IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND

In R	e:					*						
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AMENDMENTS TO LOCAL						*	\mathbf{A}	DMINI	STRAT	ΓIVE		
BANKRUPTCY RULES						*	ORDER NO. 19-01					
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ORDER AMENDING LOCAL BANKRUPTCY RULES

WHEREAS, the Court has determined that it is necessary to amend its Local Bankruptcy Rules on December 1, 2019; and

WHEREAS, the proposed amended Local Bankruptcy Rules were published by the Clerk of Court for public comment on October 1, 2019, and several comments were received and considered by the Court in its adoption of these amendments.

NOW, THEREFORE, IT IS ORDERED that:

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 amendments are adopted by the Judges of this Court to be effective December 1, 2019. The amendments shall be effective as to all proceedings pending in this Court on that date insofar as is just and practicable, and shall govern all proceedings in bankruptcy cases thereafter commenced in this Court. A summary of the amendments to the Local Bankruptcy Rules as well as a redlined version of the amended Local Bankruptcy Rules are appended hereto.

Wendelin A. Lipp	November 21, 2019			
Wendelin I. Lipp, Chief Judge	Date			



UNITED STATES BANKRUPTCY COURT DISTRICT OF MARYLAND

OFFICE OF THE CLERK

MARK A. NEAL Clerk of Court

THOMAS C. KEARNS Chief Deputy Clerk

www.mdb.uscourts.gov

November 21, 2019

SUMMARY OF AMENDMENTS TO THE LOCAL RULES FOR THE U.S. BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND <u>EFFECTIVE DECEMBER 1, 2019</u>

The Court has approved amendments to its Local Rules effective December 1, 2019. These amendments are made after prior publication of the amendments for public comment on October 1, 2019. The Court considered all comments received in connection with the public comments process and thanks the public and bar for its thoughtful comments and participation in the amendment process.

A brief explanation of the amendments follows. This summary was prepared by the Clerk's Office as an overview of the changes and should not serve as a substitute for reading the full text of the proposed amendments. Additionally, this summary is neither intended to serve as legal advice nor as a commentary on the changes to the Local Rules, and nothing herein should be cited as legal authority. This summary does not include minor, non-substantive stylistic changes that were incorporated into the Local Rules as part of this amendment process.

- Local Rule 2081-1 is amended to clarify that the notice to each creditor whose claim is listed as disputed, contingent, or unliquidated must clearly identify each such claim as disputed, contingent or unliquidated.
- Local Rule 3015-4 is amended to change the reference in the rule from Local Bankruptcy Rule (LBR) 7005-2 to LBR 9013-4 in response to the December 2018 changes to Federal Bankruptcy Rule (FBR) 7005 that eliminated the need to serve paper copies of pleadings after the initial pleading.
- Local Rule 4001-1 is amended to incorporate prior changes to LBR 4001-3 permitting parties to request an extension of the deadline for filing amended Proofs of Claim (making clear that this type of relief may be included in relief from stay motions).
- Local Rule 4001-4 is amended to eliminate subparagraphs (f) and (g) as unnecessary, to set forth the notice requirements in Chapter 13 cases in response to the December 1, 2019 amendments to FBR 4001(c), and to refer requests to shorten time or for expedited hearings to new LBR 9013-7.

- Local Rule 4003-2 is amended to clarify that the lien avoidance provisions in this rule are applicable to Chapter 7 and Chapter 13 debtors. Chapter 13 debtors may seek to avoid a lien under Section 522(f) by motion under LBR 4003-2 or through a Chapter 13 Plan under LBR 3015-1.
- Local Rule 4004-1 is amended to change the number of the rule.
- Local Rule 6004-1 is amended to refer requests to shorten time or for expedited hearings to new LBR 9013-7.
- Local Rule 7005-2 is amended to clarify that in Chapter 11 cases with noticing agents the court may approve a different process for service, such as service within 24 hours after the filing of the document at issue, instead of contemporaneously including the certificate of service "at the end of the item served" under LBR 7005-2(b).
- Local Rule 7012-3 is new and requires the movant seeking to dismiss an adversary proceeding against an unrepresented party to provide a prescribed notice in accord with *Roseboro v. Garrison*, 528 F.2d 309 (4th Cir. 1975), that explains what a motion to dismiss is, how to respond to the motion, and the potential impact on the unrepresented party for failing to respond to the motion.
- Local Rule 7055-2 is new and requires the movant seeking a default judgment in an adversary proceeding against an unrepresented party to provide a prescribed notice in accord with *Roseboro v. Garrison*, 528 F.2d 309 (4th Cir. 1975), that explains what a motion for default judgment is, how to respond to the motion, and the potential impact on the unrepresented party for failing to respond to the motion.
- **Local Rule 7056-1** is amended to improve readability and to conform to new LBR 7012-1 and new LBR 7055-2.
- Local Rule 9013-1 is amended to clarify that for motions to dismiss in Chapter 13 cases a 21-day notice of the response time is required.
- Local Rule 9013-4 is amended to clarify that in Chapter 11 cases with noticing agents the court may approve a different process for service, such as service within 24 hours after the filing of the document at issue, instead of contemporaneously including the certificate of service "at the end of the item served" under LBR 9013-4(b).
- Local Rule 9013-7 is new and applicable to all motions to shorten time and/or for expedited hearing. It contains substantially similar language as previously contained in LBR 4001-4(h) and LBR 6004-1(d). Those local rule subsections now refer to new LBR 9013-7.
- Local Rule 9027-2 is new and designed to consistently address and resolve removal issues in bankruptcy.

The Court also proposed a new rule (Local Rule 9010-7), that would have addressed the ghostwriting of documents filed with the Court. After consideration of the feedback received as part of the public comment process, the Court has deferred action on that proposed rule.

Copies of the amended and new Local Rules are available on the Court's website at www.mdb.uscourts.gov. This version of the Rules supersedes all prior versions (prior versions of the Rules are available through the Court's CM/ECF system under Miscellaneous Proceeding 16-90000).

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RULE 2081-1 CHAPTER 11 - SCHEDULED CLAIMS

The debtor in a Chapter 11 case must serve on each creditor whose claim is listed on a schedule as disputed, contingent, or unliquidated, notice of that listing within fourteen (14) days after filing the schedule or within fourteen (14) days after adding a disputed, contingent or unliquidated creditor to a previously filed schedule. The notice must clearly identify each creditor whose claim has been scheduled as disputed, contingent or unliquidated and state that such creditor has the right to file a proof of claim and the failure to do so timely may prevent the creditor from voting on a plan or participating in any distribution. The debtor must file a certificate of service of the notice within seven (7) days of service.

RULE 3015-4 CHAPTER 13 - MODIFICATION OF PLAN AFTER CONFIRMATION

- (a) <u>Form.</u> A motion under 11 U.S.C. § 1329 in a Chapter 13 case to modify a plan after confirmation may be made at any time after confirmation but before the completion of payments under the plan.
- (b) <u>Required Material</u>. The motion must comply with Federal Bankruptcy Rule 3015(h), explain with specificity the proposed modification, and be accompanied by the proposed plan modification.

(c) Service of Motion and Notice of Hearing.

- (1) The Clerk will maintain a list of dates available for hearings on motions under subsection (a) for each judge of the court. The list will be posted on the court's website.
- (2) Movant must select a hearing date from the list for the judge to whom the case is assigned that is more than thirty-three (33) but less than sixty (60) days after the date of service.
- (3) Movant must serve a copy of the motion to modify chapter 13 plan after confirmation and proposed modified chapter 13 plan on the debtor, Trustee, and all creditors who have filed claims in the manner required by Federal Bankruptcy Rules 2002(a)(5) and 3015(h) and Local Bankruptcy Rule 2002-1(a), together with a hearing notice conforming to Local Bankruptcy Form M-2.
- (d) <u>Filing of Proof of Service</u>. Movant must file with the motion a certificate of service of the motion to modify plan after confirmation and the notice of hearing. The certificate must comply with Local Bankruptcy Rule 7005-29013-4.

- (e) Responses to Motion to Modify Chapter 13 Plan After Confirmation. If no response to the motion to modify plan after confirmation is filed within twenty-eight (28) days after the date of the service (plus any additional time required by Federal Bankruptcy Rules 9006(a) and (f)), the court may rule on the motion as unopposed. The Court Hearing Scheduler (CHS) Program on the court's website and CM/ECF filing screen for this type of motion will compute the date that an objection is due.
 - (f) <u>Proposed Order</u>. Movant shall file with the motion a proposed order.

RULE 4001-1 AUTOMATIC STAY - RELIEF FROM

(a) Form of Motion.

(1) Generally a motion for relief from the automatic stay of 11 U.S.C. §362(a) must be titled "Motion for Relief from Stay" or a similar phrase. The motion's caption must be in the format used in Official Form B416D for an adversary proceeding. The motion may not be combined with a request for any other relief, except for adequate protection,—or for relief from the co-debtor stay under 11 U.S.C. § 1201(a) or § 1301(a), or to extend the bar date after foreclosure as permitted by Local Bankruptcy Rule 4001-3(b).

(2) Prospective Relief.

- (A) Any motion for relief from stay that includes a request for the imposition of an equitable servitude, or any other prospective relief that would limit a stay arising under 11 U.S.C. § 362(a), must be titled in a manner that clearly and conspicuously so states.
- (B) Any proposed order submitted by counsel, including any order consented to by adverse parties, must be titled in a manner that clearly and conspicuously so states.
- (b) <u>Contents of Motion for Relief from Stay</u>. The following material, when applicable, must be included in a motion for relief from stay:
 - (1) A detailed statement of the debt owed to Movant;
 - (2) If periodic payments are in arrears, the amount of arrears accrued prepetition and postpetition;
 - (3) A description of the property encumbered;

- (4) A description of the security interest involved, with attached documents that evidence the security interest and its perfection;
- (5) A statement of the basis for the relief claimed, such as, a lack of adequate protection or the absence of equity and that the property is not necessary for an effective reorganization. The specific facts constituting cause shall be set forth if a motion is brought for cause;
- (6) If Movant asserts a valuation of the subject property, the motion should state the amount of the valuation, the date, and the basis therefor (appraisal, blue book, etc.);
 - (7) The specific nature of the relief from stay that is requested.

(c) Service of Motion and Notice of Hearing.

- (1) The Clerk will maintain a list of dates available for hearings on motions for relief from stay for each judge of the court. The list will be posted on the court's website.
- (2) Movant must select a hearing date from the list for the judge to whom the case is assigned that is more than twenty-one (21) days after the date of service.
- (3) Movant must serve the motion for relief from stay with a hearing notice conforming to Local Bankruptcy Form B.

(d) Response to Motion for Relief from Stay.

(1) <u>Time</u>. An opposition to a motion for relief from stay must be filed within fourteen (14) days after service of the motion (plus any additional time required by Federal Bankruptcy Rules 9006(a) and (f)). The Court Hearing Scheduler (CHS) Program on the court's website and CM/ECF filing screen for this type of motion will compute the date that an objection is due.

- (2) <u>Form</u>. The caption of the response must be the same as the form for the caption of the motion as set out in paragraph (a) above.
- (3) <u>Pleading</u>. A response must include detailed answers to each numbered paragraph of the motion, in conformity with the requirements of Federal Rule of Civil Procedure 8(b) and (d). All defenses to the motion must be stated in the response.
- (4) Response by Standing Chapter 12 and 13 Trustees. Standing Chapter 12 and Chapter 13

 Trustees are served for informational purposes and are not required to respond to motions for relief from stay. (e) Unopposed Motion. If timely opposition is not filed, the court may grant or otherwise dispose of the motion prior to the scheduled hearing date.

(f) Requirements Under 11 U.S.C. § 362(e).

- (1) <u>Waiver</u>. If Movant notices a hearing date more than thirty (30) days after the date of the filing of the motion, or consents to a continuance, Movant is deemed to have consented to the inapplicability of 11 U.S.C. § 362(e) through the day of the hearing on the motion for relief from stay.
- (2) <u>Commencement of Measuring Period</u>. A request for relief under 11 U.S.C. § 362(d) is complete to commence the thirty (30) day measuring period under § 362(e) only when filed and noticed in compliance with this Rule.
- (g) <u>Deadline for Pre-Filing Exhibits</u>. In cases under Chapter 11, exhibits must be pre-filed as required by Local Bankruptcy Rule 7016-1(c) no later than seven (7) days prior to the noticed hearing date.
- (h) <u>Certain Appraisals</u>. If the debtor is an individual, any appraisals intended to be relied upon shall be subject to the following: if the value of collateral subject to a motion for relief from stay is put at issue in a response thereto, then the Respondent may make a written request to

Movant's counsel (or if no counsel, to the Movant) requesting a copy of Movant's appraisal of the collateral. If Movant has obtained an appraisal and intends to place it into evidence, Movant must supply a copy of same to the debtor within two business days of said written request. If, a Movant did not have an appraisal at the time of the request which was intended to be placed into evidence, but subsequently obtains such an appraisal, Movant must provide a copy of said appraisal to the Respondent which made the request upon the earlier of (a) two (2) business days after obtaining same or (b) two (2) business days prior to the hearing.

(i) <u>Conference Required</u>. If the motion for relief from stay is opposed, the attorneys for the parties, or the parties if unrepresented, shall confer with respect to the issues raised by the motion at least three (3) business days prior to the scheduled hearing for the purpose of determining whether a consensual order may be entered and/or stipulating to relevant facts, such as the value of the property and the extent and validity of any security instrument.

RULE 4001-4 OBTAINING CREDIT/REFINANCING

- (a) Movant must provide the notice required by Federal Bankruptcy Rule 4001(c) for a motion to obtain credit (i) as set forth in this rule, and (ii) to the extent applicable, as set forth in Federal Bankruptcy Rule 4001(c).
- (b) The notice must include a statement of the deadline for the filing of any opposition. The deadline date shall be no less than fourteen (14) days after service of the motion (plus any additional time required by Federal Bankruptcy Rules 9006(a) and (f)). The Court Hearing Scheduler (CHS) Program on the court's website and CM/ECF filing screen for this type of motion will compute the date that an objection is due.
- (c) The notice must include a hearing date that the movant selects from a list of hearing dates that is maintained by the Clerk for the assigned judge on the court's website.
- (d) The notice must also include a description of the essential terms of the proposed credit, including the amount, the interest rate, the lender's identity, the collateral pledged therefor, the repayment terms, the costs therefor, and the proposed use of the proceeds.
- (e) The notice may include a statement that the court may grant relief without a hearing if no timely objection is filed.
- (f) In a Chapter 13 case, the notice must be served on the creditors included on the list filed under Federal Bankruptcy Rule 1007(d), and on any other entity that the court directs.
- (f) In any Chapter 13 case in which the deadline to file claims has expired, the title of the notice must include the following words:

AND SETTING DEADLINE TO AMEND FILED PROOFS OF CLAIMS

(g) In a Chapter 13 case in which the deadline to file proofs of claims has expired, the notice must include the following words:

In accordance with Local Bankruptcy Rule 4001-4(g), any amendment to a previously filed claim must be filed no later than twenty one (21) days after the date of filing of this notice. Such amendments include amending a claim previously filed as a secured claim, to reflect an unsecured claim resulting from the effect of 11 U.S.C. § 506(a) and/or liquidation of the collateral.

- (hg) A Rrequest to Sshorten Ttime and/or for Eexpedited Hhearing is governed by LBR 9013-7.
- (1) If Movant requests that the time to object should be shortened, or that a more expedited hearing is needed, Movant shall file contemporaneously a separate motion requesting that the court shorten the time within which responses may be filed and/or requesting that the court set an expedited hearing.
- (2) If a motion is filed to shorten the time to object or to expedite the hearing thereon, Movant must include the following language in the notice:

 MOVANT HAS ALSO FILED A MOTION TO SHORTEN THE TIME FOR RESPONSE AND/OR FOR AN EXPEDITED HEARING. IF THAT MOTION TO SHORTEN OR EXPEDITE IS GRANTED, THE TIME TO OBJECT AND/OR DATE FOR HEARING WILL BE CHANGED AS PROVIDED IN SUCH ORDER.

RULE 4003-2 LIEN AVOIDANCE UNDER 11 U.S.C. § 522(f)

- (a) Applicability.
- (1) This Rule shall apply if a Chapter 13 debtor seeks to avoid a lien in whole or in part pursuant to 11 U.S.C. § 522(f) by filing a motion.
- (2) If a <u>Chapter 13</u> debtor proceeds under this Rule to avoid a lien by motion, the debtor shall so <u>state indicate</u> in the Plan. If a <u>Chapter 13</u> debtor elects instead to seek to avoid such a lien by a provision in the debtor's plan, Local Rule 3015-1 shall apply.
- (b) <u>Form</u>. A motion to avoid a lien under 11 U.S.C. § 522(f) may seek only to avoid a single lien. The name, address and nature of ownership (e.g. tenancy in common, tenancy by the entirety) of any non-debtor owner of property must also be included.

(c) Service of Motion and Notice of Hearing.

- (1) The Clerk will maintain a list of dates available for hearings on motions to avoid lien for each judge of the court. The list will be posted in the public area of each division and on the court's website.
- (2) Movant must select a hearing date from the list for the judge to whom the case is assigned that is more than forty-nine (49) days after the date of service.
- (3) Movant must serve a copy of the motion to avoid lien on the respondent and any non-debtor owner in the manner required by Federal Bankruptcy Rules 9014 and 7004(b) and Local Bankruptcy Rule 3007-1 (that requires service upon the claimant at the name and address where notices should be sent as shown on the proof of claim) together with a hearing notice conforming to Local Bankruptcy Form C. The requirement of service on the respondent at the name and address where notices should be sent as shown on the

proof of claim shall not be applicable if the motion to avoid lien is filed prior to the filing of the proof of claim, provided that otherwise valid service is made on the respondent.

- (d) <u>Filing of Proof of Service</u>. Movant must file with the motion a certificate of service of the motion to avoid lien and the notice of hearing. The certificate must comply with Local Bankruptcy Rule 9013-4.
- (e) Responses to Motions to Avoid Lien. The notice must include a statement of deadline for the filing of any opposition. The deadline date shall be no less than twenty-eight (28) days after service of the motion (plus any additional time required by Federal Bankruptcy Rules 9006(a) and (f)). The Court Hearing Scheduler (CHS) Program on the court's website and CM/ECF filing screen for this type of motion will compute the date that an objection is due. If no response to the motion to avoid lien is filed within twenty-eight (28) days after the date of the service (plus any additional time provided by Federal Bankruptcy Rules 9006(a) and (f)), the court may rule on the motion as unopposed.

RULE 40084004-1 DISCHARGE IN CHAPTER 13 CASES

The Debtor's Affidavit Requesting Discharge, Local Bankruptcy Form P, must be filed and served on the Chapter 13 Trustee and all creditors no later than ninety (90) days after the Chapter 13 Trustee files the notice of completion of plan payments. The failure to timely file this affidavit may result in the case being closed without a discharge.

RULE 6004-1 SALE OF ESTATE PROPERTY

- (a) <u>Sale Notices</u>. Notices of private sale of estate property must include the following:
 - (1) if an appraisal has been performed,
 - (A) the appraised value of the asset being sold;
 - (B) the date of the appraisal; and
 - (C) the name and address of the appraiser;
- (2) if no appraisal has been performed, the scheduled value of the asset being sold;
 - (3) the purchaser's identity;
- (4) a full description of any relationship between the purchaser and any party in interest;
- (5) a statement of all consideration paid and to be paid by the purchaser and the payment terms;
- (6) a statement of the deadline for the filing of any opposition. The deadline date shall be no less than twenty-one (21) days after service of the motion, plus any additional time required by Federal Bankruptcy Rules 9006(a) and (f). The Court Hearing Scheduler (CHS) Program on the court's website and CM/ECF filing screen for this type of motion will compute the date that an objection is due;
- (7) a date selected from the court's website for a hearing if a timely objection is filed;
- (8) a statement that the property may be sold without further notice if a timely objection is not filed; and

- (9) a statement of all charges and costs to be paid by the estate and all concessions to be made by the estate.
- (b) <u>Sale Motions in Chapter 11 Cases</u>. Except as otherwise provided in these Local Rules, the Bankruptcy Code, the Federal Bankruptcy Rules or an order of the court, all "Sale Motions" to sell property of the estate under Bankruptcy Code § 363(b) in a Chapter 11 case shall attach or include the following:
 - (1) A copy of the proposed purchase agreement, or a form of such agreement substantially similar to the one the trustee reasonably believes it will execute in connection with the proposed sale;
 - (2) A copy of a proposed form of sale order;
 - (3) A request, if necessary, for the appointment of a consumer privacy ombudsman under 11 U.S.C. § 332; and
 - (4) Provisions to be Highlighted. If the Sale Motion is longer than ten (10) pages, in the first five (5) pages of the motion, the Sale Motion must highlight material terms, including but not limited to (a) whether the proposed form of sale order and/or the underlying purchase agreement constitutes a sale or contains any provision of the type set forth below, (b) the location of any such provision in the proposed form of order or purchase agreement, and (c) the justification for the inclusion of such provision:
 - (A) <u>Sale to Insider</u>. If the proposed sale is to an insider, as defined in 11 U.S.C. § 101(31), the Sale Motion must (a) identify the insider, (b) describe the insider's relationship to the debtor, and (c) set forth any measures taken to ensure the fairness of the sale process and the proposed transaction.

- (B) Agreements with Management. If a proposed buyer has discussed or entered into any agreements with management or key employees regarding compensation or future employment, the Sale Motion must disclose (a) the material terms of any such agreements, and (b) what measures have been taken to ensure the fairness of the sale and the proposed transaction in the light of any such agreements.
- (C) <u>Releases</u>. The Sale Motion must highlight any provisions pursuant to which an entity is being released or claims against any entity are being waived or otherwise satisfied.
- (D) <u>Private Sale/No Competitive Bidding</u>. The Sale Motion must disclose whether an auction is contemplated, and highlight any provision in which the trustee has agreed not to solicit competing offers for the property subject to the Sale Motion or to otherwise limit shopping of the property.
- (E) <u>Closing and Other Deadlines</u>. The Sale Motion must highlight any deadlines for the closing of the proposed sale or deadlines that are conditions to closing the proposed transaction.
- (F) <u>Good Faith Deposit</u>. The Sale Motion must highlight whether the proposed purchaser has submitted or will be required to submit a good faith deposit and, if so, the conditions under which such deposit may be forfeited.
- (G) <u>Interim Arrangements with Proposed Buyer</u>. The Sale Motion must highlight any provision pursuant to which a trustee is entering into any interim agreements or arrangements with the proposed purchaser, such as interim management arrangements (which, if out of the ordinary course, also must be

subject to notice and hearing under 11 U.S.C. § 363(b)) and the terms of such agreements.

- (H) <u>Use of Proceeds</u>. The Sale Motion must highlight any provision pursuant to which a trustee proposes to release sale proceeds on or after the closing without further Court order, or to provide for a definitive allocation of sale proceeds between or among various sellers or collateral.
- (I) Record Retention. If the trustee proposes to sell substantially all of the debtor's assets, the Sale Motion must highlight whether the trustee will retain, or have reasonable access to, its books and records to enable it to administer its bankruptcy case.
- (J) <u>Sale of Avoidance Actions</u>. The Sale Motion must highlight any provision pursuant to which the trustee seeks to sell or otherwise limit the rights to pursue avoidance claims under Chapter 5 of the Bankruptcy Code.
- (K) <u>Requested Findings as to Successor Liability</u>. The Sale Motion should highlight any provision limiting the proposed purchaser's successor liability.
- (L) <u>Sale Free and Clear of Unexpired Leases</u>. The Sale Motion must highlight any provision by which the trustee seeks to sell property free and clear of a possessory leasehold interest, license or other right.
- (M) <u>Credit Bid</u>. The Sale Motion must highlight any provision by which the trustee seeks to allow, disallow or affect in any manner, credit bidding pursuant to 11 U.S.C. § 363(k).

- (N) <u>Relief from Bankruptcy Rule 6004(h)</u>. The Sale Motion must highlight any provision whereby the trustee seeks relief from the fourteen-day stay imposed by Bankruptcy Rule 6004(h).
- (c) <u>Sale Procedures Motions in Chapter 11 cases</u>. In a Chapter 11 case, a trustee may file a "Sales Procedures Motion" seeking approval of sale, bid or auction procedures in anticipation of or in conjunction with a Sale Motion seeking approval of an order (a "Sale Procedures Order") approving bidding and auction procedures either as part of the Sale Motion or by a separate motion filed in anticipation of an auction and a proposed sale.
 - (1) <u>Provisions to Highlight</u>. The Sale Procedures Motion should highlight the following provisions in any Sale Procedures Order:
 - (A) <u>Provisions Governing Qualification of Bidders</u>. Any provision governing an entity becoming a qualified bidder, including but not limited to, an entity's obligation to:
 - (i) Deliver financial information by a stated deadline to the trustee and other key parties (ordinarily excluding other bidders).
 - (ii) Demonstrate its financial wherewithal to consummate a sale.
 - (iii) Maintain the confidentiality of information obtained from the trustee or other parties or execute a non-disclosure agreement.
 - (iv) Make a non-binding expression of interest or execute a binding agreement.
 - (B) <u>Provisions Governing Qualified Bids</u>. Any provision governing a bid being a qualified bid, including, but not limited to:

- (i) Any deadlines for submitting a bid and the ability of a bidder to modify a bid not deemed a qualified bid.
- (ii) Any requirements regarding the form of a bid, including whether a qualified bid must be (a) marked against the form of a "stalking horse" agreement or a template of the debtor's preferred sale terms, showing amendments and other modifications (including price and other terms), (b) for all of the same assets or may be for less than all of the assets proposed to be acquired by an initial or "stalking horse" bidder, or (c) remain open for a specified period of time.
- (iii) Any requirement that a bid include a good faith deposit, the amount of that deposit and under what conditions the good faith deposit is not refundable.
- (iv) Any other conditions the trustee requires for a bid to be considered a qualified bid or to permit a qualified bidder to bid at an auction.
- (C) <u>Provisions Providing Bid Protections to "Stalking Horse" or Initial</u>

 <u>Bidder.</u> Any provisions providing an initial or "stalking horse" bidder a form of bid protection, including, but not limited to the following:
 - (i) No-Shop or No-Solicitation Provisions. Any limitations on a trustee's ability or right to solicit higher or otherwise better bids.
 - (ii) Break-Up/Topping Fees and Expense Reimbursement. Any agreement to provide or seek an order authorizing break-up or topping fees and/or expense reimbursement, and the terms and conditions under which any such fees or expense reimbursement would be paid.

- (iii) Bidding Increments. Any requirement regarding the amount of the initial overbid and any successive bidding increments.
- (iv) Treatment of Breakup and Topping Fees and Expense Reimbursement at Auction. Any requirement that the "stalking horse" bidder receive a "credit" equal to the breakup or topping fee and or expense reimbursement when bidding at the auction and in such case whether the "stalking horse" is deemed to have waived any such fee and expense upon submitting a higher or otherwise better bid than its initial bid at the auction.
- (D) <u>Modification of Bidding and Auction Procedures</u>. Any provision that would authorize a trustee, without further order of the Court, to modify any procedures regarding bidding or conducting an auction.
- (E) <u>Closing with Alternative Backup Bidders</u>. Any provision that would authorize the trustee to accept and close on alternative qualified bids received at an auction in the event that the bidder selected as the "successful bidder" at the conclusion of the auction fails to close the transaction within a specified period.
- (2) <u>Provisions Governing the Auction</u>. Unless otherwise ordered by the court, the Sale Procedures Order shall:
 - (A) Specify the date, time and place at which the auction will be conducted and the method for providing notice to parties of any changes thereto.
 - (B) Provide that each bidder participating at the auction will be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale.

- (C) State that the auction will be conducted openly and all creditors will be permitted to attend.
 - (D) Provide that bidding at the auction will be transcribed or videotaped.
- (d) A Request to Sshorten Ttime and/or for Eexpedited Hhearing is governed by LBR 9013-7.
 - (1) If Movant requests that the time to object should be shortened, or that a more expedited hearing is needed, Movant shall file contemporaneously a separate motion requesting that the court shorten the time within which responses may be filed and/or requesting that the court set an expedited hearing.
 - (2) If a motion is filed to shorten the time to object to the sale or to expedite the hearing thereon, Movant must include the following language in the Sale Notice described in subsection (a) of this rule:

MOVANT HAS ALSO FILED A MOTION TO SHORTEN THE TIME FOR RESPONSE AND/OR FOR AN EXPEDITED HEARING. IF THAT MOTION TO SHORTEN OR EXPEDITE IS GRANTED, THE TIME TO OBJECT AND/OR DATE FOR HEARING WILL BE CHANGED AS PROVIDED IN SUCH ORDER.

- (e) <u>Sale Without Objection</u>. If no timely written objection is filed, the sale shall be deemed authorized upon expiration of the notice period. This paragraph does not apply to sales free and clear of liens or of interests of persons other than the debtor.
- (f) <u>Clerk's Certificate</u>. Upon payment of the appropriate fee, the Clerk will furnish a certificate that no objection has been filed to a notice of sale.
- (g) In any Chapter 13 case in which the deadline to file claims has expired, the title of the notice must include the following words:

AND SETTING DEADLINE TO AMEND FILED PROOFS OF CLAIMS

(h) In a Chapter 13 case in which the deadline to file proofs of claims has expired, the notice must include the following words:

In accordance with Local Bankruptcy Rule 6004-1(f), any amendment to a previously filed claim must be filed no later than twenty-one (21) days after the date of filing of this notice. Such amendments include amending a claim previously filed as a secured claim, to reflect an unsecured claim resulting from the effect of 11 U.S.C. § 506(a) and/or liquidation of the collateral.

RULE 7005-2 CERTIFICATE OF SERVICE

- (a) Any required certificate of service for a pleading, motion, notice, objection or other paper must be in compliance with Federal Rule of Civil Procedure 5 and applicable provisions of the Federal Bankruptcy Rules.
- (b) The certificate shall be placed at the end of the item served and endorsed by an attorney of record, the attorney's authorized agent, or by a party if not represented by an attorney.
- (c) The certificate must state the date of service and, for each recipient who is not being served through CM/ECF, the names and addresses of the persons served, and the method of service must be included.
- (d) Noticing agents authorized by the court shall make service in accordance with this rule, except as otherwise provided in the order authorizing the employment of the noticing agent.
- (ed) Local Rule 9013-4 governs certificates of service in motions under Federal Bankruptcy Rule 9013 and contested matters under Federal Bankruptcy Rule 9014.

RULE 7012-3 MOTION TO DISMISS AN ADVERSARY PROCEEDING AGAINST A PARTY WITHOUT COUNSEL

Any motion seeking dismissal of an adversary proceeding in which the non-moving party

is without counsel shall contain a notice in substantially the following form:

NOTICE

Your rights may be affected. You should read these papers carefully and may wish to discuss them with an attorney.

A motion to dismiss is a request that one or more claims in a case be decided without holding a trial. Motions to dismiss are governed by Rule 12 of the Federal Rules of Civil Procedure. Your complaint, or the portions of your complaint that the motion seeks to dismiss, may be dismissed if the court finds that the complaint does not contain sufficient factual allegations to grant the relief you have requested.

If you want to oppose the motion to dismiss, you must file with the court and serve on the other party a written response opposing the motion to dismiss and stating the reasons for your opposition. Your opposition must be filed and served within fourteen (14) days after the service date of the motion, plus three (3) additional days if the motion was served on you by mail, unless otherwise ordered by the presiding judge. If you file a written response, a hearing may be held at a location and time set forth in a notice from the Clerk of Court.

If you fail to file a timely written response to the motion, the court may assume you do not oppose the motion and may grant the motion, in whole or in part, without holding a hearing. This will result in the termination of the proceeding, or some part of the proceeding, in favor of the moving party.

RULE 7055-2 MOTION FOR DEFAULT JUDGMENT AGAINST A PARTY WITHOUT COUNSEL

Any motion seeking a default judgment in an adversary proceeding in which the non-moving party is without counsel shall contain a notice in substantially the following form:

NOTICE

Your rights may be affected. You should read these papers carefully and may wish to discuss them with an attorney.

A motion for default judgment is a request for judgment on one or more of the claims contained in the complaint filed in this case. Motions for default judgment are governed by Rule 55 of the Federal Rules of Civil Procedure. Because you have failed to file an answer or other pleading in this case, the Court may enter judgment against you without trial.

If you want to oppose the motion for default judgment, you must file with the court and serve on the other party a written response opposing the motion and stating the reasons for your opposition. Your opposition must be filed and served within fourteen (14) days after the service date of the motion, plus three (3) additional days if the motion was served on you by mail, unless otherwise ordered by the presiding judge. If you file a written response, a hearing may be held at a location and time set forth in a notice from the Clerk of Court.

If you fail to file a timely written response to the motion, the court may assume you do not oppose the motion and may grant the motion, in whole or in part, with or without holding a hearing. This will result in the termination of the proceeding, or some part of the proceeding, in favor of the moving party, and the entry of a judgment against you.

RULE 7056-1 MOTION FOR WHERE SUMMARY JUDGMENT IS REQUESTED AGAINST PARTY WITHOUT COUNSEL

AThe notice of any motion seeking summary judgment in which the non-moving party is without counsel shall <u>include a notice conform substantially to Official Form 420A and, in addition, shall set forth the requirement for a response in substantially the following form:</u>

NOTICE

Your rights may be affected. You should read these papers carefully and may wish to discuss them with an attorney.

A motion for summary judgment is a request that one or more issues in a case be decided without holding a trial. Motions for summary judgment are governed by Rule 56, of the Federal Rules of Civil Procedure. Summary judgment may be granted if the court determines that (a) the material facts are not genuinely disputed and (b) based on those facts, the party asking for summary judgment is entitled to judgment as a matter of law. If you wantish to oppose the motion, you must file with the court and serve on the other party, a written response within fourteen (14) days from after the service date of the motion if it was served by hand, plus three (3) additional days if the motion was served by mail, unless otherwise ordered by the presiding judge. If you fail to file a timely written response to the motion, the court may assume you do not oppose the motion and may grant the motion without holding a hearing. This will result in the termination of the matter in favor of the moving party.

If you disagree with any of the facts stated by the other party, you must include with your response sworn statements from yourself or other knowledgeable witnesses supporting your version of the facts. A sworn statement may take the form either of an affidavit or a declaration signed under penalty of perjury. Any documents you want the court to consider should be identified in, and attached to, the sworn statements. If you are unable to obtain sworn statements supporting your position, you must file a sworn statement stating why you are unable to obtain such statements at this time.

If you fail to file a timely written response to the motion, the court may assume you do not oppose the motion and may grant the motion without holding a hearing. This will result in the termination of the matter, or a portion of the matter, in favor of the moving party.

RULE 9013-1 MOTIONS PRACTICE

- (a) <u>Requirement of Written Motion</u>. All motions must be in writing and filed with the court, unless made during a hearing or trial.
- (b) <u>Procedure for Motions Other Than Motions for Relief from Stay and Motions to</u>
 Avoid Lien.
 - (1) All motions must state with particularity the grounds therefor and the relief or order sought. Supplementing Local Bankruptcy Rule 9013-3 as to moving parties, responding parties must file with the court, at the time of filing a response, a proposed order stating the requested disposition.
 - (2) Parties may file with or append to their motion and memorandum, or to their responsive pleading and opposing memorandum, supporting affidavits or documents establishing the elements of entitlement to the relief sought or any defense.
 - (3) Except as provided in (4), Aany responsive pleading and memorandum in opposition to a motion must be filed within fourteen (14) days from the date of service of said motion.
 - (4) A motion to dismiss a Chapter 13 case shall be accompanied by a notice stating that any responsive pleading and memorandum in opposition must be filed within twenty-one (21) days after the date of service of said motion.
 - (45) Except as otherwise provided in the Bankruptcy Code, the Federal Bankruptcy Rules, these Rules or by the court, a motion can be decided on the pleadings and memoranda filed.

(c) <u>Contested Matters</u>. In addition to the application of the Part VII Rules listed in Federal Bankruptcy Rule 9014(c), Federal Bankruptcy Rule 7010(a) shall apply to contested matters.

RULE 9013-4 CERTIFICATE OF SERVICE

- (a) A certificate of service is required for motions under Federal Bankruptcy Rule 9013 and contested matters under Federal Bankruptcy Rule 9014.
- (b) The certificate shall be placed at the end of the item served and endorsed by an attorney of record, the attorney's authorized agent, or by a party if not represented by an attorney.
 - (c) The certificate must state the date of service and:
 - (1) for each recipient who is being served through CM/ECF, the specified persons served must be listed with the statement that service is via CM/ECF. The attorney or unrepresented person filing the pleading or document is responsible to ensure that all persons listed as being served via CM/ECF are registered to receive CM/ECF notice in that case or must effectuate service by other appropriate means; and
 - (2) for all other recipients, the names and addresses of the persons served and the method of service must be included.
- (d) Noticing agents authorized by the court shall make service in accordance with this rule, except as otherwise provided in the order authorizing the employment of the noticing agent.
 - (de) Local Rule 7005-2 governs certificates of service in adversary proceedings.

RULE 9013-7 MOTION TO SHORTEN TIME AND/OR FOR EXPEDITED HEARING

- (a) If Movant requests that the time to object to any motion should be shortened, or that a more expedited hearing is needed, Movant must file contemporaneously a separate motion requesting that the court shorten the time within which responses may be filed and/or requesting that the court set an expedited hearing.
- (b) If a motion is filed to shorten the time to object to any motion or to expedite the hearing thereon, Movant must include the following language in the notice:

MOVANT HAS ALSO FILED A MOTION TO SHORTEN THE TIME FOR RESPONSE AND/OR FOR AN EXPEDITED HEARING. IF THAT MOTION TO SHORTEN OR EXPEDITE IS GRANTED, THE TIME TO OBJECT AND/OR DATE FOR HEARING WILL BE CHANGED AS PROVIDED IN SUCH ORDER.

RULE 9027-2 REMOVAL

- (a) Filing. A party seeking to remove a claim or cause of action from a state or federal court to the bankruptcy court must file a notice of removal.
- (b) Service. A notice of removal must be served under Federal Bankruptcy Rule 7004. Not later than seven (7) days after service, the party filing the notice must file a Certification of Service.
- (c) Procedure after removal. Not later than fourteen (14) days after the filing of the notice of removal, the party filing the notice must file a copy of the docket sheet from the original court, and provide a list of those filings that the party proposes should be included in the docket from the removed proceeding. The bankruptcy court will direct the party filing the notice of removal of additional pleadings or other docket items, if any, to be filed from the original court.