to holders of other allowed priority unsecured claims for which no Monthly Fixed Payment is granted (if any), until paid in full. (*See, e.g.*, Local Form Plan § 4.4.)

(g) Seventh, the Trustee shall disburse the amounts to be paid to holders of allowed nonpriority unsecured claims separately classified by the Plan but for which no Monthly Fixed Payment is granted (if any), until paid in full. (*See, e.g.*, Local Form Plan § 5.5.)

<sup>&</sup>lt;sup>9</sup> If the court enters an order providing for pre-Confirmation adequate protection payments to a creditor and, after entry of the order, the Debtor(s) file an amended Plan that proposes to alter the amount of the court-ordered adequate protection payments, the Trustee shall continue to pay the court ordered amount unless and until such amended Plan is confirmed.

<sup>&</sup>lt;sup>10</sup> Debtor(s) are not required to propose Monthly Fixed Payments to holders of priority unsecured claims; however, Debtor(s) are encouraged to propose Monthly Fixed Payments to holders of priority claims for domestic support.

(h) Eighth, the Trustee shall disburse the amounts to be paid to holders of allowed nonpriority unsecured claims not separately classified by the Plan (if any), until paid in full. (*See, e.g.*, Local Form Plan § 5.1, § 5.2, and § 5.3.)

(2) Alternate Payment Sequence for Regular Funds. If the Debtor(s) in a Chapter 13 Case wish to propose an alternate sequence of payments for Regular Funds (an "<u>Alternate Payment Sequence</u>"), the Debtor(s) may do so in part 9 of their Plan (for non-standard provisions) or file (and serve on the Matrix<sup>11</sup>) a separate motion to establish the sequence of payments for Regular Funds. The court will require that the Debtor(s)' Plan or motion describe any Alternate Payment Sequence with specificity, and the Alternative Payment Sequence will not take effect until approved by court order (after sufficient notice and opportunity for hearing). As such, notwithstanding a Plan's inclusion of an Alternate Payment Sequence, pre-confirmation disbursements by the Trustee, if any, shall be made in accordance with the Default Payment Sequence until the Plan is confirmed (or a separate order approving the Alternate Payment Sequence is entered).

(3) Disbursements Proportionate Within Sequence Position. If, on a Trustee distribution date, the available Regular Funds are insufficient to make all payments to creditors then due under the Debtor(s)' Plan (collectively, the "<u>Due Payments</u>"), the Trustee shall allocate the available Regular Funds in accordance with the applicable sequence of payments. If, on a Trustee distribution date, the available Regular Funds are not enough for the Trustee to make all Due Payments having the same rank in the applicable payment sequence, the Trustee shall disburse the available Regular Funds allocable to such rank on a proportionate basis.

(4) Distribution Sequence for Additional Funds. Unless otherwise ordered, the Trustee shall disburse funds received by the Trustee pursuant to § 2.4 or part 9 of a Plan (collectively, "<u>Additional Plan Funds</u>"), if any, in the distribution sequence specified by the Plan.<sup>12</sup> (*See* Local Form Plan § 2.4 and pt. 9.) If the Plan does not include a sequence of payments for Additional Plan Funds, and no order respecting the disbursement of the Additional Plan Funds received by the Trustee has entered in the Chapter 13 Case, the Additional Plan Funds shall be held by the Trustee pending further order of the court. If the Trustee receives funds other than under a Plan, and no order has entered respecting the disbursement of said funds in the Chapter 13 Case, the Trustee shall hold the funds pending further order of the court and may file a motion for authority to disburse such funds.

(5) **Disbursements Less than \$15.00.** The Trustee is authorized, but not required, to disburse any payment to a creditor that is less than \$15.00.<sup>13</sup>

#### (6) Objecting to the Sequence of Payments Proposed by a Plan. If the

<sup>&</sup>lt;sup>11</sup> As used herein, "<u>Matrix</u>" refers to the official creditor mailing matrix for a Chapter 13 Case, which is accessible via the court's electronic filing system.

<sup>&</sup>lt;sup>12</sup> If the Debtor(s)' Plan provides for Additional Plan Funds in § 2.4, the Debtor(s) may include a sequence of payments for such funds in § 2.4.

<sup>&</sup>lt;sup>13</sup> See Fed. R. Bankr. P. 3010(b). Pursuant to Bankruptcy Rule 3010(b), funds not distributed shall accumulate and shall be paid whenever the accumulation aggregates \$15.00 (and any funds remining disbursed with the final payment).

Trustee, a creditor, or other interested party opposes the sequence of payments proposed in the Debtor(s)' Plan (whether it is the Default Payment Sequence incorporated by reference in part 7 or an Alternate Payment Sequence specified in part 9), the party must timely file an objection to confirmation in the Debtor(s)' Chapter 13 Case.

DONE AND ORDERED this the 30th day of September, 2022.

JENNIFER/H. HENDERSON UNITED STATES BANKRUPTCY JUDGE

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

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In the Matter of:

Attorney's Fees under § 4.3 of the Local Chapter 13 Plan and the Sequence Payments under Part 7 of the Local Chapter 13 Plan Administrative Order No. 22-03 Northern Division Only

# ADMINISTRATIVE ORDER REGARDING: (1) ATTORNEY'S FEES UNDER § 4.3 OF THE LOCAL CHAPTER 13 PLAN, AND (2) SEQUENCE OF PAYMENTS UNDER PART 7 OF THE LOCAL CHAPTER 13 PLAN FOR CASES FILED IN THE NORTHERN DIVISION ON OR AFTER OCTOBER 1, 2022

Pursuant to local form *Chapter 13 Maximum Attorney Compensation Exempt From Fee Application Effective for Cases Filed On or After October 1, 2022*, an attorney representing a Debtor in a Chapter 13 case may charge total compensation that does not exceed \$4,500 without filing a detailed application for compensation as required by Fed. R. Bankr. P. 2016, provided the attorney meets all the conditions and requirements listed in Bankr. N.D. Ala. R. 2016-1(l). Pursuant to § 4.3 of the local form Chapter 13 plan adopted by the Northern District of Alabama pursuant to Rule 3015.1 of the Federal Rules of Bankruptcy Procedure (the "Local Chapter 13 Plan"), the balance of the fee owed to Debtor(s)' attorney shall be payable in accordance with this Administrative Order as provided herein for all cases filed in the Northern Division on or after October 1, 2022.

Unless otherwise ordered, the Chapter 13 Standing Trustee shall disburse payments received by the Trustee under §§ 2.1, 2.2, or 2.3 of a Plan in the following sequence:

- 1. The Trustee shall collect her percentage fee currently due from all Plan payments at the time that funds are disbursed, until the fee then due is collected in full.
- 2. If the Plan proposes to pay the Chapter 13 case filing fee through the Plan, the Trustee

shall then disburse the filing fee installment payments currently due to the Clerk of the Court, until the amounts then due are paid in full.

- 3. The Trustee shall then disburse post-petition adequate protection payments to secured or lease creditors with allowed claims, if any, as provided in the Debtor(s)' most recent Plan, until the amounts then due are paid in full.
- 4. Beginning with the first post-confirmation distribution made by the Trustee, the Trustee shall disburse payments to the Debtor(s)' attorney until a maximum of \$3,500, less any amount of the attorney's fee paid prepetition, of the total attorney's fee awarded in the Confirmation Order is paid. Payments will be made from the balance of the Plan payments received that remain after payment of: (i) the Trustee's fee; (ii) the filing fee; and (iii) adequate protection payments.
- 5. The Trustee shall then disburse pursuant to the Confirmation Order or a subsequent Order of the Court the following amounts proportionately until the amounts that are then currently due are paid in full:
  - a. The monthly fixed payments on allowed secured claims, if any, including any amounts currently due and any unpaid arrearages; and
  - b. The monthly fixed payments on allowed priority unsecured claims for domestic support and § 503(b) administrative expenses, if any, including any amounts currently due and any unpaid arrearages; and
  - c. The monthly fixed payments on the remaining balance of the attorney's fee as awarded in the Confirmation Order, if any, including any amounts currently due and any unpaid arrearages.

The monthly fixed payments identified in paragraph 5 that are due pursuant to the Confirmation Order or a subsequent Order of the Court but are unpaid shall accrue proportionately, based upon the amount of each fixed payment awarded, and shall be paid proportionately by the Trustee on a pro rata basis from available funds on hand.

- 6. The Trustee shall then disburse the amounts to be paid to holders of allowed priority unsecured claims, if any, on a pro rata basis until paid in full.
- 7. The Trustee shall then disburse the amounts to be paid to holders of allowed separately classified nonpriority unsecured claims, if any, on a pro rata basis until paid in full.
- 8. The Trustee shall then disburse the amounts to be paid to holders of allowed nonpriority unsecured claims not separately classified by the Plan, if any, on a pro rata basis or as provided in the Debtor(s)' most recent Plan.
- 9. The provisions of this Administrative Order shall not be given preclusive effect in the event a creditor or other party in interest timely objects to confirmation of a Debtor(s)' Plan, or to any proposed modification to a Debtor(s)' Plan.

**IT IS SO ORDERED** this the 19th day of September 2022.

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr. United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA EASTERN DIVISION

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In Re:

Administrative Order No. 22-02 Eastern Division Only

Motions to Extend and Impose Stay

#### **ADMINISTRATIVE ORDER REGARDING EXTEND AND IMPOSE STAY MOTIONS**

All motions filed by a debtor or other interested party to extend the stay pursuant to 11 U.S.C. § 362(c)(3)(B) or impose the stay pursuant to 11 U.S.C. § 362(c)(4)(B) shall comply with Local Rule 4001-1.1 and Rule 9006(d) of the Federal Rules of Bankruptcy Procedure and shall be set for hearing in accordance with Local Rule 4001-1.1.

Limited Affidavit Option in lieu of Testimony. As to any such motion to extend stay filed in a case that was commenced on or after October 1, 2022, and only if the debtor (or each debtor in the event of a joint case) has no more than one prior case under any chapter of title 11 that was pending within the previous ten (10) years but was dismissed, then the debtor(s) shall not be required to attend the hearing on the motion provided that the motion is verified by the debtor, or supported by an affidavit or declaration made under penalty of perjury. The verified motion, or non-verified motion accompanied by the supporting affidavit or declaration, shall be filed and timely served to allow notice of the hearing thereon in accordance with Local Rule 4001.1. The verified motion, affidavit, or declaration must include the information required under Local Rule 4001-1.1.

**Debtor Must Appear Otherwise**. In all other instances, the debtor (at least one joint debtor) shall be required to attend the hearing on the motion to extend stay. Similarly, the debtor (at least one joint debtor) shall be required to attend the hearing on all motions to impose the stay. Motions to extend or impose the stay are not required to be verified or supported with an affidavit but must be so supported only if the debtor seeks to utilize the verification or affidavit in lieu of testimony when allowed under the limited circumstances set forth above.

Counsel for the movant must be present at the hearing on the motion to extend stay or the motion to impose stay even in instances where the verification or affidavit procedure is allowed. Local Rule 4001-1.1 shall remain in full force and effect. This Administrative Order supplants the provisions of Administrative Order No. 21-03 for cases filed in the Eastern Division on or after October 1, 2022. The effective date for this Administrative Order is October 1, 2022.

So ordered this the 1st day of September 2022.

**ES J. ROBINSON** Chief United States Bankruptcy Judge

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

In the Matter of: Procedural and Administrative Matters

Administrative Order No. 22-01 Northern Division Only

#### AMENDED ADMINISTRATIVE ORDER REQUIRING PROPOSED ORDERS TO BE SUBMITTED TIMELY UNDER PENALTY

**IT IS HEREBY ORDERED** that, effective May 16, 2022, unless otherwise directed, a party must submit a proposed order within twenty days following a hearing where the Court approved the relief requested, via e-mail to <u>ordersCRJ@alnb.uscourts.gov</u>. The proposed order must be submitted in Microsoft Word format. If a proposed order is not timely submitted, it will not be accepted for entry by the Court, absent excusable cause.

IT IS SO ORDERED this the 11<sup>th</sup> day of May, 2022.

Clifton R. Jessup, Jr. O United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA

IN RE: } } **ORDER RESCINDING** ADMIN. ORDER 21-02. **AND THEREBY REINSTATING:** (1). Admin. Order 20-06: **Order Temporarily Suspending Requirement to Obtain Original** Signatures from Debtors for Electronic Filings (entered March 27, 2020, as extended by Admin. Order 20-10, entered May 26, 2020); AND (2). Admin. Order 20-04: **Order on Court Operations During** COVID-19 Outbreak (entered March 13, 2020). }

Administrative Order 21-05

All Divisions

#### **ADMINISTRATIVE ORDER RESCINDING ADMINISTRATIVE ORDER 21-02**

This order is issued in response to the increase in the infection rate of Coronavirus Disease 2019 (COVID-19) in the United States and the State of Alabama. In an effort to protect the court, the attorneys and their staff, and the public, the court hereby rescinds Administrative Order 21-02, the provisions of which were to become effective on October 1, 2021. The rescission of Administrative Order 21-02 means that the following administrative orders are reinstated and will continue in full force and effect:

- (1) Admin. Order 20-06: Order Temporarily Suspending Requirement to Obtain Original Signatures from Debtors for Electronic Filings (entered March 27, 2020, as extended by Admin. Order 20-10, entered May 26, 2020); and
- (2) Admin. Order 20-04: Order on Court Operations During COVID-19 Outbreak (entered March 13, 2020).

The reinstatement of Admin. Order 20-04 is subject to each Judge's ability to schedule discrete hearings via telephone or video, as well as in person. The notice of hearing for each matter will indicate the courtroom location or the telephonic or video access information for each matter set.

Done this the 16<sup>th</sup> day of September 2021.

<u>/s/ James J. Robinson</u> James J. Robinson, Chief Judge U.S. Bankruptcy Court

/s/ Tamara O. Mitchell Tamara O. Mitchell, Judge U.S. Bankruptcy Court

<u>/s/ Jennifer H. Henderson</u> Jennifer H. Henderson, Judge U.S. Bankruptcy Court

/s/ Clifton R. Jessup, Jr. Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

/s/ D. Sims Crawford D. Sims Crawford, Judge U.S. Bankruptcy Court

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

In the Matter of:	}
	}
Motions to Extend Stay or to Impose Stay	}
Supported by Affidavit or Other Declaration	}

Administrative Order No. 21-04 Northern Division Only

# **ADMINISTRATIVE ORDER**

All motions to extend the automatic stay pursuant to 11 U.S.C. § 362(c)(3)(B), or to impose the automatic stay pursuant to 11 U.S.C. § 362(c)(4)(B), shall comply with and be scheduled for hearing in accordance with Local Rule 4001-1.1.

Debtors are not required to attend the hearing to provide testimony in support of the motion, provided that the motion is accompanied by a supporting affidavit or other declaration made under penalty of perjury. The affidavit or declaration must include all information required by Local Rule 4001-1.1.

Counsel must be appear on behalf of debtor(s) at the hearing on the motion or the relief requested may be denied.

**IT IS SO ORDERED** this the 1<sup>st</sup> day of July 2021.

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr. United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN AND EASTERN DIVISIONS

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In Re:

Motions to Extend Stay or Motions to Impose Stay to be Verified or Supported by Affidavit or Other Declaration, Administrative Order No. 21-03

# **ADMINISTRATIVE ORDER**

All motions filed by a debtor or other interested party to extend the stay pursuant to 11 U.S.C. § 362(c)(3)(B) or impose the stay pursuant to 11 U.S.C. § 362(c)(4)(B), shall comply with Local Rule 4001-1.1 and Rule 9006(d) of the Federal Rules of Bankruptcy Procedure, and shall be set for hearing in accordance with Local Rule 4001-1.1. As to any such motion filed on or after October 1, 2021, the debtor(s) shall not be required to attend the hearing on the motion provided that the motion is verified by the debtor, or supported by an affidavit or declaration made under penalty of perjury. The verified motion, or non-verified motion accompanied by the supporting affidavit or declaration, shall be filed and timely served to allow notice of the hearing thereon in accordance with Local Rule 4001.1. The verified motion, affidavit, or declaration must include the information required under this Local Rule 4001-1.1.

Counsel for the movant must be present at the hearing on the motion to extend stay or the motion to impose stay.

Local Rule 4001-1.1 shall remain in full force and effect.

The effective date for this Administrative Order is October 1, 2021.

Dated this the 28th day of June, 2021.

<u>/s/ Tamara O. Mitchell</u> TAMARA O. MITCHELL United States Bankruptcy Judge /s/ D. Sims Crawford D. SIMS CRAWFORD United States Bankruptcy Judge

<u>/s/ James J. Robinson</u> JAMES J. ROBINSON United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA

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IN RE:

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Administrative Order 21-02

All Divisions

#### ADMINISTRATIVE ORDER RESCINDING ADMINISTRATIVE ORDERS 20-04, and 20-06 (AS EXTENDED BY ADMINISTRATIVE ORDER 20-10)

This order is issued in response to the recent reduction in the infection rate of Coronavirus Disease 2019 (COVID-19) in the United States and the State of Alabama. In an effort to resume normal court operations and access, in light of similar easing of restrictions throughout the various courts in the State of Alabama, effective OCTOBER 1, 2021, the following COVID-19 related Administrative Orders are hereby rescinded and will no longer be in effect:

- (1) Admin. Order 20-06: Order Temporarily Suspending Requirement to Obtain Original Signatures from Debtors for Electronic Filings (entered March 27, 2020, as extended by Admin. Order 20-10, entered May 26, 2020); and
- (2) Admin. Order 20-04: Order on Court Operations During COVID-19 Outbreak (entered March 13, 2020).

The rescission of Admin. Order 20-06 (as extended by Admin. Order 20-10) effective as of October 1, 2021, returns the court's signature requirements and e-filing procedures to the status quo ante, including the requirement that counsel obtain and preserve original signatures for documents so requiring, and applies to documents filed with the court on or after October 1, 2021, regardless of when the document was prepared, and regardless of whether the document is an

original or is an amendment of a document that was previously filed while Admin. Order 20-06 (as extended by Admin. Order 20-10) was in effect.

The rescission of Admin. Order 20-04 effective as of October 1, 2021, returns to each Judge the discretion to schedule hearings via telephone or video, as well as in person. It is contemplated that most hearings in all divisions other than the Northern Division will be in-person from October 1, 2021 forward. The notice of hearing for each matter will indicate the courtroom location or the telephonic or video access information for each matter set.

Counsel are encouraged to take note of the effective date of October 1, 2021, and prepare in the interim to avoid conflicts and to pay particular attention to the language of every notice of hearing to ensure each is correctly calendared and communicated to the client.

Done this the 22nd day of June 2021.

<u>/s/ James J. Robinson</u> James J. Robinson, Chief Judge U.S. Bankruptcy Court

<u>/s/ Tamara O. Mitchell</u> Tamara O. Mitchell, Judge U.S. Bankruptcy Court

/s/ Jennifer H. Henderson Jennifer H. Henderson, Judge U.S. Bankruptcy Court

/s/ Clifton R. Jessup, Jr. Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

<u>/s/ D. Sims Crawford</u> D. Sims Crawford, Judge U.S. Bankruptcy Court

# UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ALABAMA

IN RE:	
PROCEDURES FOR FILING, SERVICE,	
AND MANAGEMENT OF HIGHLY	
SENSITIVE DOCUMENTS	

ADMIN. ORDER 21-01 ALL DIVISIONS

#### **ADMINISTRATIVE ORDER**

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**WHEREAS**, in response to recent disclosures of wide-spread breaches of both private sector and government computer systems, federal courts are immediately adding new security procedures to protect highly sensitive documents filed with the courts;

**THE COURT FINDS** that, pursuant to Federal Rules of Civil Procedure Rule 5(d)(3) and Federal Rules of Bankruptcy Procedure Rule 5005, cause exists to require all parties to file certain highly sensitive documents outside of the court's electronic filing system (CM/ECF).

**THERERFORE, IT IS HEREBY ORDERED** that, effective as of the date of this order and until such time as the court orders otherwise, the filing of certain highly sensitive documents (HSD) shall be subject to the procedures and requirements set forth below. This Administrative Order supersedes inconsistent provisions in existing local rules or other administrative orders of this court.

#### 1. Filing of Motions to Treat a Document as an HSD

- a. Represented parties
  - i. A represented party shall file a motion to treat a document as an HSD and a proposed order electronically under existing procedures, <u>except that a copy of the proposed HSD shall not be filed electronically</u>. The motion shall explain why the proposed document should be subject to heightened protection from HSDs. Not all documents that meet the criteria for filing under seal will qualify for treatment as an HSD.
  - ii. As soon as practicable after the motion is filed, the filing party shall deliver to the clerk's office the HSD sought to be filed along with a certificate of service in the form of either two paper copies or an electronic copy on a secure electronic device (as defined below). These documents or secure electronic device should be packaged as specified in paragraph 2.b.

- iii. The filing party shall serve the proposed HSD on the other parties as specified in paragraph 2.c.
- iv. The court will issue an order on the motion and, if granted, an informational entry will be made on the case docket indicating that the HSD has been filed with the court. The clerk's office will maintain the HSD in a secure paper filing system or a secure standalone computer system that is not connected to any network.
- b. Pro se parties
  - i. *Pro se* parties shall submit to the clerk's office for filing a motion to treat a document as an HSD, the HSD sought to be filed, and a certificate of service in the form of either two paper copies or an electronic copy on a secure electronic device (as describe below). These documents or secure electronic device should be packaged as specified in paragraph 2.b.
  - ii. The filing party shall serve the proposed HSD on the other parties as specified in paragraph 2.c.
  - iii. The court will issue an order on the motion and, if granted, an informational entry will be made on the case docket indicating that the HSD has been filed with the court. The clerk's office will maintain the HSD in a secure paper filing system or a secure standalone computer system that is not connected to any network.

# 2. Filing of Authorized HSDs

- a. A party filing an HSD pursuant to a court order or applicable law shall submit to the clerk's office the HSD, the certificate of service, and, if applicable, a copy of the court order authorizing the treatment of that document as highly sensitive in the form of either two paper copies or an electronic copy on a secure electronic device, such as a USB flash drive, a CD or DVD.
- b. The required documents, unfolded, or the secure electronic device shall be submitted to the clerk's office in a sealed envelope marked "HIGHLY SENSITIVE DOCUMENT." The outside of the envelope shall be affixed with a copy of the HSD's caption page (with confidential information redacted).
- c. The filing party shall serve the HSD on the other parties in accordance with Rule 2002 of the Federal Rules of Bankruptcy Procedure and Local Rule 9013-3.

d. The clerk's office will make an informational docket entry in the court's electronic filing system indicating that the HSD was filed with the court and will maintain the HSD in a secure paper filing system or a secure standalone computer system that is not connected to any network.

#### 3. Service of Highly Sensitive Court Orders

If the court determines that a court order contains highly sensitive information, the clerk's office will file and maintain the order in a secure paper filing system or a secure standalone computer system that is not connected to any network and will serve paper copies of the order on the parties via mail.

# 4. Removal of Existing HSDs or Highly Sensitive Cases from the Court's Electronic Filing System

- a. Upon motion of a party or upon its own motion, the court may determine that a document, case, or any portion of it, that has been filed electronically is highly sensitive and direct that the HSD or case be removed from the court's electronic filing system and maintained by the clerk's office in a secure paper filing system or a secure standalone computer system that is not connected to any network.
- b. A party's motion to remove an HSD or highly sensitive case from the court's electronic filing system shall explain why such document or case is highly sensitive.

# 5. Questions about HSD Filing Procedures

Any questions about how an HSD should be filed with the court pursuant to this Administrative Order should be directed to the Clerk of Court or the Chief Deputy Clerk.

# DATED: January 15, 2021

/s/ James J. Robinson

James J. Robinson, Chief Judge U.S. Bankruptcy Court

#### /s/ Tamara O. Mitchell

Tamara O. Mitchell, Judge U.S. Bankruptcy Court

#### /s/ Jennifer H. Henderson

Jennifer H. Henderson, Judge U.S. Bankruptcy Court

#### /s/ Clifton R. Jessup

Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

#### /s/ D. Sims Crawford

D. Sims Crawford, Judge U.S. Bankruptcy Court

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA WESTERN DIVISION

In re:	)
	)
Western Division Administrative Order	)
Regarding Adequate Protection Payments and	)
Monthly Fixed Payments in Chapter 13 Cases	)

Administrative Order No. 20-11 (Western Division Only)

# WESTERN DIVISION ADMINISTRATIVE ORDER REGARDING ADEQUATE PROTECTION PAYMENTS AND MONTHLY FIXED PAYMENTS IN CHAPTER 13 CASES

(A) Capitalized Terms. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in Western Division Administrative Order No. 20-03 ("AO 20-03").

**(B) Applicability.** This administrative order ("<u>AO 20-11</u>") applies in all Chapter 13 Cases filed in the Western Division on or after the date hereof (August 25, 2020) (the "Effective Date"). AO 20-11 also applies in any pending Chapter 13 Case in which the hearing on Confirmation of the Debtor(s)' Plan is scheduled (or rescheduled) for a date that is on or after the Effective Date. In the event a Chapter 13 Case is transferred from the Western Division to another division within the District (or to another district) prior to Confirmation, AO 20-11 shall cease to apply in the Chapter 13 Case. AO 20-11 shall not be given preclusive effect in the event a creditor, or other party in interest, timely objects to Confirmation (or to a Plan modification proposed post-Confirmation) or in the event the Debtor(s), a creditor, the Trustee, or any other party in interest moves for relief from a provision of AO 20-11.

(C) Authority. AO 20-11 is authorized by Rule 9029 of the Federal Rules of Bankruptcy Procedure and Local Rules 1001-1 and 3015-1.

**(D) Part III.A of AO 17-07 Superseded.** If AO 20-11 applies to a Chapter 13 Case by operation of part (B) hereof, then parts E and F of AO 20-11 supersede and replace part III.A of AO 17-07.

(E) **Pre-Confirmation Adequate Protection Payments.** The Trustee is authorized to make the adequate protection payments provided for by a Plan (or order) prior to Confirmation, so long as the creditor has properly filed a proof of claim. The Trustee also is authorized to collect the Trustee's percentage fee on pre-Confirmation adequate protection payments.

(F) Adequate Protection Stop Date; Monthly Fixed Payment Start Date. If a Plan (or order) provides for adequate protection payments to a creditor in respect of a claim that is separately classified by the Debtor(s)' Plan, but the Plan (or order) does not specify when adequate protection payments to the creditor shall cease, the Trustee shall stop accruing adequate protection

payments on the subject claim (and start accruing monthly fixed payments on the claim) on the date that is the *later of* (1) the date that monthly fixed payments to the creditor in respect of the claim are to begin under the Debtor(s)' Plan (*see*, *e.g.*, Local Form Plan § 3.2 and § 3.3) (the "Fixed Payment Start Date"), and (2) the date of the Confirmation order.<sup>1</sup> If a Plan provides that monthly fixed payments on a claim shall begin "at confirmation" or "upon confirmation" or "after confirmation", then the date of the Confirmation order shall be considered the Fixed Payment Start Date. The court may require an amended Plan to clarify an ambiguous Fixed Payment Start Date. Absent the affected creditor's consent, and notwithstanding part III.E of AO 17-07, an amended Plan is required to advance a Fixed Payment Start Date or to delay a Fixed Payment Start Date beyond the date of the Confirmation order.<sup>2</sup>

DONE AND ORDERED this the 25th day of August, 2020.

JENNIFER H. HENDERSON UNITED STATES BANKRUPTCY JUDGE

<sup>&</sup>lt;sup>1</sup> Although the Trustee shall begin accruing monthly fixed payments (and stop accruing adequate protection payments) on this date, disbursements of monthly fixed payments (or adequate protection payments) to the creditor may be delayed by virtue of the applicable payment sequence (*see generally* AO 20-03, pt. E) and the monies on hand at the time of each disbursement by the Trustee.

 $<sup>^{2}</sup>$  If a Plan (or order) does not state how the Trustee is to apply adequate protection payments made in respect of a creditor's claim, then the policies and procedures of the Trustee serving in the Chapter 13 Case shall control the application of adequate protection payments to the claim. Likewise, if a Plan (or order) does not specify how the Trustee is to accrue or pay interest on a secured claim, then the policies and procedures of the Trustee serving in the Chapter 13 Case shall control how interest is accrued on the claim and how monthly fixed payments on the claim are applied.

# IN THE UNITED STATES BANRKUPTCY COURT FOR THE NORTHERN DISTRCIT OF ALABAMA

IN RE:

Order Extending Provisions of Administrative Order 20-06.

} } Administrative Order 20-10 All Divisions

# ORDER EXTENDING THE PROVISIONS OF ADMINISTRATIVE ORDER 20-06

On March 27, 2020, the United States Bankruptcy Court for the Northern District of Alabama entered Administrative Order 20-06, <u>Order Temporarily Suspending Requirement to</u> <u>Obtain Original Signatures from Debtors for Electronic Filings</u>. The March 27, 2020 Order provided "[t]his order shall terminate and expire on May 31, 2020, unless extended by further order of the court."

The court has determined and hereby orders that the provisions of the order should remain effective pending further order of the court.

IT IS SO ORDERED this the 26th day of May, 2020.

<u>/s/ James J. Robinson</u> James J. Robinson, Chief Judge U.S. Bankruptcy Court

/s/ Tamara O. Mitchell Tamara O. Mitchell, Judge U.S. Bankruptcy Court

/s/ Jennifer H. Henderson Jennifer H. Henderson, Judge U.S. Bankruptcy Court

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

/s/ D. Sims Crawford D. Sims Crawford, Judge U.S. Bankruptcy Court

#### UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ALABAMA

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IN RE:

ADOPTION OF INTERIM BANKRUPTCY RULES RELATING TO SBRA INTERIM RULES WITH REVISIONS NECESSITATED BY CARES ACT; AND NOTICE OF AMENDED OFFICIAL FORMS

ADMIN. ORDER 20-09 ALL DIVISIONS

#### ADMINISTRATIVE ORDER ADOPTING INTERIM BANKRUPTCY RULES AS AMENDED BY THE CARES ACT

In Administrative Order No. 20-02, this court adopted Interim Rules (including Interim Rule 1020) relating to the *Small Business Reorganization Act of 2019* (the "SBRA"). On March 27, 2020, the *Coronavirus Aid, Relief, and Economic Security Act* (the "CARES Act") was signed into law, and that legislation requires a revision of Interim Rule 1020.<sup>1</sup> The previously adopted SBRA-related Interim Rules, with the revision of Interim Rule 1020 now necessitated by the CARES Act, are attached hereto.<sup>2</sup> The changes incorporated therein need to be in place long before

<sup>&</sup>lt;sup>1</sup>A copy of the amendment to Interim Rule 1020 showing the CARES Act-related changes can be found at: <u>https://www.uscourts.gov/rules-policies/current-rules-practice-procedure</u>. The amendment to the Bankruptcy Code (11 U.S.C. § 101, et seq.) by the CARES Act that has necessitated the amendment of Interim Rule 1020 will terminate one year after the date of enactment of the CARES Act.

<sup>&</sup>lt;sup>2</sup> The attached Interim Rules include an Interim Rule 1007 reflecting a needed change in light of SBRA which ought not be confused with Interim Rule 1007-I. The National Guard and Reservists Debt Relief Act of 2008, Pub. L. No. 110-438, as amended by Public Law No.116-53, provides a temporary exclusion from the bankruptcy means test for certain reservists and members of the National Guard. Interim Rule 1007-I implemented that provision, and it was adopted in Administrative Order No. 12-02.

the Bankruptcy Rules can be amended under the three-year process required by the Rules Enabling Act. The Judicial Conference has authorized distribution of these Interim Rules to courts for adoption locally to facilitate uniform implementation of the changes mandated by the SBRA and the CARES Act.

NOW THEREFORE, pursuant to 28 U.S.C. § 2071, Rule 83 of the Federal Rules of Civil Procedure, and Rule 9029 of the Federal Rules of Bankruptcy Procedure, it is ORDERED that the attached SBRA-related Interim Rules, with the revision of Interim Rule 1020 necessitated by the CARES Act, are adopted in their entirety without change by the judges of this Court to be effective April 22, 2020. This Administrative Order No. 20-09 revises Administrative Order No. 20-02 only to add the change, effective April 22, 2020, to Interim Rule 1020 necessitated by the CARES Act. In other words, Administrative Order No. 20-02 remains effective as to filings made before April 22, 2020.<sup>3</sup>

It is further **ORDERED** that notice is given that the Judicial Conference's Advisory Committee on Bankruptcy Rules has approved conforming one-year technical changes to five bankruptcy forms (Official Forms 101, 122A-1, 122B, 122C-1, and 201) in light of the CARES Act amendments to the Bankruptcy Code.<sup>4</sup> The Official Forms are posted at: <u>https://www.uscourts.gov/forms/bankruptcy-forms</u>, and the Committee Notes to the Official Forms explain the significant changes to these forms.

<sup>&</sup>lt;sup>3</sup> The Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules of this Court, except to the extent inconsistent with these Interim Rules, continue to apply to cases and proceedings in this Court.

<sup>&</sup>lt;sup>4</sup> The CARES Act modifies the definition of "debtor" in 11 U.S.C. § 1182(1); and modifies the definitions of "current monthly income" in 11 U.S.C. § 101(10A) and of "disposable income" in 11 U.S.C. § 1325(b)(2) to exclude certain payments under the CARES Act. These amendments to the Bankruptcy Code will terminate one year after the date of enactment of the CARES Act.

DATED: April 21, 2020

/s/ James J. Robinson JAMES J. ROBINSON Chief Judge, U.S. Bankruptcy Court

/s/ Tamara O. Mitchell TAMARA O. MITCHELL Judge, U.S. Bankruptcy Court

/s/ Jennifer H. Henderson JENNIFER H. HENDERSON Judge, U.S. Bankruptcy Court

/s/ Clifton R. Jessup, Jr. CLIFTON R. JESSUP, JR. Judge, U.S. Bankruptcy Court

/s/ D. Sims Crawford D. SIMS CRAWFORD Judge, U.S. Bankruptcy Court

#### INTERIM AMENDMENTS TO THE FEDERAL RULES OF BANKRUPTCY PROCEDURE<sup>1</sup>

Rule 1007. Lists, Schedules, Statements,

#### and Other Documents; Time Limits

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#### (b) SCHEDULES, STATEMENTS, AND

OTHER DOCUMENTS REQUIRED.

\* \* \* \* \*

(5) An individual debtor in a

chapter 11 case (unless under subchapter V) shall file a statement of current monthly income, prepared as prescribed by the appropriate Official Form.

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<sup>&</sup>lt;sup>1</sup> These interim bankruptcy rules (the Interim Rules) have been prepared by the Advisory Committee on Bankruptcy Rules and approved by the Judicial Conference of the United States to be adopted as local rules by the Bankruptcy Courts to implement the procedural and substantive changes to the Bankruptcy Code made by the Small Business Reorganization Act of 2019. The Interim Rules will be withdrawn after similar amendments can made to the Rules of Bankruptcy Procedure under the normal Rules Enabling Act process.

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(h) INTERESTS ACQUIRED OR ARISING AFTER PETITION. If, as provided by § 541(a)(5) of the Code, the debtor acquires or becomes entitled to acquire any interest in property, the debtor shall within 14 days after the information comes to the debtor's knowledge or within such further time the court may allow, file a supplemental schedule in the chapter 7 liquidation case, chapter 11 reorganization case, chapter 12 family farmer's debt adjustment case, or chapter 13 individual debt adjustment case. If any of the property required to be reported under this subdivision is claimed by the debtor as exempt, the debtor shall claim the exemptions in the supplemental schedule. This duty to file a supplemental schedule continues even after the case is closed, except for property acquired after an order is entered:

> confirming a chapter 11 plan (other than one confirmed under § 1191(b)); or

(2) discharging the debtor in a chapter 12 case, a chapter 13 case, or a case under subchapter V of chapter 11 in which the plan is confirmed under § 1191(b).

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# Rule 1020. Chapter 11 Reorganization Case for Small Business Debtors or Debtors Under Subchapter V

DEBTOR DESIGNATION. In a voluntary (a) chapter 11 case, the debtor shall state in the petition whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latter, whether the debtor elects to have subchapter V of chapter 11 apply. In an involuntary chapter 11 case, the debtor shall file within 14 days after entry of the order for relief a statement as to whether the debtor is a small business debtor or a debtor as defined in § 1182(1) of the Code and, if the latter, whether the debtor elects to have subchapter V of chapter 11 apply. The status of the case as a small business case or a case under subchapter V of chapter 11 shall be in accordance with the debtor's statement under this subdivision, unless and until the court enters an order finding that the debtor's statement is incorrect.

(b) OBJECTING TO DESIGNATION. The United States trustee or a party in interest may file an objection to the debtor's statement under subdivision (a) no later than 30 days after the conclusion of the meeting of creditors held under § 341(a) of the Code, or within 30 days after any amendment to the statement, whichever is later.

(c) PROCEDURE FOR OBJECTION OR DETERMINATION. Any objection or request for a determination under this rule shall be governed by Rule 9014 and served on: the debtor; the debtor's attorney; the United States trustee; the trustee; the creditors included on the list filed under Rule 1007(d) or, if a committee has been appointed under § 1102(a)(3), the committee or its authorized agent; and any other entity as the court directs.

# Rule 2009. Trustees for Estates When Joint Administration Ordered

(a) ELECTION OF SINGLE TRUSTEE FOR ESTATES BEING JOINTLY ADMINISTERED. If the court orders a joint administration of two or more estates under Rule 1015(b), creditors may elect a single trustee for the estates being jointly administered, unless the case is under subchapter V of chapter 7 or subchapter V of chapter 11 of the Code.

(b) RIGHT OF CREDITORS TO ELECT SEPARATE TRUSTEE. Notwithstanding entry of an order for joint administration under Rule 1015(b), the creditors of any debtor may elect a separate trustee for the estate of the debtor as provided in § 702 of the Code, unless the case is under subchapter V of chapter 7 or subchapter V of chapter 11.

(c) APPOINTMENT OF TRUSTEES FOR ESTATES BEING JOINTLY ADMINISTERED.

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(2) *Chapter 11 Reorganization Cases*. If the appointment of a trustee is ordered or is required by the Code, the United States trustee may appoint one or more trustees for estates being jointly administered in chapter 11 cases.

\* \* \* \* \*

#### Rule 2012. Substitution of Trustee or Successor

#### **Trustee; Accounting**

(a) TRUSTEE. If a trustee is appointed in a chapter 11 case (other than under subchapter V), or the debtor is removed as debtor in possession in a chapter 12 case or in a case under subchapter V of chapter 11, the trustee is substituted automatically for the debtor in possession as a party in any pending action, proceeding, or matter.

\* \* \* \* \*

# Rule 2015. Duty to Keep Records, Make Reports, and Give Notice of Case or Change of Status

(a) TRUSTEE OR DEBTOR IN POSSESSION. A trustee or debtor in possession shall:

(1) in a chapter 7 liquidation case and, if the court directs, in a chapter 11 reorganization case (other than under subchapter V), file and transmit to the United States trustee a complete inventory of the property of the debtor within 30 days after qualifying as a trustee or debtor in possession, unless such an inventory has already been filed;

(2) keep a record of receipts and the disposition of money and property received;

(3) file the reports and summaries required by
§ 704(a)(8) of the Code, which shall include a statement, if payments are made to employees, of the amounts of deductions for all taxes required to be

withheld or paid for and in behalf of employees and the place where these amounts are deposited;

(4)possible after as soon as the commencement of the case, give notice of the case to every entity known to be holding money or property subject to withdrawal or order of the debtor, including every bank, savings or building and loan association, public utility company, and landlord with whom the debtor has a deposit, and to every insurance company which has issued a policy having a cash surrender value payable to the debtor, except that notice need not be given to any entity who has knowledge or has previously been notified of the case;

(5) in a chapter 11 reorganization case (other than under subchapter V), on or before the last day of the month after each calendar quarter during which there is a duty to pay fees under 28 U.S.C. § 1930(a)(6), file and transmit to the United States
trustee a statement of any disbursements made
during that quarter and of any fees payable under 28
U.S.C. § 1930(a)(6) for that quarter; and

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(6) in a chapter 11 small business case, unless the court, for cause, sets another reporting interval, file and transmit to the United States trustee for each calendar month after the order for relief, on the appropriate Official Form, the report required by § 308. If the order for relief is within the first 15 days of a calendar month, a report shall be filed for the portion of the month that follows the order for relief. If the order for relief is after the 15th day of a calendar month, the period for the remainder of the month shall be included in the report for the next calendar month. Each report shall be filed no later than 21 days after the last day of the calendar month following the month covered by the report. The obligation to file reports under this subparagraph terminates on the effective date of the plan, or conversion or dismissal of the case.

(b) TRUSTEE, DEBTOR IN POSSESSION, AND DEBTOR IN A CASE UNDER SUBCHAPTER V OF CHAPTER 11. In a case under subchapter V of chapter 11, the debtor in possession shall perform the duties prescribed in (a)(2)–(4) and, if the court directs, shall file and transmit to the United States trustee a complete inventory of the debtor's property within the time fixed by the court. If the debtor is removed as debtor in possession, the trustee shall perform the duties of the debtor in possession prescribed in this subdivision (b). The debtor shall perform the duties prescribed in (a)(6).

(c) CHAPTER 12 TRUSTEE AND DEBTOR IN POSSESSION. In a chapter 12 family farmer's debt adjustment case, the debtor in possession shall perform the duties prescribed in clauses (2)–(4) of subdivision (a) of this rule and, if the court directs, shall file and transmit to the United States trustee a complete inventory of the property of the debtor within the time fixed by the court. If the debtor is removed as debtor in possession, the trustee shall perform the duties of the debtor in possession prescribed in this subdivision (c).

(d) CHAPTER 13 TRUSTEE AND DEBTOR.

(1) *Business Cases*. In a chapter 13 individual's debt adjustment case, when the debtor is engaged in business, the debtor shall perform the duties prescribed by clauses (2)–(4) of subdivision (a) of this rule and, if the court directs, shall file and transmit to the United States trustee a complete inventory of the property of the debtor within the time fixed by the court.

(2) *Nonbusiness Cases*. In a chapter 13 individual's debt adjustment case, when the debtor is

not engaged in business, the trustee shall perform the duties prescribed by clause (2) of subdivision (a) of this rule.

(e) FOREIGN REPRESENTATIVE. In a case in which the court has granted recognition of a foreign proceeding under chapter 15, the foreign representative shall file any notice required under § 1518 of the Code within 14 days after the date when the representative becomes aware of the subsequent information.

(f) TRANSMISSION OF REPORTS. In a chapter 11 case the court may direct that copies or summaries of annual reports and copies or summaries of other reports shall be mailed to the creditors, equity security holders, and indenture trustees. The court may also direct the publication of summaries of any such reports. A copy of every report or summary mailed or published pursuant to this subdivision shall be transmitted to the United States trustee. Rule 3010. Small Dividends and Payments in Cases Under Chapter 7, Subchapter V of Chapter 11, Chapter 12, and Chapter 13

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(b) CASES UNDER SUBCHAPTER V OF CHAPTER 11, CHAPTER 12, AND CHAPTER 13. In a case under subchapter V of chapter 11, chapter 12, or chapter 13, no payment in an amount less than \$15 shall be distributed by the trustee to any creditor unless authorized by local rule or order of the court. Funds not distributed because of this subdivision shall accumulate and shall be paid whenever the accumulation aggregates \$15. Any funds remaining shall be distributed with the final payment. 16

Rule 3011. Unclaimed Funds in Cases Under Chapter 7, Subchapter V of Chapter 11, Chapter 12, and Chapter 13

The trustee shall file a list of all known names and addresses of the entities and the amounts which they are entitled to be paid from remaining property of the estate that is paid into court pursuant to § 347(a) of the Code.

# Rule 3014. Election Under § 1111(b) by Secured Creditor in Chapter 9 Municipality or Chapter 11 Reorganization Case

An election of application of § 1111(b)(2) of the Code by a class of secured creditors in a chapter 9 or 11 case may be made at any time prior to the conclusion of the hearing on the disclosure statement or within such latertime as the court may fix. If the disclosure statement is conditionally approved pursuant to Rule 3017.1, and a final hearing on the disclosure statement is not held, the election of application of § 1111(b)(2) may be made not later than the date fixed pursuant to Rule 3017.1(a)(2) or another date the court may fix. In a case under subchapter V of chapter 11 in which § 1125 of the Code does not apply, the election may be made not later than a date the court may fix. The election shall be in writing and signed unless made at the hearing on the disclosure statement. The election, if made by the majorities required by § 1111(b)(1)(A)(i), shall be binding on all members of the class with respect to the plan. Rule 3016. Filing of Plan and Disclosure Statement in a Chapter 9 Municipality or Chapter 11 Reorganization Case

(a) IDENTIFICATION OF PLAN. Every proposed plan and any modification thereof shall be dated and, in a chapter 11 case, identified with the name of the entity or entities submitting or filing it.

(b) DISCLOSURE STATEMENT. In a chapter 9 or 11 case, a disclosure statement, if required under § 1125 of the Code, or evidence showing compliance with § 1126(b) shall be filed with the plan or within a time fixed by the court, unless the plan is intended to provide adequate information under § 1125(f)(1). If the plan is intended to provide adequate information under § 1125(f)(1), it shall be so designated, and Rule 3017.1 shall apply as if the plan is a disclosure statement.

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(d) STANDARD FORM SMALL BUSINESS DISCLOSURE STATEMENT AND PLAN. In a small business case or a case under subchapter V of chapter 11, the court may approve a disclosure statement and may confirm a plan that conform substantially to the appropriate Official Forms or other standard forms approved by the court. Rule 3017.1. Court Consideration of Disclosure Statement in a Small Business Case or in a Case Under Subchapter V of Chapter 11

(a) CONDITIONAL APPROVAL OF DISCLOSURE STATEMENT. In a small business case or in a case under subchapter V of chapter 11 in which the court has ordered that § 1125 applies, the court may, on application of the plan proponent or on its own initiative, conditionally approve a disclosure statement filed in accordance with Rule 3016. On or before conditional approval of the disclosure statement, the court shall:

> fix a time within which the holders of claims and interests may accept or reject the plan;

> (2) fix a time for filing objections to the disclosure statement;

(3) fix a date for the hearing on final approval of the disclosure statement to be held if a timely objection is filed; and

#### 22 INTERIM RULES OF BANKRUPTCY PROCEDURE

(4) fix a date for the hearing on confirmation.

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# Rule 3017.2. Fixing of Dates by the Court in Subchapter V Cases in Which There Is No Disclosure Statement

In a case under subchapter V of chapter 11 in which § 1125 does not apply, the court shall:

(a) fix a time within which the holders of claims and interests may accept or reject the plan;

(b) fix a date on which an equity security holderor creditor whose claim is based on a security mustbe the holder of record of the security in order to beeligible to accept or reject the plan;

(c) fix a date for the hearing on confirmation; and
(d) fix a date for transmission of the plan, notice
of the time within which the holders of claims and
interests may accept or reject the plan, and notice of
the date for the hearing on confirmation.

# Rule 3018. Acceptance or Rejection of Plan in a Chapter 9 Municipality or a Chapter 11 Reorganization Case

(a) ENTITIES ENTITLED TO ACCEPT OR REJECT PLAN; TIME FOR ACCEPTANCE OR REJECTION. A plan may be accepted or rejected in accordance with § 1126 of the Code within the time fixed by the court pursuant to Rule 3017, 3017.1, or 3017.2. Subject to subdivision (b) of this rule, an equity security holder or creditor whose claim is based on a security of record shall not be entitled to accept or reject a plan unless the equity security holder or creditor is the holder of record of the security on the date the order approving the disclosure statement is entered or on another date fixed by the court under Rule 3017.2, or fixed for cause after notice and a hearing. For cause shown, the court after notice and hearing may permit a creditor or equity security holder to change or withdraw an acceptance or rejection. Notwithstanding objection to a claim or interest, the court after notice and

hearing may temporarily allow the claim or interest in an amount which the court deems proper for the purpose of accepting or rejecting a plan.

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# Rule 3019. Modification of Accepted Plan in a Chapter9 Municipality or a Chapter 11 Reorganization Case

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**MODIFICATION** OF **PLAN** AFTER **(b)** CONFIRMATION IN INDIVIDUAL DEBTOR CASE. If the debtor is an individual, a request to modify the plan under § 1127(e) of the Code is governed by Rule 9014. The request shall identify the proponent and shall be filed together with the proposed modification. The clerk, or some other person as the court may direct, shall give the debtor, the trustee, and all creditors not less than 21 days' notice by mail of the time fixed to file objections and, if an objection is filed, the hearing to consider the proposed modification, unless the court orders otherwise with respect to creditors who are not affected by the proposed modification. A copy of the notice shall be transmitted to the United States trustee, together with a copy of the proposed modification. Any objection to the proposed modification shall be filed and served on the debtor, the proponent of the modification, the trustee, and any other entity designated by the court, and shall be transmitted to the United States trustee.

(c) MODIFICATION OF PLAN AFTER CONFIRMATION IN A SUBCHAPTER V CASE. In a case under subchapter V of chapter 11, a request to modify the plan under § 1193(b) or (c) of the Code is governed by Rule 9014, and the provisions of this Rule 3019(b) apply.

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

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In the Matter of: TEMPORARY AMENDMENT OF PROCEDURE FOR SUSPENDING CHAPTER 13 PLAN PAYMENTS AND EXTENDING PLAN TERMS

Administrative Order No. 20-08 Northern Division Only

#### **ADMINISTRATIVE ORDER**

As stated during the Telephonic Attorney Meeting held on April 6, 2020 and pursuant to the Coronavirus Aid, Relief, and Economic Security Act or CARES Act, the Court will temporarily amend the negative notice procedure for suspending Chapter 13 Plan payments and extending Plan terms for debtors who have experienced a material financial hardship due, directly or indirectly, to the COVID-19 pandemic. Motions to Suspend Chapter 13 Plan Payments and Extend Plan Terms must be filed in substantial compliance with the form found on this Court's website at <a href="https://www.alnb.uscourts.gov/forms/all-forms?page=2">https://www.alnb.uscourts.gov/forms/all-forms?page=2</a> and must be served upon: (a) the Trustee; (b) creditors and interested parties according to the Clerk's mailing matrix; and (c) any other entity requesting notice. The notice must advise the parties of the date by which a response is required, but the notice shall not include a hearing date. If a timely response is filed, the Court will schedule the matter for hearing.

Motions to Suspend Chapter 13 Plan Payments and Extend Plan Terms may be filed with **fourteen** (14) days' Negative Notice, provided that:

a. The Motion may not request more than a three-month suspension of Plan payments with negative notice;

b. The Motion must specifically plead cause or reason for the suspension and extension with supporting facts sufficient to allow the Trustee and creditors to evaluate the merits of the Motion;

c. The Motion must propose a three-month monitoring period upon resumption of Plan payments;

d. Counsel for the Debtor(s) must contact the Trustee upon expiration of the negative notice period for the number of months necessary for extension of the Plan term to be incorporated into an Order; and

e. The Order Approving the Motion must be submitted to the Court within seven (7) calendar days of expiration of the negative notice period by Counsel for the Debtor(s) or the Motion will be denied.

This Administrative Order is effective pending further Order.

IT IS SO ORDERED this the 14th day of April 2020.

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr. United States Bankruptcy Judge

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

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In the Matter of: TEMPORARY AMENDMENT OF NOTICE OF DEFAULT PROCEDURE

Administrative Order No. 20-07 Northern Division Only

#### **ADMINISTRATIVE ORDER**

As stated during the Telephonic Attorney Meeting held on April 6, 2020 and in light of the developing issues with COVID-19 and the resulting global pandemic, the Court will temporarily deny approval of Agreed Orders on Motions for Relief from the Automatic Stay ("Agreed Orders") which include a Notice of Default provision automatically lifting the stay in the event default is not timely cured. Agreed Orders may instead provide that in the event a creditor does not receive any required payments, the creditor may file a "Motion to Enforce Agreed Order" which will be scheduled for hearing.

This Administrative Order is effective pending further Order.

**IT IS SO ORDERED** this the 7<sup>th</sup> day of April 2020.

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr. United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA

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IN RE:

Order Temporarily Suspending Requirement to Obtain Original Signatures from Debtors for Electronic Filings Administrative Order 20-06

All Divisions

#### ORDER TEMPORARILY SUSPENDING REQUIREMENT TO OBTAIN ORIGINAL SIGNATURES FROM DEBTORS FOR ELECTRONIC FILINGS

This order is issued in response to the recent outbreak of Coronavirus Disease 2019 (COVID-19) in the United States and the State of Alabama. On March 11, 2020, the World Health Organization characterized the COVID-19 outbreak as a pandemic.

On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. The Centers for Disease Control and Prevention ("CDC") advises that individuals should engage in "social distancing" to prevent the spread of COVID-19.

In addition, there are individuals who may be in isolation because they are sick or have been exposed to someone who has or is suspected to have COVID-19. Accordingly, to reduce the need for personal contact, there is good cause to suspend temporarily and conditionally the requirement that an attorney obtain a debtor's original physical signature for an electronic filing; now, therefore,

For all documents requiring a debtor's signature, the court temporarily suspends the requirement that an attorney secure the debtor's original, physical signature prior to electronically filing such documents on the condition that, prior to filing, the attorney has verified with the debtor that the debtor has received the entire document(s) to be filed and has communicated with the debtor regarding the substance and purpose of the document(s), including the review of a bankruptcy petition, schedules, and statements; and further that the attorney has either (a) obtained the debtor's digital signature via any commercially available digital signed software that provides signature authentication and maintains a copy of the digitally signed document(s) in the debtor's case file; or (b) obtains express written permission (including electronic mail) from the debtor to affix the debtor's signature to the document(s), and maintains a hard copy thereof in the file.

This order shall terminate and expire on May 31, 2020, unless extended by further order of the court.

Done this the 27<sup>th</sup> day of March 2020.

<u>/s/ James J. Robinson</u> James J. Robinson, Chief Judge U.S. Bankruptcy Court

/s/ Tamara O. Mitchell Tamara O. Mitchell, Judge U.S. Bankruptcy Court

<u>/s/ Jennifer H. Henderson</u> Jennifer H. Henderson, Judge U.S. Bankruptcy Court

/s/ Clifton R. Jessup, Jr. Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

/s/ D. Sims Crawford D. Sims Crawford, Judge U.S. Bankruptcy Court

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

In the Matter of: Internal Chapter 13 Procedures and Controls

Administrative Order No. 20-005 Northern Division Only

#### **ADMINISTRATIVE ORDER**

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The Chapter 13 Trustee for the Northern District of Alabama, Northern Division has formally requested authorization to temporarily suspend the filing of Motions to Dismiss and Motions to Modify Chapter 13 Plans for delinquency given the developing issues with the COVID-19 virus and the resulting global pandemic.

**IT IS THEREFORE ORDERED**, effective March 25, 2020, that the Chapter 13 Trustee for the Northern District of Alabama, Northern Division is hereby authorized, at the Chapter 13 Trustee's discretion, to suspend the filing of Motions to Dismiss Chapter 13 Cases and Motions to Modify Chapter 13 Plans for delinquency pending further Order of this Court.

IT IS SO ORDERED March 24, 2020.

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr. United States Bankruptcy Judge

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA

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In re:

COURT OPERATIONS DURING COVID-19 OUTBREAK.

Administrative Order No. 20-004

#### **ADMINISTRATIVE ORDER**

Whereas there are developing issues with the COVID-19 virus, and new recommendations from the Centers for Disease Control and other public health officials are being disseminated, it is necessary and prudent in the interest of public health and for the safety and welfare of court employees that the Bankruptcy Court for the Northern District of Alabama will cease all in-person hearings at the conclusion of the day on March 20, 2020.

#### BEGINNING MONDAY, MARCH 23, 2020, ALL HEARINGS NOTICED FOR THE BANKRUPTCY COURT IN THE NORTHERN DISTRICT OF ALABAMA WILL BE HELD TELEPHONICALLY ONLY. THIS APPLIES TO ALL DIVISIONS AND ALL LOCATIONS.

In-person appearances at the courthouse by parties or their counsel are prohibited absent extraordinary circumstances.

Any request for an evidentiary hearing or proceeding shall be made during the telephonic hearing and the Court will make a determination.

**CALL-IN INSTRUCTIONS AND PROTOCOL:** The hearings will be held via AT&T call-in numbers. The call-in number and passcode for each of the Judges in this District may be found on each "Judge's" tab on the Court's webpage at <u>www.alnb.uscourts.gov.</u>

All counsel and parties are hereby directed (1) that all participants shall mute the phone when it is not their case, (2) that no participant shall use a 'speaker' function, and (3) that no participant shall place the call on hold while participating in the telephonic hearing (in order to avoid hold music or other noises playing on the call).

As soon as practicable, procedures shall be implemented for conducting all § 341 meetings of creditors telephonically without in-person appearances. Call-in information, telephone numbers, and instructions are available at the Bankruptcy Administrator's website, <u>www.alnba.uscourts.gov</u>, and the Bankruptcy Clerk's website, <u>www.alnb.uscourts.gov</u>.

Further, unless or until otherwise notified, motions to extend the stay and motions to impose the stay may be handled by attaching an appropriate and complete affidavit of the Debtor. The affidavit should include all information generally referenced in Local Rule 4001-1.1.

The Court will continue to be open and staff will continue to be present. The Court and its staff are prepared to handle any emergencies that may arise in our cases.

Done this the 13th day of March, 2020.

<u>/s/ James J. Robinson</u> James J. Robinson, Chief Judge U.S. Bankruptcy Court

<u>/s/ Tamara O. Mitchell</u> Tamara O. Mitchell, Judge U.S. Bankruptcy Court

/s/ Jennifer H. Henderson Jennifer H. Henderson, Judge U.S. Bankruptcy Court

/s/ Clifton R. Jessup, Jr. Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

/s/ D. Sims Crawford D. Sims Crawford, Judge U.S. Bankruptcy Court

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA WESTERN DIVISION

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In Re:

(Second) Western Division Administrative Order Regarding (I) Attorney's Fees Under § 4.3 of the Local Form Plan, and (II) the Sequence of Payments Under Part 7 of the Local Form Plan

Administrative Order No. 20-03 (Western Division Only)

#### (SECOND) WESTERN DIVISION ADMINISTRATIVE ORDER REGARDING (I) ATTORNEY'S FEES UNDER § 4.3 OF THE LOCAL FORM PLAN AND (II) THE SEQUENCE OF PAYMENTS UNDER PART 7 OF THE LOCAL FORM PLAN

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(A) Applicability. This administrative order ("AO 20-03") applies in all chapter 13 bankruptcy cases (each, a "<u>Chapter 13 Case</u>") filed in the Western Division (the "<u>Western Division</u>") of the United States Bankruptcy Court for the Northern District of Alabama (the "<u>District</u>") on or after the date hereof (February 10, 2020). AO 20-03 also applies in any pending Western Division Chapter 13 Case in which the hearing on confirmation (hereinafter referred to as "<u>Confirmation</u>") of the Debtor(s)'<sup>1</sup> chapter 13 plan or amended plan (hereinafter referred to as a "<u>Plan</u>") is scheduled (or rescheduled) for a date that is more than 30 days after the date hereof (i.e., after March 11, 2020). In the event a Chapter 13 Case is transferred from the Western Division to another division within the District (or to another district) prior to Confirmation, AO 20-03 shall cease to apply in the Chapter 13 Case. The provisions of AO 20-03 shall not be given preclusive effect in the event a creditor, or other party in interest, timely objects to Confirmation (or to Plan modification proposed post-Confirmation) or in the event the Debtor(s), creditor, Trustee,<sup>2</sup> or other party in interest moves for relief from a provision of AO 20-03.

**(B)** Authority. AO 20-03 is authorized by Rule 9029 of the Federal Rules of Bankruptcy Procedure (the "<u>Bankruptcy Rules</u>") and Local Rules 1001-1 and 3015-15. (*See also* Local Form Plan<sup>3</sup> § 4.3 and pt. 7).

(C) AO 17-07 Superseded and Replaced, in Part. If AO 20-03 applies to a Chapter 13 Case by operation of part A hereof (or court order),<sup>4</sup> then (1) AO 20-03 supersedes and replaces parts I and II of Western Division Administrative Order No. 17-07 ("AO 17-07"); (2) the reference in § 4.3 of the Debtor(s)' Plan to the "applicable administrative order regarding fees entered in the

<sup>&</sup>lt;sup>1</sup> As used herein, the term "Debtor(s)" refers to the debtor(s) in a Chapter 13 Case.

<sup>&</sup>lt;sup>2</sup> As used herein, the term "Trustee" refers to the chapter 13 trustee serving in a Chapter 13 Case.

<sup>&</sup>lt;sup>3</sup> As used herein, the term "Local Form Plan" refers to the local form chapter 13 plan adopted by the District in accordance with Bankruptcy Rule 3015.1. (*See* Local Rule 3015-1.) Citations to the Local Form Plan are provided for illustrative purposes and refer to the version of the Local Form Plan in effect as of the date hereof.

<sup>&</sup>lt;sup>4</sup> In any Western Division Chapter 13 Case in which a Plan has been confirmed but not completed, the Debtor(s) may request, by motion, to modify the Plan to make AO 20-03 the applicable administrative order under § 4.3 or part 7 of the Plan (each, a "Motion to Substitute AO 20-03"). Motions to Substitute AO 20-03 may be granted if, after notice and opportunity for hearing, no interested party objects.

division where the case is pending" shall refer to AO 20-03, not AO 17-07 (*see* Local Form Plan  $\S$  4.3); (3) the reference, in part 7 of the Debtor(s)' Plan, to the "administrative order for the division in which this case is pending" shall refer to AO 20-03, not AO 17-07 (*see* Local Form Plan pt. 7); and (4) subpart III.B of AO 17-07 shall not apply. Except as otherwise set forth herein, and unless ordered otherwise, part III of AO 17-07 shall continue to apply in Chapter 13 Cases to which AO 20-03 is made applicable by operation of part A hereof (or court order), and capitalized terms used in subpart III of AO 17-07 that are defined in subparts I and II of AO 17-07 shall continue to have the meanings ascribed to them in subparts I and II of AO 17-07.

#### (D) Payment of Compensation Under § 4.3 of the Local Form Plan

(1) Allowance of Compensation and Compensation Payment Period. Whether allowed by the order confirming the Debtor(s)' Plan or by separate order, the term "<u>Compensation</u>" (as used herein) refers to compensation awarded the Debtor(s)' attorney in a Chapter 13 Case<sup>5</sup> that is to be paid from disbursements by the Trustee under § 4.3 of the Debtor(s)' confirmed Plan (if any).<sup>6</sup> As used herein, "<u>Compensation Period</u>" refers to the date of Confirmation through and including the date of the post-Confirmation distribution by the Trustee that pays the Compensation (if any) in full.

(2) The AO Compensation Option. This part (D)(2) of AO 20-03 is deemed incorporated (by reference) in a Plan if the Debtor(s) select the option, in § 4.3 of the Plan, to pay the balance of the requested Debtor(s)' attorney fee "in accordance with any applicable administrative order regarding fees entered in the division where the case is pending" (the "AO Compensation Option"). (See Local Form Plan § 4.3.) If the AO Compensation Order is selected in a Plan (and the Plan is confirmed), then, during the Compensation Period, the Trustee shall disburse to the Debtor(s)' attorney, in payment of the Compensation, the balance of the Regular Funds (as said term is hereinafter defined) received by the Trustee that remain after the Trustee disburses any payments having a higher rank in the applicable sequence of payments (the "AO Compensation Payments").

(3) The Plan Compensation Option. In lieu of selecting the AO Compensation Option, the Debtor(s), in § 4.3 of their Plan,<sup>7</sup> may provide for the Trustee to pay all or a portion of the Compensation from monies on hand at the time of Confirmation and/or grant the Debtor(s)' attorney a Monthly Fixed Payment (as said term is hereinafter defined) on the unpaid balance of the Compensation (the "Plan Compensation Payments").

#### (E) <u>Sequence of Payments Under Part 7 of the Local Form Plan</u>

(1) Default Payment Sequence for Regular Funds. Unless otherwise

<sup>&</sup>lt;sup>5</sup> AO-20 does not apply to compensation awarded to the Debtor(s)' special counsel, if any.

<sup>&</sup>lt;sup>6</sup> If, post-Confirmation, the Debtor(s)' bankruptcy counsel is allowed compensation not provided for by § 4.3 of the Debtor(s)' Plan ("<u>Additional Compensation</u>"), the order allowing the Additional Compensation may increase the Compensation being paid under § 4.3 of the Plan by the amount of the Additional Compensation. (*See generally* Local Rule 2016-1(l)-(n).)

<sup>&</sup>lt;sup>7</sup> Nothing herein is intended to preclude the Debtor(s) from including a non-standard Plan provision (in part 9 of the Debtor(s)' Plan), specifying how the Debtor(s)' bankruptcy counsel is to be compensated.

ordered, the Trustee shall make monthly disbursements of the funds received by the Trustee under § 2.1, § 2.2, or § 2.3 of a Plan (collectively, the "<u>Regular Funds</u>") in accordance with the following sequence of payments (the "<u>Default Payment Sequence</u>"):

(a) First, the Trustee shall collect the percentage fee(s) *then due* the Trustee from the Regular Funds, until paid in full. (*See, e.g.*, Local Form Plan § 4.1.)

(b) Second, if the Plan proposes to pay the Chapter 13 Case filing fee (the "Filing Fee") through the Plan, the Trustee shall disburse the Filing Fee installment payments *then due* to the clerk of court, until paid in full. (*See, e.g.,* Local Form Plan § 4.2; *see also* Local Rule 1006-1.)

(c) Third, the Trustee shall disburse adequate protection payments and Pre-Confirmation Conduit Payments<sup>8</sup> payable to creditors with allowed claims,<sup>9</sup> if any, until the adequate protection payments and Pre-Confirmation Conduit Payments *then due* are paid in full. (*See, e.g.*, Local Form Plan § 2.5, § 3.1, § 3.2, § 3.3, and pt. 9.)

(d) Fourth, the Trustee shall disburse the AO Compensation Payments payable to the Debtor(s)' attorney, if any, until the *entire Compensation* is paid in full or (alternatively) disburse the Plan Compensation Payments payable to the Debtor(s)' attorney, if any, until the amounts *then due* are paid in full. (*See, e.g.*, Local Form Plan § 4.3.)

(e) Fifth, the Trustee shall disburse Current Installment Payments<sup>10</sup> on long-term secured debts provided for by the Plan for which the Trustee is the disbursing agent, if any, until the Current Installment Payments *then due* are paid in full. (*See, e.g.*, Local Form Plan § 3.1 and pt. 9.)

(f) Sixth, the Trustee shall disburse Current Installment Payments on assumed, unexpired leases and executory contracts provided by the Plan for which the Trustee is the disbursing agent, if any, until the Current Installment Payments *then due* are paid in full. (*See, e.g.,* Local Form Plan § 6.1 and pt. 9.)

<sup>&</sup>lt;sup>8</sup> The term "<u>Pre-Confirmation Conduit Payments</u>" refers to regular, periodic payments owed by the Debtor(s) that (A) first become due postpetition and pre-Confirmation, (B) are to be paid by the Debtor(s) to a creditor through disbursements by the Trustee under the Debtor(s)' Plan, and (C) are authorized by the operative Plan (or court order) to be disbursed by the Trustee pre-Confirmation. If the operative Plan or a court order provides for Pre-Confirmation Conduit Payments, the Trustee is authorized to make the Pre-Confirmation Conduit Payments, provided the creditor has properly filed a proof of claim. The Trustee also is authorized to collect the Trustee's percentage fee on Pre-Confirmation Conduit Payments at the time of disbursement. Nothing herein should be construed as requiring Debtor(s) to propose Pre-Confirmation Conduit Payments.

<sup>&</sup>lt;sup>9</sup> If the court enters an order providing for pre-Confirmation adequate protection payments to a creditor and, after entry of the order, the Debtor(s) file an amended Plan that proposes to alter the amount of the court-ordered adequate protection payments, the Trustee shall continue to pay the court ordered amount unless and until such amended Plan is confirmed.

<sup>&</sup>lt;sup>10</sup> As used herein, the term "<u>Current Installment Payments</u>" refers regular, periodic payments owed by the Debtor(s) that first become due postpetition (other than Pre-Confirmation Conduit Payments) that are to be paid by the Debtor(s) to a creditor while the Debtor(s)' Chapter 13 Case is pending, either by disbursements made by the Trustee to the creditor under the Debtor(s)' Plan or by payments made directly to the creditor by the Debtor.

(g) Seventh, the Trustee shall disburse Current Installment Payments on long-term unsecured debts provided for by the Plan for which the Trustee is the disbursing agent, if any, until the Current Installment Payments *then due* are paid in full. (*See, e.g.*, Local Form Plan § 5.4 and pt 9.)

(h) Eighth, the Trustee shall disburse the Monthly Fixed Payments<sup>11</sup> payable to holders of allowed claims being paid through the Plan *with* interest (including any allowed arrearage claims being paid through the Plan *with* interest), if any, until the amounts *then due* are paid in full. (*See, e.g.*, Local Form Plan § 3.2, § 3.3, § 3.4, § 5.5,<sup>12</sup> and pt. 9.)

(i) Ninth, the Trustee shall disburse the Monthly Fixed Payments payable to holders of allowed claims being paid through the Plan *without* interest (including any allowed arrearage claims being paid through the Plan *without* interest), if any, until the amounts *then due* are paid in full. (*See, e.g.*, Local Form Plan § 3.1, § 4.4, § 4.5, § 5.4, § 5.5, § 6.1, and pt. 9.)

(j) Tenth, the Trustee shall disburse the amounts to be paid to holders of allowed priority claims for domestic support for which no Monthly Fixed Payment is granted, if any, until paid in full.<sup>13</sup> (*See, e.g.,* Local Form Plan § 4.5.)

(k) Eleventh, the Trustee shall disburse the amounts to be paid to holders of other allowed priority unsecured claims separately classified by the Plan but for which no Monthly Fixed Payment is granted, if any, until paid in full. (*See, e.g.*, Local Form Plan § 4.4.)

(1) Twelfth, the Trustee shall disburse the amounts to be paid to holders of allowed nonpriority unsecured claims separately classified by the Plan but for which no Monthly Fixed Payment is granted, if any, until paid in full. (*See, e.g.*, Local Form Plan § 5.5.)

(m) Thirteenth, the Trustee shall disburse the amounts to be paid to holders of allowed nonpriority unsecured claims not separately classified by the Plan, if any, until paid in full. (*See, e.g.*, Local Form Plan § 5.1, § 5.2, and § 5.3.)

(2) Alternate Payment Sequence for Regular Funds. If the Debtor(s) in a Chapter 13 Case wish to propose an alternate sequence of payments for Regular Funds (an "<u>Alternate Payment Sequence</u>"), the Debtor(s) may do so in part 9 of their Plan (for non-standard provisions) or file (and serve on the Matrix<sup>14</sup>) a separate motion to establish the sequence of payments for Regular Funds. The court will require that the Debtor(s)' Plan or motion describe any Alternate Payment Sequence with specificity, and the Alternative Payment Sequence will not

<sup>&</sup>lt;sup>11</sup> As used herein, the term "<u>Monthly Fixed Payments</u>" refers to equal, monthly payments granted to a creditor under the Debtor(s) Plan to pay the creditor's allowed claim on the terms of the Plan. Current Installment Payments are not considered Monthly Fixed Payments.

<sup>&</sup>lt;sup>12</sup> In § 5.5 of the Debtor(s)' Plan, the Debtor(s) may grant a Monthly Fixed Payment to the holder of a separately classified, nonpriority unsecured claim under the column headed "Treatment."

<sup>&</sup>lt;sup>13</sup> Debtor(s) are encouraged, but not required, to grant Monthly Fixed Payments to holders of priority claims for domestic support.

<sup>&</sup>lt;sup>14</sup> As used herein, "<u>Matrix</u>" refers to the official creditor mailing matrix for a Chapter 13 Case, which is accessible via the court's electronic filing system.

take effect until approved by court order (after sufficient notice and opportunity for hearing). As such, notwithstanding a Plan's inclusion of an Alternate Payment Sequence, pre-Confirmation disbursements by the Trustee, if any, shall be made in accordance with the Default Payment Sequence until the Plan is confirmed (or a separate order approving the Alternate Payment Sequence is entered).

(3) Disbursements Proportionate Within Sequence Position. If, on a disbursement date, the available Regular Funds are not enough for the Trustee to make all payments to creditors then due under the Debtor(s)' Plan (collectively, the "<u>Due Payments</u>"), the Trustee shall allocate the Regular Funds in accordance with the applicable sequence of payments. If, on a disbursement date, the available Regular Funds are not enough for the Trustee to make all Due Payments having the same rank in the applicable payment sequence, the Trustee shall disburse the Regular Funds allocable to such rank on a proportionate basis.

(4) Distribution Sequence for Additional Funds. Unless otherwise ordered, the Trustee shall disburse funds received by the Trustee pursuant to § 2.4 or part 9 of a Plan (collectively, "Additional Plan Funds"), if any, in the distribution sequence specified by the Plan.<sup>15</sup> (*See* Local Form Plan § 2.4 and pt. 9.) If the Plan does not include a sequence of payments for Additional Plan Funds, Additional Plan Funds received by the Trustee shall be held pending further order of the court. If the Trustee receives funds other than under a Plan, the Trustee shall hold the funds pending further order of the court and may file a motion for authority to disburse such funds.

(5) **Disbursements Less than \$15.00.** The Trustee is authorized, but not required, to disburse any payment to a creditor that is less than \$15.00.<sup>16</sup>

(6) Objecting to the Sequence of Payments Proposed by a Plan. If the Trustee, a creditor, or other interested party opposes the sequence of payments proposed in the Debtor(s)' Plan (whether it is the Default Payment Sequence incorporated by reference in part 7 or an Alternate Payment Sequence specified in part 9), the party must timely file an objection to Confirmation in the Debtor(s)' Chapter 13 Case.

**DONE AND ORDERED** this the 10th day of February, 2020. 1/

IFER H. HENDERS UNITED STATES BANKRUPTCY JUDGE

<sup>&</sup>lt;sup>15</sup> If the Debtor(s)' Plan provides for Additional Plan Funds in § 2.4, the Debtor(s) may include a sequence of payments for such funds in § 2.4.  $\dot{}$ 

<sup>&</sup>lt;sup>16</sup> See Fed. R. Bankr. P. 3010(b). Pursuant to Bankruptcy Rule 3010(b), funds not distributed shall accumulate and shall be paid whenever the accumulation aggregates \$15.00 (and any funds remining disbursed with the final payment).

#### IN THE UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ALABAMA

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IN RE:	
ADOPTION OF INTERIM	
BANKRUPTCY RULES FOR	
SMALL BUSINESS	
<b>REORGANIZATION ACT OF 2019</b>	

Administrative Order 20-02

**All Divisions** 

#### **ORDER ADOPTING INTERIM BANKRUPTCY RULES**

On August 23, 2019, the *Small Business Reorganization Act of 2019* (the SBRA) was enacted into law. The SBRA makes many substantive and procedural changes to the Bankruptcy Code and requires changes to the Federal Rules of Bankruptcy Procedure to implement those changes. However, the February 19, 2020 effective date of the SBRA occurs long before the Bankruptcy Rules can be amended under the three-year process required by the Rules Enabling Act. Accordingly, the Advisory Committee on Bankruptcy Rules (the Advisory Committee) drafted, published for comment, and subsequently approved interim bankruptcy rules (the Interim Rules) for distribution to the courts. The Committee on Rules of Practice and Procedure approved the Interim Rules, and the Judicial Conference authorized distribution of the Interim Rules to courts for adoption locally to facilitate uniform implementation of the changes mandated by the SBRA.

**IT IS HEREBY ORDER**, pursuant to 28 U.S.C. § 2071, Rule 83 of the Federal Rules of Civil Procedure, and Rule 9029 of the Federal Rules of Bankruptcy Procedure, the attached Interim Rules are adopted in their entirety without change by the judges of this Court to be effective February 19, 2020. For cases and proceedings not governed by the

SBRA, the Federal Rules of Bankruptcy Procedure and the Local Rules of this Court, other

than the Interim Rules, shall apply.

The Interim Rules shall remain in effect until further order of the Court.

Done this the 3rd day of February, 2020.

<u>/s/ James J. Robinson</u> James J. Robinson, Chief Judge U.S. Bankruptcy Court

<u>/s/ Tamara O. Mitchell</u> Tamara O. Mitchell, Judge U.S. Bankruptcy Court

<u>/s/ Jennifer H. Henderson</u> Jennifer H. Henderson, Judge U.S. Bankruptcy Court

<u>/s/ Clifton R. Jessup, Jr.</u> Clifton R. Jessup, Jr., Judge U.S. Bankruptcy Court

/s/ D. Sims Crawford D. Sims Crawford, Judge U.S. Bankruptcy Court

#### INTERIM AMENDMENTS TO THE FEDERAL RULES OF BANKRUPTCY PROCEDURE<sup>1</sup>

1	Rule 1007. Lists, Schedules, Statements, and Other
2	Documents; Time Limits
3	* * * *
4	(b) SCHEDULES, STATEMENTS, AND OTHER
5	DOCUMENTS REQUIRED.
6	* * * *
7	(5) An individual debtor in a chapter 11 case
8	(unless under subchapter V) shall file a statement of
9	current monthly income, prepared as prescribed by
10	the appropriate Official Form.
11	* * * *

<sup>&</sup>lt;sup>1</sup> These interim bankruptcy rules (the Interim Rules) have been prepared by the Advisory Committee on Bankruptcy Rules and approved by the Judicial Conference of the United States to be adopted as local rules by the Bankruptcy Courts to implement the procedural and substantive changes to the Bankruptcy Code made by the Small Business Reorganization Act of 2019. The Interim Rules will be withdrawn after similar amendments can made to the Rules of Bankruptcy Procedure under the normal Rules Enabling Act process.

(h) INTERESTS ACQUIRED OR ARISING 12 13 AFTER PETITION. If, as provided by  $\S$  541(a)(5) of the 14 Code, the debtor acquires or becomes entitled to acquire any 15 interest in property, the debtor shall within 14 days after the 16 information comes to the debtor's knowledge or within such 17 further time the court may allow, file a supplemental 18 schedule in the chapter 7 liquidation case, chapter 11 19 reorganization case, chapter 12 family farmer's debt 20 adjustment case, or chapter 13 individual debt adjustment 21 case. If any of the property required to be reported under 22 this subdivision is claimed by the debtor as exempt, the 23 debtor shall claim the exemptions in the supplemental 24 This duty to file a supplemental schedule schedule. 25 continues even after the case is closed, except for property 26 acquired after an order is entered:

27 (1) confirming a chapter 11 plan (other than one28 confirmed under § 1191(b)); or

29	(2) discharging the debtor in a chapter 12 case, a
30	chapter 13 case, or a case under subchapter V of
31	chapter 11 in which the plan is confirmed under
32	§ 1191(b).
33	* * * *

## 1 Rule 1020. Chapter 11 Reorganization Case for Small

#### **2 Business Debtors**

3 (a) SMALL BUSINESS DEBTOR 4 DESIGNATION. In a voluntary chapter 11 case, the debtor 5 shall state in the petition whether the debtor is a small 6 business debtor and, if so, whether the debtor elects to have 7 subchapter V of chapter 11 apply. In an involuntary chapter 8 11 case, the debtor shall file within 14 days after entry of the 9 order for relief a statement as to whether the debtor is a small 10 business debtor and, if so, whether the debtor elects to have 11 subchapter V of chapter 11 apply. The status of the case as 12 a small business case or a case under subchapter V of chapter 13 11 shall be in accordance with the debtor's statement under 14 this subdivision, unless and until the court enters an order 15 finding that the debtor's statement is incorrect.

(b) OBJECTING TO DESIGNATION. The United
States trustee or a party in interest may file an objection to
the debtor's statement under subdivision (a) no later than 30

4

19	days after the conclusion of the meeting of creditors held
20	under § 341(a) of the Code, or within 30 days after any
21	amendment to the statement, whichever is later.

22 PROCEDURE FOR OBJECTION OR (c) DETERMINATION. Any objection or request for a 23 24 determination under this rule shall be governed by Rule 9014 25 and served on: the debtor; the debtor's attorney; the United States trustee; the trustee; the creditors included on the list 26 filed under Rule 1007(d) or, if a committee has been 27 appointed under § 1102(a)(3), the committee or its 28 authorized agent and any other entity as the court directs. 29

#### 2009. 1 Rule Trustees for Estates When Joint 2 **Administration Ordered**

3 (a) ELECTION OF SINGLE TRUSTEE FOR 4 ESTATES BEING JOINTLY ADMINISTERED. If the 5 court orders a joint administration of two or more estates 6 under Rule 1015(b), creditors may elect a single trustee for 7 the estates being jointly administered, unless the case is 8 under subchapter V of chapter 7 or subchapter V of chapter 9 11 of the Code.

10 (b) RIGHT OF CREDITORS TO ELECT 11 SEPARATE TRUSTEE. Notwithstanding entry of an order 12 for joint administration under Rule 1015(b), the creditors of any debtor may elect a separate trustee for the estate of the 13 14 debtor as provided in § 702 of the Code, unless the case is 15 under subchapter V of chapter 7 or subchapter V of chapter 16 11.

17 (c) APPOINTMENT OF TRUSTEES FOR 18 ESTATES BEING JOINTLY ADMINISTERED.

6

19	* * * *
20	(2) Chapter 11 Reorganization Cases. If the
21	appointment of a trustee is ordered or is required by
22	the Code, the United States trustee may appoint one
23	or more trustees for estates being jointly
24	administered in chapter 11 cases.
25	* * * *

#### 1 Rule 2012. Substitution of Trustee or Successor

## 2 Trustee; Accounting

(a) TRUSTEE. If a trustee is appointed in a chapter
11 case (other than under subchapter V), or the debtor is
removed as debtor in possession in a chapter 12 case or in a
case under subchapter V of chapter 11, the trustee is
substituted automatically for the debtor in possession as a
party in any pending action, proceeding, or matter.

9 \*\*\*\*

1	Rule 2015. Duty to Keep Records, Make Reports, and
2	Give Notice of Case or Change of Status
3	(a) TRUSTEE OR DEBTOR IN POSSESSION. A
4	trustee or debtor in possession shall:
5	(1) in a chapter 7 liquidation case and, if the
6	court directs, in a chapter 11 reorganization case
7	(other than under subchapter V), file and transmit to
8	the United States trustee a complete inventory of the
9	property of the debtor within 30 days after qualifying
10	as a trustee or debtor in possession, unless such an
11	inventory has already been filed;
12	(2) keep a record of receipts and the
13	disposition of money and property received;
14	(3) file the reports and summaries required by
15	§ 704(a)(8) of the Code, which shall include a
16	statement, if payments are made to employees, of the
17	amounts of deductions for all taxes required to be

18 withheld or paid for and in behalf of employees and 19 the place where these amounts are deposited; 20 (4) possible after the as soon as 21 commencement of the case, give notice of the case to 22 every entity known to be holding money or property 23 subject to withdrawal or order of the debtor, 24 including every bank, savings or building and loan 25 association, public utility company, and landlord 26 with whom the debtor has a deposit, and to every 27 insurance company which has issued a policy having 28 a cash surrender value payable to the debtor, except 29 that notice need not be given to any entity who has 30 knowledge or has previously been notified of the 31 case; 32 (5) in a chapter 11 reorganization case (other 33 than under subchapter V), on or before the last day 34 of the month after each calendar quarter during

which there is a duty to pay fees under 28 U.S.C.

10

35

36	§ 1930(a)(6), file and transmit to the United States
37	trustee a statement of any disbursements made
38	during that quarter and of any fees payable under 28
39	U.S.C. § 1930(a)(6) for that quarter; and
40	(6) in a chapter 11 small business case, unless
41	the court, for cause, sets another reporting interval,
42	file and transmit to the United States trustee for each
43	calendar month after the order for relief, on the
44	appropriate Official Form, the report required by
45	§ 308. If the order for relief is within the first 15 days
46	of a calendar month, a report shall be filed for the
47	portion of the month that follows the order for relief.
48	If the order for relief is after the 15th day of a
49	calendar month, the period for the remainder of the
50	month shall be included in the report for the next
51	calendar month. Each report shall be filed no later
52	than 21 days after the last day of the calendar month
53	following the month covered by the report. The

54 obligation to file reports under this subparagraph 55 terminates on the effective date of the plan, or 56 conversion or dismissal of the case. 57 (b) TRUSTEE, DEBTOR IN POSSESSION, AND 58 DEBTOR IN A CASE UNDER SUBCHAPTER V OF 59 CHAPTER 11. In a case under subchapter V of chapter 11, the debtor in possession shall perform the duties prescribed 60 in (a)(2)–(4) and, if the court directs, shall file and transmit 61 62 to the United States trustee a complete inventory of the 63 debtor's property within the time fixed by the court. If the 64 debtor is removed as debtor in possession, the trustee shall 65 perform the duties of the debtor in possession prescribed in 66 this subdivision (b). The debtor shall perform the duties

67 prescribed in (a)(6).

(c) CHAPTER 12 TRUSTEE AND DEBTOR IN
POSSESSION. In a chapter 12 family farmer's debt
adjustment case, the debtor in possession shall perform the
duties prescribed in clauses (2)–(4) of subdivision (a) of this

72	rule and, if the court directs, shall file and transmit to the
73	United States trustee a complete inventory of the property of
74	the debtor within the time fixed by the court. If the debtor is
75	removed as debtor in possession, the trustee shall perform
76	the duties of the debtor in possession prescribed in this
77	subdivision (c).
78	(d) CHAPTER 13 TRUSTEE AND
79	DEBTOR.
80	(1) Business Cases. In a chapter 13
81	individual's debt adjustment case, when the debtor is
82	engaged in business, the debtor shall perform the
83	duties prescribed by clauses (2)-(4) of subdivision
84	(a) of this rule and, if the court directs, shall file and
85	transmit to the United States trustee a complete
86	inventory of the property of the debtor within the
87	time fixed by the court.
88	(2) Nonbusiness Cases. In a chapter 13

89 individual's debt adjustment case, when the debtor is 90 not engaged in business, the trustee shall perform the
91 duties prescribed by clause (2) of subdivision (a) of
92 this rule.

(e) FOREIGN REPRESENTATIVE. In a case in
which the court has granted recognition of a foreign
proceeding under chapter 15, the foreign representative shall
file any notice required under § 1518 of the Code within 14
days after the date when the representative becomes aware
of the subsequent information.

99 (f) TRANSMISSION OF REPORTS. In a chapter 100 11 case the court may direct that copies or summaries of 101 annual reports and copies or summaries of other reports shall be mailed to the creditors, equity security holders, and 102 103 indenture trustees. The court may also direct the publication 104 of summaries of any such reports. A copy of every report or 105 summary mailed or published pursuant to this subdivision 106 shall be transmitted to the United States trustee.

1	Rule 3010. Small Dividends and Payments in Cases
2	Under Chapter 7, Subchapter V of Chapter 11, Chapter
3	12, and Chapter 13
4	* * * *
5	(b) CASES UNDER SUBCHAPTER V OF
6	CHAPTER 11, CHAPTER 12, AND CHAPTER 13. In a
7	case under subchapter V of chapter 11, chapter 12, or chapter
8	13, no payment in an amount less than \$15 shall be
9	distributed by the trustee to any creditor unless authorized
10	by local rule or order of the court. Funds not distributed
11	because of this subdivision shall accumulate and shall be
12	paid whenever the accumulation aggregates \$15. Any funds
13	remaining shall be distributed with the final payment.

Rule 3011. Unclaimed Funds in Cases Under Chapter 7,
 Subchapter V of Chapter 11, Chapter 12, and Chapter
 13

The trustee shall file a list of all known names and addresses of the entities and the amounts which they are entitled to be paid from remaining property of the estate that is paid into court pursuant to § 347(a) of the Code. Rule 3014. Election Under § 1111(b) by Secured
 Creditor in Chapter 9 Municipality or Chapter 11
 Reorganization Case

4 An election of application of  $\S$  1111(b)(2) of the 5 Code by a class of secured creditors in a chapter 9 or 11 case 6 may be made at any time prior to the conclusion of the 7 hearing on the disclosure statement or within such later time 8 as the court may fix. If the disclosure statement is 9 conditionally approved pursuant to Rule 3017.1, and a final 10 hearing on the disclosure statement is not held, the election 11 of application of  $\S$  1111(b)(2) may be made not later than the 12 date fixed pursuant to Rule 3017.1(a)(2) or another date the court may fix. In a case under subchapter V of chapter 11 in 13 14 which § 1125 of the Code does not apply, the election may 15 be made not later than a date the court may fix. The election shall be in writing and signed unless made at the hearing on 16 17 the disclosure statement. The election, if made by the

# 18 INTERIM RULES OF BANKRUPTCY PROCEDURE

- 18 majorities required by § 1111(b)(1)(A)(i), shall be binding
- 19 on all members of the class with respect to the plan.

Rule 3016. Filing of Plan and Disclosure Statement in a
 Chapter 9 Municipality or Chapter 11 Reorganization
 Case

4 (a) IDENTIFICATION OF PLAN. Every proposed
5 plan and any modification thereof shall be dated and, in a
6 chapter 11 case, identified with the name of the entity or
7 entities submitting or filing it.

8 (b) DISCLOSURE STATEMENT. In a chapter 9 or 9 11 case, a disclosure statement, if required under § 1125 of 10 the Code, or evidence showing compliance with § 1126(b) 11 shall be filed with the plan or within a time fixed by the 12 court, unless the plan is intended to provide adequate information under § 1125(f)(1). If the plan is intended to 13 14 provide adequate information under § 1125(f)(1), it shall be 15 so designated, and Rule 3017.1 shall apply as if the plan is a 16 disclosure statement.

17 \*\*\*\*

# 20 INTERIM RULES OF BANKRUPTCY PROCEDURE

18	(d) STANDARD FORM SMALL BUSINESS
19	DISCLOSURE STATEMENT AND PLAN. In a small
20	business case or a case under subchapter V of chapter 11, the
21	court may approve a disclosure statement and may confirm
22	a plan that conform substantially to the appropriate Official
23	Forms or other standard forms approved by the court.

1	Rule 3017.1. Court Consideration of Disclosure
2	Statement in a Small Business Case or in a Case Under
3	Subchapter V of Chapter 11
4	(a) CONDITIONAL APPROVAL OF
5	DISCLOSURE STATEMENT. In a small business case or
6	in a case under subchapter V of chapter 11 in which the court
7	has ordered that § 1125 applies, the court may, on
8	application of the plan proponent or on its own initiative,
9	conditionally approve a disclosure statement filed in
10	accordance with Rule 3016. On or before conditional
11	approval of the disclosure statement, the court shall:
12	(1) fix a time within which the holders of claims and
13	interests may accept or reject the plan;
14	(2) fix a time for filing objections to the disclosure
15	statement;
16	(3) fix a date for the hearing on final approval of the
17	disclosure statement to be held if a timely objection
18	is filed; and

## 22 INTERIM RULES OF BANKRUPTCY PROCEDURE

- 19 (4) fix a date for the hearing on confirmation.
- 20 \*\*\*\*

1	Rule 3017.2. Fixing of Dates by the Court in Subchapter
2	V Cases in Which There Is No Disclosure Statement
3	In a case under subchapter V of chapter 11 in which
4	§ 1125 does not apply, the court shall:
5	(a) fix a time within which the holders of claims
6	and interests may accept or reject the plan;
7	(b) fix a date on which an equity security holder
8	or creditor whose claim is based on a security must
9	be the holder of record of the security in order to be
10	eligible to accept or reject the plan;
11	(c) fix a date for the hearing on confirmation; and
12	(d) fix a date for transmission of the plan, notice
13	of the time within which the holders of claims and
14	interests may accept or reject the plan, and notice of
15	the date for the hearing on confirmation.

#### 1 Rule 3018. Acceptance or Rejection of Plan in a Chapter 2 9 Municipality or a Chapter 11 Reorganization Case 3 ENTITIES ENTITLED TO ACCEPT OR (a) 4 REJECT PLAN; TIME FOR ACCEPTANCE OR 5 REJECTION. A plan may be accepted or rejected in 6 accordance with § 1126 of the Code within the time fixed by 7 the court pursuant to Rule 3017, 3017.1, or 3017.2. Subject 8 to subdivision (b) of this rule, an equity security holder or 9 creditor whose claim is based on a security of record shall 10 not be entitled to accept or reject a plan unless the equity security holder or creditor is the holder of record of the 11 12 security on the date the order approving the disclosure 13 statement is entered or on another date fixed by the court 14 under Rule 3017.2, or fixed for cause after notice and a 15 hearing. For cause shown, the court after notice and hearing may permit a creditor or equity security holder to change or 16 17 withdraw an acceptance or rejection. Notwithstanding 18 objection to a claim or interest, the court after notice and

hearing may temporarily allow the claim or interest in an
amount which the court deems proper for the purpose of
accepting or rejecting a plan.
\*\*\*\*\*

1	Rule 3019. Modification of Accepted Plan in a Chapter
2	9 Municipality or a Chapter 11 Reorganization Case
3	* * * *
4	(b) MODIFICATION OF PLAN AFTER
5	CONFIRMATION IN INDIVIDUAL DEBTOR CASE. If
6	the debtor is an individual, a request to modify the plan under
7	§ 1127(e) of the Code is governed by Rule 9014. The request
8	shall identify the proponent and shall be filed together with
9	the proposed modification. The clerk, or some other person
10	as the court may direct, shall give the debtor, the trustee, and
11	all creditors not less than 21 days' notice by mail of the time
12	fixed to file objections and, if an objection is filed, the
13	hearing to consider the proposed modification, unless the
14	court orders otherwise with respect to creditors who are not
15	affected by the proposed modification. A copy of the notice
16	shall be transmitted to the United States trustee, together
17	with a copy of the proposed modification. Any objection to
18	the proposed modification shall be filed and served on the

19	debtor, the proponent of the modification, the trustee, and
20	any other entity designated by the court, and shall be
21	transmitted to the United States trustee.
22	(c) MODIFICATION OF PLAN AFTER
23	CONFIRMATION IN A SUBCHAPTER V CASE. In a
24	case under subchapter V of chapter 11, a request to modify
25	the plan under § 1193(b) or (c) of the Code is governed by
26	Rule 9014, and the provisions of this Rule 3019(b) apply.

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA WESTERN DIVISION

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In re:

Western Division Administrative Order Regarding Negative Notice Administrative Order No. 20-01 (Western Division Only)

## WESTERN DIVISION ADMINISTRATIVE ORDER REGARDING NEGATIVE NOTICE

(A) Purpose of Order; Applicability. The purpose of this administrative order (the "Order") is to supplement the Local Rules of the United States Bankruptcy Court for the Northern District of Alabama (the "Local Rules") and the administrative order(s) applicable in the Western Division of the United States Bankruptcy Court for the Northern District of Alabama (the "Western Division") by establishing negative notice procedures for certain requests for relief not addressed by the Local Rules or other administrative order(s). The Order applies in bankruptcy cases filed or pending in the Western Division on or after the date of the Order.

Matters Authorized to Be Considered on Negative Notice in the Western **(B)** Division. The presiding judge in the Western Division has approved (and may hereafter approve) certain form motions that may be considered by the court on negative notice, provided the courtapproved forms are utilized in the manners prescribed therein (the "Western Division Negative Notice Forms"). The Western Division Negative Notice Forms shall be posted on the court's website, www.alnb.uscourts.gov, and may be supplemented or otherwise amended by the presiding judge(s) from time to time. The presiding judge in the Western Division also has established a list (the "Western Division Negative Notice List") of other motions, objections, applications, and filings requesting relief (each, a "Request") that may be considered by the court under the below-described negative notice procedure (the "Negative Notice Procedure"). The Western Division Negative Notice list shall be posted on the court's website, www.alnb.uscourts.gov, and may be supplemented or otherwise amended by the presiding judge(s) from time to time. If permitted by a presiding judge, other matters not specified on the Western Division Negative Notice List may be considered by the court using the Negative Notice Procedure. The presiding judge also may enter any order on negative notice, in the judge's sole discretion.

## (C) Negative Notice Procedure.

(1) Manner of Service. Each Request filed pursuant to the Negative Notice Procedure shall:

(a) be served in the manner and on the parties specified by the applicable provision(s) of the Federal Rules of Bankruptcy Procedure (the "Rules"), the Local Rules, and any applicable court orders;

1

(b) <u>attach</u> a certificate of service that complies with the provisions of  $113_{-3}$ .

Local Rule 9013-3;

(c) <u>attach</u> a proposed order that complies with the below set forth requirements (see subpart four of this part C) (each, a "Proposed Order"); and

(d) contain a negative notice legend prominently displayed on the face of the first page of the Request that is substantially in the following form and inserts the correct time for filing responses (see subpart two of this part C):

## NOTICE OF OPPORTUNITY TO OBJECT AND REQUEST HEARING

Pursuant to Western Division Administrative Order No. 20-01, the court will consider the relief requested in this paper without further notice or hearing unless a party in interest files a response within [number] days from the date set forth on the attached certificate of service, plus an additional three days for service if any party was served by U.S. Mail.

If you oppose the relief requested in this paper, then, within the time allowed, you must file a response with the clerk of court electronically (or by hand delivery or mail to the clerk's office at 2005 University Boulevard, Room 2300, Tuscaloosa, Alabama 35401), and you must serve a copy of your response on all appropriate persons. If you file and serve a response within the time permitted, the court will schedule and notify you of a hearing.

If you do not file a response within the time permitted, the court will consider that you do not oppose the relief requested in the paper; the court may deem admitted the allegations set forth in the paper; the court will proceed to consider the paper without further notice or hearing; and the court may grant the relief requested.

(2) Time for Filing Responses. For the purpose of completing the negative notice legend, the number of days during which parties may respond (that is to be placed in the "[number]" field of the negative notice legend) shall be at least 21 days, except as otherwise set forth on the Western Division Negative Notice List, plus an additional three days for service if any party was served by U.S. Mail.

(3) Hearings. In the event a party in interest files a response to a Request (each, a "Response") within the time permitted in the negative notice legend for the Request, as computed under Rules 9006(a) and (f), the court will schedule a hearing on the Request and the Response on notice to the attorney(s) for the filer(s) of the Request and the Response, any unrepresented filer, and others as may be appropriate.

(4) **Consideration Without a Hearing.** If no Response is filed within the time permitted in the negative notice legend for a Request, as computed under Rules 9006(a) and (f), the court will consider the matter in chambers without further notice or hearing <u>upon the submission by the filer of a Proposed Order</u> (this submission requirement is an addition to the

requirement that a Proposed Order be attached to and filed with the Request). Proposed Orders shall be submitted in Microsoft Word format to the presiding judge's e-orders e-mail address (or otherwise in accordance with procedures hereafter implemented by the Western Division, or the United States Bankruptcy Court for the Northern District of Alabama, for the submission of Proposed Orders). The filer of a Request <u>may</u> submit a Proposed Order immediately after the Request is filed. The filer of a Request <u>shall</u> submit a Proposed Order within <u>three days</u> after expiration of the response period. If the filer of a Request fails to submit a Proposed Order within this time, the court may enter an order denying, disapproving, or overruling the Request, without prejudice, for lack of prosecution, or notice the Request for hearing. In addition to any other requirements, each Proposed Order shall recite that:

(a) the motion, objection, application, or other request for relief was served upon all interested parties with the Western Division Administrative Order No. 20-01 negative notice legend informing the parties of their opportunity to respond;

- (b) no party filed a response within the time permitted; and
- (c) the court therefore considers the matter to be unopposed.

(5) *Court May Schedule a Hearing Even if No Response is Filed.* Nothing in the Order or the Negative Notice Procedure established hereby precludes the court from conducting a hearing on a Request, even if no Response is filed within the time permitted.

**DONE AND ORDERED** this the 17th day of January, 2020, JIFER I ATES BANKRUPTCY JUDGE UNITED ST

## UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

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In the Matter of: Administrative Order Regarding Chapter 13 Procedures and Compensation for Debtors' Attorneys in Chapter 13 Cases

Administrative Order No. 19-04 Northern Division Only

#### AMENDED ADMINISTRATIVE ORDER REGARDING CHAPTER 13 PROCEDURES AND COMPENSATION FOR DEBTORS' ATTORNEYS IN CHAPTER 13 CASES

IT IS HEREBY ORDERED, effective January 1, 2020, as follows:

- Deadline to File Amended Chapter 13 Plan. Where a hearing is required on an Objection to Confirmation or Motion to Dismiss brought by the Chapter 13 Trustee, an amended Chapter 13 plan filed in response to such pleading must be filed by 12:00 p.m., Noon, CDT, no less than two (2) business days prior to the scheduled confirmation hearing.<sup>1</sup> If an amended Chapter 13 plan cannot be timely filed, then a request for continuance must be filed by the same deadline.
- 2. Reduction of Compensation for Debtors' Attorneys for Failure to Timely File Amended Chapter 13 Plans and Reasonable Cause:
  - i. If counsel for a debtor fails to comply with the deadline established herein for filing an amended Chapter 13 Plan or request for continuance when necessary to resolve the Chapter 13 Trustee's Objection to Confirmation or Motion to Dismiss, then pursuant to 11 U.S.C. § 329(b) and Local Rule 2016-1(l), the amount of compensation awarded to counsel shall be and is hereby reduced by \$250.00, per incident, per case, which reduction in compensation shall thereafter appear in any subsequent amended Chapter 13 plan and in the confirmation order.
  - **ii.** The Chapter 13 Trustee may request a further reduction in compensation awarded pursuant to Local Rule 2016-1(1), up to \$1,000.00, for reasonable cause. After notice and hearing, the Court will determine the appropriate amount of any fee reduction based upon the totality of the circumstances.
- 3. Payment of Attorney's Fees upon Dismissal. If dismissal of a Chapter 13 case occurs prior to confirmation and if counsel for a debtor has complied with the filing requirements of Administrative Order No. 18-01, then debtor's counsel is allowed an administrative expense in an amount not to exceed \$1,000.00 of any unpaid fee, and the Chapter 13 Trustee is hereby authorized to pay said amount as an administrative expense under 11 U.S.C. § 503(b)(2) prior to returning any undistributed funds to a debtor pursuant to 11 U.S.C. § 1326(a)(2). Any party

<sup>&</sup>lt;sup>1</sup> For example, for a Monday hearing date, the amended plan must be filed by noon the preceding Thursday. For a Wednesday hearing date, the amended plan must be filed by Noon Monday.

in interest, including the debtor and the Chapter 13 Trustee, shall have seven (7) days from the date of the order of dismissal to object to the allowance of such administrative expense. If the sum of undistributed funds held by the Chapter 13 Trustee as of the date of the order of dismissal is a de minimus amount of less than \$100.00, then an administrative expense to debtor's counsel under this part shall not be allowed. Nothing in this Administrative Order shall prohibit counsel for a debtor from seeking compensation by separate fee application filed with the Court.

IT IS SO ORDERED this the 19th day of December, 2019.

CLIFTON R. SESSUP, JRO United States Bankruptcy Judge

ADMIN. Ordar 19-03

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA

# DELEGATION OF 11 U.S.C. SECTION 1183 SMALL BUSINESS REORGANIZATION ACT OF 2019 TRUSTEE APPOINTING <u>AUTHORITY</u>

In all Small Business Reorganization Act of 2019 cases, the United States Bankruptcy Administrator for the Northern District of Alabama shall have the authority to appoint Trustees pursuant to 11 U.S.C. §1183. Standing Chapter 13 Trustees and Panel Chapter 7 Trustees are not prohibited from appointment under this authority.

Dated: James J. R øbingen

Chief U.S. Bankruptcy Judge Northern District of Alabama

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Tamara O. Mitchell U.S. Bankruptcy Judge Northern District of Alabama

Jennifer H. Henderson U.S. Bankruptcy Judge Northern District of Alabama

Clifton R. Jessup, Jr.

U.S. Bankruptcy Judge Northern District of Alabama

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D. Sims Crawford U.S. Bankruptcy Judge Northern District of Alabama

## UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

In the Matter of: Administrative Order Regarding Chapter 13 Procedures and Compensation for Debtors' Attorneys in Chapter 13 Cases

Administrative Order No. 19-02 Northern Division Only

#### ADMINISTRATIVE ORDER REGARDING CHAPTER 13 PROCEDURES AND COMPENSATION FOR DEBTORS' ATTORNEYS IN CHAPTER 13 CASES

**IT IS HEREBY ORDERED**, effective January 1, 2020, as follows:

- 1. Deadline to File Amended Chapter 13 Plan. An amended Chapter 13 plan must be filed by 12:00 p.m., Noon, CDT, no less than two (2) business days prior to the scheduled confirmation hearing.
- 2. Reduction of Compensation for Debtors' Attorneys for Failure to Timely File Amended Chapter 13 Plans and Reasonable Cause:
  - i. If counsel for a debtor fails to comply with the deadline established herein for filing an amended Chapter 13 Plan, the amount of compensation awarded to counsel pursuant to Local Rule 2016-1(l) shall be and is hereby reduced by \$250.00, per incident, per case.
  - **ii.** The Chapter 13 Trustee may request a further reduction in compensation awarded pursuant to Local Rule 2016-1(l), up to \$1,000.00, for reasonable cause. After notice and hearing, the Court will determine the appropriate amount of any fee reduction based upon the totality of the circumstances.
- 3. **Payment of Attorney's Fees upon Dismissal.** If a Chapter 13 plan is not confirmed, upon Certification by counsel for a debtor that the services rendered in the case equal or exceed \$1,000.00, pursuant to Local Rule 2016-(p), attorney's fees in an amount not to exceed \$1,000.00 are hereby allowed and the Chapter 13 Trustee is hereby authorized to pay said amount as an administrative expense under 11 U.S.C. § 503(b)(2) prior to returning any undistributed funds to a debtor pursuant to 11 U.S.C. § 1326(a)(2).

IT IS SO ORDERED this the  $/4^{th}$  day of November 2019.

United States Bankruptcy Judge

## UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

In the Matter of:}Procedural Matters in}Chapter 7 and Chapter 13}Northern Division Only

#### ADMINISTRATIVE ORDER REGARDING ADDITIONS TO CREDITOR MATRIX

Pursuant to Rule 1007(a)(1) of the Federal Rules of Bankruptcy Procedure, the debtor in a voluntary case shall file with the petition a list containing the name and address of each entity included or to be included on Schedules D, E/F, G, and H as prescribed by the Official Forms, commonly referred to as a Creditor Matrix. Pursuant to Rule 1007(c), the schedules, statements, and other documents required by subdivision (b)(1), (4), (5), and (6) shall be filed either with the petition or within 14 days thereafter.

If the debtor adds any creditors to the Schedules which were not included on the original Creditor Matrix filed with the petition, the debtor is hereby required and directed to mail the Notice of Bankruptcy Case, Meeting of Creditors, & Deadlines to such added creditors within three (3) calendar days after the creditor is added to the case and shall immediately file a Certificate of Service reflecting service upon each added creditor. Failure to timely mail the required Notice or to file the Certificate of Service shall constitute cause for dismissal of the case or other appropriate sanctions.

IT IS SO ORDERED this the day of August 2019.

CLIFTON R. JESSUP, JR. United States Bankruptcy Judge

# UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

In the Matter of: Procedural Matters in Chapter 7 and Chapter 13

Administrative Order No. 18-01 Northern Division Only

# ADMINISTRATIVE ORDER REGARDING DEFICIENT FILINGS AND PROCEDURE FOR DISMISSAL OF CASES

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Pursuant to Rule 1007(a)(1) of the Federal Rules of Bankruptcy Procedure, the Debtor(s) in a voluntary case shall file with the petition a list containing the name and address of each entity included or to be included on Schedules D, E/F, G, and H as prescribed by the Official Forms, commonly referred to as a Creditor Matrix. Further, pursuant to Rule 1007(c) of the Federal Rules of Bankruptcy Procedure, the schedules, statements, and other documents required by subdivision (b)(1), (4), (5), and (6) shall be filed either with the petition or within 14 days thereafter. As a result of repeated violations of these Rules by counsel for Debtors, it is hereby

#### **ORDERED, ADJUDGED AND DECREED** as follows:

- 1. Debtor(s) and counsel for Debtor(s) are hereby notified that if the Creditor Matrix is not filed with the petition and/or uploaded to CM/ECF on the same date, the case will be **DISMISSED** without further notice or hearing unless the Debtor(s) files a Motion requesting an extension of time to file and upload the Creditor Matrix which contains adequate cause for such extension. The Court will determine if a hearing is necessary on the Motion, or the Court may grant or deny the requested extension without a hearing based upon the cause alleged in the Motion. The Motion must be filed with the petition or the case will be dismissed.
- 2. Debtor(s) and counsel for Debtor(s) are hereby notified that if all schedules, statements, and documents required by Rule 1007(c) are not filed within FOURTEEN (14) DAYS after the filing date of the petition, the case will be DISMISSED without further notice or hearing unless the Debtor(s) files a Motion requesting an extension of time to file the required document(s) which contains adequate cause for such extension. The Court will determine if a hearing is necessary on the Motion, or the Court may grant or deny the requested extension without a hearing based upon the cause alleged in the Motion. The Motion must be filed within 14 DAYS after the filing date of the petition or the case will be dismissed.

IT IS SO ORDERED this the  $9 \pm h$  day of July 2018.

CLIFTON R. 19

United States Bankruptcy Judge

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA WESTERN DIVISION

In Re:

Western Division Administrative Order Regarding (I) Attorney's Fees Under § 4.3 of the Local Form Plan, (II) the Sequence of Payments Under Part 7 of the Local Form Plan, and (III) Other Chapter 13 Requirements and Procedures

Administrative Order No. 17-07 (Western Division Only)

# WESTERN DIVISION ADMINISTRATIVE ORDER REGARDING (I) ATTORNEY'S FEES UNDER § 4.3 OF THE LOCAL FORM PLAN, (II) THE SEQUENCE OF PAYMENTS UNDER PART 7 OF THE LOCAL FORM PLAN, AND (III) OTHER CHAPTER 13 REQUIREMENTS AND PROCEDURES

This administrative order (this "<u>Order</u>") applies in all chapter 13 cases filed in the Western Division (the "<u>Western Division</u>") of the United States Bankruptcy Court for the Northern District of Alabama (the "<u>District</u>") on or after December 1, 2017, the effective date of the local form chapter 13 plan adopted by the District in accordance with Rule 3015.1 of the Federal Rules of Bankruptcy Procedure (the "<u>Local Form</u> <u>Plan</u>"). The Order also applies in any Western Division chapter 13 case in which chapter 13 debtor(s) (individually or together, a "<u>Debtor</u>") file a chapter 13 plan in the form of the Local Form Plan (a "<u>Plan</u>"), regardless of when the case was filed. Additionally, effective immediately, part III.E, parts III.H through III.V, and the final sentence of part III.A of the Order apply in all Western Division chapter 13 cases. In the event a case is transferred from the Western Division to another division within the District (or to another district) prior to confirmation of a Plan, the Order shall cease to apply in the case. The provisions of the Order shall not be given preclusive effect in the event a creditor or other party in interest timely objects to confirmation of a Plan or to any proposed modification to a Plan. Subject to the foregoing, and pursuant to § 4.3 and part 7 of the Local Form Plan, Rules 3015, 9006, and 9029 of the Federal Rules of Bankruptcy Procedure (the "Rules"), and Rule 102 of the Federal Rules of Evidence, it is ORDERED as follows:

#### I. Payment of Attorney's Fees Under § 4.3 of the Local Form Plan

A. The Administrative Order Fee Option. Part I.A of this Order is deemed incorporated, by reference, in a Plan if the Debtor selects the option, in § 4.3 of the Plan, to pay the balance of the requested Debtor's attorney fee "in accordance with any applicable administrative order regarding fees entered in the division where the case is pending" (the "Administrative Order Fee Option"). (*See* Local Form Plan § 4.3.) If the Administrative Order Fee Option is selected in the Plan, the fee allowed the Debtor's attorney that is payable from the Debtor's estate (the "Fee"), if any, shall be paid as follows, unless otherwise ordered:

- 1. Beginning with the first post-confirmation distribution made by the chapter 13 trustee serving in the case (the "<u>Trustee</u>") through and including the *earliest* to occur of the (1) the distribution that pays the Fee in full, (2) the Trustee's distribution for the month preceding the month in which fixed payments are to commence under the terms of the Plan, and (3) the Trustee's distribution for the sixth month after the confirmation hearing (the "<u>Initial Fee Period</u>"),<sup>1</sup> the Trustee shall pay to the Debtor's attorney the balance of the Regular Plan Payments (as said term is hereinafter defined) received by the Trustee that remain after the Trustee disburses the amounts set forth in subparagraphs 1, 2, and 3 of part II.A of this Order (the "<u>Initial Fee Payments</u>").
- 2. After the Initial Fee Period, if the Fee has not been paid in full, the Trustee shall pay to the Debtor's attorney the balance of the Regular Plan Payments (as said term is hereinafter defined) received by the Trustee that remain after payment of the amounts set forth subparagraphs 1, 2, 3, and 5 of part II.A of this Order (the "<u>Residual Fee Payments</u>"). The Residual Fee Payments shall continue until the Fee is paid in full.

<sup>&</sup>lt;sup>1</sup> If the Administrative Order Fee Option is selected by a Plan, fixed payments to secured creditors, if any, must begin *no later than* the seventh month following confirmation. The month in which fixed payments are to begin under the Plan is referred to herein as the "<u>Fixed Payment Commencement Date</u>."

**B.** The Plan Fee Option. In lieu of selecting the Administrative Order Option, the Debtor, in § 4.3 of the Plan, may provide for payment of all or a portion of the Fee to the Debtor's attorney at confirmation of the Plan (the "Fee at Confirmation") and grant the Debtor's attorney a monthly fixed payment on the unpaid balance of the Fee (the "Fee Balance"). This option is referred to herein as the "Plan Fee Option." Unless otherwise ordered, the Fee at Confirmation and fixed payments to the Debtor's attorney on the Fee Balance shall be paid by the Trustee, post-confirmation, from Regular Plan Payments received by the Trustee in accordance with the sequence of payments set forth in part II.A of this Order; *provided, however*, in the event the Trustee receives insufficient Regular Plan Payments to pay the Fee at Confirmation in full prior to the Fixed Payment Commencement Date, the portion of the Fee at Confirmation that remains unpaid as of the Fixed Payment Commencement Date (the "Fee Deficiency") shall not be paid under subparagraph 4 of part II.A. Instead, the Fee Deficiency shall be paid from the Regular Plan Payments received by the Trustee that remain after payment of the amounts set forth subparagraphs 1, 2, 3, and 5 of part II.A of this Order (the "Fee Deficiency Payments").

#### II. Sequence of Payments Under Part 7 of the Local Form Plan

**A. Regular Plan Payments**. Unless otherwise ordered, the Trustee shall disburse payments received by the Trustee under §§ 2.1, 2.2, or 2.3 of a Plan (collectively, the "<u>Regular Plan Payments</u>") in the following sequence:

- 1. The Trustee shall collect the percentage fee currently due from all Regular Plan Payments at the time that funds are disbursed, until the fee then due is collected in full. (See Local Form Plan  $\S$  4.1.)
- 2. If the Plan proposes to pay the chapter 13 case filing fee (the "<u>Filing Fee</u>") through the Plan, the Trustee shall then disburse the Filing Fee installment payments currently due to the clerk of court, until the amounts then due are paid in full. (*See* Local Form Plan § 4.2; Local Rule 1006-1.)

- 3. The Trustee shall then disburse post-petition adequate protection payments to creditors with allowed claims, if any, as provided in the Debtor's most recent Plan, until the amounts then due are paid in full. (*See, e.g.*, Local Form Plan §§ 2.5, 3.2, and 3.3; *see also* Local Form Plan part 9.)
- 4. The Trustee shall then disburse the Initial Fee Payments payable to the Debtor's attorney under part I.A of this Order, if any, or the Fee at Confirmation payable to the Debtor's attorney under part I.B of this Order, if any. (See Local Form Plan § 4.3; see also supra parts I.A.1 and I.B.)
- 5. The Trustee shall then disburse the following amounts proportionately until the amounts that are then currently due are paid in full:
  - a. The current installment payments to be disbursed by the Trustee, if any, including amounts currently due and any unpaid arrearages (see Local Form Plan  $\S$  3.1, 5.4, and 6.1); and
  - b. The monthly fixed payments on allowed secured claims, if any, including any amounts currently due and any unpaid arrearages (*see* Local Form Plan part 3); and
  - c. The monthly fixed payments to the Debtor's attorney for the Fee Balance, if any, including any amounts currently due and any unpaid arrearages (*see* Local Form Plan § 4.3; *see also supra* part I.B); and
  - d. The monthly fixed payments on other priority unsecured claims and § 503(b) administrative expenses, if any, including any amounts currently due and any unpaid arrearages (*see, e.g.,* Local Form Plan §§ 4.4, 4.5).

The monthly fixed payments identified in this subparagraph 5 of part II.A that are due pursuant to the Plan but are unpaid shall accrue proportionately, based upon the amount of each fixed payment awarded, and shall be paid proportionately by the Trustee on a pro rata basis from available funds on hand.<sup>2</sup>

- 6. The Trustee shall then disburse the Residual Attorney Fee Payments or Fee Deficiency Payments payable to the Debtor's attorney, if any, until paid in full. (See Local Form Plan § 4.3; see also supra parts I.A.2 and I.B.)
- 7. The Trustee shall then disburse the amounts to be paid to holders of nonpriority unsecured claims not separately classified by the Plan, if any, on a pro rata basis until paid in full. (*See* Local Form Plan part 5.)

**B.** Claim Proceeds. Unless otherwise ordered, the Trustee shall disburse proceeds of claim(s), cause(s) of action, lawsuit(s), settlement(s), or judgment award(s) ("<u>Claim Proceeds</u>") received by the Trustee pursuant to § 2.4 of a Plan ("<u>Committed Claim Proceeds</u>") in the sequence specified by the Plan, if any. (*See* Local Form Plan § 2.4, part 9;<sup>3</sup> see also id. at § 5.2.<sup>4</sup>) If the Plan does not include a sequence of payment for Committed Claim Proceeds, Committed Claim Proceeds received by the Trustee shall be held pending further

<sup>&</sup>lt;sup>2</sup> For example, if a Plan provides for fixed payments in the amount of \$200.00 to a secured car creditor, \$200.00 to a secured mortgage creditor, and \$100.00 to the Debtor's attorney for the Fee Balance, and, after the Fixed Payment Commencement Date, the Trustee receives a partial Regular Plan Payment in the amount of \$100.00, the Trustee shall disburse, after collecting the Trustee's fee of not more than 10 percent of the disbursements to the creditors (\$9.09), approximately \$36.36 to the secured car creditor, approximately \$36.36 to the secured mortgage creditor, and approximately \$18.18 to the Debtor's attorney. The foregoing scenario assumes the Filing Fee was paid in full prior to the Fixed Payment Commencement Date.

<sup>&</sup>lt;sup>3</sup> For example, in § 2.4, the Plan may provide: "Non-exempt proceeds of estate causes of action that remain after satisfaction of any and all attorneys' fees and expenses, lien claims, and subrogation claims payable therefrom shall be disbursed in the following sequence: (1) in payment of the percentage fee currently due the Trustee, (2) pro rata to holders of nonpriority unsecured claims not separately classified by the Plan up to 100 percent of the total allowed amount of such claims, (3) in the sequence specified by part II.A of Administrative Order No. 17-07, and (4) the balance, if any, to the Debtor(s)." Or, the Plan may specify a different sequence of payments in § 2.4 (or part 9). The aforementioned sequence is provided for illustrative purposes only and shall not be given preclusive effect in the event a creditor or other party in interest objects to confirmation of a Plan that includes this sequence of payments.

<sup>&</sup>lt;sup>4</sup> Notably, for "Base" plans, the Local Form Plan provides that Committed Claim Proceeds will be disbursed, like Regular Plan Payments, in accordance with the sequence of payments set forth in part II.A of this Order. (*See* Local Form Plan  $\S$  5.2.)

order of the court; <u>provided</u>, <u>however</u>, if all Trustee payments to creditors contemplated by the Plan have been paid in full (referred to herein as "<u>Plan Completion</u>"), the Trustee shall disburse the Committed Claim Proceeds in the following sequence:

- 1. The Trustee shall collect the percentage fee currently due from Committed Claim Proceeds at the time that such funds are disbursed, until the fee then due is collected in full. *(See* Local Form Plan  $\S$  4.1.)
- 2. The Trustee shall then disburse the amounts necessary to satisfy unpaid compensation awards, subrogation claims, or lien claims payable from the Committed Claim Proceeds, if any.<sup>5</sup>
- 3. The Trustee shall then disburse, on a pro rata basis, the amounts necessary to pay holders of allowed nonpriority unsecured claims not separately classified by the Plan (the "General <u>Unsecureds</u>"), if any, 100 percent of the total allowed amount of such claims (a "<u>100% General Unsecured Distribution</u>"). (See Local Form Plan § 5.3.)
- 4. Any Committed Claim Proceeds that remain after both Plan Completion and a 100% General Unsecured Distribution occur shall be refunded to the Debtor, and, unless otherwise ordered, the Trustee shall not collect a percentage fee on any such disbursement to the Debtor.

#### III. Other Chapter 13 Requirements and Procedures

**A.** Adequate Protection Payments. If a Plan provides for adequate protection payments to a creditor, such adequate protection payments shall continue until the Fixed Payment Commencement Date, unless the Plan expressly provides otherwise or otherwise ordered. The Trustee is authorized to make the adequate protection payments proposed to be made to a creditor in a Plan prior to confirmation, so long as

<sup>&</sup>lt;sup>5</sup> Often, such awards and claims are paid directly by special counsel or a settlement administrator, pursuant to an order on a motion to approve compromise. Further, the Debtor, in § 2.4 of the Plan, may exclude from the Committed Claim Proceeds the amounts necessary to satisfy compensation awards or subrogation/lien claims.

the creditor has properly filed a proof of claim.<sup>6</sup>

**B. Fixed Payment Commencement Date**. If a Plan provides for fixed payments to a creditor, the Plan must conspicuously and clearly identify the Fixed Payment Commencement Date. For purposes of this requirement, it shall be sufficient to identify the month following confirmation in which fixed payments are to commence (e.g., "the 7th month after confirmation"). If the Plan states that fixed payments will begin "at confirmation" or "upon confirmation," the Fixed Payment Commencement Date shall be the date of the first, post-confirmation distribution by the Trustee.

C. Identification and Vesting of Committed Claim Proceeds. If, in § 2.4 of a Plan, the Debtor checks the box indicating that the Debtor will make additional payment(s) to the Trustee from Claim Proceeds, the Debtor shall include, in the space provided, a description of the Committed Claim Proceeds. For purposes of example only, the Plan may provide that "the Debtor shall pay to the Trustee all non-exempt proceeds of estate causes of action that remain after satisfaction of any and all attorneys' fees and expenses, lien claims, and subrogation claims payable therefrom." Alternatively, the Plan may propose to pay proceeds of "pre-petition" or "scheduled" causes of action. A reference to "estate" causes of action will be deemed to include any and all causes of action comprising property of the estate at the time of the confirmation hearing, as well as any and all post-confirmation causes of action that become property of the estate under 11 U.S.C. § 1306(a). Unless the Plan expressly provides otherwise<sup>7</sup> or otherwise ordered—and notwithstanding the entry of a discharge order in, or the closing of, the Debtor's case—the Committed Claim Proceeds shall not vest in the Debtor at confirmation but shall remain property of the Debtor's estate until each of the following occurs: (1) Plan Completion, and (2) a 100% General Unsecured Distribution; provided, however, if the

<sup>&</sup>lt;sup>6</sup> This Order and the Local Form Plan supersede and replace Western Division Administrative Order No. 09-04.

<sup>&</sup>lt;sup>7</sup> Checking the box in part 8 of a Plan to provide that "[p]roperty of the estate will vest in Debtor(s)...[u]pon plan confirmation" is not sufficient for purposes of this requirement.

Debtor's case is dismissed or converted prior to the Trustee's receipt or disbursement of all Committed Claim Proceeds, then 11 U.S.C. § 347 or 11 U.S.C. § 349 shall govern whether any Committed Claim Proceeds remain property of the Debtor's estate.

D. Additional Distributions to General Unsecureds from Committed Claim Proceeds. Unless the Plan expressly states otherwise or otherwise ordered, Trustee disbursements of Committed Claim Proceeds to General Unsecureds, if any, shall be in addition to the amount(s) proposed to be paid to General Unsecureds in § 5.2 of the Plan, if any, up to a 100% General Unsecured Distribution (each, an "<u>Additional Unsecured Disbursement</u>"). (*See* Local Form Plan §§ 2.4 and 5.2 and part 9.) It shall not be necessary to modify the Plan in the event of an Additional Unsecured Disbursement. The Trustee may, instead, (1) file in the Debtor's case, and serve on all creditors, a notice of any higher percentage or increased pot amount that General Unsecureds will be entitled to receive (upon Plan Completion) as result of the Additional Unsecured Disbursement, and (2) update the Trustee's interim statement (and the Trustee's final report if the Additional Unsecured Disbursement is made after the filing of the final report) to reflect the Additional Unsecured Disbursement and any corresponding increase to the pot or percentage.<sup>8</sup> If disbursements of Committed Claim Proceeds to priority unsecured creditors will enable more of the Debtor's disposable income to be paid to General Unsecureds, the Trustee (or an unsecured creditor) typically must to move to modify the Plan to increase the amount to be paid to General Unsecureds.<sup>9</sup>

<sup>&</sup>lt;sup>8</sup> This is not necessary for "Base" Plans or "100% Repayment" Plans. (See Local Form Plan § 5.2.)

<sup>&</sup>lt;sup>9</sup> If the Plan is a "Base" Plan, such a motion is not required. Further, the Debtor may consent to entry of order that increases the pot or percentage to be paid to General Unsecureds, in which case a motion may not be necessary. If a post-confirmation modification to increase the pot or percentage to be paid to General Unsecureds is agreed to by the Debtor and is feasible, it may be approved, without further notice or opportunity to object, pursuant to Rule 3015(g) (without prejudice to the right of the Trustee or any unsecured creditor to move to further increase the pot or percentage).

E. Limited Notice of Certain Pre-Confirmation Plan Modifications. At or prior to the hearing to consider confirmation of a Plan or amended Plan (the "Confirmation Hearing"), the Debtor, or the Debtor's attorney, and the Trustee may make the Plan modifications described in this part III.E (each, a "Trustee Report Modification") by notation on the Trustee's confirmation report and recommendation (the "Trustee Report"),<sup>10</sup> so long as (1) the Trustee Report is signed by the Debtor, or the Debtor's attorney, and the Trustee, or the Trustee's attorney, and (2) the signed Trustee Report is filed in the Debtor's case prior to entry of the confirmation order.<sup>11</sup> Each of the following is considered a Trustee Report Modification: (1) an increase to the Debtor's Regular Plan Payments; (2) an increase to a monthly fixed payment provided for by the Plan (other than an increase to a monthly fixed payment on a Fee Balance); (3) a modification to bring forward (but not to delay) the Fixed Payment Commencement Date; (4) an increase to an adequate protection payment provided for by the Plan; (5) a modification to the treatment of a separately classified claim that is consented to by the claimholder (a "Consensual Treatment Modification"); (6) an increase to the percentage or pot amount proposed to be paid to General Unsecureds (but not a change from a percentage to a pot amount or from a pot amount to a percentage); (7) an agreed reduction to a Fee; (8) an agreed reduction to a Fee at Confirmation; (9) an agreed reduction to a monthly fixed payment on a Fee Balance; (10) the Debtor's agreement to pay to the Trustee, under § 2.4, all non-exempt proceeds of *estate* causes of action, *scheduled* causes of action, or pre-petition causes of action that remain after satisfaction of any and all attorneys' fees and expenses, lien claims, and subrogation claims payable therefrom (provided all known causes of action are scheduled and no sequence of payments for Committed Claim Proceeds is added); and (11) other Plan modifications that do not adversely or materially affect non-consenting creditors or parties in interest and are

<sup>&</sup>lt;sup>10</sup> The Trustee's Report may be referred to as the Trustee's 341 meeting "bench sheet."

<sup>&</sup>lt;sup>11</sup> If the signed Trustee Report is not filed prior to the Confirmation Hearing, the court may require that the Trustee, the Trustee's attorney, or the Debtor's attorney announce the modification(s) to the Plan made on the Trustee Report on the record of the Confirmation Hearing.

approved by the court. All Trustee Report Modifications shall be summarized in the proposed, confirmation order submitted by the Trustee's office; provided, however, a Consensual Treatment Modification may be memorialized by a separate consent order approved by the Debtor (or the Debtor's attorney), the Trustee (or the Trustee's attorney), and the affected creditor (a "Consent Order Modification") and need not be memorialized in the confirmation order.<sup>12</sup> Any Trustee Report Modifications not summarized in the confirmation order will not be binding under 11 U.S.C. § 1327 unless separately evidenced by a Consent Order Modification. The Debtor is not required to file an amended Plan (each, an "Amended Plan") for a Trustee Report Modification or Consent Order Modification unless the court orders otherwise at the Confirmation Hearing. Unless otherwise ordered, because no creditors or other parties in interest are adversely or materially affected by Trustee Report Modifications or Consent Order Modifications, and for purposes of the efficiency of the court's consumer bankruptcy dockets, notice of Trustee Report Modifications and Consent Order Modifications is limited as described in this part III.E, and the applicable notices period(s) set forth in Rule 2002 are reduced accordingly, pursuant to Rule 9006(c); provided, however, objections to Trustee Report Modifications and Consent Order Modifications may be made (1) in writing at any time prior to the Confirmation Hearing, (2) orally at the Confirmation Hearing, or (3) within 14 days after the entry of the confirmation order or consent order, as applicable, by filing a motion to alter or amend the confirmation order or consent order pursuant to Rule 59(e) of the Federal Rules of Civil Procedure, as made applicable by Rule 9023.

F. Filing and Service of the Plan. If the Plan is filed with the Debtor's petition, the clerk's office will serve the Plan with the notice of commencement of the Debtor's case on the Trustee and all creditors and parties in interest identified on the official mailing matrix for the case (collectively, the "Service")

<sup>&</sup>lt;sup>12</sup> If the consent order memorializing a Consent Order Modification is not entered on the docket of the case prior to the Confirmation Hearing, the court may require that the attorney for the Debtor or the affected creditor announce the terms of the Consent Order Modification on the record of the Confirmation Hearing.

Parties"). Pursuant to Local Rule 3015-1(b), if the Plan is not filed with the petition, the Debtor, or the Debtor's attorney, must serve the Plan on the Service Parties and attach a certificate of service evidencing the same to the Plan (a "Matrix Certificate of Service"). The Debtor, or the Debtor's attorney, should include all creditors and parties in interest (e.g., codebtors, utilities, etc.) on the official mailing matrix to ensure proper notice of the Plan and the Confirmation Hearing. Regardless of when the Plan is filed, if the Plan includes any of the following provisions (each, a "Rule 7004 Service Provision"), the Debtor must serve the Plan on the affected creditor or party in interest (each, an "Affected Party") in the manner provided for service of a summons and complaint by Rule 7004 and file a separate certificate of service that substantially complies with the certificate of service found at the court's website at http://www.alnb.uscourts.gov/forms/allforms/localrules forms (a "Supplemental Certificate of Service"):13 (1) a provision that seeks to limit the amount of a secured claim which may result in partial or no payment at all to the secured creditor, whether set out in § 3.2 or part 9 of the Plan; (2) a request, in § 3.4, to avoid, in whole or in part, a judicial lien or nonpossessory, nonpurchase-money security interest; or (3) a non-standard provision, in part 9, that requires Rule 7004 service of the Plan on the Affected Party (a "7004 Non-Standard Provision"). A request, in part 9, to value surrendered collateral (such as a request to surrender collateral in full satisfaction of the Affected Party's entire claim or to limit the amount of the Affected Party's unsecured deficiency claim to the total claim less the retail value of the surrendered collateral) is considered a 7004 Non-Standard Provision, and service of the Plan on the Affected Party must be made in accordance with Rule 7004 and evidenced by a Supplemental Certificate of Service. A Supplemental Certificate of Service must also be filed (regardless of when the Plan is filed) if the Plan proposes to grant a creditor relief from the codebtor stay of 11 U.S.C. § 1301 (such as in § 3.5) (a "Codebtor Relief Provision") to evidence service of the Plan containing the Codebtor Relief Provision on all affected codebtors. A Supplemental Certificate of Service is not a substitute for a Matrix Certificate of

<sup>&</sup>lt;sup>13</sup> The Supplemental Certificate of Service should be attached to and filed with the Plan.

Service, and if the Debtor, or the Debtor's attorney, fails to file the Plan with the petition, both a Matrix Certificate of Service and a Supplemental Certificate of Service must be filed with the Plan.

G. Filing and Service of Amended Plans; Deadline for Objecting to Amended Plans. If the Debtor files an Amended Plan, the Debtor shall serve the Amended Plan on all Service Parties and attach a Matrix Certificate of Service evidencing the same to the Amended Plan. If the Amended Plan includes a Rule 7004 Service Provision or a Codebtor Relief Provision, then service of the Amended Plan must comply with Local Rule 3015-1 and part III.F hereof, and the requisite Supplemental Certificate of Service must be attached to and filed with the Amended Plan. After an Amended Plan is filed, the court typically will enter an order fixing the deadline for filing objections to the Amended Plan, on not less than 21 days' notice to all Service Parties.<sup>14</sup> The court will not confirm an Amended Plan before any court ordered objection deadline expires, nor will the court confirm an Amended Plan before holding a hearing to consider each timely filed objection to the Amended Plan.

H. Amended Plan Payments. If the Debtor files an Amended Plan prior to the Confirmation Hearing, the Regular Plan Payments that come due after the date the Amended Plan is filed must be made in the amount stated in the Amended Plan, which may be higher or lower than the amount stated in the original Plan. If successive Amended Plans are filed, any Regular Plan Payment that comes due must be made in the amount stated in the most recently filed Amended Plan.

I. Requests to Continue the First Setting of a Confirmation Hearing. Subject to court approval, the first setting of the Confirmation Hearing in a case (the "<u>Original Confirmation Hearing</u>") may be continued before the scheduled date and time thereof, *if, and only if,* the Original Confirmation Hearing can be rescheduled to a date that (1) is not later than 45 days after the date of the 341 meeting of creditors and (2)

<sup>&</sup>lt;sup>14</sup> If a Confirmation Hearing is not scheduled when the Debtor files an Amended Plan, the court will not enter such an order. Instead, the clerk's office will notice a hearing to consider confirmation of the Amended Plan on 28 days' notice to all Service Parties.

is not sooner than 30 days<sup>15</sup> after the date of the order continuing the Original Confirmation Hearing.

J. Continuances of Confirmation Hearings Generally. If a request for a continuance of a Confirmation Hearing is made and approved in advance of the scheduled date and time of the Confirmation Hearing, the court will enter an order and notice of rescheduled hearing that provides notice to all Service Parties of the date and time of the rescheduled Confirmation Hearing. So long as the Service Parties received at least 28 days' notice of the Original Confirmation Hearing and the Original Confirmation Hearing was convened, the Confirmation Hearing may be continued on *less than* 28 days' notice to the Service Parties. The Confirmation Hearing also may be convened and rescheduled by announcement on the record of the Confirmation Hearing, without further notice.<sup>16</sup>

K. Extension of Confirmation Objection Deadline for Objections Based on Unanticipated Claims. If any of the following types of claims is filed in a Debtor's case on or after expiration of the deadline for filing objections to confirmation (each, an "<u>Unanticipated Claim</u>"), the objection deadline is deemed extended, for cause, to the date and time of the Confirmation Hearing for any objection to confirmation based on an Unanticipated Claim by a party other than the holder, servicer, or filer of the Unanticipated Claim: (1) a secured or priority claim that is not provided for by the Plan (or Amended Plan); (2) with respect to claims that are separately classified by the Plan (or Amended Plan), a claim that exceeds the amount listed by the Plan (or Amended Plan), creating a feasibility issue; or (3) with respect to General Unsecureds, a claim that exceeds the amount listed in the Debtor's schedules, creating a feasibility issue.

<sup>&</sup>lt;sup>15</sup> Rule 2002(b) requires 28 days' notice of the hearing to consider confirmation of a chapter 13 plan. Two days is added to allow for service of the order by the Bankruptcy Noticing Center.

<sup>&</sup>lt;sup>16</sup> To the extent the Rule 2002(b) notice requirements apply to adjournments of the Confirmation Hearing after the court has convened Original Confirmation Hearing, the requirements are hereby reduced/limited on the terms of paragraph III.J, for cause, to facilitate confirmation within a reasonable period of time. *See* Rule 9006(c).

L. Confirmation Hearings. Excepting cases in which the 341 meeting of creditors is conducted in Jasper, Alabama,<sup>17</sup> Confirmation Hearings typically are scheduled for 1:30 p.m. (the "<u>1:30 Docket</u>") and 1:45 p.m. (the "<u>1:45 Docket</u>") on Tuesdays.<sup>18</sup> The 1:30 Docket shall be for Original Confirmation Hearings only. If the Original Confirmation Hearing is continued in accordance with part III.I hereof, it will remain on the 1:30 Docket. All other continued Confirmation Hearings will be set on the 1:45 Docket (or on a different date and time to be heard with other pending matters).

M. Cases Recommended for Confirmation. If the Trustee recommends a Plan or Amended Plan for confirmation and, on or before the second business day before the Confirmation Hearing (the "<u>Recommendation Deadline</u>"), the Trustee files a Trustee Report in the case that memorializes any Trustee Report Modifications and states the Trustee's recommendation (a "<u>Trustee Recommendation</u>"),<sup>19</sup> both the Debtor and the Debtor's attorney are excused from appearing for the Confirmation Hearing (so long as there are no pending objections to confirmation or other matters set). If a Trustee Recommendation is not filed on or before the Recommendation Deadline, the Debtor's attorney (or, if the Debtor is not represented by an attorney, the Debtor) is required to appear for the Confirmation Hearing unless (1) the Trustee and any party that has objected to confirmation have agreed that the Trustee may orally request a continuance of the Confirmation Hearing on the record; or (2) there are no pending objections to confirmation, and the Trustee has confirmed that he or she will orally recommend confirmation. The court may collectively call cases recommended for confirmation at the beginning of each confirmation docket in lieu of calling each such case

<sup>&</sup>lt;sup>17</sup> The Trustee conducts 341 meetings in two locations—Tuscaloosa, Alabama and Jasper, Alabama. Confirmation hearings in Jasper cases are typically set for hearing at 1:30 p.m. on the third Thursday of the month.

<sup>&</sup>lt;sup>18</sup> A Western Division planning calendar (the "<u>Planning Calendar</u>"), which lists upcoming docket dates and times, is available on the court's website (<u>www.alnb.uscourts.gov</u>) on the information page for Judge Jennifer H. Henderson.

<sup>&</sup>lt;sup>19</sup> If there are no Trustee Report Modifications, the Trustee Report may take the form of a text entry on the docket of the case that notes the Trustee Recommendation, rather than a separate document.

individually. Whether called individually or collectively, the court will convene the Confirmation Hearing in each case, and, if the court does not confirm a case that the Trustee has recommended for confirmation, the court will reschedule the Confirmation Hearing to permit the Debtor or the Debtor's attorney an opportunity to address any impediments to confirmation.

**N.** Added Creditors. If the Debtor's attorney amends any schedule to include an additional creditor, the Debtor's attorney shall promptly serve the Plan or Amended Plan, as well as any order fixing a deadline for objections to such Plan or Amended Plan, on the added creditor and file proof of service evidencing the same. If the added creditor is affected by a Rule 7004 Service Provision, the certificate of service must substantially comply with the Supplemental Certificate of Service. The clerk's office will notify the added creditor of the date and time of the 341 meeting of creditors and the date and time of the Confirmation Hearing. If an added creditor receives less than 28 days' notice of the Confirmation Hearing or less than 21 days' notice of the deadline for filing objections to the operative Plan or Amended Plan, the Debtor's attorney (or, if the Debtor is not represented by an attorney, the Debtor) shall notify the court on the record of the Confirmation Hearing.

**O. Dismissal Prior to Confirmation; Allowance of Administrative Expenses.** If a case is dismissed prior to confirmation, the Trustee shall disburse monies on hand in the following sequence: (1) in payment of any administrative expenses of the Trustee allowed under paragraphs (1)(A), (2), and (6) of 11 U.S.C. § 503(b), (2) pro rata to holders of other allowed administrative expenses under 11 U.S.C. § 503(b), and (3) the balance, if any, to the Debtor.<sup>20</sup> Unless otherwise ordered, and subject to objection, if dismissal of a case occurs prior to confirmation, then (1) if the disclosure of compensation for the Debtor's attorney so provides, the Debtor's attorney is allowed an administrative expense in the amount of \$1,000.00 or in the amount of the Fee, whichever is less, pursuant to 11 U.S.C. § 503(b), and (2) the unpaid balance of the Filing

<sup>&</sup>lt;sup>20</sup> See 11 U.S.C. § 1326(a)(2); 11 U.S.C. § 503(b).

Fee, if any, is allowed as an administrative expense pursuant to 11 U.S.C. § 503(b). The Trustee, the Debtor, and all other parties in interest shall have 14 days from the date of the order dismissing the case to object to any administrative expenses allowed by this subpart. The Debtor's attorney may file a fee application for any fees sought over \$1,000.00, but such fee application must be filed within 14 days of the order of dismissal. The Trustee shall have 14 days from the date of the order dismissing the case to file an application for allowance of any administrative expense(s) of the Trustee. The court retains jurisdiction, pursuant to 11 U.S.C. § 349, to consider any timely objections and applications filed pursuant to this subpart.

P. Trustee Interim Statements. In connection with any hearing or determination in a case, and unless a party in interest objects, the court shall deem admitted into evidence the Trustee's interim statement for the case (each, an "Interim Statement") and the facts that can be readily determined from the Interim Statement, without requiring the Trustee to formally offer and authenticate the Interim Statement. It is the practice of the undersigned to print an Interim Statement (in the form used by the Trustee) one to four business days in advance of any hearing in a case (for review prior to and during the hearing). The court also routinely prints and reviews Interim Statements (in the form used by the Trustee) to ascertain whether or not Debtors have complied with orders of the court setting deadlines for payments to the Trustee. Any party in interest that objects to the court reviewing or deeming admitted an Interim Statement may file a written objection in the case or orally object on the record of any hearing, and part III.P of this order shall not be given preclusive effect in the event an interested party timely raises an objection to the court's review or admission (deemed or otherwise) of an Interim Statement.

Q. Hearing Dockets. The clerk's office maintains a court calendar at <u>www.alnb.uscourts.gov/court-calendar</u>, which displays upcoming hearings (by date, judge, and location). The court's daily hearing docket, listing all matters set for hearing that day (each, a "<u>Hearing Docket</u>"), may be generated and printed by accessing the above-reference link. In advance of a hearing date, the Hearing Docket will be numbered. Ordinarily, for each time slot, matters are grouped and organized (oldest to newest) by

case number. Although cases typically are called (by docket number and Debtor name) in the number order listed on the Hearing Docket, the court may hear matters out of order.

Hearings on Motions to Dismiss; Post-Confirmation Increases to Regular Plan R. Payments. Typically, the court sets two hearing times each month for hearings on motions to dismiss chapter 13 cases (each, a "Dismissal Docket").<sup>21</sup> The first Dismissal Docket is for initial hearings on motions to dismiss, and the second Dismissal Docket is for continued hearings on motions to dismiss. The Trustee is authorized to self-calendar and self-notice hearings on Trustee motions to dismiss. With limited exceptions, the Trustee shall notice a pre-confirmation motion to dismiss a chapter 13 case for the date and time of the Confirmation Hearing and a post-confirmation motion to dismiss for the date and time of a Dismissal Docket. A Consent to Action at Hearing on Trustee's Motion to Dismiss (a "Consent to Action") for the Western Division is available on the court's website (www.alnb.uscourts.gov). The attorney for a Debtor is expected to appear for the hearing on any motion to dismiss the Debtor's case (or make arrangements for another attorney to appear) unless a duly executed Consent to Action is timely filed in the case. If, in a Consent to Action or orally on the record of a dismissal hearing, the Trustee, the Debtor, or the Debtor's attorney requests that the court increase the amount of the Debtor's Regular Plan Payments so that the Debtor's case remains feasible, the court may order the Regular Plan Payment amount increased, without providing creditors an opportunity In such instances, the applicable notice period(s) are reduced for cause, to object or request a hearing. pursuant to Rules 3015(b) and 9006(c), as no creditors are adversely or materially affected.

S. Consensual Requests for Continuances,<sup>22</sup> Requests to Vacate Hearings on Settled Matters, and Requests to Grant Motions by Consent. With the exception of hearings on Trustee motions to dismiss (*see* part III.R hereof), (1) requests to continue hearings by consent, (2) requests to vacate hearings

<sup>&</sup>lt;sup>21</sup> Refer to the Planning Calendar for the dates of the court's dismissal dockets.

<sup>&</sup>lt;sup>22</sup> Non-consensual requests for continuances must be made by motion and will only be granted for good cause shown.

from Hearing Dockets (i.e., requests to cancel hearings) on the basis of settlement, and (3) requests to grant motions by consent of all interested parties in advance of a scheduled hearing, may be requested by e-mail to the courtroom deputy. A request to continue a hearing will be considered consensual if: (1) in the case of a Confirmation Hearing or a hearing on a motion/application noticed to all creditors (e.g., a motion to modify plan, to approve compromise, etc.), the Debtor, movant (if any), all responding parties, and the Trustee consent, or (2) in the case of a hearing on a motion/objection that seeks relief against a particular party (e.g., an objection to claim, motion to value, motion for relief, etc.), the Debtor, the movant/objector, the party against whom relief is sought, and the Trustee consent. All such e-mails requests should: (1) be sent to crdeputyjhh@alnb.uscourts.gov, (2) include in the subject line, or in the body of the e-mail, the name of the Debtor, the case number, the hearing date and time, and, if known, the Hearing Docket number(s), and (3) copy all consenting/settling parties or their counsel. When an e-mail address is not available for a consenting party (or their counsel), the party submitting the e-mail request to the courtroom deputy may mail, fax, or hand deliver a copy of the e-mail request to said party (or counsel), in which case the body of the e-mail should indicate that a copy was transmitted to the party (or counsel) and state the method of transmission (e.g., cc: [PARTY/COUNSEL NAME] via facsimile to [FAX NUMBER]). Although there is no deadline for submitting such consensual requests to the courtroom deputy, if a request is not received in time for the clerk's office/courtroom deputy to enter an order (continuing the hearing or granting the motion by consent) or courtroom deputy note (reflecting that the matter is settled and the hearing cancelled), the hearing will not be vacated from the Hearing Docket, and an attorney for one of the parties must appear for the hearing to report the settlement or request the continuance or consented to relief. Hearing Dockets are typically printed and placed in the courtroom no later than 30 minutes prior to the time of the first hearing for the day. No hearings will be vacated after the Hearing Docket is printed and placed in the courtroom. Attorneys are encouraged to submit all such consensual requests by noon the business day before the hearing, if possible, to allow sufficient time for the clerk's office/courtroom deputy to enter any necessary orders/courtroom deputy notes.

T. Settlement of Chapter 13 Motions for Relief from Stay and Codebtor Stay. If, in an email advising the courtroom deputy that a motion for relief from the stay and the codebtor stay is settled and requesting that the hearing thereon be vacated from the Hearing Docket, the requesting attorney affirmatively represents that the Trustee, the Debtor, and the affected codebtor(s) are in agreement, the courtroom deputy may vacate the hearing from the Hearing Docket and enter a courtroom note that the matter is settled. As set forth above in part III.S, the attorney sending the e-mail should copy counsel for all other parties on the e-mail, as well as any unrepresented parties. If an e-mail address is unavailable for an unrepresented party, the text of the e-mail should indicate that a copy of the e-mail was delivered to the party and state the method of transmission (e.g., cc: [NAME], codebtor, by U.S. mail to [ADDRESS]). If the settling parties are unable to confirm whether or not a codebtor consents to the terms of a settlement agreed to by the Debtor, the hearing on the motion will only be vacated if the parties indicate in the e-mail that the order will unconditionally deny the request for codebtor relief. If the order will include a conditional denial of the request for codebtor relief or a grant of the request for codebtor relief and the parties do not represent that the codebtor consents, the court will hold the hearing to call for the codebtor, and counsel for one of the settling parties will need to appear for the hearing.

U. Requirements for Proposed Orders. Each proposed order should identify the person that prepared the order. Additionally, for consent orders, all consenting parties or their attorneys should sign the proposed order (electronic signatures for attorneys are acceptable; handwritten signatures are required for unrepresented parties);<sup>23</sup> provided, however, in lieu of a signature block for an unrepresented party, the proposed order may include the following statement: "[INSERT NAME], attorney for the [INSERT PARTY, e.g., "debtor"], represents to the court that [INSERT NAME], the [INSERT PARTY, e.g., "codebtor"],

<sup>&</sup>lt;sup>23</sup> If a handwritten signature is required, the signed order should be submitted in .pdf format and an unsigned version submitted in Word or WordPerfect format.

consents to the entry of this agreed order." The order should include the signature of the attorney making the representation. Proposed orders should be submitted in Word or WordPerfect format to <u>ordersjhh@alnb.uscourts.gov</u>, with all consenting parties copied on the submission.

**V. Ex Parte Communications**. All parties should respect the prohibition against ex parte communication (Rule 9003(a)) and avoid communications concerning matters other than procedural or scheduling matters. Emails should not be used to communicate with chambers staff regarding a case. Communication with a law clerk or judicial assistant is deemed to be communication with the judge.

DONE this the 29<sup>th</sup> day of November, 2017.

JENNIFER H. HENDERSON UNITED STATES BANKRUPTCY JUDGE

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA NORTHERN DIVISION

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In the Matter of:

Attorney's Fees under § 4.3 of the Local Chapter 13 Plan and the Sequence Payments under Part 7 of the Local Chapter 13 Plan Administrative Order No. 17-06 Northern Division Only

# ADMINISTRATIVE ORDER REGARDING: (1) ATTORNEY'S FEES UNDER § 4.3 OF THE LOCAL CHAPTER 13 PLAN, AND (2) SEQUENCE OF PAYMENTS UNDER PART 7 OF THE LOCAL CHAPTER 13 PLAN

This Administrative Order is effective December 1, 2017 as to all Chapter 13 cases filed in the Northern Division of the United States Bankruptcy Court for the Northern District of Alabama regardless of when the Chapter 13 case was filed. In the Northern Division, pursuant to § 4.3 of the local form Chapter 13 plan adopted by the Northern District of Alabama pursuant to Rule 3015.1 of the Federal Rules of Bankruptcy Procedure (the "Local Chapter 13 Plan"), the balance of the fee owed to Debtor(s)' attorney shall be payable in accordance with this Administrative Order as provided herein.

Unless otherwise ordered, the Chapter 13 Standing Trustee shall disburse payments received by the Trustee under §§ 2.1, 2.2, or 2.3 of a Plan in the following sequence:

- 1. The Trustee shall collect her percentage fee currently due from all Plan payments at the time that funds are disbursed, until the fee then due is collected in full.
- 2. If the Plan proposes to pay the Chapter 13 Case filing fee through the Plan, the Trustee shall then disburse the filing fee installment payments currently due to the Clerk of the Court, until the amounts then due are paid in full.
- 3. The Trustee shall then disburse post-petition adequate protection payments to secured or lease creditors with allowed claims, if any, as provided in the Debtor(s)' most recent Plan, until the amounts then due are paid in full.

- 4. Beginning with the first post-confirmation distribution made by the Trustee, the Trustee shall pay the balance of the fee owed to the Debtor(s)' attorney as awarded in the Confirmation Order from the balance of the Plan payments received by the Trustee that remain after the Trustee disburses the amounts set forth in paragraphs 1, 2 and 3 above, until the allowed attorney fee is paid in full.
- 5. The Trustee shall then disburse pursuant to the Confirmation Order or a subsequent Order of the Court the following amounts proportionately until the amounts that are then currently due are paid in full:
  - a. The monthly fixed payments on allowed secured claims, if any, including any amounts currently due and any unpaid arrearages; and
  - b. The monthly fixed payments on allowed priority unsecured claims for domestic support and § 503(b) administrative expenses, if any, including any amounts currently due and any unpaid arrearages.

The monthly fixed payments identified in paragraph 5 that are due pursuant to the Confirmation Order or a subsequent Order of the Court but are unpaid shall accrue proportionately, based upon the amount of each fixed payment awarded, and shall be paid proportionately by the Trustee on a pro rata basis from available funds on hand.

- 6. The Trustee shall then disburse the amounts to be paid to holders of allowed priority unsecured claims, if any, on a pro rata basis until paid in full.
- 7. The Trustee shall then disburse the amounts to be paid to holders of allowed separately classified nonpriority unsecured claims, if any, on a pro rata basis until paid in full.
- 8. The Trustee shall then disburse the amounts to be paid to holders of allowed nonpriority unsecured claims not separately classified by the Plan, if any, on a pro rata basis or as provided in the Debtor(s)' most recent Plan.

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9. The provisions of this Administrative Order shall not be given preclusive effect in the event a creditor or other party in interest timely objects to confirmation of a Debtor(s)' Plan, or to any proposed modification to a Debtor(s)' Plan.

IT IS SO ORDERED this this  $28 \frac{14}{10}$  day of November 2017.

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CLIFTON RUJESSUP, **U**. United States Bankruptcy Judge

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA EASTERN DIVISION

IN RE:

Sequence of Payments by the Chapter 13 Standing Trustee Administrative Order No. 17-05 (Eastern Division Only)

# ADMINISTRATIVE ORDER ESTABLISHING THE SEQUENCE OF PAYMENTS BY THE CHAPTER 13 STANDING TRUSTEE

This Order incorporates the distribution sequence as set out 11 U.S.C. § 1325(a)(5)(B)(iii)(I), as explained in *In re Kirk*, 465 B.R. 300 (Bankr. N.D. Ala. 2012). This order supplements but does not replace or repeal Administrative Order 10-04 entered on July 1, 2010. This Order applies only in Chapter 13 cases pending in the Eastern Division, and is incorporated by reference into the district-wide Chapter 13 Plan for Chapter 13 cases pending in the Eastern Division. The following sequence of payments is authorized for the Chapter 13 Standing Trustee's distribution of funds:

- I. From payments received by the Trustee, the Trustee shall collect her percentage fee currently due from all payments under the Plan.
- II. From pre- and post-confirmation payments made under the Plan, the Trustee shall distribute
  - (A) Before any other distributions, any unpaid filing fees to the Clerk of the Court due under 28 U.S.C. § 1930(a)(1)(B);

(B) Commencing as soon as is practicable following confirmation, monthly payments on claims due under Code § 1326(b); provided that if secured claims are to be paid under the Plan, payments made pursuant to this paragraph shall be made concurrently with each monthly payment to secured claimholders; and provided further that if excess funds remain on hand after paying Trustee's fees, filing fees, all scheduled pass-through maintenance residential mortgage payments that have come due even if no proof of claim has been filed, pre-confirmation adequate protection payments due under the Plan, and the initial fixed monthly payments to secured creditors as set forth in the Plan, then, unless otherwise provided in the Plan or confirmation order, any excess funds on hand may be paid toward the attorney's fee due under the Plan;

(C) Commencing with the first distribution after confirmation and monthly thereafter, payments to the holder of each allowed secured claim (provided no objection is pending), in the respective amounts shown in the Plan as confirmed or as later modified, and pursuant to Code § 1325(a)(5)(B)(iii)(I), such payments shall continue for each consecutive month thereafter until said claim is paid in full.

(D) In the manner provided in the Plan, to holders of claims entitled to priority under Code § 507, provided that in any event payment of such claims shall comply with Code § 1322(a)(2) and (4);

(E) Any remaining funds, pro rata to holders of allowed non-priority, unsecured claims; and

(F) Any debt or claim not addressed by the confirmation order shall be administered in accordance with the Plan and applicable laws.

Dated this 9th day of November 2017. AMES J. ROBINSON Chief United States Bankruptcy Judge

#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION

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In Re:

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II.

V.

Sequence of Payments for the Distribution of Attorney Fees to Debtors' Attorneys by the Chapter 13 Standing Trustee Administrative Order No. 17-04 (Southern Division Only)

#### ADMINISTRATIVE ORDER AUTHORIZING AND ALLOWING THE SEQUENCE OF PAYMENTS FOR THE DISTRIBUTION OF ATTORNEY FEES TO DEBTORS' ATTORNEYS BY THE CHAPTER 13 STANDING TRUSTEE

This Order amends and replaces Administrative Order 16-02 entered on February 19, 2016 to ensure consistency with Rule 3015.1 of the Federal Rules of Bankruptcy Procedure, and Local Bankruptcy Rules 1006-1 and 5081-1. The provisions of this Administrative Order are applicable only in Chapter 13 cases filed in the Southern Division. The following sequence of payments is authorized for the Chapter 13 Standing Trustee's distribution of funds in cases where the original petition was filed on or after December 1, 2017, if the plan or modified plan approved by the Court so provides:

From payments received by the Trustee, the Trustee shall collect his percentage fee currently due from all Payments Under the Plan at the time that funds are disbursed until said fee is collected in full;

From payments received by the Trustee, the Trustee shall then disburse any case filing fees that are currently due under 28 U.S.C. Chapter 123 and Local Rule 1006-1;

- III. From payments received by the Trustee, the Trustee shall then disburse adequateprotection payments to secured or lease creditors with allowed claims as provided in the debtor'smost recent plan until the amounts that are then currently due are paid in full;
- IV. From payments received by the Trustee, the Trustee shall then disburse the initial payment of attorney fees to debtor's attorney as awarded in the Confirmation Order, if an initial payment is awarded, until the initial payment is paid in full;

From payments received by the Trustee, the Trustee shall then disburse pursuant to the

Confirmation Order or a subsequent Order of the Court the following amounts proportionately:

- a. The monthly fixed payments awarded to secured creditors with filed, allowed claims including any amounts currently due and any unpaid arrearages; and
- b. The monthly fixed payments awarded to priority unsecured creditors with filed, allowed claims including any amounts currently due and any unpaid arrearages; and
- c. The monthly fixed payments awarded to debtor's attorney for the unpaid balance of attorney fees including any amounts due and any unpaid arrearages; and
- d. The monthly fixed payments awarded for any other administrative expense including any amounts currently due and any unpaid arrearages.

The monthly fixed payments identified above in Paragraph V shall continue until the amounts that are then currently due are paid in full.

The monthly fixed payments identified in Paragraph V above that are due pursuant to the Confirmation Order or a subsequent Order of the Court but are unpaid shall accrue proportionately based upon the amount of each fixed payment awarded, and shall be paid proportionately by the Trustee on a pro rata basis from available funds on hand.<sup>1</sup>

VII.

VI.

The provisions of this Administrative Order shall not be deemed collateral estoppel or res judicata as to a creditor, a creditor's attorney, or another party in interest who files an objection to confirmation or an objection to modification of a Chapter 13 plan pursuant to the United States Bankruptcy Code or other applicable law.

<sup>&</sup>lt;sup>1</sup> For example: If the Confirmation Order provides for fixed payments in the amount of \$200 to a secured car creditor, \$200 to a secured mortgage creditor, and \$100 to debtor's attorney for the balance of the attorney fee awarded in the Confirmation Order, and the Trustee has received a partial plan payment in the amount of \$100, the Trustee shall disburse, after payment of Trustee fees, approximately \$40 to the secured car creditor, approximately \$20 to the debtor's attorney.

Dated this the  $\mathbb{Z}^{nd}$  day of October, 2017.

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TAMARA O. MITCHELL United States Bankruptcy Judge

D. SIMS CRAWFØRD United States Bankruptcy Judge

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION

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In re:

Compensation for Debtors' Attorneys in Chapter 13 Cases

Administrative Order No. 17-03 (Southern Division Only)

# ADMINISTRATIVE ORDER SUPPLEMENTING LOCAL BANKRUPTCY RULE 2016-1

This Order replaces Administrative Order 11-02 entered on December 16, 2011.

The United States Bankruptcy Court for the Northern District of Alabama has adopted Local Bankruptcy Rule 2016-1 which provides for an award of an attorney fee in Chapter 13 cases without the filing of a fee application so long as debtor's counsel complies with the Rule. It appears to this Court that in addition to the provisions of the Rule, which will continue to be applicable in all cases assigned to this Court in the Southern Division, in some cases a fee enhancement may be appropriate while in other cases a substantial fee reduction may be appropriate. Thus, this Order will supplement that Local Rule and authorize both the enhancements and the reductions, and provide, outline and define factors and criteria that will be utilized and applied in determining the fees to be awarded to attorneys for debtors in Chapter 13 cases assigned to the undersigned Judges in the Southern Division when the attorneys seek a fee based on the Local Rule without the filing of a fee application.

#### A. FEE ENHANCEMENTS

The Court will consider each case to determine whether a fee enhancement is appropriate. This determination will generally occur at the time of confirmation but will not necessarily be limited to that time frame. This enhancement will be in the sole and complete discretion of the Court. The factors and criteria that the court will consider include but are not limited to the following:

- 1. The Chapter 13 plan is confirmed without objection or all objections to confirmation are resolved at least 7 days prior to the date of confirmation;
- 2. The complexity and size of the case, including the complexity of the proposed distributions under the debtor's plan;
- 3. The amount of fees that the debtor has paid to attorneys for prior cases.
- 4. The amount of fees paid pre-petition;
- 5. Whether the petition, plan, schedules and all documents were timely filed, complete, legible, and provided sufficient information for the Court and Trustee to properly analyze the case and plan;

- 6. Whether any filing fees due were timely remitted, and
- 7. Whether the attorney appeared timely at scheduled hearings.

The amount of any enhancement may vary depending on the circumstances of each case and shall also be in the sole and complete discretion of the Court. Further, attorneys that represent Chapter 13 debtors shall advise their clients of potential fee enhancements or shall notify the Court that an enhancement is waived.

#### **B. FEE REDUCTIONS**

The Court has been and continues to be cognizant of the overuse of "emergency filings"; attorneys too often file a case that they deem an emergency in order to file the bare minimum to get a case number and have a case filing. While this Court fully supports the opportunity to protect debtors by these emergency filings, it also appears to this Court that some may be abusing the process. An emergency filing must include the following forms that are properly completed and signed: petition, Form B 121 (Statement of Social Security Number), and Matrix. If a case is an emergency, and if all documents are not filed, the clerk's office enters a notice of deficiency and the CM/ECF system provides on the docket report the date by which the schedules and other remaining documents are due.

In addition to schedules and documents being filed untimely, some that are filed are not legible, are scanned in at an angle or wrong side up, and often have missing information. The Court will review the cases and may reduce the attorney fee based on any deficiencies and any failure to timely correct the deficiencies. The factors and criteria that the Court will consider include but are not limited to the following:

- 1. The completeness of the schedules and the timeliness of the filing of all schedules and required documents, and the accuracy of the docket events selected compared to the actual PDF document that is filed;
- 2. The number of prior cases for a debtor filed by the same attorney and the fees paid in prior cases;
- 3. Whether the attorney appears timely at scheduled hearings;
- 4. Whether the terms of the plan are clear, concise, adequate and complete;
- 5. The number of confirmation hearings required to get a plan confirmed if the delay is based on the failure of the debtor's attorney to timely provide information, file documents or amend the plan;
- 6. Whether the debtor's attorney has failed to resolve any procedural issues pre-confirmation;
- 7. The time elapsed from the filing of an objection to confirmation until the time of filing an amended plan or additional documents, if either or both resolve the issue, and
- 8. Whether a hearing is required on confirmation only to resolve a mathematical dispute between the Trustee and the debtor's attorney

regarding the amount of the plan payment and/or fixed payments, and the dispute is ultimately resolved in favor of the Trustee.

The amount of any reduction may vary; however, if schedules are not timely filed (i.e., by the date the CM/ECF system provides for them to be filed - this is generally NOT the hearing date) then an initial reduction of \$500.00 will be made, and a further reduction of \$100.00 per day may be made for every day the schedules are not filed. In addition, if the schedules are filed but have information missing (examples: dates obligations were incurred, dependents, sufficient description of collateral, etc.) more reductions shall be made and will generally start at no less than \$100.00 for each problem or deficiency. Further, if a plan must be amended because it is incomplete, contains information that is clearly incorrect (example: a fixed payment that is to begin before the case was even filed) or omits available information, and the attorney clearly failed to proof read or check the plan or amended plan before filing it, substantial fee reductions will be made.

#### C. TRUSTEE RECOMMENDATION

The Chapter 13 Trustee shall make a notation on the 341 bench sheet or by separate pleading if he recommends an enhancement or a reduction. Any such recommendation is contingent on all factors being satisfied as noted in this Order. This recommendation shall be considered but shall not be binding on the Court.

#### D. EFFECTIVE DATE

This Order shall be effective immediately in all currently pending Chapter13 cases in the Southern Division, as well as in all new Chapter 13 cases filed in the Southern Division that are assigned to either of the undersigned Judges.

Dated this the  $2^{nd}$  day of October, 2017.

TAMARA O. MITCHELL United States Bankruptcy Judge

D. SIMS CRAWFORD United States Bankruptcy Judge

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# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION

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In re:

Procedural and Administrative Matters

Administrative Order No. 17-0<u>2</u> (Southern Division Only)

#### ADMINISTRATIVE ORDER

This Order replaces Administrative Orders 07-06, entered April 19, 2007; 10-05, entered July 1, 2010; and 10-06, entered July 28, 2010.

Rule 9029 of the Federal Rules of Bankruptcy Procedure authorizes this Court to establish and promulgate local rules of practice and procedure not inconsistent with the Federal Rules of Bankruptcy Procedure and subject to the requirements of Rule 83 of the Federal Rules of Civil Procedure.

**IT IS HEREBY ORDERED** that, effective immediately, the following rules will apply to all cases and proceedings filed and pending in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division.

## A. PROCEDURE FOR ASSIGNMENT OF CERTAIN BANKRUPTCY CASES IN THE SOUTHERN DIVISION

- 1. Any case filed by the same debtor within twelve months of the date of entry of an order of dismissal or discharge of a prior case shall be assigned to the same judge from the prior case.
- 2. Any case filed by the same debtor within twelve months of the date of closing a prior case shall be assigned to the same judge from the prior case.
- 3. Any case filed by a debtor that already has a case pending shall be assigned to the same judge as the pending case.
- 4. If any such case has been assigned either by the random or by the automatic assignment and is inconsistent with this Order, the clerk's office shall reassign the case consistent with this Order.

# B. DEFICIENT OR INCOMPLETE PETITIONS, LISTS, STATEMENTS, AND SCHEDULES

In the event the petition is incomplete or fails to comply with the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, or Local Bankruptcy Rules, the clerk shall provide a deficiency notice to the debtor and the attorney for the debtor accompanied by a notice which will make provision for an opportunity for hearing on the dismissal of the debtor's case for failure to file all required documents timely. The notice shall contain a provision stating that the debtor's case may be dismissed if all required documents are not filed within fourteen days from the date of the filing

of the petition. If all documents are filed timely, the hearing on dismissal may be removed from the Court's calendar without further notice.

# C. DOCUMENTATION REQUIRED FOR PERCENTAGE, POT, AND BASE PLANS IN CHAPTER 13 CASES

Within fourteen days of the filing of a petition for relief under Chapter 13 of the Bankruptcy Code in a case in which the plan proposes to pay less than 100% to unsecured creditors, or within fourteen days of the filing of a motion to modify the plan in a Chapter 13 case which reduces the proposed distribution to unsecured creditors to be less than 100%, the debtor must provide to the Chapter 13 trustee and file with the clerk the following additional documentation:

- 1. The two most recent pay stubs for the debtor and debtor's spouse, even if the debtor's spouse is not a co-debtor;
- 2. All W-2 statements or income tax returns for the last calendar year for the debtor and the debtor's spouse, even if the debtor's spouse is not a co-debtor;
- 3. A recent appraisal or statement from the tax assessor as to the value of each parcel of real estate in which the debtor owns an interest; and
- 4. A statement of the equity in any mobile home owned by the debtor.

Before filing these documents, the debtor shall redact all but the last four digits of the Social Security number and any account numbers, the names of all minor children, and the month and day of any birth date. Further, these documents shall be filed using the appropriate docket event so this information is protected for privacy purposes pursuant to the Guide to Judiciary Policy. If the debtor fails to properly file the additional documentation at the time of the filing of the plan or the motion to modify, the plan may not be confirmed, or the motion to modify may not be granted.

#### D. DISTRIBUTION OF PRE-CONFIRMATION ADEQUATE PROTECTION PAYMENTS ON PERSONAL PROPERTY IN CHAPTER 13 CASES

- 1. The Chapter 13 plan proposed and filed by the debtor may provide for pre-confirmation lease payments on personal property under 11 U.S.C. § 1326(a)(1)(B).
- 2. The Chapter 13 plan proposed and filed by the debtor may provide for pre-confirmation adequate protection payments on personal property under 11 U.S.C. § 1326 (a)(1)(C).
- 3. The Chapter 13 trustee is directed to make the pre-confirmation lease and adequate protection payments on personal property described above as proposed in a debtor's Chapter 13 plan if proper proofs of claim are filed.

# E. NOTICE OF OBJECTION DEADLINE AND CONFIRMATION HEARINGS IN CHAPTER 13 CASES

Upon the filing of an amended Chapter 13 plan, the Court may, in its discretion, and where appropriate, shorten the notice time for

1. The deadline for filing an objection to confirmation, and

2. The continued confirmation hearing.

# F. MOTIONS TO SUSPEND PAYMENTS, MOTIONS TO REDUCE PAYMENTS, AND MOTIONS TO MODIFY A CONFIRMED PLAN IN A CHAPTER 13 CASE

Except as otherwise directed by the Court, when the following motions are filed:

- 1. Motions to Suspend Payment,
- 2. Motions to Reduce Payments, and
- 3. Motions to Modify Plan (whether included with an Amendment to Schedules),

the clerk shall send a notice to the parties to whom notice is properly given advising the party that a motion has been filed and that the party has twenty-one days from the date of the notice to object to the filed motion and to request a hearing. The clerk shall not send such a notice on Amendment to Schedules which do not contain a Motion to Modify Plan. If no objection is timely filed, the motion may be granted. The clerk shall set all objections filed for a hearing.

# G. FILING A CONSENT TO ACTION IN CHAPTER 13 CASES

An attorney may file a Consent to Action at Hearing on a Trustee's Motion to Dismiss in Chapter 13 cases. The Consent must substantially comply with the fillable PDF form found on the Court's website at http://www.alnb.uscourts.gov/forms/all-forms. If the Consent is complete, and filed properly and timely, the debtor and debtor's counsel do not have to appear at the hearing. Counsel shall be sure to notify the debtor if he or she does not need to be present.

If the Consent is not timely filed, is not properly filed, is incomplete, or if the form has been altered in any way, then the Trustee's Motion to Dismiss will be heard as scheduled and noticed. If the debtor and debtor's counsel fail to appear, the Court may still proceed with the hearing.

Dated this the  $2^{nd}$  day of October, 2017.

TAMARA O. MITCHELL United States Bankruptcy Judge

D. SIMS CRAWFORD United States Bankruptcy Judge

#### UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION

In re:

)	Case. No.
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#### CONSENT TO ACTION AT HEARING ON TRUSTEE'S MOTION TO DISMISS

Comes now the Debtor and hereby consents to the following action being taken in this case at the hearing on the Trustee's Motion to Dismiss:

Debtor.

The case shall be converted to one under chapter 7 at the Debtor's request.

The Debtor shall resume his/her regular payments to the Trustee. The Debtor consents that the Trustee's <u>Motion to Dismiss</u> will be conditionally DENIED pending compliance by the Debtor with these conditions: (1) the Debtor shall cause a full plan payment to be received in the Trustee's office before 4:00 p.m., 30 days from the date of the hearing on the Trustee's <u>Motion to Dismiss</u>; and, (2) the Debtor shall cause all plan payments due during the next 12 months to be received in the full amounts due in the Trustee's office before 4:00 p.m. on the dates due. The Debtor further consents that if he/she fails to satisfy these conditions, the Trustee may file a <u>Notice of Continuing Default</u> with the Court, with copies to the Debtor and Debtor's attorney, after which the Court may grant the Trustee's Motion to Dismiss and may dismiss this case without further notice or hearing.

The Trustee shall issue a payroll deduction order to the employer of the Debtor, (name of Debtor) at:

(employer's name)

(employer's address

(employer's telephone number)

The Debtor understands that he/she shall make direct payments to the Trustee until the employer begins the deductions.

The Debtor consents to increase Chapter 13 plan payments to

DATE:

CONSENTED TO BY:

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DEBTOR\*

CHAPTER 13 TRUSTEE

DEBTOR\*

ATTORNEY FOR DEBTOR(S)

\*This form must be signed by the Debtor.

IN RE:	:	
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Deposit and Investment of	:	Administrative Order No. 16-05
Registry Funds	:	(All Divisions)
	:	

## ADMINISTRATIVE ORDER REGARDING DEPOSIT AND INVESTMENT OF REGISTRY FUNDS

Because the United States Bankruptcy Court for the Northern District of Alabama, (the

"Court"), has determined that it is necessary to adopt local procedures to ensure uniformity in the

deposit, investment, and tax administration of funds in the Court's Registry,

IT IS ORDERED that the following shall govern the receipt, deposit, and investment of

registry funds:

## I. Receipt of Funds

a) No money shall be sent to the Court or its officers for deposit in the Court's registry without a court order signed by the presiding judge in the case or proceeding;

b) The party making the deposit or transferring funds to the Court's registry shall serve the order permitting the deposit or transfer on the Clerk of Court; and

c) Unless provided for elsewhere in this Order, all monies ordered to be paid to the Court or received by its officers in any case pending or adjudicated shall be deposited with the Treasurer of the United States in the name and to the credit of this Court pursuant to 28 U.S.C. § 2041 through depositories designated by the Treasury to accept such deposit on its behalf.

## II. Investment of Registry Funds

a) Where, by order of the Court, funds on deposit with the Court are to be placed in some form of interest-bearing account or invested in a court-approved, interest-bearing instrument in accordance with Rule 7067 of the Federal Rules of Bankruptcy Procedure, the Court Registry Investment System ("CRIS"), administered by the Administrative Office of the United States Courts under 28 U.S.C. § 2045, shall be the only investment mechanism authorized;

b) Interpleader funds deposited under 28 U.S.C. § 1335 meet the IRS definition of a "Disputed Ownership Fund" (hereinafter "DOF"), a taxable entity that requires tax administration. Unless otherwise ordered by the court, interpleader funds shall be deposited in the DOF established within the CRIS and administered by the Administrative Office of the United States Courts, which shall be responsible for meeting all DOF tax administration requirements;

c) The Director of Administrative Office of the United States Courts is designated as custodian for all CRIS funds. The Director or the Director's designee shall perform the duties of custodian. Funds held in the CRIS remain subject to the control and jurisdiction of the Court;

d) Money from each case deposited in the CRIS shall be "pooled" together with those on deposit with the Treasury to the credit of other courts in the CRIS and used to purchase Government Account Series securities through the Bureau of Public Debt, which will be held at the Treasury, in an account in the name and to the credit of the Director of Administrative Office of the United States Courts. The pooled funds will be invested in accordance with the principles of the CRIS Investment Policy as approved by the Registry Monitoring Group;

e) An account for each case will be established in the CRIS Liquidity Fund titled in the name of the case giving rise to the deposit invested in the fund. Income generated from fund investments will be distributed to each case based on the ratio each account's principal and earnings has to the aggregate principal and income total in the fund after the CRIS fee has been applied. Reports showing the interest earned and the principal amounts contributed in each case will be prepared and distributed to each court participating in the CRIS and made available to litigants and/or their counsel; and

f) For each interpleader case, an account shall be established in the CRIS Disputed Ownership Fund, titled in the name of the case giving rise to the deposit invested in the fund. Income generated from fund investments will be distributed to each case after the DOF fee has been applied and tax withholdings have been deducted from the fund. Reports showing the interest earned and the principal amounts contributed in each case will be available through the FedInvest/CMS application for each court participating in the CRIS and made available to litigants and/or their counsel. On appointment of an administrator authorized to incur expenses on behalf of the DOF in a case, the case DOF funds should be transferred to another investment account as directed by court order.

## III. Fees and Taxes

a) The custodian is authorized and directed by this Order to deduct the CRIS fee of an annualized 10 basis points on assets on deposit for all CRIS funds, excluding the case funds held in the DOF, for the management of investments in the CRIS. According to the Court's Miscellaneous Fee Schedule, the CRIS fee is assessed from interest earnings to the pool before a pro rata distribution of earnings is made to court cases and

b) The custodian is authorized and directed by this Order to deduct the DOF fee of an annualized 20 basis points on assets on deposit in the DOF for management of investments and tax administration. According to the Court's Miscellaneous Fee Schedule, the DOF fee is assessed from interest earnings to the pool before a pro rata distribution of earnings is made to court cases. The custodian is further authorized and directed by this Order to withhold and pay federal taxes due on behalf of the DOF.

## IV. Transition from Former Investment Procedure

a) As of the date of this Order, the Clerk of Court did not have any invested funds to transfer to CRIS;

b) Deposits to the CRIS DOF will not be transferred from any existing CRIS Funds. Only new deposits pursuant to 28 U.S.C. § 1335 made on or after April 1, 2017 will be placed in the CRIS DOF; and

c) This Order supersedes and abrogates all prior orders of this Court regarding the deposit and investment of registry funds.

Dated this the 21st day of November, 2016.

<u>/s/ James J. Robinson</u> JAMES J. ROBINSON Chief United States Bankruptcy Judge

<u>/s/ Jennifer H. Henderson</u> JENNIFER H. HENDERSON United States Bankruptcy Judge TAMARA O. MITCHELL United States Bankruptcy Judge

/s/ Tamara O. Mitchell

/s/ Clifton Jessup CLIFTON R. JESSUP, JR United States Bankruptcy Judge

/s/ D. Sims Crawford D. SIMS CRAWFORD United States Bankruptcy Judge

c: Clerk of Court

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In the Matter of: Procedural and Administrative Matters

Administrative Order No. 16-03 Northern Division Only

## ADMINISTRATIVE ORDER VACATING ADMINISTRATIVE ORDERS 10-01 AND 10-2

IT IS HEREBY ORDERED that the following Administrative Orders which are applicable only in the Northern District of Alabama, Northern Division are hereby VACATED:

1. Administrative Order No. 10-01 regarding the Submission of Complete Schedules and Statements within Fourteen Days of Filing Initial Petition; and

2. Administrative Order 10-02 regarding Chapter 13 Status Conferences and the payment of mortgage payments through the Chapter 13 Trustee's Office.

IT IS SO ORDERED this the 15th day of April 2016.

CLIFTON R. SESSUP, JR. United States Bankruptcy Judge

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In the Matter of: Procedural and Administrative Matters

Administrative Order No. 16-01 Northern Division Only

## AMENDED ADMINISTRATIVE ORDER RESTATING PLEADINGS PERMITTED TO BE FILED WITH NEGATIVE NOTICE

**IT IS HEREBY ORDERED** that Administrative Order No. 15-08 is amended as provided herein. The following pleadings may be filed with Negative Notice:

- 1. All Chapter 7 Motions to Lift the Automatic Stay.
- 2. Chapter 13 Motions to Lift the Automatic Stay only when the Debtor proposes to surrender the collateral pursuant to the Plan.
- 3. Objections to Claims based on the following grounds:
  - a. Interest Rate;
  - b. Surrender of Collateral;
  - c. Automatic Stay having lifted;
  - d. Repossession of collateral;
  - e. Statute of Limitations;
  - f. Claim paid direct by a third party;
  - g. Claim paid direct by Debtor(s) as provided in the Plan;
  - h. Claim filed in the wrong case;
  - i. Transferred claim in a severed case;
  - j. Claim is a duplicate of another claim;
  - k. Claim was untimely filed, and the claimant is a creditor whose name and address were accurately shown on the Debtor's timely filed schedules and matrix;
  - 1. Claim is not entitled to secured status;

- m. Claim is for an unsecured debt that was incurred prior to the filing of a prior bankruptcy case in which the Debtor received a discharge; or
- n. Claim is not entitled to priority status.
- 4. Motion to Modify Chapter 13 Plan to Reduce Payments or Surrender Vehicle.
- 5. Chapter 13 Trustee Motions to Modify Chapter 13 Plan for the following purposes:
  - a. To modify or remove fixed payments to creditor;
  - b. To cure default in Plan payments;
  - c. To increase Base amount to be paid through Plan:
    - i. To include additional proceeds and assets;
    - ii. To pay unscheduled claims;
    - iii. To pay postpetition mortgage arrearage;
    - iv. To pay a specified dividend to unsecured creditors pursuant to the confirmed Plan;
  - d. To increase Plan payments; or
  - e. To reduce Plan term.
- 6. Motion to Avoid Lien under 11 U.S.C. § 522(f).

7. Motion to Avoid Lien coupled with Objection to Claim.

The party filing the Objection or Motion with negative notice must serve the pleading upon (a) the Debtor; (b) the claimant; (c) the Trustee; (d) any committee appointed in the case; and (e) any other entity as the Court may direct. The notice must advise the parties of the date by which a response is required, but the notice shall not include a hearing date. If a timely response is filed, the Court will schedule the matter for hearing.

IT IS SO ORDERED this the  $\frac{16^{\pm}}{16}$  day of February 2016.

CLIFTON RAJESSUP, JR. United States Bankruptcy Judge

In re:

Director's Procedural Form 2830

Administrative Order No. 15-10<sup>1</sup> All Divisions

### ADMINISTRATIVE ORDER REGARDING CHAPTER 13 DEBTOR'S CERTIFICATIONS REGARDING DOMESTIC SUPPORT OBLIGATIONS AND SECTION 522(q)

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On or about March 8, 2007, this Court entered Administrative Order 07-03, and on or about November 5, 2007, this Court entered Administrative Order 07-07, regarding the Certificate of Compliance, Motion for Issuance of Discharge and Notice of Deadline to Object required in all Chapter 7 and Chapter 13 bankruptcy proceedings. Since that time, the Court has concluded that these Administrative Orders are moot due to the creation of the Director's Procedural Form 2830 for Chapter 13 bankruptcy proceedings and the minimal percentage of cases in which 11 U.S.C. § 727(a)(12) [with reference to 11 U.S.C. § 522 (q)] applies in Chapter 7 bankruptcy proceedings.

NOW, THEREFORE, IT IS ORDERED

- 1. Director's Procedural Form 2830 is required in all Chapter 13 bankruptcy proceedings as of January 1, 2009;
- 2. When required by 11 U.S.C. § 727(a)(12) and 522(q), Chapter 7 debtors will file a form similar to Director's Procedural Form 2830 meeting the requirements of said Bankruptcy Code section; and
- 3. This order revokes prior Administrative Order 09-01.

iv of December, 2015.

AXTES J. ROBINSON Chief United States Bankruptcy Judge

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JENNIFER A. HENDERSON United States Bankruptcy Judge

TAMARA O. MITCHELL United States Bankruptcy Judge

CLIFTON R./JESSUP, JØ. United States Bankruptcy Judge

<sup>&</sup>lt;sup>1</sup> This Administrative Order contains the same content as Administrative Order 09-01 entered on January 9, 2009. This Administrative Order simply updates the references to the Director's Procedural Form 2830, re-named and renumbered effective December 1, 2015.

In re:

Summary of Schedules Required Upon Filing Schedules and All Amended Schedules Administrative Order No. 15-09<sup>1</sup> All Divisions

### ADMINISTRATIVE ORDER REQUIRING THE FILING OF A SUMMARY OF SCHEDULES UPON FILING SCHEDULES AND AMENDED SCHEDULES

28 U.S.C. §159 requires the filing of a Summary of Your Assets and Liabilities and Certain Statistical Information (Official Form 106Sum) or Summary of Assets and Liabilities for Non-Individuals (Official Form 206Sum). Upon the filing of Bankruptcy Schedules and any Amended Schedule(s), the debtor is hereby **ORDERED** to file the applicable Summary of Schedules. BAPCPA and the statistical requirements imposed upon the Courts necessitates the filing of the Summary of Schedules each time the Schedules or Amended Schedules are filed with the Court so that the proper and amended totals may be submitted to the Administrative Office of the United States Courts.

This Order is effective immediately and revokes prior Administrative Order 07-02.

ay of December, 2015. Dated the

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hief United States Bankruptcy Judge

THENDERSON

United States Bankruptcy Judge

TAMARA O, MITCHELL United States Bankruptcy Judge

CLIFTON RUESSUP, JR. United States Bankruptcy Judge

<sup>&</sup>lt;sup>1</sup> This Administrative Order contains the same content as Administrative Order 07-02 entered on February 28, 2007. This Administrative Order simply amends the references to the "Summary of Your Assets and Liabilities and Certain Statistical Information" (Official Form 106 Sum) and "Summary of Assets and Liabilities for Non-Individuals" (Official Form 206 Sum), re-named and re-numbered effective December 1, 2015.

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In the Matter of: Procedural and Administrative Matters

Administrative Order No. 15-08 Northern Division Only

### ADMINISTRATIVE ORDER RESTATING PLEADINGS PERMITTED TO BE FILED WITH NEGATIVE NOTICE

IT IS HEREBY ORDERED that the following pleadings may be filed with Negative Notice:

- 1. All Chapter 7 Motions to Lift the Automatic Stay
- 2. Chapter 13 Motions to Lift the Automatic Stay only when the Debtor proposes to surrender the collateral pursuant to the Plan
- 3. Objections to Claims based on the following grounds:
  - a. Interest Rate;
  - b. Surrender of Collateral;
  - c. Automatic Stay having lifted;
  - d. Repossession of collateral;
  - e. Claim paid direct by a third party (the Automatic Stay must lift);
  - f. Claim paid direct by Debtor(s) as provided in the Plan;
  - g. Claim filed in the wrong case;
  - h. Transferred claim in a severed case;
  - i. Claim is a duplicate of another claim;
  - j. Claim was untimely filed, and the claimant is a creditor whose name and address were accurately shown on the Debtor's timely filed schedules and matrix;
  - k. Claim is not entitled to secured status;
  - 1. Claim is for an unsecured debt that was incurred prior to the filing of a prior bankruptcy case in which the Debtor received a discharge; or
  - m. Claim is not entitled to priority status.
- 4. Trustee's Objection to Claim based on Statute of Limitations
- 5. Motion to Modify Chapter 13 Plan to Reduce Payments or Surrender Vehicle
- 6. Motion to Avoid Lien under 11 U.S.C. § 522(f)

7. Motion to Avoid Lien coupled with Objection to Claim

The party filing the Objection or Motion with negative notice must serve the pleading upon (a) the Debtor; (b) the claimant; (c) the Trustee; (d) any committee appointed in the case; and (e) any other entity as the Court may direct. The notice must advise the parties of the date by which a response is required, but **the notice shall not include a hearing date**. If a timely response is filed, the Court will schedule the matter for hearing.

IT IS SO ORDERED this the 15th day of October 2015.

CLIFTON R.UESSUP, U. United States Bankruptcy Judge

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In the Matter of: Adequate Protection Payments in Chapter 13 Cases

Administrative Order No. 15-07 Northern Division Only

### ADMINISTRATIVE ORDER ON PAYMENT OF PRE-CONFIRMATION ADEQUATE PROTECTION PAYMENTS ON PERSONAL PROPERTY IN CHAPTER 13 CASES

#### IT IS HEREBY ORDERED that effective October 5, 2015:

- 1. The Chapter 13 Plan proposed and filed by the debtor may provide for payments of pre-confirmation adequate protection payments governed by 11 U.S.C. § 1326(a)(1)(C).
- 2. The Chapter 13 trustee is directed to make the pre-confirmation payments on personal property described above as proposed in a debtor's Chapter 13 Plan if proper proofs of claim are filed.

IT IS SO ORDERED this the 2nd day of October 2015.

CLIFTON R. JESSUP, JR. United States Bankruptcy Judge

In the Matter of: Procedural and Administrative Matters

Administrative Order No. 15-06 Northern Division Only

## ADMINISTRATIVE ORDER ESTABLISHING PROCEDURAL DEADLINES

IT IS HEREBY ORDERED that, effective immediately, the following pleadings must be submitted or filed on or before the Wednesday before a scheduled Motion docket by 12:00 p.m. noon, Central Time:

1. Motions for Continuance;

2. Proposed Stipulated Settlement Orders;

3. Amended Chapter 13 Plans; and

4. Objections to Confirmation.

If a proposed settlement Order or Motion for Continuance is timely submitted and an Order is entered by Friday, the parties are excused from attending the hearing on the scheduled matter. Otherwise, the parties must attend the scheduled hearing.

IT IS SO ORDERED this the 2nd day of October 2015.

CLIFTON RUSSUPCIR. United States Bankruptcy Judge

In the Matter of: Procedural and Administrative Matters

Administrative Order No. 15-05 Northern Division Only

## ADMINISTRATIVE ORDER REQUIRING PROPOSED ORDERS TO BE SUBMITTED WITHIN FOURTEEN CALENDAR DAYS

IT IS HEREBY ORDERED that, effective October 5, 2015, the local practice requiring proposed orders to be submitted to Chambers within three weeks following a hearing is hereby reduced to fourteen calendar days. Unless otherwise directed, a party must submit a proposed order within fourteen calendar days following a hearing via e-mail to <u>orderscrj@alnb.uscourts.gov</u>. The proposed order must be submitted in a Word or WordPerfect format. If a proposed order is not timely submitted, the Court may deny the relief requested or take other action.

IT IS SO ORDERED this the 2nd day of October 2015.

CLIFTON R. JESSUP, JR. United States Bankruptcy Judge

In the Matter of: Post-Confirmation Mortgage Arrearage

Administrative Order No. 15-04 Northern Division Only

### ADMINISTRATIVE ORDER ON POST-CONFIRMATION MORTGAGE ARREARAGE

IT IS HEREBY ORDERED that, effective September 14, 2015, if a Mortgage Creditor files a Motion for Relief from the Automatic Stay, and the Court finds that good cause exists under 11 U.S.C. § 362(d)(1) to modify the automatic stay to allow the postconfirmation cure of mortgage arrearage, unless the Court orders otherwise, the postconfirmation arrearage shall be paid through the Chapter 13 Plan by the Trustee upon the filing of an additional proof of claim for the arrearage; it is further

**ORDERED** that the Trustee is authorized to Modify the Chapter 13 Plan pursuant to 11 U.S.C. § 1329 as necessary to provide for the postconfirmation arrearage.

### IT IS SO ORDERED.

Dated this the 9th day of September 2015.

CLIFTON RYJESSUP, 9R. United States Bankruptcy Judge

In re:

Appointment of the Clerk for the Northern District of Alabama

Administrative Order No. 15-03

#### ADMINISTRATIVE ORDER

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In accordance with the authority conferred by 28 U.S.C. § 156(b), it is

ORDERED that Joseph E. Bulgarella is hereby appointed as Clerk of the United States

Bankruptcy Court for the Northern District of Alabama. Mr. Bulgarella shall enter upon the

performance of his duties as Clerk of Court on July 27, 2015. It is further

ORDERED that the Clerk of Court shall exercise all powers and perform all duties in

accordance with all applicable laws and regulations.

day of July 2015. Dated this the

ROBINSON Cher United States Bankruptcy Judge

JENNIFER SON H MF

United States Bankruptcy Judge

United States Bankruptcy Judge

CLIFTO United States Bankruptcy Judge

In the Matter of: Procedural and Administrative Matters

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Administrative Order No. 15-02 Northern Division

### ADMINISTRATIVE ORDER

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**IT IS HEREBY ORDERED** that, effective July 10, 2015, the following rules will apply to all cases and proceedings pending in the United States Bankruptcy Court for the Northern District of Alabama, Northern Division.

### A. PLEADINGS NO LONGER REQUIRED

- 1. Objection to Claim as to interest rate on unsecured claims.
- 2. Chapter 13 Trustee's Motion to Shorten Time on Objections to Confirmation and Motions to Dismiss. An Objection to Confirmation or Motion to Dismiss must be filed two business days before the hearing scheduled on confirmation of the Chapter 13 Plan.

### **B. PROCEDURAL CHANGES**

- 1. When a Motion to Sever is filed, all claims filed in the Claims Register of the original case will be deemed filed in the severed case. The Clerk's Office will transfer the claims into the Claims Register of the severed case.
- 2. Orders Sustaining an Objection to Claim based on surrender will provide <u>90 days</u> for the creditor to file a deficiency claim.

## C. PLEADINGS REMOVED FROM THE NEGATIVE NOTICE LIST

- 1. Trustee's Motion to Approve Compromise and Settlement
- 2. Trustee's Application to Employ Special Counsel
- 3. Objection to Claim for property taxes on surrendered property
- 4. Motion for Valuation of Collateral
- 5. Motion to Add Pre-Petition, Post-Confirmation Creditors
- 6. Motion to Modify Mortgage

## D. PLEADINGS ADDED TO THE NEGATIVE NOTICE LIST

- 1. All Chapter 7 Motions to Lift the Automatic Stay
- 2. Objection to Claim in a severed case based on the claim being owed by the Joint Debtor in the original case

### E. NEGATIVE NOTICE ALLOWED FOR THE FOLLOWING OBJECTIONS AND MOTIONS

- 1. A party may use negative notice for an Objection to Claim based on the following grounds:
  - a. Interest Rate;

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- b. Surrender of Collateral;
- c. Automatic Stay having lifted;
- d. Repossession of collateral;
- e. Claim paid direct by a third party (the Automatic Stay must Lift);
- f. Claim paid direct by Debtor(s) as provided in the plan;
- g. Claim filed in the wrong case;
- h. Transferred claim in a severed case.
- 2. Trustee's Objection to Claim based on Statute of Limitations
- 3. Chapter 13 Motion to Lift the Automatic Stay based upon collateral being surrendered pursuant to the plan
- 4. All Chapter 7 Motions to Lift Stay
- 5. Motion to Modify to Reduce Payments, Surrender Vehicle, or Incur Post-Petition Debt
- 6. Motion to Avoid Lien
- 7. Motion to Avoid Lien and Objection to Claim

The party filing the Objection or Motion with negative notice must serve the pleading upon (a) the Debtor; (b) the claimant; (c) the Trustee; (d) any committee appointed in the case; and (e) any other entity as the Court may direct. The notice must advise the parties of the date by which a response is required, that the Court may set a hearing date on the pleading, and that the failure to file a response with the Court by the given date may result in the Court entering an order granting the relief requested without a hearing.

#### IT IS SO ORDERED.

Dated this the 1st day of July 2015.

CLIFTON R. JESSUP, JR United States Bankruptcy Judge

In the Matter of: Supplementing Local Rule 4001-1 Relief From Automatic Stay

Administrative Order No. 15-01 Northern Division

### ADMINISTRATIVE ORDER

IT IS HEREBY ORDERED that, effective July 10, 2015, the Fact Summary Sheet required for the Eastern, Southern, and Western Divisions when filing a Motion for Relief From Stay, a Motion for Relief from the Co-Debtor Stay, or a Motion for Adequate Protection filed in a Chapter 7 or 13 case must also be filed in the Northern Division. The Fact Summary Sheet must substantially comply with the Fact Summary Sheet form found on the Court's website at http://www.alnb.uscourts.gov/forms/all-forms/localrules\_forms. The movant must file and serve the Fact Summary Sheet completed in full at least 14 days prior to the first hearing date on the Motion. The movant must ensure that, when the Fact Summary Sheet is filed, it is filed as a separate event using the proper event from CM/ECF, not as an attachment to the Motion. To file the Fact Summary Sheet, the movant must select "Bankruptcy," "Miscellaneous," and "Fact Summary for Motion for Relief from Stay." The movant will serve the Fact Summary Sheet using CM/ECF. If the movant does not fully complete, timely file, and properly serve the Fact Summary Sheet, the Court may continue, dismiss, or deny the Motion.

#### IT IS SO ORDERED.

Dated this the 1st day of July 2015.

CLIFTON RYJESSUP, JR. United States Bankruptcy Judge

In re:

Adoption of Rule 1007-I

Administrative Order No. 12-02 (All Divisions)

### ADMINISTRATIVE ORDER

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IT IS HEREBY ORDERED that, effective December 1, 2012, Administrative Order 12-01 shall be superseded and rescinded; and

IT IS FURTHER ORDERED that Rule 1007-I, as amended effective December 1, 2012, shall remain in effect until further order of this Court.

PRIOR HISTORY: On October 20, 2008, the National Guard and Reservists Debt Relief Act of 2008, Pub. L. No. 110-438, (the "Act") was enacted into law. The provisions of the Act and Rule 1007-I were effective December 19, 2008. A copy of Rule 1007-I is attached to this Administrative Order. The Act provides a temporary exclusion from the bankruptcy means test for Reservists and members of the National Guard called for no less than ninety days to active duty or homeland defense activity following September 11, 2001. The amendment to section 707(b)(2)(D) of the Bankruptcy Code became effective on December 19, 2008, which was sixty days after enactment. The amendment applies only to cases commenced in the three-year period beginning on the effective date of the Act. Subsequently, on December 13, 2011, the National Guard and Reservist Debt Relief Extension Act of 2011, Pub. L. No. 112-64, (the "2011 Act") extended the temporary exclusion for four additional years. For cases and proceedings not governed by the Act or the 2011 Act, the Federal Rules of Bankruptcy Procedure and the Local Rules of this Court, other than Rule 1007-I, shall apply.

The Judicial Conference of the United States approved the new Rule 1007-I and the amendment to Official Form 22A, Statement of Current Monthly Income and Means Test Calculation and transmitted the same to the courts for adoption. Administrative Order 08-03 adopted Rule 1007-I effective December 19, 2008. Administrative Order 10-03 continued the adoption of Rule 1007-I effective July 1, 2010. Rule 1007-I was amended effective December 1, 2010, to extend the time to file the statement of completion of course in personal financial management in a chapter 7 case filed by an individual debtor from forty-five days after the first date set for the meeting of creditors to sixty days after the first date set for the meeting, and Administrative Order 10-07 adopted this amendment and made Administrative Order 10-03 moot. Administrative Order 12-01 addressed the 2011 Act and superseded and rescinded Administrative Order 10-07. Administrative Order 12-02 addresses a conforming amendment, effective December 1, 2012, which removed an inconsistency created by the 2010 amendment.

Dated this the 1<sup>st</sup> day of December 2012.

THOMAS B. BENNETT Chief United States Bankruptcy Judge

/s/ Benjamin Cohen BENJAMIN COHEN United States Bankruptcy Judge

/s/ C. Michael Stilson C. MICHAEL STILSON United States Bankruptcy Judge

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TAMARA O. MITCHELL United States Bankruptcy Judge

<u>/s/ Jack Caddell</u> JACK CADDELL United States Bankruptcy Judge

/s/ James J. Robinson JAMES J. ROBINSON United States Bankruptcy Judge

Rule 1007-I. <sup>1</sup> Lists, Schedules, Statements, and Other	
Documents; Time Limits; Expiration of Temporary Mean	18
Testing Exclusion <sup>2</sup>	

1	* * * *
2	(b) SCHEDULES, STATEMENTS, AND OTHER
3	DOCUMENTS REQUIRED.
4	* * * *
5	(4) Unless either: (A) § 707(b)(2)(D)(i) applies,
6	or (B) § 707(b)(2)(D)(ii) applies and the exclusion from means
7	testing granted therein extends beyond the period specified by Rule
8	1017(e), an individual debtor in a chapter 7 case shall file a
9	statement of current monthly income prepared as prescribed by the
10	appropriate Official Form, and, if the current monthly income
11	exceeds the median family income for the applicable state and
12	household size, the information, including calculations, required by
13	§ 707(b), prepared as prescribed by the appropriate Official Form.
14	* * * *

<sup>&</sup>lt;sup>1</sup> Interim Rule 1007-I has been adopted by the bankruptcy courts to implement the National Guard and Reservists Debt Relief Act of 2008, Public Law No: 110-438, as amended by Public Law No. 112-64. The amended Act, which provides a temporary exclusion from the application of the means test for certain members of the National Guard and reserve components of the Armed Forces, applies to bankruptcy cases commenced in the seven-year period beginning December 19, 2008.

<sup>&</sup>lt;sup>2</sup> Incorporates (1) time amendments to Rule 1007 which took effect on December 1, 2009, (2) an amendment, effective December 1, 2010, which extended the time to file the statement of completion of a course in personal financial management in a chapter 7 case filed by an individual debtor, and (3) a conforming amendment, effective December 1, 2012, which removed an inconsistency created by the 2010 amendment.

	15	(c) TIME LIMITS. In a voluntary case, the schedules,
	16	statements, and other documents required by subdivision (b)(1), (4),
	17	(5), and (6) shall be filed with the petition or within 14 days
·	18	thereafter, except as otherwise provided in subdivisions (d), (e), (f),
	19	and (h), and (n) of this rule. In an involuntary case,
	20	the schedules, statements, and other
	21	documents required by subdivision (b)(1) shall be filed by the
	22	debtor within 14 days of the entry of the order for relief. In a
	23	voluntary case, the documents required by paragraphs (A), (C), and
	24	(D) of subdivision (b)(3) shall be filed with the petition. Unless
	25	the court orders otherwise, a debtor who has filed a statement under
	26	subdivision (b)(3)(B), shall file the documents required by
	27	subdivision (b)(3)(A) within 14 days of the order for relief. In a
	28	chapter 7 case, the debtor shall file the statement required by
	29	subdivision (b)(7) within 60 days after the first date set for the
	30	meeting of creditors under § 341 of the Code, and in a chapter 11 or
	31	13 case no later than the date when the last payment was made by
	32	the debtor as required by the plan or the filing of a motion for a
	33	discharge under § 1141(d)(5)(B) or § 1328(b) of the Code. The
	34	court may, at any time and in its discretion, enlarge the time to file
	35	the statement required by subdivision (b)(7). The debtor shall file
	36	the statement required by subdivision (b)(8) no earlier than the date
	37	of the last payment made under the plan or the date of the filing of a

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38	motion for a discharge under §§ 1141(d)(5)(B), 1228(b), or 1328(b)
39	of the Code. Lists, schedules, statements, and other documents
40	filed prior to the conversion of a case to another chapter shall be
41	deemed filed in the converted case unless the court directs
42	otherwise. Except as provided in § 1116(3), any extension of time
43	to file schedules, statements, and other documents required under
44	this rule may be granted only on motion for cause shown and on
45	notice to the United States trustee, any committee elected under
46	§ 705 or appointed under § 1102 of the Code, trustee, examiner, or
47	other party as the court may direct. Notice of an extension shall be
48	given to the United States trustee and to any committee, trustee, or
49	other party as the court may direct.
50	* * * *
51	(n) TIME LIMITS FOR, AND NOTICE TO, DEBTORS
52	TEMPORARILY EXCLUDED FROM MEANS TESTING.
53	(1) An individual debtor who is temporarily excluded from
54	means testing pursuant to § 707(b)(2)(D)(ii) of the Code shall file
55	any statement and calculations required by subdivision (b)(4) no
56	later than 14 days after the expiration of the temporary exclusion if
57	the expiration occurs within the time specified by Rule 1017(e) for
58	filing a motion pursuant to § 707(b)(2).
58	filing a motion pursuant to 707(b)(2).

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subdivision (n)(1), and if the debtor has not previously filed a
statement and calculations required by subdivision (b)(4), the clerk
shall promptly notify the debtor that the required statement and
calculations must be filed within the time specified in subdivision
(n)(1).

In Re:	
Unavailability of CM/ECF from November 15, 2010 through November 17, 2010	

Administrative Order 10-08

## Extension of Deadlines That Expired While CM/ECF Was Unavailable

IT IS HEREBY ORDERED that, due to the unavailability of CM/ECF from November 15, 2010 until November 17, 2010, any deadline that expired during that time period is **EXTENDED THROUGH AND INCLUDING WEDNESDAY, NOVEMBER 24, 2010**; and it is further,

**ORDERED** that this Order in no way extends or expands deadlines that did not fall between November 15, 2010 and November 17, 2010.

Dated this the  $16^{th}$  day of December, 2010.

BENJAMIN COHEN

Chief United States Bankruptcy Judge

JACK CADDELD

C. MICHAEL STILSON United States Bankruptcy Judge

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TAMARA O. MITCHELL United States Bankruptcy Judge

THOMAS B. BENNETT United States Bankruptcy Judge

JAMES J. ROBINSON United States Bankruptcy Judge

In re:

Procedural and Administrative Matters

Administrative Order No. 10-04<sup>1</sup> (Eastern Division)

### ADMINISTRATIVE ORDER

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IT IS HEREBY ORDERED that, effective July 1, 2010, the following rules will apply to all cases and proceedings pending in the United States Bankruptcy Court for the Northern District of Alabama, Eastern Division.

### A. DEFICIENT OR INCOMPLETE PETITIONS, LISTS, STATEMENTS, AND SCHEDULES

- 1. Upon the filing of a voluntary petition for relief under any chapter of the Bankruptcy Code, the debtor must file all documentation required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Local Bankruptcy Rules.
- 2. In the event the petition is incomplete or fails to comply with the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, or Local Bankruptcy Rules, the clerk shall provide a deficiency notice to the debtor and the attorney for the debtor accompanied by a notice which will make provision for an opportunity for hearing on the dismissal of the debtor's case for failure to file all required documents timely. The notice shall contain a provision stating that the debtor's case may be dismissed if all required documents are not filed within fourteen days from the date of the filing of the petition. If all documents are filed timely, the hearing on dismissal may be removed from the Court's calendar without further notice.

### **B.** DOCUMENTATION IN COMPOSITION CHAPTER 13 CASES

Within fourteen days of the filing of a petition for relief under chapter 13 of the Bankruptcy Code in a case in which the plan proposes to pay less than 100% to unsecured

<sup>&</sup>lt;sup>1</sup> This Administrative Order contains the same content as Administrative Order 09-03 entered on March 2, 2009, with the exception of Section E in Administrative Order 09-03. Section E addressed registry funds, and Local Rule 7067-1, effective July 1, 2010, now addresses this topic. Otherwise, this Administrative Order simply updates the time periods to seven day increments in accordance with the Statutory Time Period Technical Amendments Act of 2009 and makes minor formatting adjustments consistent with other Administrative Orders and the Local Rules effective July 1, 2010.

creditors, or within fourteen days of the filing of a motion to modify the plan in a chapter 13 case which reduces the proposed distribution to unsecured creditors to be less than 100%, the debtor must provide to the chapter 13 trustee and file with the clerk the following additional documentation:

- 1. The two most recent pay stubs for the debtor and debtor's spouse, even if the debtor's spouse is not a co-debtor;
- 2. All W-2 statements or income tax returns for the last calendar year for the debtor and the debtor's spouse, even if the debtor's spouse is not a co-debtor;
- 3. A recent appraisal or statement from the tax assessor as to the value of each parcel of real estate in which the debtor owns an interest; and

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4. A statement of the equity in any mobile home owned by the debtor.

Before filing these documents, the debtor shall redact all but the last four digits of the Social Security number and any account numbers, the names of all minor children, and the month and day of any birth date. Further, these documents shall be filed using the appropriate docket event so this information is protected for privacy purposes pursuant to the Interim Guidelines Regarding Tax Information of the Director of the Administrative Office of the United States Courts. If the debtor fails to properly file the additional documentation at the time of the filing of the plan or the motion to modify, the plan may not be confirmed, or the motion to modify may not be granted.

## C. MOTIONS TO SUSPEND PAYMENTS, MOTIONS TO REDUCE PAYMENTS, AND MOTIONS TO MODIFY A CONFIRMED PLAN IN A CHAPTER 13 CASE

Except as otherwise directed by the Court, when the following motions are filed:

- 1. Motions to Suspend Payment,
- 2. Motions to Reduce Payments, and
- 3. Motions to Modify Plan (whether included with an Amendment to Schedules),

the clerk shall send a notice to the parties to whom notice is properly given advising the party that a motion has been filed and that the party has twenty-one days from the date of the notice to object to the filed motion and to request a hearing. The clerk shall not send such a notice on Amendment to Schedules which do not contain a Motion to Modify a Confirmed Plan.

If no objection is timely filed, the motion may be granted. The clerk shall set all objections filed for a hearing. The clerk shall not send such a notice on Amendment to Schedules that do not contain a Motion to Modify a Confirmed Plan.

### D. PAYMENTS OF PRE-CONFIRMATION ADEQUATE PROTECTION PAYMENTS ON PERSONAL PROPERTY IN CHAPTER 13 CASES

1. The Chapter 13 Plan Summary proposed and filed by the debtor may provide for payments of personal property leases governed by 11 U.S.C.§ 1326(a)(1)(C).

- 2. The Chapter 13 Plan Summary proposed and filed by the debtor may provide for payments of pre-confirmation adequate protection payments governed by 11 U.S.C.§ 1326 (a)(1)(C).
- 3. The chapter 13 trustee is directed to make the pre-confirmation payments on personal property described above as proposed in a debtor's Chapter 13 Plan Summary if proper proofs of claim are filed.

Dated this the  $1^{55}$  day of July, 2010. JAMES J. ROBINSON United States Bankruptcy Judge

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In re:

Revocation of Administrative Order 07-03 ) And Administrative Order 07-07 ) Administrative Order No. 09-01 All Divisions

### ADMINISTRATIVE ORDER REVOKING ADMINISTRATIVE ORDER 07-03 AND ADMINISTRATIVE ORDER 07-07

On or about March 8, 2007, this Court entered Administrative Order 07-03, and on or about November 5, 2007, this Court entered Administrative Order 07-07, regarding the Certificate of Compliance, Motion for Issuance of Discharge and Notice of Deadline to Object required in all Chapter 7 and Chapter 13 bankruptcy proceedings. Since that time, the Court has concluded that these Administrative Orders are moot due to the creation of the Director's Procedural Form 283 (12/08) for Chapter 13 bankruptcy proceedings and the minimal percentage of cases in which 11 U.S.C. § 727(a)(12) [with reference to 11 U.S.C. § 522(q)] applies in Chapter 7 bankruptcy proceedings.

NOW, THEREFORE, IT IS ORDERED

- 1. Administrative Order 07-03 is VACATED as of January 1, 2009;
- 2. Administrative Order 07-07 is VACATED as of January 1, 2009;
- 3. Director's Procedural Form 283 is required in all Chapter 13 bankruptcy proceedings as of January 1, 2009; and
- 4. When required by 11 U.S.C. §§ 727(a)(12) and 522(q), Chapter 7 debtors will file a form similar to Director's Procedural Form 283 meeting the requirements of said Bankruptcy Code section.

Dated this the  $\underline{q^{12}}$  day of January, 2009.

JAMIN COHEN

Chief United States Bankruptcy Judge

JACK C. CADDELL United States Bankruptcy Judge

C. MICHAEL STILSON United States Bankruptcy Judge

Jamara Mutcheel

TAMARA O. MITCHELL United States Bankruptcy Judge

THOMAS B. BENNETT United States Bankruptcy Judge

JAMES R. RØBINSON

United States Bankruptcy Judge

In re:

New Electronic Transcript Policy

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Administrative Order No. 08-01 All Divisions

# ADMINISTRATIVE ORDER REGARDING NEW ELECTRONIC TRANSCRIPT POLICY

At its September 2007 session, the U.S. Judicial Conference approved a new policy regarding the availability of transcripts of court proceedings. A new release of CM/ECF, Version 3.2, includes software that facilitates the implementation of this policy. This Administrative Order replaces Administrative Order No. 07-04 regarding electronic transcripts.

### I. <u>Summary</u>

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- A. Electronic Availability of Transcript of Court Proceedings. The language from the Judicial Conference's September 2007 session regarding electronic availability of transcripts of court proceedings states:
  - 1. A transcript provided to a court by a court reporter or transcriber will be available at the office of the clerk of court for inspection only, for a period of 90 days after it is delivered to the clerk.
  - 2. During the 90-day period, a copy of the transcript may be obtained from the court reporter or transcriber at the rate established by the Judicial Conference, the transcript will be available within the court for internal use, and an attorney who obtains the transcript from the court reporter or transcriber may obtain remote electronic access to the transcript through the court's CM/ECF system for purposes of creating hyperlinks to the transcript in court filings and for other purposes.
  - 3. After the 90-day period has ended, the filed transcript will be available for inspection and copying in the clerk's office and for downloading from the court's CM/ECF system through the judiciary's PACER system.

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B. Application of Fed. R. Bankr. P. Rule 9037(a), *Redacted Filings*. This rule, effective December 2, 2007, states:

Unless the court orders otherwise, in an electronic or paper filing made with the court that contains an individual's social security number and taxpayer identification number, or birth date, the name of an individual, other than the debtor, known to be and identified as a minor, or a financial account number, a party or nonparty making the filing may include only:

- (1) the last four digits of the social security number and taxpayer identification number;
- (2) the year of the individual's birth
- (3) the minor's initials; and
- (4) the last four digits of the financial account number.

The redaction procedures for transcripts (as well as the 90-day restriction policy) apply only to transcripts of federal courtroom proceedings.

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With the exception of transcripts, redaction of the information described in Fed. R. Bankr. P. Rule 9037(a) is the responsibility of the person filing the document. When a transcript is filed, the attorneys and pro se parties who attended the hearing are solely responsible for redaction of the information described in the Rule. Redaction is accomplished only with input from the attorneys and pro se parties who attended the hearing. Transcribers are not responsible for identifying a need for redaction or for redacting transcripts absent a request by an attorney or pro se party.

The court's responsibility is to follow the Judicial Conference guidelines for providing public access to the transcript and for restricting access in accordance with the Judiciary's privacy policy. The clerk is not required to review documents filed with the court for compliance with this rule.

#### II. Overview of Process within CM/ECF

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A. Upon the request and purchase of a transcript by a party, the court reporter or transcriber (hereinafter "transcriber") electronically files the transcript of court proceedings with the court using the *Transcript* docket event. This event serves as a notice of the filing of a transcript and includes language that indicates that parties have seven (7) calendar days to file with the court a *Notice of Intent to Request Redaction* of this transcript.

- B. During the 90-day period (which may be extended by the court), access to the transcript in CM/ECF is restricted to four types of users:
  - Court staff;
  - Public terminal users;
  - Attorney of record or parties who have purchased the transcript from the transcriber; and
  - Other persons as directed by the court.

Any party needing to review the transcript for redaction purposes may purchase a copy from the transcriber or view the transcript at the public terminal in the clerk's office. If a party purchases the transcript from the transcriber, and he or she is an attorney on the case, he or she will be given remote access to the transcript via PACER and CM/ECF. PACER fees apply at all times when accessing transcripts remotely. Except for public terminal viewers, persons authorized to view or download the transcript can also create hyperlinks to the transcript. The clerk's office will grant the access upon notification from the transcriber that payment was received.

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- C. The date the transcript is filed is the starting date for all deadlines related to restriction and redaction of the transcript.
- D. A notice of the filing of the transcript (including notice of the 90-day restriction period and the deadlines related to redaction) is provided via the docket text of the transcript event and the Notice of Electronic Filing (hereinafter "NEF") and a separate notice mailed to pro se parties.
- E. The following deadlines apply to the restriction, redaction, and release of a transcript for public viewing.
  - 1. Within seven (7) calendar days of the filing in CM/ECF of the official transcript, each party wishing to redact a transcript must inform the court, by filing a *Notice of Intent to Request Transcript Redaction* with the clerk, of the party's interest to redact personal data identifiers from the electronic transcript of the court proceedings. If no such notice is filed within the allotted time, the court will assume redaction of personal identifiers from the transcript is not necessary.
  - 2. If redaction is requested, a party has 21 calendar days from the filing of the transcript, or longer if a court so orders, to file a *Request for Redaction* indicating where the personal identifiers to be redacted appear in the

transcript. To identify parts to be redacted, the party filing the request for redaction should attach a list of information to be redacted with the request. The information should be identified by type of identifier (e.g., minor's name, birth date, etc.) and page and line number where the information appears in the transcript. The party filing the request for redaction must serve the request on the transcriber. The transcriber must redact the identifiers as directed by the party.

These procedures are limited to the redaction of the specific personal data identifiers listed in the rules. If an attorney wishes to redact additional information, he or she may make a motion to the court. The transcript will not be electronically available until the court has ruled on any such motion, even though the 90-day restriction period may have ended.

- 3. The transcriber must, within 31 calendar days of the filing of the transcript, or longer if the court so orders, perform the requested redactions, and file a *Redacted Transcript* with the clerk. The original unredacted electronic transcript will be retained by the clerk as a restricted document.
- 4. At the end of the 90-day restriction period, transcript restriction can be removed to allow remote electronic access to the transcript as follows:
  - a. If a redacted version of the transcript is not filed and if there are no other redaction documents or motions linked to the transcript, the unredacted version will be made available via remote electronic access and at the public terminal for viewing and printing.

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b. If a redacted version of the transcript is filed, the redacted version will be made available via remote electronic access and at the public terminal for viewing and printing. The unredacted version will remain permanently restricted.

### III. General Issues

A. During the 90-day restriction period, the transcript and any redacted versions will not be available via remote electronic access. An attorney who purchases the transcript during the 90-day period will be given remote electronic access to the transcript and any redacted version filed. Members of the general public, including pro se parties, will not be given remote electronic access to the transcript or any redacted version filed during the 90-day period.

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- B. Charges for access through PACER apply during and after the 90-day restriction period. Charges are not capped at 30 pages. The user will incur PACER charges each time the transcript is accessed even though he or she may have purchased it from the transcriber and obtained remote access through CM/ECF. A free copy of the electronic transcript is not available via remote access. After purchasing the transcript from the transcriber, an attorney can receive the original and any redacted transcript in both paper and electronic format.
- C. The redaction-related documents (e.g., notice of intent to redact, etc.) should be in the court record to ensure that the changes to the transcript are documented.
- D. There is no obligation on the part of the clerk's office to perform any redaction. Instead, it rests on the attorneys or pro se parties to tell the transcriber where to redact, and on the transcriber to perform the redaction.

IT IS SO ORDERED, this 19th day of September, 2008.

BENJAMEN COHEN Chief United States Bankruptcy Judge

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United States Bankruptcy Judge

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TAMARA O. MITCHELL United States Bankruptcy Judge

THOMAS B. BENNETT United States Bankruptcy Judge

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C. MICHAEL STILSON United States Bankruptcy Judge

JAMES J. KODINSON United States Bankruptcy Judge

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In re: PRE-CONFIRMATION DISBURSEMENT OF PAYMENTS RECEIVED FOR ONGOING DOMESTIC SUPPORT OBLIGATIONS

Administrative Order No. 06-07

## ADMINISTRATIVE ORDER AUTHORIZING EASTERN DIVISION CHAPTER 13 TRUSTEE TO MAKE PRE-CONFIRMATION DISTRIBUTIONS OF PAYMENTS RECEIVED FOR ONGOING/POST-PETITION DOMESTIC SUPPORT OBLIGATIONS

NOW THEREFORE, IT IS ORDERED that after a case is commenced under chapter 13 of Title 11 of the United States Code, and before the Court's confirmation of a plan in such case, if the Standing Chapter 13 Trustee for the Eastern Division of the Northern District of Alabama (the "Trustee") receives sums from or on behalf of the debtor in such case that are intended as payment of the debtor's ongoing domestic support obligations accruing after the petition filing date in such case, the Trustee is authorized, at her discretion and from time to time, to disburse all or any portion of such sums to those recipients described in 11 U.S.C. § 101(14A)(A) who are entitled to receive payment of domestic support obligations from the debtor; PROVIDED HOWEVER, the Trustee shall not disburse sums as aforesaid: (i) until a proof of claim for such domestic support obligations has been filed in the case, or (ii) while there is an outstanding objection to such claim which has not been overruled by the Court. Nothing in this Order shall be construed as requiring debtors to pay post-petition, preconfirmation domestic support obligations through the Trustee rather than directly to those recipients described in 11 U.S.C. § 101(14A)(A). This Order shall apply to all pending cases and to cases filed on or after the date of this Order.

on or after the date of this Order. Dated this // day of Octo Gen2006 JAMES United States Bankruptcy Judge

In re:

Procedures for Criminal Referrals

) Administrative Order No. 05-<u>07</u>

### ADMINISTRATIVE ORDER

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, Pub. L. No. 109-08, 119 Stat. 23, amended section 158(d) of Title 18 of the United States Code, 18 U.S.C. § 158(d), to require bankruptcy courts to establish procedures for referring, pursuant to section 3057 of Title 18 of the United States Code, 18 U.S.C. § 3057, any case that may contain a materially fraudulent statement in a bankruptcy schedule. These procedures are adopted pursuant to that mandate.

If a judge or the clerk of court identifies any case that may contain a materially fraudulent statement in a bankruptcy schedule, the judge or clerk may refer the matter directly to the individuals designated under section 158(d), or other appropriate individuals or agencies; or, the judge or clerk may, prior to referral, transmit the matter to the Bankruptcy Administrator for further investigation.

If the matter is referred to the Bankruptcy Administrator, the Administrator shall report his conclusions and recommendations to the individual who transmitted the matter to the Bankruptcy Administrator. The judge or the clerk may then refer the matter himself or herself, may ask the Bankruptcy Administrator to refer the matter, or the Administrator may refer the matter himself.

These procedures are adopted for referrals made pursuant to section 3057 for purposes of the requirements of section 158(d), but may be used for referrals on other grounds.

These procedures shall be effective October 17, 2005.

BENJANON COHEN Chief United States Bankruptcy Judge

JACK CADDELL United States Bankruptcy Judge

C. MICHAEL STILSON United States Bankruptcy Judge

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TAMARA O. MITCHELL United States Bankruptcy Judge

THOMAS B. BENNETT United States Bankruptcy Judge

Dated: OctoBer 17, 2005

In re:

Debtors Asserting an Exception to the Limitation of the Automatic Stay Under 11 U.S.C. § 362(1) and Procedure for Receiving Rent Deposits.

Administrative Order No. 05-06

#### ADMINISTRATIVE ORDER

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WHEREAS, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 amended 11 U.S.C. § 101 *et seq.* ("Code") including the automatic stay provisions of 11 U.S.C. § 362 in regards to actions to recover possession of residential property occupied by a debtor by the enactment of 11 U.S.C. § 362(1), and

WHEREAS, the Court requires uniformity in the procedure for the deposit of rent by Debtors and transmittal of rent to Lessors under § 362(1)(1)(B) and § 362(1)(5)(D) of the Code, it is hereby

**ORDERED**, that any deposit of rent made by or on behalf of a debtor, pursuant to § 362(1)(1)(B) of the Code, must be in the form of a certified check or money order payable to the order of the Lessor, and delivered to the Clerk of Court upon filing of the Petition and the certification made under § 362(1)(1)(A) of the Code, and it is further

**ORDERED**, that the debtor must file a copy of the Judgment for Possession together with the Petition, and it is further

**ORDERED**, that upon the Clerk's receipt of a **certified check or money order payable to the order of the Lessor**, with a copy of the Judgment for Possession, tendered by a Debtor pursuant to § 362(1)(1) of the Code, the Clerk is directed to promptly transmit by mail the certified check or money order to the Lessor, certified mail/return receipt requested, to the address listed on the Judgment for Possession.

This order shall be effective October 17, 2005.

BENJAMDY COHEN Chief United States Bankruptcy Judge

ACK CADDELL United States Bankruptcy Judge

C. MICHAEL STILSON United States Bankruptcy Judge

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TAMARA O. MITCHELL United States Bankruptcy Judge

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THOMAS B. BENNETT United States Bankruptcy Judge

Dated: October 17,2005

#### ADMINISTRATIVE ORDER 04-001

#### Certification of Acceptance and Rejection of Chapter 11 Plans

Prior to the hearing on confirmation, the proponent of a Chapter 11 plan shall certify to the Court the amount and number of allowed claims of each class accepting or rejecting the plan and the amount of allowed interests of each class accepting or rejecting the plan. The original certification shall be filed with the Clerk of the Bankruptcy Court. A copy of the certification shall be served on the debtor, debtor-in-possession, trustee, if any, and any creditors' or equity security holders' committee appointed pursuant to the Code or on the chairperson and counsel for those committees. The Court may find that the plan has been accepted or rejected on the basis of the certification.

Done and entered this the  $\frac{1}{1}$  day of August 2004.

ENTERED KRUPTCY COURT UR, ALABAMA DEPU

JACK CADDELL United States Bankruptcy Judge