# UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF WASHINGTON

In re:	)	
	)	GENERAL ORDER
AMENDMENTS TO LOCAL	)	
BANKRUPTCY RULES 1007-1, 2002-1,	)	No. 14-01
2016-1, 2083-1, 3007-1, 9010-1, 9013-1,	)	
AND 9073-1, AND ADOPTION OF NEW	)	
RULE 3002.1-1	)	

Pursuant to the General Order of the United States District Court for the Eastern District of Washington dated March 6, 1996, FRBP 8018 and 9029, FRCP 83, and 28 U.S.C. §2071, the following local rules are amended and/or adopted as set out in the attachments hereto:

- 1. LBR 1007-1 Lists, Schedules, Statements and Other Documents
- 2. LBR 2002-1 Notice to Creditors & Other Interested Parties
- 3. LBR 2016-1 Compensation of Professionals
- 4. LBR 2083-1 Chapter 13 General
- 5. LBR 3002.1-1 Designation of Servicing Agent in Chapter 13 Cases
- 6. LBR 3007-1 Claims Objections
- 7. LBR 9010-1 Attorneys Notice of Appearance
- 8. LBR 9013-1 Motions and Orders
- 9. LBR 9073-1 Hearings

The amendments to the aforementioned local bankruptcy rules and adoption of new rule 3002.1-1 shall be effective April 10, 2014, and shall govern all pending matters, except to the extent, in the opinion of the court, application of the change would not be feasible or would work an injustice, in which event, the procedure set forth in the former shall apply.

DATED: april 8, 2014

Honorable Frank L. Kurtz, Chief Judge

FOR THE COURT:

Honorable Frederick P. Corbit Honorable John A. Rossmeissl

#### **Rule 1007-1**

## Lists, Schedules, Statements and Other Documents

- (a) A debtor desiring an extension of time in which to file the schedules and statements, or chapter 12 or 13 plan or other documents shall give fourteen (14) seven (7) days? notice and hearing to the trustee, the United States trustee, and any examiner or creditors committee appointed or elected. The motion shall be filed with the petition for relief or before the time for filing the schedules and statements or the time for filing a chapter 12 or 13 plan has expired, shall contain a brief statement as to the reason why an extension is required, and a specific date when the required documents will be filed.
- (b) Each item in the schedules and statement of affairs and other documents not otherwise filled out, shall be carried out by the entry "none" or "not applicable" as appropriate.

#### **Related Provisions**

Voluntary Petition
Partnership Petition
Caption of Petition
Lists, Schedules and Statements
Verification of Papers
Filing Papers - Numbers of Copies
Who May Be a Debtor
Voluntary Cases
Partnership Petitions
Debtor's Duties

LBR 1007-1 DECEMBER 1, 2009 <u>APRIL 10, 2014</u>

#### Rule 2002-1

#### **Notice to Creditors & Other Interested Parties**

#### (a) Notice

- (1) Unless otherwise provided in the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or these rules, whenever the Code or Rules authorizes any act, or authorizes the Court to enter an order, "after notice and hearing" or a similar phrase, the party giving the notice shall clearly state in the notice:
  - (A) The purpose of the notice;
  - (B) What a party receiving the notice must do in order to object to the action contemplated by the notice and the time within which an objecting party must act; and
  - (C) That the act may be performed or the Court may enter an order without an actual hearing or further notice unless a written objection is timely served and filed.
- (2) A notice may be included with a motion in which case the pleading shall be captioned as a motion and notice.

#### (b) Service of Notice

- (1) To Whom Given
  - (A) "Notice," as used in this rule shall mean notice to all creditors, equity security holders, indenture trustees, the debtor, the chairperson of any committee appointed in the case, the United States trustee, and any other parties in interest.
  - (B) Less inclusive notice may be given if not prohibited by the Code or Rules and specifically allowed by the Court or local rules. Notice is appropriate if it reaches all those with a potential good faith objection to the proposed order or action.

## (2) By Whom Given

Any party seeking an order or other authority based on notice and hearing shall be responsible to give such notice as is required.

### (3) How Given

All notices shall be by first-class mail, unless the recipient is a registered participant in the CM/ECF system in the case in which the pleading or other paper is being filed. If the recipient is a registered participant, the Notice of Electronic Filing (NEF) is deemed the equivalent of service of the pleading or other paper by first-class mail; provided, however, if the pleading or other paper filed is to be considered at a hearing scheduled to occur within 48 hours (excluding weekends and holidays) of the filing, then at or before the time of filing, the filer shall serve the filed papers or pleadings by separate email upon all recipients entitled to service who are registered participants, or shall make such service by facsimile or by hand delivery.

# (4) Certification of Giving Notice

As soon as practicable, a party giving notice pursuant to this rule shall forthwith file as a separate document, an affidavit of mailing or unsworn declaration under penalty of perjury, which shall include a list of all entities entitled to notice and the physical address to which notice was sent, or a designation that the entity is a registered participant in the CM/ECF system in the case. If the notice was given to a Master Mailing List (MML) or Limited Mailing List (LML), the affidavit or declaration shall also state the date on which it was retrieved from the database of the court.

# (c) Time Allowed for Objections

- (1) The moving party shall provide at least twenty-one (21) days, plus three (3) additional days if required by FRBP 9006(f), for objections prior to presentation of an order or the taking of an action, unless a different time is prescribed.
- (2) A motion for an order reducing the time for making objections to a proposed action may be made and granted after notice and hearing for cause shown. Notice of such a motion shall clearly state the reasons supporting the necessity for a reduction of time and that objections may be made to the requested reduction. The objections will be considered by the court at the time of hearing on the motion for the principal relief requested. A motion for an order as to the principal relief requested and for the reduction in time may be combined provided both motions are clearly captioned and the requests separated in the body of the combined pleading.

## (d) Mailing Lists

(1) The addressees of notices shall be in accordance with FRBP 2002(g). Notice required required to be given to all creditors is presumed to be appropriate if provided to all entities on an MML or LML retrieved from the database of the court within five (5) days of the notice, and as required by FRBP 2002 and 9036.

# (A) Master Mailing List (MML)

A Master Mailing List is maintained by the office of the Clerk for each pending case. This list is updated in accordance with FRBP 2002(g). The Master Mailing List is produced and maintained using the matrix provided by the debtor pursuant to LBR 1007-2, requests from governmental agencies, written requests by entities who wish to be added, deleted or have their addresses changed, and proofs of claim.

# (B) Limited Mailing List (LML)

A Limited Mailing List is maintained by the office of the Clerk and is based on an order of the Court. A party desiring that a Limited Mailing List be established in a case shall do so by notice and hearing. The proposed order establishing a Limited Mailing List shall contain a list of each entity to be listed on the Limited Mailing List, with directions, if appropriate, as to classes or types of entities to be added. The order shall also state the scope and duration of the order. Once established, the Limited Mailing List will be maintained by the Clerk in the manner provided in subparagraph (A) above.

# (C) Changes to Mailing Lists

Withdrawal by an attorney from a case is not sufficient for removal of such attorney's name from the Master Mailing List or the Limited Mailing List, however, a formal notice of appearance in a case by an attorney is sufficient to add such attorney to the Master Mailing List or the Limited Mailing List. A written request to receive all notices will be sufficient to add such requesting party to both the Master Mailing List and the Limited Mailing List.

#### (2) Notice in Non-lead Consolidated or Joint Administration Cases

In order to be presumed appropriate, notice given to the MML or LML of a non-lead case that was consolidated or where joint administration was ordered shall include, in addition to the names contained on the MML or LML of the non-lead case, all entities that filed a request for notice in the lead case after the cases were consolidated or joint administration ordered.

(3) A party in interest who wishes to receive all notices, in addition to notices required to be sent to the MML or LML, shall give notice to the MML or LML as appropriate, and file a certificate of mailing as required by sub-section (b)(4) above.

# (e) Signing of Orders Where No Objection is Pending

- (1) If no objection is made as provided in paragraph (f) of this Rule or if withdrawal of an objection is filed or the objecting party has endorsed the related order, an actual hearing is not required for any "notice and hearing" matter.
- (2) The submission of ex parte orders shall be as prescribed in LBR 9013-1(c)(2) & (3).

# (f) Objection

- (1) A party objecting to an act or the entry of an order contemplated by a notice shall file with the Clerk and serve on the moving party a written objection within the time set forth in the notice. The objection shall state briefly the grounds therefore.
- (2) If an objection states no grounds, the Court may strike the objection on ex parte motion of the moving party. The moving party, however, may make such ex parte motion to strike only after the objecting party fails within seven (7) days to respond to a request by the moving party for a brief statement of the grounds for the objection.
- (3) If an objection is filed, the moving party shall promptly request a hearing date from the Clerk.

#### **Related Provisions**

FRBP 2002	Notices to Creditors, Equity Security Holders, Administrators in Foreign
	Proceedings, Persons Against Whom Provisional Relief is Sought in Ancillary
	and Other Cross-Border Cases, United States, and United States Trustee
FRBP 9006	Computing and Extending Time
FRBP 9007	General Authority to Regulate Notices
FRBP 9014	Contested Matters

FRCP 5(b)(2)(E) & (b)(3) Serving and Filing Pleadings and Other Papers

LBR 9013-1 Motions and Orders LBR 9073-1 Hearings

11 USC 102(1) Rules of Construction

11 USC 350 Closing and Reopening Cases

LBR 2002-1 FEBRUARY 1, 2013 APRIL 10, 2014

#### Rule 2016-1

## **Compensation of Professionals**

#### (a) Notice

Where an application exceeds One Thousand Dollars (\$1,000) notice of an Application For Award of Compensation for Services and Reimbursement of Expenses shall be on twenty-one (21) days notice to the Master Mailing List in accordance with LBR 2002-1. The notice shall include the following information:

- (1) The status of the applicant;
- (2) The date the applicant's employment by trustee, debtor in possession or creditors' committee was approved;
- (3) Whether the application is a final or interim application, and the sequential number of the application (i.e. 1st, 2nd etc.);
- (4) The amount of the compensation and reimbursement requested, stated separately;
- (5) The amount of compensation or reimbursement previously received or allowed, stated separately; and
- (6) The basis for the compensation and reimbursement.

#### (b) Application

(1) Applications for award of compensation for services or reimbursement of expenses pursuant to § 330 of the Code shall be as prescribed by the appropriate local form and shall include as attachments the following:

#### (A) Narrative

If the cumulative compensation applied for exceeds ten thousand (10,000) dollars, a narrative summary which describes the background of the case; the financial condition of the estate including comment as to profit and loss, amount of cash on hand or on deposit, amount of accrued unpaid administrative expenses and amount of unencumbered funds in the estate; the status of the case, and if the case is under Chapter 11, information concerning the status of the plan and disclosure statement, payment of quarterly fees to the United States trustee, and submission of monthly operating statements; a description of the tasks or projects for which compensation or reimbursement is sought; and

#### (B) Itemization of Services Rendered

- (i) Except where the fee is on a fixed or percentage basis, itemization of each service rendered in meaningful detail, including the identification of the person who rendered the service, the date the service was rendered and the project category of the service (i.e. cash collateral, relief from stay) in billing increments of one tenth of an hour, without combining or "lumping"; and
- (ii) If the cumulative application for compensation exceeds ten thousand (10,000) dollars or if required by the Court, the presentation of the itemization shall be by project category, with administrative matters and fee application preparation as separate categories.

## (C) Itemization of Expenses

An itemization of expenses in meaningful detail to include the date incurred, description of the expense, person incurring the expense with special emphasis on extraordinary or unusual items.

- (2) A proposed ex parte order submitted to the Court pursuant to LBR 9013-1(c)(2) allowing compensation and reimbursement of expenses shall be as prescribed by the appropriate local form, and shall be supported by a statement of the reviewing trustee that the application was reviewed and the amounts to which the reviewing trustee raises no objection.
- (3) The applicant shall serve a copy of the application and attachments with the notice on the United States trustee, the trustee or debtor in possession, debtor and any creditors' committee appointed pursuant to § 1102 of the Code.

#### (c) Award and Payment

Payments for compensation or reimbursement from the estate as an administrative expense pursuant to § 330 of the Code shall be made only after award and order of the Court.

## (d) Exception in Chapter 13 Case

In a Chapter 13 case, an attorney may choose to be compensated on either an hourly basis or on an agreed flat fee basis. If the attorney chooses to be compensated on an hourly basis, compliance with sub-paragraph (a), (b) and (c) of this rule is required. An attorney who chooses to be compensated on an agreed flat fee basis need only comply with subparagraph (e) of this rule.

# (e) Agreed Flat Fee

- (1) The Agreed Flat Fee shall be supported by a Flat Fee Agreement as prescribed by the appropriate local form, between the debtor and the attorney, may not exceed \$3,000 in a consumer case or \$4,000 in a business case as defined in § 1304(a) of the Code, and shall be compensation for all services and associated expenses excluding filing fees and credit counseling/education program fees in connection with the case that are ordinary, necessary and reasonable foreseeable and which includes the following:
  - (A) Preparation and filing of the petition, Schedules, and Statement of Affairs, the Chapter 13 Plan and associated local forms, along with modifications, amendments and supplements, Current Monthly Income and Calculation of Commitment Period and Disposable Income (means test form B22C (Chapter 13)), filing certification of pre-filing counseling, filing evidence of income from employment as required by statute, and filing certification of pre-discharge education; and preparing and filing prior to confirmation certification that the debtor is current in all post-petition domestic support obligations, and has filed all applicable and required federal, state and local tax returns, and, prior to discharge, certification regarding domestic support obligations as provided for in § 1328(a) of the Code;
  - (B) Representation at the Meeting of Creditors or Examinations held pursuant to FRBP 2004; filing motion and statement in support of confirmation; and appearance at initial confirmation hearings, if required;
  - (C) Responding and resolving common and foreseeable issues and objections, including but not limited to objections to confirmation; motions for relief from the automatic stay; assumption or rejection of unexpired leases or executory contracts; valuation of collateral; pre-confirmation adequate protection payments; objection to proofs of claim; tax refunds and bonuses, license reinstatement, and post petition repossessions and garnishments, requests from the office of the United States trustee, and routine motions to dismiss;
  - (D) In business cases, assisting the debtor in the preparation and filing of required financial reports;
  - (E) Filing with the court or making available to the requesting party as provided for in LBR 4002-1 federal income returns or amendments required under applicable law for each tax year while the case is pending pursuant to § 521(f) of the Code.

(F) If requested, filing with the court or making available to the requesting party as provided for in LBR 4002-1 federal income returns or amendments required under applicable law for each tax year while the case is pending pursuant to 11 USC 521(f).

# (2) Flat Fee Agreement

The attorney for the debtor shall submit a copy of the Flat Fee agreement entered into with the debtor to the Chapter 13 trustee prior to the meeting of creditors, as well as a completed copy of the Statement of Money or Property Received or Promised in Connection With This Case Other Than by Application or a Plan (LF 2016A). The Flat Fee agreement shall be as prescribed by the appropriate local form.

# (3) Approval of Agreed Flat Fee

Approval of the Agreed Flat Fee shall be included in the order confirming plan, and will be sufficient authority for the attorney to transfer any monies of the debtor held in the attorney's trust account to the attorney and for the trustee to pay any remaining amount to the attorney as directed by the plan.

# (4) Supplemental Application

- (A) The attorney may submit a supplemental application for compensation for services not included in the agreed flat fee as set out in sub-paragraph (e)(2) of this rule, whether or not the services were performed before or after confirmation. In the case of a supplemental application the attorney shall comply with sub-paragraph (a), (b), and (c) of this rule as to such additional services. Any such supplemental application shall include a certification by the attorney that the compensation applied for is not reasonable foreseeable with an explanation as to why is was not foreseeable and is outside that contemplated by the agreed flat fee as set out in sub-paragraph (c)(2) of this rule.
- (B) Supplemental fee applications must be filed with the court prior to completion of the plan.

# (f) Hold Back of Estimated or Applied for Attorney Fees as Projected Costs of Administration

Following confirmation, the trustee is authorized to hold back estimated attorney fees or attorney fees for which an application has been filed as projected costs of administration in the same manner as if they had been allowed, but may pay them out only as allowed by a separate order of the court.

# **Related Provisions**

FRBP 2014	<b>Employment of Professional Persons</b>
FRBP 2016	Compensation for Services
11 USC 326	Limitation on Trustee's Compensation
11 USC 327	<b>Employment of Professional Persons</b>
11 USC 328	Limitation on Compensation
11 USC 329	Debtor's Transactions with Attorneys
11 USC 330	Compensation of Officers
11 USC 331	Interim Compensation
11 USC 503	Allowance of Administrative Expenses
11 USC 504	Compensation for Services

LBR 2016-1 AUGUST 1, 2012 APRIL 10, 2014

#### Rule 2083-1

## **Chapter 13 - General**

# (a) Applicability

This rule shall apply only to cases under Chapter 13 of the Bankruptcy Code.

# (b) Filing the Plan and Other Documents

- (1) The debtor shall file the following documents separately using the prescribed local forms:
  - (A) Chapter 13 Plan (LF 2083)
  - (B) Plan Payment Declaration (LF 2083A)
  - (C) Plan Funding Analysis (LF 2083B)
  - (D) Liquidation Analysis (LF 2083C)
- (2) A Certificate of Debtor's/Debtors' Attorney and Debtor(s) Regarding Payments to and Disbursements by the Chapter 13 Trustee (LF 2083-1F) shall be filed as a separate document.

# (c) Mailing of Plan to Parties in Interest

A copy of the plan required to be provided to all creditors pursuant to FRBP 3015(d) shall be as directed by the Clerk of Court. Notice of modifications and copies required to be sent to all creditors shall be provided by the party making the modification in accordance with subsection (k) of this rule.

## (d) Valuation of Security, Determination of Extent of Lien, and Lien Avoidance

- (1) Valuation of claims secured by a lien on property in which the estate has an interest shall be by a separate motion pursuant to LBR 3012-1. The order valuing the claim voids the lien to the extent of the unsecured portion of the claim pursuant to § 506(d) of the Code. In the event of dismissal of the case prior to discharge, this voided lien will be reinstated pursuant to § 349(b)(1)(C) of the Code unless otherwise ordered.
- (2) All actions to determine the validity, priority or, other than (1) above, the extent of a lien, shall be made by Adversary Proceeding, however, such relief may also be sought in an objection to allowance of claim pursuant to LBR 3007-1.
- (3) Actions to avoid judicial or non-possessory non-purchase money security interests under § 522(f) of the Code shall be by a separate motion pursuant to LBR 4003-2.

# (e) Delinquent Tax Returns

A statement as to whether or not the debtor is delinquent in the filing of any tax return shall be included in the plan as well as a statement as to when any delinquencies in filing will be cured.

## (f) Treatment of Secured Creditors Secured by Real Property

- (1) If at the time of the filing a petition for relief, a delinquency exists on any payments for debt secured by real property, then all payments, both current and delinquent, for such debt shall be paid through the office of the Chapter 13 trustee.
- (2) If during the pendency of the plan a debt secured by real property falls into arrearage, then the plan may be modified pursuant to subsection (l) of this rule to require payments, both current and delinquent, to be paid through the office of the Chapter 13 trustee.
- (3) If during the pendency of the plan arrearages are brought current, then the plan may be modified to allow for payments to be made directly to the creditor by the debtor.

## (g) Funding of Plan by Sales

- (1) If the debtor proposes to partially fund the plan through the sale of property of the estate, then the debtor must also file a marketing plan with the plan. The marketing plan shall include:
  - (A) A description of the property to be sold;
  - (B) Identification of all lien holders and the amount of each lien;
  - (C) If a broker is to be employed, the name of the broker and when the property was or will be listed;
  - (D) The terms of the broker's agreement;
  - (E) The price sought for the property;
  - (F) The method used in arriving at the value of the property; and
  - (G) The time frame, including mileposts where appropriate, during which the property will be marketed.
- (2) The debtor shall provide quarterly status reports to the Chapter 13 trustee.

#### (h) Challenges to Eligibility of Debtor

Challenges to the eligibility of the debtor should be initiated at the earliest possible time in the case. Such challenges may be made by fourteen (14) days notice and hearing to the Master Mailing List pursuant to LBR 2002-1.

# (i) Objections to Confirmation

In order to be timely, objections to confirmation of a plan shall be filed and served on the Chapter 13 trustee and the debtor and debtor's attorney no later than seven (7) days following the conclusion of the meeting of creditors or twenty eight (28) days following mailing of the original plan pursuant to subparagraph (c) above, whichever is later. prior to the hearing on confirmation.

## (j) Confirmation

- (1) The trustee shall file as soon as practicable an unsworn statement under penalty of perjury stating whether the plan is feasible and satisfies the requirements of §1325(a)(1),(4) and (5) of the Code.
- (2) The court will prepare the confirmation order.

## (k) Modification of Plans

(1) Modification Prior to Confirmation

Modifications made pursuant to § 1323 of the Code shall be on twenty-one (21) days notice and hearing in accordance with LBR 2002-1. A plan shall not be confirmed until the time to object to any such modification has expired and all objections resolved.

## (2) Modification After Confirmation

- (A) A modification proposed by any entity other than the debtor shall be on twentyone (21) days notice and hearing to any adversely affected party, the Chapter 13 trustee, debtor and debtor's attorney. The modification shall become effective upon the expiration of the time to file objections, if there are no objections, or upon resolution of all objections made.
- (B) A modification proposed by the debtor shall be on twenty-one (21) days notice and hearing to the Chapter 13 trustee and any adversely affected party, and if the modification provides for payment of a postpetition debt, the holder of such debt. The modification shall become conditionally effective upon the filing and service of the notice. The modification shall become permanent upon the expiration of the time to file objections if no objections are timely made or upon resolution of all objections made.

### (3) Effect of Disallowance of Modifications

If a proposed modification is disallowed, the plan in effect immediately prior to such modification shall be the plan, and debtor shall be responsible for curing any default occurring during the period of conditional modification.

# (4) Modification by Stipulation Between Chapter 13 Trustee and Debtor

The Chapter 13 trustee and the debtor may stipulate to a modification before or after confirmation where no parties are adversely affected. Such modifications shall be effective upon the filing of the stipulation.

# (5) Certificate of Modification

The proponent of a modification pursuant to (1) or (2) above shall serve on the Chapter 13 trustee, promptly after the time to file objections has expired, a copy of the modification and a certificate indicating the date the modification was filed, that notice and hearing were properly given and that no objections were received or filed.

(6) The debtor shall file an amended Plan Funding Analysis (LF 2083B) upon the making or proposing of a modification pursuant to subparagraph (k)(1) or (2) of this rule.

# (l) Payments To and Distributions By Chapter 13 Trustee

(1) Payments to Chapter 13 Trustee

The debtor shall make all pre and post confirmation payments on obligations for leases of personal property and obligations owed to a creditor that has a security interest in personal property to the Chapter 13 trustee including all obligations provided by § 1326(a)(1) of the Code, as well as obligations secured by real property as required by sub-paragraph (f) of the rule, unless otherwise ordered by the court.

#### (2) Filing Fee Installments

Installment payments of filing fees where allowed shall be paid directly to the Clerk, however, if such fees are received by the Chapter 13 trustee, the Chapter 13 trustee may return them to the payor or deliver them to the Clerk without further order of the Court.

# (3) Distributions by Chapter 13 Trustee Based on Modifications

(A) The proponent of a modification shall be responsible to serve notice on the Chapter 13 trustee in writing when a modification becomes effective, either conditionally or permanently, and until so notified the Chapter 13 trustee may make distributions without regard to such modification.

(B) Distributions may be made by the Chapter 13 trustee in accordance with a conditional modification until such modification becomes permanent, is disallowed or otherwise ordered, and the Chapter 13 trustee is served with a copy of such order by the objecting party.

# (4) Postpetition Claims

Proofs of claim filed pursuant to § 1305(a)(1) of the Code for postpetition tax claims may be paid without a modification to the plan, however, proofs of claim filed pursuant to § 1305(a)(2) of the Code for consumer debt may only be paid if a modification to the plan so provides.

# (5) Disposition of Funds on Conversion or Dismissal

- (A) On the conversion or dismissal of a case, the Chapter 13 trustee shall, as soon as practicable, disburse any remaining funds in accordance with § 1326 of the Code. If a motion is filed pursuant to § 348(f)(2) of the Code and the trustee is served a copy thereof prior to disbursement, then the Chapter 13 trustee shall not further disburse until resolution of the motion.
- (B) If a case is dismissed or converted prior to confirmation, then the Chapter 13 trustee shall be entitled to deduct and retain as reimbursement for set up and maintenance costs an amount as established by the Court.

#### (6) Pre Confirmation Distributions

The Chapter 13 trustee is authorized to make distributions prior to the confirmation of the plan on obligations for leases of personal property, and on obligations secured by personal or real property. Such pre confirmation distributions shall be made in the sequence and in the amount set forth in the debtor's plan. If the Trustee has insufficient funds on hand to make the distributions to all classes, the funds will be distributed as provided in the plan to the extent the funds are available. Claims within a particular class which cannot be paid the proposed distribution shall be paid a pro rata share of the funds available. On each such distribution, the Chapter 13 trustee will be entitled to an administrative fee equivalent to that authorized by § 1326(b) of the Code. Upon confirmation of the plan, payments will be made as set forth in the plan.

# (m) Postconfirmation Sale of Property by Debtor

If the debtor proposes to sell property pursuant to § 363 of the Code, then, unless the property is fully exempt or is valued in an amount of seven thousand, five hundred (7500) dollars or less, the debtor shall promptly provide to the Chapter 13 trustee an amended statement of income and expenses as prescribed by the appropriate official form projecting any changes occasioned by the sale and a good faith estimate of closing costs or other similar document and any other documents requested by the Chapter 13 trustee relating to such sale.

# (n) Incurring Credit by Debtor During the Pendency of the Plan

If the debtor proposes to purchase any property involving a credit transaction that may potentially affect the debtor's ability to satisfy the plan, the debtor, in addition to obtaining the Chapter 13 trustee's approval if practicable, shall transmit to the Chapter 13 trustee an amended statement of income and expense as prescribed by the appropriate official form projecting any changes caused by the purchase, and if the transaction involves real estate, a good faith estimate of closing costs or other similar document and any other documents requested by the Chapter 13 trustee.

# (o) Debtors Engaged in Business

Debtors engaged in business shall comply with the applicable provisions of LBR 3016-1(e) and 28 USC 959(b), and serve a copy of the Monthly Financial Report on the trustee.

# (p) Income Directive

- (1) The Chapter 13 trustee may, at any time, issue a Trustee's Income Directive or present an ex-parte order, based upon a proposed or confirmed plan requiring any entity from whom the debtor receives money to pay all or part of such income to the Chapter 13 trustee.
- (2) In any case in which a debtor desires to make plan payments directly to the trustee in lieu of an income directive, the debtor may do so only upon the entry of an order of the court authorizing such direct payments. Such an order will be entered only:
  - (A) After filing of a motion for an order authorizing the debtor to make the plan payments directly to the trustee; and
  - (B) After seven (7) days notice and hearing to the trustee; and
  - (C) Upon a showing of cause.

# (q) Motion to Dismiss or Convert Case

- (1) A party in interest desiring that a case be dismissed or converted shall give twenty-one (21) days notice and hearing to the Master Mailing List.
- (2) The Chapter 13 trustee may move the Court for an order of dismissal or conversion on seven (7) days notice to the debtor and debtor's attorney and any entity that has filed and served the Chapter 13 trustee with a request to receive such notice for failure to timely file schedules or other required documents or attend the meeting of creditors and on twenty-one (21) days notice for failure to timely make payments required by § 1326(a) of the Code or pursuant to a confirmed plan.

(3) A debtor shall serve a copy of a request for voluntary dismissal on the trustee.

# (r) Minimum Plan Payments

A plan that proposes payments of less than fifty (50) dollars per month to be paid to the Chapter 13 trustee shall be supported by an affidavit or unsworn declaration under penalty of perjury explaining the necessity of such minimum payments.

# (s) Domestic Support Obligation Certificate

Upon completion of all payments by the debtor under the plan, each debtor shall file a Domestic Support Obligation Certificate as prescribed by the appropriate national form (B 283).

# **Related Provisions**

FRBP 1006	Filing Fees
FRBP 1007	Lists, Schedules, Statements and Other Documents; Time Limits
FRBP 1017	Dismissal or Conversion of Case; Suspension
FRBP 1019	Conversion of a Chapter 11 Reorganization Case, Chapter 12 Family Farmer's
	Debt Adjustment Case, or Chapter 13 Individual's Debt Adjustment Case to a
	Chapter 7 Liquidation Case
FRBP 2002	Notices to Creditors, Equity Security Holders, Administrators in Foreign
	Proceedings, Persons Against Whom Provisional Relief is Sought in Ancillary
	and Other Cross-Border Cases, United States, and United States Trustee
FRBP 2016	Compensation for Services Rendered and Reimbursement of Expenses
FRBP 3007	Objection to Claims
FRBP 3012	Valuation of Security
FRBP 3015	Filing, Objection to Confirmation, and Modification of a Plan in a Chapter 12
	Family Farmer's Debt Adjustment or a Chapter 13 Individual's Debt
	Adjustment Case
FRBP 6004	Use, Sale, or Lease of Estate Property
FRBP 9013	Motions; Form and Service
FRBP 9014	Contested Matters
LBR 2016-1	Compensation of Professionals
LBR 3016-1	Chapter 11 Pre-Confirmation Requirements
LBR 4001-2	Cash Collateral
LBR 4001-2 LBR 4003-2	Lien Avoidance
LBR 9011-1	Attorney Duties
LDK /011-1	Attorney Duties
11 USC 348	Effect of Conversion
11 USC 349	Effect of Dismissal
11 USC 506	Determination of Secured Status
11 USC 522(f)	Avoidance of Liens
11 USC 1304	Debtor Engaged in Business
11 USC 1305	Filing and allowance of postpetition claims
11 USC 1307	Conversion or Dismissal
11 USC 1323	Modification before confirmation
11 USC 1325(c)	Income Directive
11 USC 1326	Payments
11 USC 1329	Modification of plan after confirmation
28 USC 959	Trustees and receivers suable; Management; State Laws
20 USC 333	Trustees and receivers shaple, management, State Laws

## Rule 3002.1-1

# **Designation of Servicing Agent in Chapter 13 Cases**

If the holder of a claim secured by an interest in the debtor's real property designates a servicing agent for that claim, notice of that designation, or a change in the designation, shall be filed with the court and served upon the debtor, debtors' attorney and the trustee within thirty (30) days of such designation or change in designation.

## **Related Provisions**

FRBP 3002.1 Notice Relating to Claims Secured by Security Interest in the Debtor's Principal Residence

LBR 3002.1-1 APRIL 10, 2014

#### Rule 3007-1

## **Claims - Objections**

## (a) Objection

- (1) An objection to the allowance of a claim shall identify the claimant by name and clerk's docket number and shall include the following:
  - (A) Notice that if the claimant fails to timely file a written response that:
    - (i) The court may rule on the pleadings filed without oral argument and without further notice to the claimant; and
    - (ii) That the claimant will be deemed to have consented to such a determination by the court in accordance with LBR 3007(b)(2)(B); and
  - (B) The specific date by which a response is considered to be timely filed, which date shall be no less than thirty (30) days from the date the objection is served, plus three (3) additional days as required by FRBP 9006; and
  - (C) an affidavit or unsworn declaration under penalty of perjury that clearly sets forth the basis of the objection sufficient to overcome the prima facie effect of the proof of claim pursuant to FRBP 3001(f).
- (2) The objecting party shall serve a copy of the objection, along with the affidavit or declaration and the notice as required by subparagraph (a)(1) of this rule, on the claimant, debtor, debtor's attorney and the trustee. Service of the Notice of Objection shall be in accordance with FRBP 7004 and 9014.
- (3) If the objection requires the determination of the value of a claim secured by a lien on property in which the estate has an interest, the objecting party shall also comply with LBR 3012-1.

## (b) Response

- (1) Response Filed
  - (A) If the claimant files a written response to the objection, the claimant shall serve a copy of the response on the objecting party and the trustee.
  - (B) Upon the filing of a response, the objecting party shall promptly obtain a hearing date and provide notice of the date and time set for the hearing to the claimant and the trustee. The hearing shall be conducted unless the objection

is resolved prior to the hearing by a stipulated order or withdrawal of the objection. date for a hearing to occur within forty-five (45) days of the response and provide notice of the date and time set for the hearing to the claimant and the trustee.

# (2) No Response Filed

- (A) If no response is filed, the objecting party shall, within thirty (30) days of the expiration of time to timely file a response, present an ex parte order, based on the objection and supported by an affidavit or unsworn declaration under penalty of perjury that the objection was filed and served in accordance with sub-section (a) of this rule and that no response was filed or served.
- (B) Failure by the claimant to file a response shall be deemed as consent to have the court consider and determine the issue on the pleadings without oral argument.

# (c) Striking of Objection

Should the objecting party fail to timely present an order on the objection in accordance with sub-paragraph (b)(2)(A) of this rule, the court may, on seven (7) days notice to the objecting party, enter an order striking the objection. obtain a hearing date or present an order in accordance with sub-paragraphs (b)(1)(B) and (b)(2)(A) of this rule, the court may enter an order striking the objection after seven (7) days' notice to the objecting party and any responsive party.

### (d) Hearing

Notwithstanding sub-paragraph (b)(2) of this rule, any party in interest may request a hearing in accordance with LBR 9073-1.

#### **Related Provisions**

FRBP 3007	Objections to Claims
FRBP 7001	Scope of Rules of Part VII
FRBP 9014	Contested Matters
LBR 2002-1 LBR 7003-1	Notice to Creditors and Other Interested Parties Commencement of Adversary Proceeding
11 USC 506 28 USC 1930(b)	Determination of Secured Status Bankruptcy Fees

LBR 3007-1 AUGUST 1, 2013 <u>APRIL 10, 2014</u>

### Rule 9010-1

# **Attorneys - Notice of Appearance**

# (a) Eligibility to Practice

- (1) Any attorney who is admitted to practice to the bar of the United States District Court for the Eastern District of Washington is eligible to appear and practice before this court. Matters concerning eligibility, procedure for admission, permission to practice in a particular case pro hac vice or discipline shall be controlled by the rules of the District Court. Matters concerning eligibility, procedure for admission, permission to practice in a particular case pro hac vice or discipline shall be controlled by the rules of the District Court.
- (2) Persons who have been granted a limited license to engage in the practice of law pursuant to Rule 9 of the Admission to Practice Rules of the State of Washington may practice before this Court. Any person who practices under this rule shall comply with and be bound by the provisions of Rule 9.
- (3) A motion for an attorney to be admitted to practice in a particular case pro hac vice shall be filed with the Bankruptcy Court in the style and format prescribed by the rules of the District Court. A proposed order granting the motion is to be submitted to the Bankruptcy Court pursuant to LBR 9013-1(c)(2). The application fee shall be paid directly to the District Court.
- (4) An attorney need not be admitted in representing a client in the following matters:
  - (A) Requesting special notice pursuant to FRBP 2002 or to be added to a MML pursuant to LBR 2002-1(d);
  - (B) Seeking compensation pursuant to § 330 of the Code when employed pursuant to § 327 of the Code in a matter where admission was not required;
  - (C) Filing a proof of claim;
  - (D) Signing or filing a reaffirmation agreement pursuant to § 524 of the Code;
  - (E) Participating in a Meeting of Creditors held pursuant to § 341 of the Code; and
  - (F) Representing a child support creditor so long as the appropriate form is filed.

## (b) Appearances, Withdrawal, and Substitution

(1) An appearance may be made by filing a formal notice of appearance. Alternatively, the filing of any pleading shall constitute an appearance by the attorney who signs the pleading.

- (2) A party who appeared by an attorney may not thereafter appear or act pro se in the cause, unless an order of substitution shall first have been made to the Court, after notice to the attorney then of record of such party and to other parties.
- (3) When an attorney having appeared in a cause is removed, withdraws, dies or otherwise ceases to act as such, a party for whom he or she has acted as attorney must, before any further proceedings are had in the action on that party's behalf, appoint another attorney or file a statement of appearance pro se, unless such party is already represented by another attorney.
- (4) The authority and duty of an attorney of record in an adversary proceeding shall continue until withdrawal or substitution and after final judgment for all proper purposes. The authority and duty of an attorney of record in a bankruptcy case shall continue until withdrawal, substitution or the closing of the case.
- (5) Withdrawal by Attorney
  - (A) An attorney who wishes to withdraw from a case or adversary proceeding shall file a motion and serve notice of the motion to withdraw pursuant to LBR 2002-1 on the parties set forth in subparagraph (B) hereof. The notice shall specify a date when the attorney intends to withdraw, which date shall be at least fourteen (14) days after the service of the notice of intent to withdraw. The notice shall include a statement that the withdrawal shall be effective upon entry of an order of the court. If notice is given before trial or any scheduled hearing, the notice shall include the date set for such trial or hearing. The notice shall include the names and last known addresses of the persons represented by the withdrawing attorney.
  - (B) Service of the notice of withdrawal shall be as follows:
    - (i) Attorney for debtor, trustee, or debtor in possession: all entities on the Master Mailing List.
    - (ii) Attorney representing a party to an adversary proceeding or scheduled hearing: party represented and all other parties to the adversary proceeding or scheduled hearing.
    - (iii) All other attorneys: on their client.
  - (C) The withdrawal shall be effective upon entry of an order of the court. The withdrawing attorney may submit an ex parte order to the court upon expiration of the notice period, unless a written objection to the withdrawal has been filed with the court.
  - (D) If a timely written objection is served, withdrawal shall be by order of the Court.

- (6) Substitution of attorneys shall be accomplished by the filing of a substitution document which shall include the effective date of substitution. The document shall be signed by both attorneys, or signed by the new attorney and the client with notice to the original attorney. Court approval of substitution of attorneys is required only where a provision of the Bankruptcy Code or Federal Rules of Bankruptcy Procedure requires approval of the employment of an attorney in the first instance. Notice of substitution shall be served on the parties set forth in subparagraph (b)(5)(B).
- (7) If an additional attorney is associated during the pendency of a case or proceeding, or if the original attorney dies, withdraws, or otherwise ceases to act, notice of the appointment of a new attorney shall be filed and served on the parties set forth in subparagraph (b)(5)(B).

# (c) Multiple Counsel

If more than one attorney represents a party, only one attorney shall examine or cross-examine a single witness and only one attorney shall argue the merits before the Court, except by permission of the Court.

## (d) Familiarity with Local Rules

Every member of the bar of this Court or attorney practicing before it shall be familiar with and comply with the Local Rules of this Court and shall maintain the respect due courts of justice and judicial officers; shall perform with the honesty, care, and decorum required for the fair and efficient administration of justice and shall discharge the obligations owed to clients and to the judges of the Court.

# **Related Provisions**

FRBP 2006 FRBP 2014 FRBP 2017 FRBP 9010 FRBP 9011	Solicitation and Voting of Proxies in Chapter 7 Liquidation Cases Employment of Professional Persons Examination of Debtor's Transactions with Debtor's Attorney Representation and Appearances; Powers of Attorney Signing of Papers; Representations to the Court; Sanctions; Verification and Copies of Papers
EDWA LR 83.2 EDWA LR 83.3	Bar Admission and Appearance(s) in a Case Attorney Discipline
LBR 9011 - 1	Attorneys - Duties
11 USC 327	Employment of Professional Persons
11 USC 501 - NOTE	Appearance Before Court of Child Support Creditors or Representatives (See P.L. 103-394, Title IV, section 304 (g); 108 Stat. 4134)

#### Rule 9013-1

#### **Motions and Orders**

## (a) Adversary Proceeding

- (1) If the moving party so elects, a motion in an adversary proceeding may be made after notice and hearing pursuant to LBR 2002-1. Notice need be given only to the parties to the adversary proceeding.
- (2) If the election in paragraph (a)(1) is not made, a hearing date of a motion in an adversary proceeding shall be requested from the Court's Web site.

## (b) Combining of Motions

- (1) Motions may be combined with other motions, except motions to lift the automatic stay unless permitted by LBR 4001-1, motions to withdraw the reference, or motions to reopen cases.
- (2) If motions are combined, each request shall be clearly identified in the caption and in the body of the pleading.
- (3) If different objection periods or service or notice requirements are required for combined motions, the longest objection period and most complete service or notice shall be used for all the combined motions.
- (4) Motions in adversary proceedings and bankruptcy cases shall not be combined.

# (c) Proposed Orders

(1) Declaration of No Objections

<u>Upon expiration of the requisite notice period, a</u> A party desiring an order granting a motion that is based on notice and hearing shall file a declaration of no objections, which conforms substantially to l<u>L</u>ocal f<u>F</u>orm 9013, stating the date of service of the notice and that no objections <u>are pending</u>. were timely received. A copy of the order shall be included as an attachment to the declaration of no objections.

#### (2) Form

(A) The first page of the order must have a 4 inch top margin that is left blank for court use only.

(B) The designation "///End of Order///" shall be placed after the final line of text on the order. No date or signature line is to be provided for the judge. The attorney(s) presenting the order shall so indicate in the lower left hand corner of the last page of the order by stating "Presented by" with their name and signature line.

## (4) Orders Upon Stipulations

A party seeking approval of a stipulation shall:

- (A) File the stipulation, accompanied by a motion to approve the stipulation or relate it to a previously filed motion;
- (B) Satisfy notice and hearing requirements as to any provision in the stipulation;
- (C) Not provide for the dismissal or conversion of a case without the need for a separate order; and
- (D) Obtain the endorsement of the Chapter 12 or 13 trustee as appropriate if any of the provisions of the stipulation affect the trustee's administration of the plan.

# (5) Orders Prepared by the Court

Orders resulting from a hearing before the Court will be prepared by the Court unless otherwise directed by the Court.

#### (d) Memorandum of Authorities

- (1) A party may, or when required by the Court, shall file in support of or in opposition to a motion or other request for an order of the Court, a brief written memorandum of reasons and a list of authorities on which the party relies. Such memorandum must be filed and served on the opposing party in accordance with LBR 5005-1(c).
- (2) Citations to Washington cases in a memorandum of authorities shall be to the Washington Reports. Citations to cases from other states shall be to the National Reporter System. Citations to federal cases shall be to the United States Reports, Federal Reporter, or Federal Supplement. Citations to bankruptcy cases shall be to West's Bankruptcy Reporter, Collier's Bankruptcy Cases or Bankruptcy Court Decisions.

# (e) Motions for Reconsideration

Motions for reconsideration shall be filed and served within 14 days after entry of the judgment or order, and shall not be noted for hearing unless oral argument is requested by the court. The opposing party need not respond to a motion for reconsideration unless requested to do so by the court.

# **Related Provisions**

FRBP 9013	Motions: Form and Service
FRBP 9014	Contested Matters
FRBP 9021	Entry of Judgment
LBR 2002-1	Notice to Creditors and Other Interested Parties
LBR 4001-1	Automatic Stay
LBR 5010-1	Reopening Cases
LBR 5011-1	Withdrawal of Reference
LBR 6007-1	Abandonment

#### Rule 9073-1

## **Hearings**

# (a) Requests for Hearing

A request for a hearing is made to the Clerk and should be made electronically by accessing the Court's Web site where possible, but may also be by telephone, in writing or in person. The requesting party shall provide to the Clerk the following information:

- (1) Identification of the case or adversary proceeding by name and number;
- (2) The names of all parties, the name, address and telephone number of their attorneys and that of any unrepresented party; and
- (3) A brief statement as to the nature of the hearing, estimated time required, the number of witnesses, if any, and preference as to a telephonic or courtroom hearing; and if the hearing is precipitated by notice and hearing;
  - (A) The date the notice was sent,
  - (B) A statement as to whether or not objections were made, and
  - (C) A statement as to whether or not the time for objections has expired.

## (b) Notice of Hearing

- (1) As soon as possible after obtaining information concerning the scheduling of a hearing, but in no event later than seven (7) days prior to the hearing, the requesting party shall serve notice of the hearing on all parties to the hearing, as well as any party that has specifically requested notice of all hearings.
- (2) The notice of hearing shall include the date and time set, and whether the hearing will be by telephone or in court. If the hearing is by telephone, the "meet me" telephone number shall be given in the notice.
- (3) The party giving such notice shall promptly file an affidavit or statement under penalty of perjury of service that specifies when and to whom notice was served along with a copy of the notice, unless electronically linked.

# (c) Terms for Failure to Appear at Hearing

The Court may impose terms against a party who fails to appear at a hearing when so required.

## (d) Filing of Documents to be Considered at Hearings

- (1) Except as provided in LBR 4001-2, an application or motion, supporting affidavits or statements under penalty of perjury shall be served and filed no later than seven (7) days prior to the hearing on an application or motion. An opposing party shall serve and file any objections, counter affidavits or statements under penalty of perjury or other responding documents no later than three (3) days prior to the hearing on the application or motion.
- (2) A document intended to be considered by the Court in connection with a scheduled hearing shall be served and filed in accordance with subparagraph (1) above.

# (e) (d) Cameras

Video and audio recording, transmitting, and broadcasting of federal court proceedings conducted in open court is permissible if it is authorized by the presiding judge and it is in compliance with the applicable statutes, procedural rules, and Judicial Conference and Ninth Circuit rules and guidelines.

#### **Related Provisions**

FRBP 9006	Computing and Extending Time
LBR 2002-1 LBR 4001-2	Notice to Creditors & Other Interested Parties Cash Collateral
LBR 5005-1	Filing Requirements