



NEW §341 HEARING ROOMS: EFFECTIVE JANUARY 3, 2005

Effective January 3, 2005; all §341 hearings will now be held on the third floor of 211 W. Fort Street in Suite #315.

CHAPTER 13 §341 HEARINGS WILL NOW BE HELD ON 3 DAYS:

MONDAY, TUESDAY AND FRIDAY

Hearings will be scheduled between the hours of 9:00 a.m. and 4:00 p.m. There will be significantly less cases scheduled per hour, as the number of cases now crammed into a three hour block will now be spread throughout the day. The Trustees will likely be conducting 2 to 3 hearings simultaneously and will additionally be making paralegal staff available to assist with the resolution of outstanding issues. We hope to be adding a debtor orientation to the §341 process to be conducted in one of the 4 hearing rooms (details regarding this orientation will follow in the coming months).

It is the goal of the Judges, the United States Trustees and the three Standing Trustees to fully utilize the space and time that has been provided. In order to accomplish this purpose it is necessary for the debtors, creditors, and their respective counsel to provide all requested information **prior to the §341 hearing** and to come to the hearing prepared to address all issues outstanding for confirmation of a debtor's plan.

The following cooperation is requested from the CREDITOR BAR AND THEIR CLIENTS:

- ◆ Provide arrearage amounts to debtor counsel upon request. In order to file accurate plans and schedules, this information needs to be provided prior to the filing of a debtor's Chapter 13 bankruptcy.
- ◆ File and serve proof of claims prior to the §341 hearings. **This is essential for mortgage creditors whose claims are the most common reason a debtor's plan is infeasible.**
- ◆ Attend the §341 hearing and conduct negotiations with the debtor regarding the resolution of any objections. The number of formal objections can be significantly reduced by entering into stipulations to resolve issues where matters are not contested.

The following cooperation is requested from the DEBTOR BAR AND THEIR CLIENTS:

- ◆ Provide copies of the debtor's three most recent pay stubs and last two years of tax returns (including W-2s and schedules) to the Trustee at the time of service of the Chapter 13 plan.
 - ⊕ If the debtor is not a regular wage earner the Trustee should be provided with alternative proof of year to date income.
 - ⊕ Support from family/friends reflected as income should be supported by affidavits, including amount and frequency of payment, when assistance began and length of time assistance has been pledged.
- ◆ Respond to objections and/or requests for additional information from the Trustee prior to or at the time of the §341 hearing.
- ◆ Come to the §341 hearing prepared with authority to address and resolve confirmation issues with the Trustee and creditors.
- ◆ Bring proposed amendments to the hearing. Take advantage of the opportunity to meet with and have meaningful discussions with your client at this time, rather than depending on the debtors to make a follow-up visit to your office.
- ◆ Be prepared to come back for an adjourned §341 hearing if any of the following problems occur:
 - ⊕ Failure to provide verification of debtor's income prior to the §341 hearing.
 - ⊕ Failure to provide additional documentation requested in advance of hearing and/or unprepared to address and resolve identified issues.
 - ⊕ Plan calculations currently show the plan to be infeasible and no resolution is reached during the course of the hearing.

It is the intent of the Trustees to use the adjourned hearing process as an opportunity to resolve the issues. The Judges, U.S. Trustee and Standing Trustees are committed to moving our current "status conference" process from the date of confirmation to the date of the §341 hearing. In furtherance of this goal the Trustees will assume that matters outstanding at the conclusion of the §341 hearing are irresolvable issues that require the Court's attention, and will be treated as such.

An adjourned §341 hearing can provide all parties with an opportunity to resolve outstanding objections and issues prior to confirmation. An adjourned §341 hearing will also provide a better opportunity for resolutions than the current "status conference" process by providing more time in a less stressful environment with access to the Trustee's computer system and staff and creditors.

The following commitment is offered from the TRUSTEES:

- ◆ Provide more access to our staff at the §341 hearings.
- ◆ Provide access to our computer records at the hearings.
- ◆ Perform a more thorough review of the cases prior to the §341 hearings when income verification is timely provided.
- ◆ Advise debtor and counsel of our objections, issues and requests as soon as possible.

It is our sincere hope that this new system will allow for a higher rate of confirmation and a lower rate of confirmation adjournment.