

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA**

**NOTICE OF CHANGES TO
PROCEDURES FOR ADDING CREDITORS**

Introduction for Practitioners

The current procedure for adding creditors to a case - requiring the filer to submit a diskette or CD - does not take full advantage of technology nor does it incorporate the requirements of Local Rule B-1009-1. Clerk review of information about added creditors has also been disproportionate and in some instances beyond the scope of the Clerk's traditional responsibility.

The procedure is being changed to make the process of adding creditors simpler, to ensure compliance with the local rule, to place on the debtor principal responsibility for ensuring notice to added creditors, and to streamline Clerk oversight.

Changes described below become effective on Tuesday, September 4, 2007.

Advance notice is provided so that filers are prepared for the changes.

The term "matrix", which had meaning before electronic filing, has been changed to "list" in CM/ECF. For example, the event "Amended Matrix" is now "Amended Creditor List." The term "list" in these instructions refers to the master list of creditors, and not to one of the schedules.

Some additional reminders for filers are appropriate.

- Entities listed on Schedules G and H are required by Fed.R. Bankr.P. 1007(a)(1) to be included on the creditor list. For purposes of the discussion below, those entities are considered to be "creditors."
- All creditors should be on the list, even if you do not have a complete address. Once a creditor is on the list, address information can be provided through a Notice of Change of Address which costs nothing (discussed below). If the creditor is never on the list, even if present on the schedules an amended list will be required, and a fee is due for that amendment.
- The amended schedule replaces the original schedule, and therefore should include ALL required information that was on the original schedule. Example: amended Schedule F should list all unsecured creditors, not only the creditors being added.
- Local Rule B-1009-1 contains specific requirements about the certificate of service that must be filed with any amended schedule that adds

creditors. Note in particular that you must tell the creditor receiving notice of the case after the original §341 meeting date of the new deadline by which a complaint to determine non-dischargeability may be filed (60 days after the notice). However, filing an amended schedule does not by itself delay entry of discharge. Several sample certificates of service which include the required notice are available in the Local Forms and Instructions subsection of the Bankruptcy Forms and Instructions section of the Court's website - www.insb.uscourts.gov .

- When adding post-petition creditors after conversion to Chapter 7, use the Schedule of Post-Petition Debts event. No fee is charged under that event. If instead you add those creditors through an amended schedule, a fee will be due. In fact, if you use the Schedule of Post-Petition Debts event and attach an amended schedule, the Clerk will presume the filing is erroneous and issue a notice of deficient filing because the docket text and the attachment do not match. If the schedule of post-petition creditors is filed after the notice of the meeting of creditors under Chapter 7 has been issued, the filer must also provide that meeting notice to the added creditors and submit a certificate of service, pursuant to Local Rule B-1017-1. A sample certificate of service is available in the Local Forms and Instructions section of the Court's website.
- Consult the government agency list posted on the Court's website for the correct addresses of several federal, state, and local agencies.

I. Filing or Uploading of the Original Schedules and Creditor List

A. Filing of Creditor List and Schedules with Petition. The procedure will not change from that currently in use. (The list does not have to be filed separately.) Note: failure to submit the creditor list with the petition will continue to result in issuance of a 72-hour notice and subsequent dismissal if the list is not provided. The system will continue to identify and delete from the list exact duplicates.

(1) Using Bankruptcy Software. Most software packages offer a one-touch upload. These features will continue to work as they do now. [In "Creditor Maintenance" the file is uploaded through "upload a creditor list" function.]

(2) Filing Electronically but Without Software. Current practice continues: filer uploads creditor list for the first time under "Creditor Maintenance" using either "upload a creditor list" or "Enter individual creditors."

B. Filing of Schedules after Petition. If schedules were not filed with the petition, the filer will use the "Schedules- Incomplete Filings Only" event to

file the schedules **[Bankruptcy/Miscellaneous/Schedule_(Incomplete Filing Only)]**. That event will inquire if any creditors are being added that weren't on the original list. If so, a fee will be charged. The filer will be prompted to add creditors. The event will inquire whether the certificate of service required by Local Rule B-1009-1(b) is being filed with the schedule or as a separate docket event.

II. Filing Amended Schedules, an Amended List of Creditors, or the Schedule of Post-Petition Debts.

A. Amended Schedules. The system will be changed so that when a party files amended Schedules D, E, F, G, and H **[Bankruptcy/Miscellaneous/Amended Schedules]** they will be asked first if the schedule adds a creditor. If so, the filer will then be prompted to add the new creditors to the list, and can do so either by entering information about added creditors or by uploading a text file. (This text file, unlike the amended schedule, should include only information about the added parties.) A filer must add at least one entity to continue; otherwise, the event stops. The fee for an amendment will be charged appropriately. (No fee is due if the person added is an attorney for a creditor previously listed.) The filer will also be asked if the certificate of service is filed with the amended schedule or separately. If the filer exits the event without filing the amended schedule, the transaction is not complete and the creditors are not added to the list.

B. Amended Creditor List. Occasionally a filer will discover that creditors already shown on the schedules did not appear on the original list. The filer should use the "Amended List" event to submit a new list **[Bankruptcy/Miscellaneous/Amended List]**. The amendment fee is charged. The filer will be prompted to add creditors. Since creditors are added directly into the list, no separate PDF showing those creditors is required. The filer should also file a certificate of service **[Bankruptcy/Miscellaneous/Certificate of Service]**. (Since the creditors were not shown on the original list, they would not have received notice of the previous events in the case.)

C. Schedule of Post-Petition Debts. In a Chapter 11, 12, or 13 case converted to Chapter 7, the debtor shall file a Schedule of Post-Petition Debts, using the correct docket event **[Bankruptcy/Miscellaneous/Schedule of Post Petition Debts]**. (Do not file amended schedules to add these debts, or attach an amended schedule to the docket event "Schedule of Post-Petition Debts".) The filer will be asked if creditors are being added, and will have the opportunity to enter creditor information the same as for an amended schedule. No filing fee is due. If notice of

the first meeting of creditors in the Chapter 7 case has already been issued, the filer must file a certificate of service showing service of the meeting of creditors notice on the added creditors

[Bankruptcy/Miscellaneous/Certificate of Service]. A sample certificate of service is available on the Court's website under Local Forms and Instructions.

III. Notice of Change of Address

The most efficient way to change the address of creditors listed on Schedules D through H, and on the list, is by filing a Notice of Change of Address **[Bankruptcy/Notice/Change of Address]**. It is not necessary to file an Amended Schedule. No fee is charged for changing an address.

A Certificate of Service is also required **[Bankruptcy/Miscellaneous/Certificate of Service]**. If the filer believes the creditor received previous notice of the case, the filer can so state, in lieu of filing the Certificate of Service. A form Certificate of Service and a form Statement in Lieu are available on the Court's website.

IV. Conclusion

These procedural changes are significant. Counsel should become familiar with the procedures and the recommended forms available on the Clerk's website at www.insb.uscourts.gov under "Bankruptcy Forms and Instructions/Local Forms and Instructions". Failure to follow these procedures may delay case processing.

August 23, 2007

/s/ Kevin P. Dempsey
Bankruptcy Clerk