UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF INDIANA

ORDER AMENDING LOCAL BANKRUPTCY RULES

GENERAL ORDER 13-0001

ORDER

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Notice of proposed amendments to the local rules of this Court was given to the bar and the public on December 19, 2012. The last date for submitting comments concerning the proposed amendment was January 22, 2013. The Court received some comments on proposed Rule B-4008-1, concerning reaffirmation agreements. The Court has considered those comments and dropped one subparagraph as a result. The Judges also decided to delay the effective date of that local rule.

Two rules have been edited that were not in the notice of December 19th: B-3015-3 and B-9019-1. Edits to these rules became necessary when certain ECF events changed. Notices of those ECF changes were circulated previously to the bar.

Accordingly, the Court now orders that:

1. The changes to Local Rules B-3015-3, B-4001-3, and B-9019-1, shown in the attached document, are effective February 19, 2013.

2. Local Rule B-4008-1 is adopted, effective May 1, 2013.

3. General Order 10-0007 is rescinded effective May 1, 2013, as the subject matter of that general order is covered by B-4008-1.

Date: 2/6/2013

JAMES K. COAC CHIEF BANKRUPTCY JUDGE

Attachment to General Order 13-0001

B-3015-3. FILING AND DISTRIBUTION OF PRE-CONFIRMATION AND POST-CONFIRMATION MODIFICATIONS TO CHAPTER 13 PLANS

(a) Pre-Confirmation Modifications

(1) <u>Agreed Modifications with Creditor: Filing and Notice.</u> If the Debtor, a creditor, and the trustee agree upon a modification to the plan before confirmation, and that modification only affects the treatment of the creditor agreeing to the change, then the parties shall file an agreement, a stipulation, or an agreed modification not requiring notice. Notice to creditors of the modification is not required. Any such agreement will not result in a separate order, as the subsequent confirmation order will be deemed an approval of the plan as modified by agreement.

(2) <u>Agreed Modifications with Trustee: Filing and Notice.</u> If the Debtor and the trustee agree upon a modification to the plan before confirmation that does not adversely affect the treatment of **any** creditor, then the parties shall file an agreement, stipulation, or an agreed modification not requiring notice. Notice to creditors of the agreement is not required. Any such agreement will not result in a separate order, as the subsequent confirmation order will be deemed an approval of the plan as modified by agreement.

B-4001-3. OBTAINING CREDIT IN CHAPTER 13 CASES

(c) Filing Approved Request with the Court

If the Debtor seeks an order from the Court on a request that has been approved by the trustee, the Debtor may file the approved request with the Court and provide an order. If the pleading is filed without documentation showing the trustee's approval, it will be treated as a Motion to Incur Debt filed under subparagraph (d).

(d) <u>Motion Directed to Court</u>

If the proposed debt is greater than \$1000 and is to be secured by real property or if Debtor's request under subparagraph (b) is not approved by the trustee, the Debtor may file a motion to incur such debt. The motion shall contain all of the information required for the request by subparagraph (b) and, if applicable, a copy of the trustee's denial of the request, and be served on the trustee. The Court shall give the trustee 14 days' notice of the opportunity to object to the Motion to Incur Debt.

B-4008-1. REAFFIRMATION

(a) Official Bankruptcy Forms Required

Reaffirmation agreements shall be filed using the Administrative Office of the U.S. Courts Director's Procedural Forms for reaffirmation agreements (240A or 240A/B Alt.), as well as the cover sheet (Official Form 27). Failure to use these required forms will result in a Notice of Deficient Filing and the Court will take no action on the reaffirmation agreement.

(b) <u>Debtor's Appearance Required</u>

If the court sets a hearing to consider a reaffirmation agreement, the debtor must appear at the hearing. The hearing will be evidentiary.

(c) <u>Duties of Debtor's Counsel</u>

Unless the attorney has withdrawn as attorney for the debtor pursuant to S.D.Ind. L..R. B-9010-1, an attorney who files a petition on behalf of a debtor (or an attorney in the same firm as the filing attorney) must represent the debtor during the negotiation and filing of any reaffirmation agreements, and appear at any hearings on reaffirmation agreements.

B-9019-1. STIPULATIONS AND SETTLEMENTS

- (b) <u>Adversary Proceedings</u>
 - (1) Generally

Except as set forth in (3) of this section, if an adversary proceeding is settled before an answer has been filed, the parties may file a stipulation of dismissal. No Court order is entered on that stipulation. However, if the agreement of the parties resulting in dismissal contains conditions precedent or subsequent, then the parties shall file an agreed consent to judgment. The Court shall enter a separate order on that consent to judgment, after notice, if required.

(2) Settlements Under Fed.R.Bankr.P. 9019(a) or (b)

When approval of a settlement or compromise is required by Fed.R.Bankr.P. 9019(a) or (b), the trustee or debtor-in-possession shall file a motion to approve the settlement in the bankruptcy case and shall serve notice. The trustee or debtor-in-possession shall file a copy of the notice and a certificate of service that complies with S.D.Ind. B-9013-2. Once the motion is granted, the parties to the adversary proceeding shall then dismiss the adversary proceeding or file an agreed consent to judgment so that the adversary may be closed.