

## Case Law Update

### Appellate Decisions

**Rugiero v. Nationstar Mortgage, 2014 U.S. App. LEXIS 18062 (6<sup>th</sup> Cir. 2014) – Decision filed September 15, 2014**

Debtor defaulted on his mortgage payments and Creditor initiated foreclosure proceedings pursuant to Michigan law. Debtor's property was sold at Sheriff Sale. Eight months following the Sheriff Sale, and two months after the lapsing of Debtor's right of redemption, Debtor filed for protection under Chapter 13 of the Bankruptcy Code. Six weeks after filing his bankruptcy petition, Debtor filed a lawsuit alleging predatory and deceptive loan-servicing and assignment practices.

After removal to the Federal District Court, Defendants filed a Motion to Dismiss and/or Summary Judgment. Debtor did not respond to any of the facts or legal arguments raised in Defendants' motion. Instead, Debtor asserted that he should be granted leave to file an Amended Complaint.

The District Court held that Debtor's failure to respond to either the facts or the legal arguments raised by Defendants was a sufficient basis for granting Defendants' motion. The Court also granted the motion for the independent reason that Debtor lacked standing to even bring the action because of his then-pending bankruptcy.

On appeal, the Sixth Circuit affirmed the District Court's decision on both Debtor's failure to address any of the issues raised in Defendant's motion, citing *Everson v. Leis*, 566 F.3d 484 (6<sup>th</sup> Cir. 2009), and, citing *Bauer v. Commerce Union Bank, Clarksville, Tenn.*, 859 F.2d 438 (6<sup>th</sup> Cir. 1988), Debtor's lack of standing.

**United States of America v. James D. Robinson, 764 F.3d 554 (6<sup>th</sup> Cir. 2014) – Decision filed August 22, 2014**

Debtor pleaded guilty to mail fraud and aiding and abetting under 18 U.S.C. §§1341 and 1342. Debtor was sentenced to 97 ½ months in prison, 3 months of supervised release and ordered to pay \$286,875.00 in criminal restitution. One year later, Debtor pleaded guilty to a second set of violations under 18 U.S.C. §§1342 and 1343. Debtor was sentenced to 24 months in prison and an additional \$100,000.00 in criminal restitution.

Despite being ordered to pay both restitution orders "in full immediately," Debtor only paid \$7,779.44 of the first order and \$200.00 of the second order before filing for relief under Chapter 13 of the Bankruptcy Code.

Upon Debtor's Chapter 13 filing, the United States government moved for a declaratory judgment as to whether the automatic stay

prevented its actions to collect restitution. The government based its argument on 18 U.S.C. §3613(a) which provides that "notwithstanding any other Federal law...a judgment imposing a fine may be enforced against all property or rights to property of the person fined." The government also sought to terminate the stay as to all of Debtor's assets, specifically an IRA account, pension fund, and two of Debtor's three automobiles under 11 U.S.C. §362(d)(2)(B).

The bankruptcy court denied the government's motion to terminate the stay as to all of the Debtor's assets but did grant relief from the automatic stay as to Debtor's IRA and two of his three automobiles. In doing so, the lower court concluded that §362(b)(1) allows enforcement actions only against the debtor, not against property of the estate. Since *property of the estate* and *property of the debtor* are separate legal terms of art, and because 18 U.S.C. §3613 referenced only "property of the person fined," the bankruptcy court ruled that *property of the estate* is protected during the bankruptcy proceeding.

On the government's appeal, the District Court determined that 18 U.S.C. §3613(a) "renders the Bankruptcy Code's distinctions between...property of the debtor... and property of the estate a nullity." Because §3613 prevented application of the stay, the District

**ARTWORK BY FRANK PEES**

Court determined that the government could enforce its restitution order against all property of the person ordered to pay.

In affirming the District Court's decision, the Sixth Circuit relied on the Supreme Court's analysis of "notwithstanding" clauses in *Cisneros v. Alpine Ridge Group*, 508 U.S. 10 (1993) and determined that such clauses supersede any conflicting statutes. Therefore, the notwithstanding clause of §3613(a) overrides any application of §362's various stays and allows enforcement against property of the estate.

**Sunshine Heifers v. Citizens First Bank (In re: Purdy), 763 F.3d 513 (6<sup>th</sup> Cir. 2014) – Decision entered August 14, 2014**

In the course of his farming business, Debtor granted a perfected purchase money security interest to Citizens First Bank ("Citizens") in Debtor's equipment, farm products and livestock that was "currently owned [or] hereafter acquired." Subsequently, Debtor entered into several "Dairy Cow Leases" with Sunshine Heifers, LLC ("Sunshine"). After his dairy farming operation faltered, Debtor filed for protection under Chapter 12 of the Bankruptcy Code.

In the bankruptcy, Citizens contended that this perfected security interest gave it priority over Sunshine with regard to Debtor's cattle. Citizens argued that the lease agreements were disguised security agreements, that Debtor actually owned the cattle, and that the subsequently acquired livestock were covered by the bank's security agreement. The bankruptcy court, finding that the lease agreements were *per se* security agreements, ruled in favor of Citizens.

On appeal, the Sixth Circuit, reviewed the Dairy Cow Leases under Arizona law under both the

Bright-Line Test and the Economics-of-the-Transaction Test.

Under the Bright Line test, the Sixth Circuit had to determine whether the lease term of fifty months exceeded the economic life of the cattle. Pursuant to Debtor's agreement with Sunshine, Debtor culled thirty percent of the cattle each year resulting in the entire herd being turned over in forty months. The bankruptcy court, focusing on the economic life of the individual cows leased to Debtor, determined that the lease term exceeded the economic life of the cattle. The Sixth Circuit, however, noted that Debtor had a duty to return the same number of cattle to Sunshine that he leased, not necessarily the same cattle. Debtor also had a duty to replace any unproductive cows that he sold, was forced to carry insurance, and agreed to a "Residual Guaranty" which stated that the actual cattle returned to Sunshine would be worth at least \$290 per head. Focusing on the value of the cattle to be returned to Sunshine, and not the cattle originally provided to Debtor, the Sixth Circuit determined that the value of the economic life of the cattle exceeded the lease term and the agreement was not a *per se* security agreement.

Under the Economics-of-the-Transaction Test, the Sixth Circuit noted that, per the agreement between Sunshine and Debtor, Sunshine retained an ownership interest in the cattle and the agreement did not contain an option for Debtor to purchase the cattle, even if he wished to do so. Therefore, the Court determined that under the Economics-of-the-Transaction Test, the agreement between Sunshine and Debtor was a lease agreement and not a *per se* security agreement.

**Bankruptcy Court Decisions**

**In re: Ulrich, 517 B.R. 77 (E.D. Mich. 2014) – Decided September 5, 2014**

The law firm representing a Debtor in a Chapter 13 filed a fee application for pre-confirmation attorney fees in the amount of \$7,784.50, plus an additional \$483.64 in costs. The standard "no-look fee" in the jurisdiction was \$3,500.00. Counsel's fee application asserted 38.0 hours of service performed by three attorneys and two paralegals at a blended rate of \$215.00 per hour. The Chapter 13 Trustee did not object to the hourly rate but did object to the reasonableness of the overall fee.

The Trustee's specific objections on issues such as whether certain work was clerical, excessive time was spent on particular issues, or certain time entries were duplicative were overruled. However, the Trustee's objection as to overall "excessiveness" of counsel's fees was granted in part.

In its decision, the court noted that the Chapter 13 was "fairly straightforward and uneventful." The case involved an uncontested lien strip adversary proceeding, one uncontested request to continue a confirmation hearing, and two amended plans which ultimately resulted in a zero percent minimum dividend to unsecured creditors. The Court found that, for the work performed, a total of 20-25 hours would have been more appropriate. As a result, the Court awarded attorney fees in the amount of \$5,375.00 plus costs of \$483.64.

**In re: Savell, 517 B.R. 680 (W.D. La. 2014) – Decided September 19, 2014**

In the Western District of Louisiana, Shreveport Division, there exists "no-look" attorney fees for post-confirmation legal services. It had become common practice for counsel to accept payment from the Debtors for these post-confirmation

legal services, then file an Application with the court seeking approval for the payment of said fees to be paid directly by the Debtors.

After one such case, the court, *sua sponte*, held a hearing regarding the appropriateness of the direct payment of the post-petition attorney fees by the Debtor(s). In its decision, the court admonished the practice of direct payment for post-petition legal fees from property of the debtors' estate, citing the financial burden that could be placed on Debtors with exceedingly tight budgets, the right of objection, notice and a hearing on the reasonableness and appropriateness of requested fees, and the inability of either the court or the Trustee to maintain accounting records or publish data.

The court ordered that: (1) counsel disgorge to the Chapter 13 Trustee all property of the estate that had been directly paid by the Debtor; (2) all post-petition attorney fees in all Chapter 13 cases in the Shreveport division must be disbursed by the Chapter 13 Trustee; and (3) counsel in the subject case and all other cases in the Shreveport division, are prohibited from accepting payments from debtor(s) of property of the estate without prior court order and the filing of the disclosures required by the Bankruptcy Code, Bankruptcy Rules, and the court's *Amended Standing Order Regarding "No Look" Fees in Chapter 13 Cases*.

### **Supreme Court Update:**

Stay tuned as the Supreme Court has granted Certiorari on four potentially important issues in the Bankruptcy world. The first case,

*Wellness International Network, Ltd. v. Sharif*, is a continuation of the issues originally raised in *Stern v. Marshall*. Specifically, *Wellness International* (hopefully) addresses the issue of consent of the parties where the Bankruptcy Court has no proper Constitutional authority to issue a final judgment. Oral arguments are scheduled for January 14, 2015.

The second case, *Bank of America, N.A. v. Toledo-Cardona*, is a continuation of *Dewnsup v. Timm*, 502 U.S. 410 (1992) which held that §506(d) does not permit a Chapter 7 debtor to "strip down" a mortgage lien to the current value of the collateral. *Toledo-Cardona* will address whether §506(d) permits a Chapter 7 Debtor to "strip off" a junior mortgage lien in its entirety when the outstanding debt owed to a senior lienholder exceeds the current value of the collateral. While this case admittedly involves Chapter 7 Debtors, the outcome of this case could impact the decisions currently being rendered on the Chapter 20 lien strip cases.

The third case, *Viegelahn v. Harris*, will address whether funds held by a Chapter 13 Trustee after a Debtor's good-faith conversion to Chapter 7 are to be refunded to the Debtor or distributed to creditors. Certiorari granted December 12, 2014.

The fourth case, *Bullard v. Hyde Park Sav. Bank*, will address whether the denial of confirmation of a plan, absent a dismissal of the underlying bankruptcy case, is a final, appealable order. Certiorari granted December 12, 2014.

**"When in doubt, choose change." Lily Leung**

# 2015

## FINANCIAL MANAGEMENT SEMINARS

### Columbus

*Office of Chapter 13 Trustee Frank M. Pees*  
**130 E. Wilson Bridge Road, Suite 100**  
**Worthington, OH 43085**

- **Must bring Photo ID and Case Number.**
- **Free!** This is the post-filing course required for discharge of your case.
- Email [debtores@ch13.org](mailto:debtores@ch13.org) or call 614.436.6700 ext. 112 with name, case number, phone number, date of seminar, attorney's last name, and name of Trustee. Dates and times are subject to change.
- Light refreshments are provided at the Columbus Location.

#### January

Tues. Jan. 6     9:00-11:15 AM  
 Sat. Jan. 10     9:00-11:15 AM  
 Thurs. Jan. 22   6:30-8:45 PM

#### February

Tues. Feb. 3     9:00-11:15 AM  
 Sat. Feb. 7     9:00-11:15 AM  
 Thurs. Feb. 12   6:30-8:45 PM

#### March

Thurs. Mar. 12   6:30-8:45 PM  
 Tues. Mar 17     9:00-11:15 AM  
 Sat. Mar. 28     9:00-11:15 AM

#### April

Thurs. Apr. 2     6:30-8:45 PM  
 Sat. Apr. 11     9:00-11:15 AM  
 Tues. Apr. 21    9:00-11:15 AM

#### May

Sat. May 2     9:00-11:15 AM  
 Tues. May 12    9:00-11:15 AM  
 Thurs. May 14   6:30-8:45 PM

#### June

Tues. Jun. 2     9:00-11:15 AM  
 Sat. Jun. 6     9:00-11:15 AM  
 Thurs. Jun. 11   6:30-8:45 PM

#### July

Sat. July 11     9:00-11:15 AM  
 Tues. July 21    9:00-11:15 AM  
 Thurs. July 23   6:30-8:45 PM

#### August

Thurs. Aug. 13   6:30-8:45 PM  
 Tues. Aug 18    9:00-11:15 AM  
 Sat. Aug. 29     9:00-11:15 AM

#### Zanesville

Knights of Columbus  
 275 Sunrise Center Dr.  
 Zanesville, Ohio 43701

Jan. 15	July 16
Feb. 19	Aug. 20
Mar. 19	Sept. 17
April 16	Oct. 15
May 21	Nov. 19
June 18	Dec. 17

#### St. Clairsville

Community Room  
 Ohio Valley Mall  
 St. Clairsville, OH 43945

Feb. 20
May 1
June 19
Aug. 21
Oct. 23
Dec. 11

# 2015

## FREE VOLUNTARY MONEY MANAGEMENT COURSES

Worthington/Columbus

*Office of Chapter 13 Trustee Frank M. Pees*  
130 E. Wilson Bridge Road, Suite 100  
Worthington, OH 43085



### Smart Spending

Learn the basics of cash flow and how to track your spending. We provide pencils, calculators and quiet time; bring a list of your monthly expenses and pay stubs or income statements.



### Beware: How to Avoid Being a Target

Guest speakers from Ohio AG's Office and BBB talk about Ohio consumer laws, current scams to avoid, work-at-home "opportunities," filing complaints, researching companies before hiring and much more.



### Credit Reports & Re-Establishing Credit

Learn how to obtain, read, and dispute credit reports. Guest speakers from the credit lending community will share information about lending practices and what to expect now and after bankruptcy.

- **Free!** Light refreshments are provided.
- Dates and times are subject to change.
- Bring a guest or guests!
- Email [debtores@ch13.org](mailto:debtores@ch13.org) or call **614.436.6700 ext. 112** with name, case number, phone number, date of seminar, last name of attorney, and name of Trustee.

February: Thurs. Feb 5 6:30 – 8:30 PM  
Sat. Feb 7 12:30 – 2:30 PM

June: Thurs. June 4 6:30-8:30 PM  
Sat. June 6 12:30-2:30 PM

October: Thurs. Oct. 1 6:30-8:30 PM  
Sat. Oct. 3 12:30-2:30 PM

March: Thurs. Mar. 26 6:30-8:30 PM  
Sat. Mar. 28 12:30-2:30 PM

July: Thurs. July 9 6:30-8:30 PM  
Sat. July 11 12:30-2:30 PM

November: Thurs. Nov. 5 6:30-8:30 PM  
Sat. Nov. 7 12:30-2:30 PM

April: Thurs. Apr. 9 6:30-8:30 PM  
Sat. Apr. 11 12:30-2:30 PM

August: Thurs. Aug. 27 6:30-8:30 PM  
Sat. Aug. 29 12:30-2:30 PM

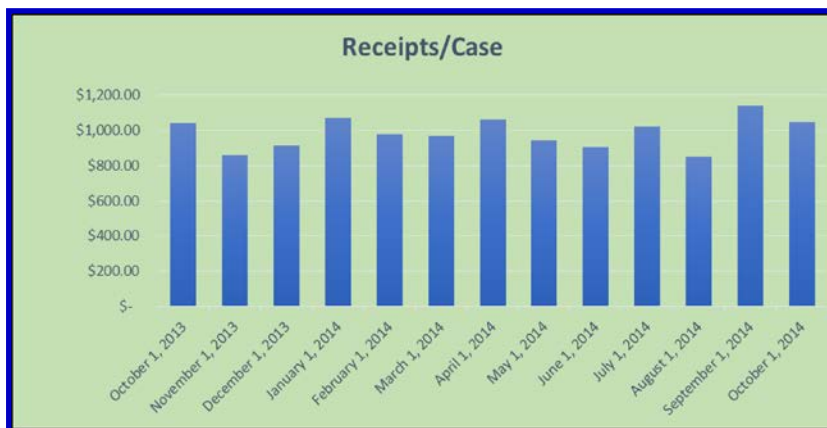
December: Thurs. Dec. 3 6:30-8:30 PM  
Sat. Dec. 5 12:30-2:30 PM

## Financial Round up for FY2014

Although this year has not been impressive in number of new cases filed across the nation, the dollars that have been disbursed this year from our office are none the less impressive. For example:

<b>Disbursed on Conduit Mortgage Payments</b>	<b>\$29,132,501.00</b>
<b>Disbursed to Secured Creditors</b>	<b>\$13,320,525.00</b>
<b>Disbursed to Unsecured Creditors</b>	<b>\$16,180,423.00</b>
<b>Disbursed to Debtor Attorneys</b>	<b>\$ 4,041,285.00</b>
<b>Total Disbursed for FY2014</b>	<b>\$74,049,668.00</b>

During this time our office, in conjunction with Trustee English's office, has continued an extensive Debtor education program, helping Debtors complete their plans and re-establish themselves in the credit community. As a result of this and other factors in FY2014, **1,914 debtors successfully completed their plans and earned a discharge**. This represents a completion factor of over **69%**, one of the highest completion ratios in the United States.



## **HELLO FROM THE ACCOUNTING DEPARTMENT**

Sandra Hootman, Pamela Harper,  
Marla Schmidt and Pansy  
Stephenson

### **NEW LOCKBOX ADDRESS**

As many of you know our lockbox address has changed.

For those who do not know, it is as follows:

**FRANK M. PEES, CHAPTER 13  
TRUSTEE**

**DEPT. 781158**

**P.O. BOX 78000**

**DETROIT, MI 48278-1158**

**Please use the entire  
address as above.**

ANY TIME THERE IS AN ADDRESS CHANGE THERE ARE DIFFICULTIES. PLEASE ASSIST THE CHAPTER 13 TRUSTEE, FRANK M. PEES, IN DISSEMINATING THE UPDATED INFORMATION. THANK YOU.

## **CEC TRIVIA QUIZ**

Since the Credit Education Coalition's membership numbers are at an all-time high (140 members strong!), we have decided to delve a little further into the history of CEC. Once again, for your edification and (hopefully) enjoyment, here are a few more trivia questions to pique your interest in CEC. As before, the answers are posted on CEC's website: [www.credited.org](http://www.credited.org)

1. What was CEC's original name (before the organization incorporated)?
  - a. Columbus Education Committee
  - b. Ad Hoc Creditors Committee
  - c. It has always been known as CEC
  - d. Creditors for Bankruptcy Education
2. In what year did this organization actually begin to take shape/when were initial letters of interest mailed to potential participants?
  - a. 1986
  - b. 1985
  - c. 1984
  - d. 1983
3. Name the first creditor to respond to that initial invitation to "get together to organize an informal creditors group."
  - a. Sears Roebuck and Co.
  - b. CitFed Mortgage Corp. of America
  - c. Municipal Employees Credit Union
  - d. Buckeye Federal Savings and Loan Association
4. And name the person who organized that initial meeting and wrote and signed the first letters that were sent as an invitation to form a group (which eventually evolved into CEC).
  - a. Mr. Pees
  - b. Frank M. Pees
  - c. FMP
  - d. Let me guess—was it Frank Pees??
5. Which former member of CEC's Board of Trustees is presently CEO of a local credit union?
  - a. Leslie Bumgarner
  - b. Kathy Robison
  - c. Mike Allerding
  - d. John Kozlowski

*[NOTE: The above information was garnered from a presentation entitled "CEC—Through the Years," which was given to Chapter 13 Trustee Frank M. Pees in 2013.]*

# **Pre-Confirmation News**

- **Amendments were made to the Federal Rules of Bankruptcy Procedures effective December 1, 2014.** The amendments include those dealing with bankruptcy appeals, new trials, relief from orders or judgments, time limits for filing complaints and summons, costs, judgments and general pleadings, and petitions whereby the same debtor(s) files in different courts.
- **Revisions were also made to the following Official Bankruptcy Forms effective Dec. 1, 2014:**
  - o Application for Individuals to Pay the Filing Fee in Installments (Form B 3A)
  - o Application to Have the Chapter 7 Filing Fee Waived (Form B 3B)
  - o Summary of Schedules (Form B 06)
  - o Notice of Appeal and Statement of Election to Proceed to District Court (Form 17B)
  - o Chapter 7 Statement of Your Current Monthly Income (Form B 22A-1)
  - o Statement of Exemption from Presumption of Abuse Under 707(b)(2) (Form B 22A-1Supp)
  - o Means Test Calculation (Form B 22A-2)
  - o Chapter 13 Statement of Your Current Monthly Income (Form B 22B)
  - o Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period (Form B 22C-1)
  - o Chapter 13 Calculation of Your Disposable Income (Form B 22C-2)
  - o A new form, B 17C, Certificate of Compliance with Rule 8015(a) (7) (B) or 8016(d)(2) was added to the Official Forms.

**The Best Practices Handbook has been updated and can be accessed at the Best Practices section of Attorney Services at [www.ch13.org](http://www.ch13.org).**

## **Business Cases:**

- In order to expedite the confirmation of business cases, provide the following to the Trustee no later than seven (7) days prior to the Meeting of Creditors:
  - o At least two years of tax returns
  - o Six months of all business bank statements
  - o Six months of all personal banking statements
  - o List of Business Assets and Liabilities for each of Debtor(s)' businesses
  - o Profit and loss statements, including a break-down of income and expenses for each of Debtor(s)' businesses
- If the Debtor is self-employed, or if the Debtor has rental income, make sure that a statement showing gross income along with ordinary and necessary business expenses and the net monthly income is attached to Schedule I as required by Line 8(a).

## **Attorneys; Attorney "Staffers"**





## “HEADS UP”

### Reminders:

- The 341 Meeting of Creditors will **not** be held if the debtor does not have proof of social security number. The Trustee will only accept original documents for proof of social security numbers at the 341 meeting. Original documents other than SS card are: medical insurance card; pay stub; W-2 form; IRS form 1099; Social Security administration forms.
- A plan amendment may result in a payment deficiency if the amendment provides for an increase in plan payments. Plan amendments are retroactive and therefore, effective as of the petition date. You may want to consider step payments if amending a plan.
- If a pre-confirmation case extends beyond the 90 day and/or 180 day bar date, it will be rerun based on claims as filed.
- All creditors added by amendment, either pre-confirmation or post-confirmation, must be served with a copy of the 341 notice, the most recent Plan and a proof of claim form. LBR 1009-1(a) (2). The plan must be accompanied by a 21 day notice Fed. Bankruptcy Rule 2002(a)(5).
- If the plan is not filed within seven days of the petition, LBR 3015-1(a) (1) requires the Debtor(s) to serve a copy of the plan on the Trustee and all parties in interest and to file a certificate of service evidencing compliance. Please be advised that if the Chapter 13 Plan is not served on all creditors at least 10 days prior to the originally scheduled Meeting of Creditors, the Meeting of Creditors will need to be reset.
- To upload pay advices and tax returns, go to the Secure Upload section of Attorney Services at [www.ch13.org](http://www.ch13.org).
- The allowance of confirmation continuances is Judge and location specific. Contact your case analyst for further information.



## **Post- Confirmation News**

The Post-Confirmation Department has consolidated several departments into one to form the Post-Confirmation Case Administration Department. Case Administrators manage all post-confirmation issues on their cases, with a few exceptions, including arrears and wage order matters. The case administrator is assigned based on the last digit or last two digits of the case number.

All inquiries relating to case management, arrears and wage orders should be directed as follows:

Case numbers ending in:      1, 2, 3 -      Jill Frey – jill@ch13.org  
   4, 5, 6 -      Betsy Weber – betsy@ch13.org  
   7, 8, 9 -      Lucy Thomas – lucy@ch13.org  
   If the case number ends in 0, please refer to the preceding number  
   Supervisor – Shelley Haydock – shelley@ch13.org

Questions regarding miscellaneous post-confirmation matters should be directed as follows:

Applications to Incur Debt & Debtor’s Motion to Modify/Motions to Sell, etc.:

Susan Cockerill – susan@ch13.org

Notice of Intention to Pay Claims & Trustee’s Motion to Modify:

Stacie Roberts – stacie@ch13.org

Supervisor – Don Mains – don@ch13.org

Loan Modifications – Our office continues to review the numerous loan modifications being filed. Although these differ greatly, the most common modification we are seeing involves a two-part process. If the mortgage is being paid conduit, the Trustee is happy to accommodate in making this process as simple as possible. However, in order to help us do so, please note the following:

- The first part of the process generally requires three (or more) timely payments which are referred to as “trial loan modification payments”. In order to enable the Trustee to make the trial loan modification payments, a motion needs to be filed with the Court. The trial loan modification payments cannot begin until that motion is filed.
- The second part of the process is usually the actual loan modification. The permanent loan modification needs to be filed as soon as possible in order for our office to adjust our records and begin making the new mortgage payments amount and/or remove any pre- or post-petition mortgage arrears from our system. Without an Order for a permanent loan modification, we are obligated to continue making the monthly mortgage payment and arrearage payment per the confirmed plan or per any notice of payment change filed post-petition.

Please feel free to contact our office should you have questions or concerns regarding the process or our procedure.

## **Closing**

### **DEBTOR EDUCATION TIP**

The relatively new **Consumer Financial Protection Bureau** seems to have a “take-no-prisoners” attitude and the muscle to back it up in resolving a variety of consumer problems. Visit the website at <http://www.consumerfinance.gov/> for information about the issues it handles.

All inquiries regarding cases about to complete, including those paid in full, dismissed or converted should be directed as follows:

Case numbers ending in	1 through 5 -	Cathy Matthews - cathy@ch13.org
	6 through 9 & 0 -	Andrea Speelman - andrea@ch13.org
	Supervisor -	Shelley Haydock - shelley@ch13.org

Notices of Final Cure Payment - Pursuant to Federal Rule of Bankruptcy Procedure 3002.1(f), our office files a Notice of Final Cure Payment for all successfully completed cases in which pre-petition mortgage arrears are paid through the plan and the monthly mortgage payment is paid as a conduit. Our office also continues to file Motions to Deem Mortgages Current.

Please Note - In order for debtors to receive their Discharge, it is necessary for the Financial Management Certificate to be filed with the clerk. This can be filed any time prior to the "Eligible for Discharge" date, however, we recommend filing the certificate as soon as it is available. Our office will file the financial management certificate if the course is taken through the Trustee's Office.

In addition, filing of the Debtor(s)' Certification Regarding Issuance of Discharge Order is mandatory regardless of whether or not the Debtor(s) has a DSO. This form can be found on the Trustee's website at <http://www.ch13.org/forms>. Please remember that this form needs to be filed after the Trustee's Certification of Final Payment and Case History and after the financial management course has been completed, but before the "Eligible for Discharge" date.

If you have any questions regarding these procedures, feel free to contact the Closing Department. Thank you!



**FRANK M PEES**

**CHAPTER 13 TRUSTEE**

**130 E WILSON BRIDGE RD.**

**SUITE 200**

**WORTHINGTON, OH 43085**

