UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
GENERAL ORDER 16-0002

The full Court met in executive session on Thursday, January 21,2016 and approved a proposal to amend the Local Rules of the United States Bankruptcy Court for the Northern District of Illinois. The proposed amendments were published with comments due on January 5, 2016. No comments were received from the public or the Rules Advisory Committee.

The Court's Rules Committee discussed the proposal at its meeting on January 14, 2016. The Rules Committee approved the draft amendments. It recommended that the full Court adopt the proposed Local Rules of the Bankruptcy Court.

The full Court considered the recommendation of the Rules Committee at its meeting on Thursday, January 21, 2016 and agreed to adopt the Local Rules of the Bankruptcy Court; therefore,

By direction of the full Court, which met in executive session on Thursday, January 21, 2016,

IT IS HEREBY ORDERED that the amendments to the Local Rules of the Bankruptcy Court be adopted as attached.

ENTER:
FOR THE COURT

Chief Judge

Dated at Chicago, Illinois this 26th day of January, 2016

Revised Report to the United States District Court
For the Northern District of Illinois
From the Bankruptcy Court
Proposing Amendments to the Local Bankruptcy Rules

1. PROPOSED AMENDMENT TO LOCAL RULE 1006-1.

Local Rule 1006-1 should be amended to delete subpart B. Subpart B is not consistent with the practice of the Clerk's Office.

RULE 1006-1 PAYMENT OF FILING FEE IN INSTALLMENTS

If a debtor applies to pay the filing fee in installments pursuant to Fed. R. Bankr. P. 1006, the clerk may enter on behalf of the judge to whom the case is assigned the appropriate order, which will require four equal payments due 30, 60, 90, and 120 days after the petition is filed.

2. PROPOSED AMENDMENT TO LOCAL RULE 1017-2.

Local Rule 1017-2 should be deleted as unnecessary because the clerk no longer sends notices of dismissal motions, and the necessary notice is covered in Bankruptcy Rule 2002(a)(4).

RULE 1017-2 [RESERVED]

3. PROPOSED AMENDMENT TO LOCAL RULE 2002-1.

Local Rule 2002-1 should be amended to allow the court to limit certain notices in Chapter 7 cases to those parties actually participating or still entitled to participate in the bankruptcy cases. The purpose is to reduce costs to the Chapter 7 trustees who are now responsible for sending these notices.

RULE 2002-1 LIMITED NOTICE IN CHAPTER 7 CASES

In Chapter 7 cases, the clerk rather than the trustee must serve the required notice of a trustee's motion to dismiss the case if the ground for the motion is either that the debtor failed to attend a meeting under § 341 of the Bankruptcy Code or that the debtor failed to file a document required by § 521 of the Bankruptcy Code. The clerk must serve the motion to dismiss on the debtor but may serve only the notice of the motion on all other parties in interest. The trustee need not serve a copy of the notice of motion or the motion on any party.

4. PROPOSED AMENDMENT TO LOCAL RULE 2002-2.

Local Rule 2002-2 should be amended to shift the cost of providing notice of Trustees' Final Reports in Chapter 7 cases from the bankruptcy court clerk's office to the Chapter 7 trustees in cases in which the trustee has collected at least $5,000 in assets for distribution to creditors. Here, too, the purpose is to reduce the costs that Chapter 7 trustees must bear.

RULE 2002-2 NOTICE OF TRUSTEE'S FINAL REPORT IN CHAPTER 7 CASES

In Chapter 7 cases, if the assets in the estate available for distribution exceed $5,000, the trustee, rather than the clerk, must serve the Notice of Trustee's Final Report and Applications for Compensation. Notices will be served on the debtor, trustee, and only those creditors who have filed claims.

5. PROPOSED AMENDMENT TO LOCAL RULE 2004-1.

Local Rule 2004-1 should be amended to make clear that a party to be examined under Bankruptcy Rule 2004 examination is entitled to notice of the motion seeking leave of court to conduct the examination.

RULE 2004-1 RULE 2004 EXAMINATIONS

A motion to take a Rule 2004 examination must be served on all parties entitled to notice, including the person or entity to be examined.

6. PROPOSED AMENDMENT TO LOCAL RULE 5011-1.

Local Rule 5011-1 is new. The purpose is to clarify that, as required by existing law, a motion to withdraw the reference of a bankruptcy case or proceeding must be filed in the first instance in the bankruptcy court clerk's office. The clerk then transmits the motion to the clerk of the district court, where a docket number is assigned. When parties mistakenly file these motions directly in the district court, confusion results because there is no district court docket number assigned.

RULE 5011-1 MOTIONS FOR WITHDRAWAL OF REFERENCE

A motion under Fed. R. Bankr. P. 5011(a) to withdraw the reference of a case or proceeding under 28 U.S.C. § 157(d) must be filed with the clerk of the bankruptcy court and must be accompanied by the required filing fee.

7. PROPOSED AMENDMENT TO LOCAL RULE 5082-1.

Local Rule 5082-1(C)(4) should be amended to require attorneys seeking approval of fees to be paid from the bankruptcy estate to provide hourly rates in connection with each itemized service.

RULE 5082-1 APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT FOR PROFESSIONAL SERVICES IN CASES UNDER CHAPTERS 7, 9, 11, AND 12.

A. Applications

Any application for interim or final compensation for services performed and reimbursement of expenses incurred by a professional person employed in a case filed under Chapter 7, 9, 11, or 12 of the Bankruptcy Code must begin with a completed and signed cover sheet in a form approved by the court and published by the clerk. The application must also include both a narrative summary and a detailed statement of the applicant's services for which compensation is sought.

B. Narrative Summary

(1) The narrative summary must set forth the following for the period covered by the application:

(a) a summary list of all principal activities of the applicant, giving the total compensation requested in connection with each such activity;

(b) a separate description of each of the applicant's principal activities, including details as to individual tasks performed within such activity, and a description sufficient to demonstrate to the court that each task and activity is compensable in the amount sought;

(c) a statement of all time and total compensation sought in the application for preparation of the current or any prior application by that applicant for compensation;

(d) the name and position (partner, associate, paralegal, etc.) of each person who performed work on each task and activity, the approximate hours worked, and the total compensation sought for each person's work on each such separate task and activity;

(e) the hourly rate for each professional and paraprofessional for whom compensation is requested, with the total number of hours expended by each person and the total compensation sought for each;

(f) a statement of the compensation previously sought and allowed; and

(g) the total amount of expenses for which reimbursement is sought, supported by a statement of those expenses, including any additional charges added to the actual cost to the applicant.

(2) The narrative summary must conclude with a statement as to whether the requested fees and expenses are sought to be merely allowed or both allowed and paid. If the latter, the narrative summary must state the source of the proposed payment.

C. Detailed Statement of Services

The applicant's detailed time records may constitute the detailed statement required by Fed. R. Bankr. P. 2016(a). Such statement must be divided by task and activity to match those set forth in the narrative description. Each time entry must state:

(1) the date the work was performed;

(2) the name of the person performing the work;

(3) a brief statement of the nature of the work;

(4) the hourly billing rate of the person performing the work;

(5) the time expended on the work in increments of tenth of an hour; and

(6) the fee charged for the work described in the entry.

D. Privileged Information and Work Product

If compliance with this Rule requires disclosure of privileged information or work product, the applicant may file a motion pursuant to Rule 5005-4, Restricted Documents.

E. Failure to Comply

Failure to comply with any part of this Rule may result in reduction of fees and expenses allowed. If a revised application is made necessary because of any failure to comply with provisions of this Rule, compensation may be denied or reduced for preparation of the revision. The court may also excuse or modify any of the requirements of this Rule.

8. PROPOSED AMENDMENTS TO LOCAL RULE 5082-2.

Local Rule 5082-2(C), concerning compensation in Chapter 13 cases, should be amended to make clear that any alteration by a debtor's counsel of the Court-Approved Retention Agreement may result in a denial of all compensation. In addition, the bankruptcy judges recommend deleting current sub-part E of Local Rule 5082-2 as inconsistent with section 1326(a)(2) of the Code as well as with current practice.

The bankruptcy judges also request a further change to section A(6) concerning compensation in chapter 13 cases as outlined below to reflect the new change in the name and number of the referred to Official Form.

RULE 5082-2 APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT FOR PROFESSIONAL SERVICES IN CASES UNDER CHAPTER 13

A. Definitions

For the purpose of this Rule:

(1) "Court-Approved Retention Agreement" means Local Bankruptcy Form 23c.

(2) "Form Itemization" means Local Bankruptcy Forms 21 and 22.

(3) "Form Fee Application" means Local Bankruptcy Form 23-1 or 23-2.

(4) "Form Fee Order" means Local Bankruptcy Form 23-3 or 23-4.

(5) "Flat Fee" means a fee not supported by an itemization of time and services.

(6) "Creditors Meeting Notice" means the Notice of Chapter 13 Bankruptcy Case. (Official Form B 309I.)

(7) "Original Confirmation Date" means the date of the confirmation hearing specified in the Creditors Meeting Notice.

B. Requirements

(1) All requests for awards of compensation to debtor's counsel in Chapter 13 cases must be made using the Form Fee Application, which must be accompanied by a completed Form Fee Order specifying the amounts requested.

(2) All requests for awards of compensation to debtor's counsel must include a certification that the disclosures required by Rule 2016-1 have been made.

(3) Applications for original fees must be noticed for hearing on the Original Confirmation Date at the time for confirmation hearing.

C. Flat Fees

(1) If debtor's counsel and the debtor have entered into the Court-Approved Retention Agreement, counsel may apply for a Flat Fee not to exceed the amount authorized by the applicable General Order. If the Court-Approved Retention Agreement has been modified in any way, a Flat Fee will not be awarded, and all compensation may be denied.

(2) If debtor's counsel and the debtor have not entered into the Court-Approved Retention Agreement, the Form Fee Application must be accompanied by a completed Form Itemization.

(3) The Flat Fee will not be awarded and all compensation may be denied if, in addition to the Court-Approved Retention Agreement, the debtor and an attorney for the debtor have entered into any other agreement in connection with the representation of the debtor in preparation for, during, or involving a Chapter 13 case, and the agreement provides for the attorney to receive:

(a) any kind of compensation, reimbursement, or other payment; or

(b) any form of, or security for, compensation, reimbursement, or other payment that varies from the Court-Approved Retention Agreement.

D. Notice

(1) All fee applications must be filed with the clerk, served on the debtor, the trustee, and all creditors, and noticed for hearing as an original motion. However, a fee application need not be served on all creditors if:

(a) the Creditor Meeting Notice is attached to the application, has been served on all creditors, and discloses the amount of original compensation sought; and

(b) the hearing on compensation is noticed for the Original Confirmation Date.

(2) Rule 9013-1(E)(2), which governs the dates for the presentment of motions, does not apply to requests under this Rule.

9. PROPOSED AMENDMENT TO LOCAL RULE 5096-1.

Local Rule 5096-1 should be deleted as (a) inappropriate, because the designation of emergency judge is an operating procedure, and (b) duplicative of new Local Rule 9013-2.

10. PROPOSED AMENDMENT TO LOCAL RULE 9013-2.

The bankruptcy judges recommend adding new Local Rule 9013-2 to replace old Local Rule 5096-1 and establish a system for noticing and hearing emergency matters. The new rule, which contains the same terms as an existing general order, will help ensure that parties do not attempt to make oral ex parte contacts with judges or their staffs in emergency matters, will better identify which matters constitute true emergencies, and will standardize the court's emergency motion procedure.

RULE 9013-2 EMERGENCY MOTIONS

A. Motions That May Be Treated as Emergencies

A motion may be treated as an emergency only if it arises from an occurrence that could not reasonably have been foreseen and requires immediate action to avoid serious and irreparable harm.

B. Application to Set Hearing

A party seeking to present an emergency motion must:

(1) file an Application to Set Hearing on Emergency Motion that states the reasons that the motion should be heard on an emergency basis and the proposed time frame for presentment of the emergency motion;

(2) attach the proposed emergency motion to the Application; and

(3) not notice the Application for hearing and need not serve the Application.

C. Response to Application Prohibited

No response to the Application may be filed.

D. Procedure After Application Filed

After filing the Application and attached proposed motion specified in paragraph A, the movant must telephone the chambers of the judge assigned to the case of the filing of the Application. If the assigned judge is available to rule on the Application, the judge must promptly determine whether to grant the Application. If the judge assigned to the case is not available to rule on the Application, the movant should telephone the chambers of the emergency judge of the filing of the Application. If the emergency judge is available, the emergency judge must determine whether to grant the Application. If the emergency judge is not available, the movant may contact the clerk, using the emergency telephone numbers available on the court's web site if necessary, and the clerk must attempt to contact another judge to rule on the Application.

E. Procedure if Application Granted

If the Application to Set Hearing on Emergency Motion is granted, the movant must:

(1) immediately notify all parties entitled to notice by phone, fax, or personal service of the date, time, and place of the hearing on the emergency motion; and

(2) file the emergency motion with:

(a) a notice of motion specifying the date, time, and place of the emergency hearing and a statement that the motion may be opposed on the basis that emergency treatment is not appropriate; and

(b) a certificate of service reflecting the date, time, and method of service of the notice of motion and the motion.

F. Procedure if Application Denied

If the Application to Set Hearing on Emergency Motion is denied, the movant must notice the motion in accordance with Rule 9013-1.

11. PROPOSED AMENDMENT TO LOCAL RULE 9013-9.

New Local Rule 9013-9 would replace a rule that dealt with "routine" motions. The new rule institutes a uniform procedure under which the bankruptcy judges may grant certain motions in advance of the presentment date when an objection is unlikely, saving the judges time and saving the parties both time and money.

The bankruptcy judges also request a further change in section B(9)(a) regarding motions granted without hearing as outlined below to reflect the new change in the name and number of the referred to Official Forms.

RULE 9013-9 MOTIONS GRANTED WITHOUT HEARING

A. Nature of Procedure

(1) Motions listed in this Rule to which no objection is expected may be listed as "Will Be Granted Without a Hearing in the Absence of Objection" on the judge's court calendar for the hearing date. The court calendar for each judge is on the court's web site.

(2) Listing a motion as "Will Be Granted Without a Hearing in the Absence of Objection" has the following effects:

(a) If no party objects and requests that the motion be called, it will be granted without a hearing in open court.

(b) If an objecting party asks the courtroom deputy to call the motion, it will be called.

(c) If the motion is called and the movant is present, the court will hear the motion.

(d) If the motion is called and the movant is not present, the court may only grant the motion or continue the motion to give the movant an opportunity to be heard.

(3) To be granted without a hearing in the absence of objection, the motion must be marked as such in the court calendar before the motion is to be presented. Otherwise, all motions will be heard in open court.

B. Motions that Will Ordinarily Be Granted Without Hearing in the Absence of Objection

Motions that will ordinarily be granted without hearing in the absence of objection include:

(1) Motion to extend time for filing complaints to determine dischargeability under § 523 of the Bankruptcy Code and complaints to object to discharge under § 727 of the Bankruptcy Code;

(2) Motion to extend by no more than 28 days the unexpired time to file a pleading or a response to a discovery request;

(3) Motion to substitute one attorney for another, except an attorney for a debtor in possession, trustee, or an official committee;

(4) Motion to avoid a lien pursuant to § 522(f) of the Bankruptcy Code;

(5) Motion for leave to conduct an examination pursuant to Fed. R. Bankr. P. 2004;

(6) Motion to dismiss a case for failure to obtain a credit counseling certificate pursuant to § 109(h)(1) of the Bankruptcy Code;

(7) Motion to be removed from the service list in a Chapter 11 case;

(8) In Chapter 7 cases:

(a) Motion for stay relief under § 362 of the Bankruptcy Code with respect to real property or personal property other than a vehicle when:

1. The movant alleges a security interest in the property, and

(i) the movant alleges the debtor has no equity in the property, or

(ii) the debtor has stated an intention to surrender the property;

2. The creditors meeting has been concluded; and

3. The Chapter 7 trustee has not issued a report of assets.

(b) Motion for stay relief under § 362 of the Bankruptcy Code with respect to a vehicle when:

1. the movant alleges a security interest in the vehicle; and

2. the movant alleges either that:

(i) the debtor has no equity in the vehicle, or

(ii) the debtor has no insurance on the vehicle.

(9) In Chapter 13 cases:

(a) Motion to reopen a case under § 350(b) of the Bankruptcy Code to file a

Chapter 13 Debtor's Certifications Regarding Domestic Support Obligations and Section 522(q) (Form B 283) or to file a Debtor's Certification About a Financial Management Course (Form B 423), but only if the reopening fee has been paid;

(b) Motion of the debtor for voluntary dismissal under § 1307(b) of the Bankruptcy Code;

(c) Motion for stay relief under § 362 of the Bankruptcy Code with respect to real property or personal property other than a vehicle when the movant alleges a security interest in the property, and the debtor's Chapter 13 plan calls for surrender of the property;

(d) Motion for stay relief under § 362 of the Bankruptcy Code with respect to a vehicle when the movant alleges a security interest in the vehicle, and movant alleges either:

1. the debtor has no insurance on the vehicle; or

2. the plan calls for surrender of the vehicle.

C. Notice of Motion Requirements

Nothing in this Rule excuses compliance with the notice requirements for motions.

12. PROPOSED AMENDMENT TO LOCAL RULE 9029-3.

The bankruptcy judges recommend deleting Local Rule 9029-3 as unnecessary. A local rule is not required to allow the court to adopt internal operating procedures.

13. PROPOSED AMENDMENT TO LOCAL RULE 9029-4A.

Local Rule 9029-4A should be amended to make clear that the bankruptcy court employs the same rules of professional conduct that apply in cases before the district court, except for the rules governing limited-scope representation.

RULE 9029-4A RULES OF PROFESSIONAL CONDUCT

Except as provided in Rule 2090-5, the rules of professional conduct that apply in cases before the district court pursuant to District Court Local Rule 83.50 apply in cases and proceedings before this court.

14. PROPOSED AMENDMENT TO LOCAL RULE 9029-4B.

The bankruptcy judges recommend the following amendments to Local Rule 9029-4B concerning attorney disciplinary proceedings:

1. *Local Rule 9029-4B(B)(4) should be amended to make clear that the Statement of Charges against the attorney must give the attorney notice of the discipline being considered.*

2. *Local Rule 9029-4B(B)(8) should be amended to make clear the consequences of an attorney's failure to answer the Statement of Charges.*

3. *Local Rule 9029-4B(C) is a new rule designed to give the chief judge of the bankruptcy court the power in appropriate circumstances to enter an order immediately suspending an attorney from practice before the bankruptcy court. An order for an emergency interim suspension would be appealable to the Executive Committee of the district court in the same fashion as a final disciplinary order.*

The bankruptcy judges also request further changes in sections C and E(9) concerning attorney disciplinary proceedings as outlined herein to reflect new changes in the numbering of the referred to Bankruptcy Rules.

RULE 9029-4B ATTORNEY DISCIPLINARY PROCEEDINGS

A. Disciplinary Proceedings Generally

(1) Definitions

The following definitions apply to the disciplinary Rules:

(a) "Misconduct" means any act or omission by an attorney that violates the disciplinary rules of the district court. Such an act or omission constitutes misconduct regardless of:

(1) whether the attorney performed the act or omission individually or in concert with any other person or persons; or

(2) whether the act or omission occurred in the course of an attorney-client relationship.

(b) "Discipline" includes, but is not limited to, temporary or permanent suspension from practice before the bankruptcy court, reprimand, censure, or such other disciplinary action as the circumstances may warrant, including but not limited to restitution of funds, satisfactory completion of educational programs, compliance with treatment programs, and community service.

(2) Jurisdiction

Nothing in these Rules restricts the power of any judge over proceedings before that judge.

(3) Attorneys Subject to Discipline

By appearing in the bankruptcy court, an attorney, whether or not a member of the bar of the district court, submits to the disciplinary jurisdiction of the bankruptcy court for any alleged misconduct that the attorney commits.

(4) Confidentiality

(a) Before a disciplinary proceeding is assigned to a judge pursuant to these Rules, the proceeding is confidential, except that the bankruptcy court may, on such terms as it deems appropriate, authorize the clerk of the court to disclose any information about the proceeding.

(b) After a disciplinary proceeding is assigned to a judge pursuant to these Rules, the record and hearings in the proceeding are public, and all materials submitted to the chief judge before the disciplinary proceeding was assigned must be filed with the clerk of the court, unless for good cause the judge to whom the disciplinary proceeding is assigned orders otherwise.

(c) A final order in a disciplinary proceeding is a public record.

B. Discipline of Attorneys for Misconduct

(1) Complaint of Misconduct

A disciplinary proceeding is commenced by submitting a complaint of misconduct to the chief judge of the bankruptcy court. The complaint may be in the form of a letter. The complaint must state with particularity the nature of the alleged misconduct and must identify the Local Rule of the district court that has been violated. The chief judge must refer the complaint of misconduct to the bankruptcy court for consideration and appropriate action.

(2) Request for a Response to a Complaint of Misconduct

On receipt of a complaint of misconduct, the bankruptcy court may forward a copy to the attorney and ask for a response within a set time. Any response must be submitted to the chief judge.

(3) Action by the Bankruptcy Court on a Complaint of Misconduct

On the basis of the complaint of misconduct and any response submitted, the bankruptcy court may, by a majority vote:

(a) determine that the complaint merits no further action and provide notice of this determination to the complainant and the attorney;

(b) direct that formal disciplinary proceedings be commenced; or

(c) take other appropriate action.

(4) Statement of Charges

If the bankruptcy court determines, based on allegations in the complaint of misconduct and any response, that formal disciplinary proceedings should be initiated, the bankruptcy court must issue a statement of charges against the attorney. The statement of charges must describe the alleged misconduct, state the proposed discipline, and require the attorney to show cause, within 28 days after service, why the attorney should not be disciplined.

(5) Method of Service

The clerk of the court must mail two copies of the statement of charges to the last known address of the attorney. One copy must be mailed by certified mail restricted to addressee only, return receipt requested. The other copy must be mailed by first class mail. If the statement of charges is returned as undeliverable, the clerk of the court must notify the chief judge. The bankruptcy court may direct that further, alternative attempts at service be made.

(6) Date of Service

For purposes of this Rule, the date of service is:

(a) the date of mailing, if service is by mail; or

(b) the date of delivery, if service is personal.

(7) Answer to Statement of Charges

Within 28 days after the date of service, the attorney who is the subject of the statement of charges must submit to the chief judge an answer to the statement of charges showing cause why the attorney should not be disciplined.

(8) Effect of Failure to Answer

If the attorney fails to submit an answer to the statement of charges, the allegations will be treated as admitted. The chief judge will then enter an order imposing the discipline proposed in the statement or such lesser discipline as the chief judge

determines.

(9) Appointment of the United States Trustee

The bankruptcy court may appoint the United States Trustee for this region to investigate a complaint of misconduct and prosecute a statement of charges. The United States Trustee may decline the appointment and must notify the chief judge of that decision within 30 days. The bankruptcy court may then elect either to dismiss the proceeding or request that a member of the bar investigate the complaint of misconduct and prosecute the statement of charges.

(10) Assignment to Judge for Hearing

If, after the attorney has answered the statement of charges, the bankruptcy court determines by a majority vote that an evidentiary hearing is warranted, the chief judge will assign the disciplinary proceeding to a judge for hearing.

(11) Subpoenas

The United States Trustee or any other investigating or prosecuting attorney may cause subpoenas to be issued.

(12) Hearing

The Federal Rules of Evidence will apply in any hearing on a statement of charges. The burden is on the party prosecuting the complaint to demonstrate by a preponderance of the evidence that the attorney charged has committed misconduct.

(13) Decision

Upon completion of the hearing, the assigned judge must issue a written decision making findings of fact and conclusions of law, determining whether the attorney charged has committed misconduct, and if so, imposing appropriate discipline. A separate order imposing discipline must be entered in accordance with the written decision.

(14) Appeal

Entry of an order imposing discipline is a final order, appealable as of right to the Executive Committee of the district court. Part VIII of the Fed. R. Bankr. P. governs all appeals from disciplinary orders of the bankruptcy court, except that Rule 8001(f) of the Fed. R. Bankr. P. does not apply.

C. Emergency Interim Suspension

If the chief judge concludes that the misconduct charged poses a genuine risk of serious

harm, the chief judge may, after notice to the attorney and an opportunity for a hearing, enter an order immediately suspending the attorney from practice before the bankruptcy court until the charges are resolved. Any order suspending an attorney on an interim basis is an appealable order under Rule 9029-4B(B)(14).

D. Indefinite Suspension on Consent

(1) Declaration of Consent

Any attorney who is the subject of a complaint of misconduct or a statement of charges may consent to indefinite suspension from practice before the bankruptcy court, but only by delivering to the chief judge a declaration stating that the attorney consents to indefinite suspension.

(2) Order on Consent

Upon receipt of the required declaration, the chief judge must enter an order indefinitely suspending the attorney. The order indefinitely suspending the attorney on consent is a matter of public record.

E. Reinstatement

(1) Reinstatement when Suspension is 90 Days or Fewer

An attorney suspended for 90 days or fewer is automatically reinstated at the end of the period of suspension.

(2) Reinstatement when Suspension is More than 90 Days

An attorney suspended for more than 90 days may not resume practice in the bankruptcy court until reinstated by order of the bankruptcy court in response to a petition for reinstatement. The attorney may petition for reinstatement at any time following the period of suspension.

(3) Reinstatement when Suspension is for an Indefinite Period

An attorney who is indefinitely suspended may not resume practice in the bankruptcy court until reinstatement by order of the bankruptcy court in response to a petition for reinstatement. The attorney may petition for reinstatement any time after five years from the effective date of the suspension.

(4) Presentation of Petition for Reinstatement

A petition for reinstatement must be filed with the clerk of the court. The clerk must present the petition to the bankruptcy court which, by a majority vote, must either grant or deny the petition without an evidentiary hearing, or else determine the matter requires an evidentiary hearing before a judge of the bankruptcy court

assigned by the chief judge.

(5) Appointment of the United States Trustee

Following the filing of a petition for reinstatement, the bankruptcy court may appoint the United States Trustee for this region to investigate the petition and support or oppose reinstatement. The United States Trustee may decline the appointment and must notify the chief judge of that decision within 30 days. The bankruptcy court may then request that a member of the bar investigate the petition and oppose or support reinstatement.

(6) Hearing

The Federal Rules of Evidence will apply in any hearing on a petition for reinstatement. The burden is on the petitioner to demonstrate by clear and convincing evidence that the petitioner has the requisite character and fitness to practice law before the bankruptcy court and that the petitioner's resumption of practice before the bankruptcy court will not be detrimental to the administration of justice.

(7) Decision by Assigned Judge

Upon completion of the hearing, the assigned judge must issue a written decision making findings of fact and conclusions of law and determining whether the petitioner should be reinstated. A separate order must be entered.

(8) Conditions of Reinstatement

If the petitioner fails to demonstrate fitness to resume the practice of law before the bankruptcy court, the petition for reinstatement must be denied. If the petitioner is found fit to resume practice before the bankruptcy court, the petitioner must be reinstated, but reinstatement may be subject to conditions, including but not limited to partial or complete restitution to parties harmed by the conduct that led to the suspension.

(9) Appeal

Entry of an order granting or denying a petition for reinstatement is a final order appealable as of right to the Executive Committee of the district court. Part VIII of the Fed. R. Bankr. P. governs all appeals from disciplinary orders of the bankruptcy court, except that Rule 8006 of the Fed. R. Bankr. P. does not apply.

(10) Limitation on Successive Petitions for Reinstatement

Following the denial of a petition for reinstatement, the petitioner may not file another petition for reinstatement until at least one year from the date of the order denying reinstatement.

F. Notice to Executive Committee and ARDC

Following:

(a) the entry of a final order imposing discipline or a final order granting or denying a petition for reinstatement; and

(b) the exhaustion of all appellate rights in connection with such an order,

the clerk of the court must transmit a copy of the order to the Executive Committee of the district court and to the Illinois Attorney Registration and Disciplinary Commission.

15. PROPOSED AMENDMENT TO LOCAL RULES 9060-1 THROUGH 9060-12.

These Local Rules should be deleted as unnecessary. The rules established a mediation program that, in actual practice, parties have not employed. Rather, several of the bankruptcy judges have agreed to mediate matters for their colleagues, and each bankruptcy judge handles mediation requests as he or she deems most appropriate.

16. PROPOSED AMENDMENT TO LOCAL RULE 9065-1.

Local Rule 9065-1, concerning service of copies of orders, should be deleted as unnecessary in light of the CM/ECF system.

17. PROPOSED AMENDMENT TO LOCAL RULE 9065-2.

Local Rule 9065-2, concerning service of certain proofs of claim, should be deleted as unnecessary in light of the CM/ECF system.

18. PROPOSED AMENDMENT TO LOCAL RULE 1072-1.

Local Rule 1072-1 concerning places of holding court outside of Cook County should be amended as outlined below since court is no longer held in Waukegan or Wheaton. The change is drafted to permit further changes in cities where court is held without any further need to change the rule.

RULE 1072-1 PLACES OF HOLDING COURT

Motions for cases assigned to the calendars for counties other than Cook County must be heard in those locations on the days on which court is held there. Emergency motions shall be noticed if possible for the days on which court is held in those locations, but if an emergency arises that must be heard on a day when court is not in session in the relevant location, the motion may be heard by the judge assigned to the case. Nothing in this rule shall prevent a judge from transferring a case or proceeding to Chicago or Rockford for hearing or trial.

19. PROPOSED AMENDMENT TO LOCAL RULE 3007-1.

Local Rule 3007-1 regarding objections to claims should be revised as outlined below to reflect the reference to the correct Local Rule number.

RULE 3007-1 OBJECTIONS TO CLAIMS

Subject to Fed. R. Bankr. P. 3007, objections to claims must be noticed for hearing as an original motion in accordance with Rule 9013-1 and must identify the claimant and claim number.

20. PROPOSED AMENDMENT TO LOCAL RULE 3011-1.

Local Rule 3011-1 regarding motions for unclaimed funds should be amended as outlined below to refer to the correct section of the U.S. Code.

RULE 3011-1 MOTIONS FOR PAYMENT OF UNCLAIMED FUNDS

All motions for payment of unclaimed funds under 28 U.S.C. § 2042 shall be filed before the chief judge or such other judge as the chief judge shall designate. All such motions shall be made in accordance with procedures established by the court and available to the public in the clerk's office and on the court's web site.

21. PROPOSED AMENDMENT TO LOCAL RULE 4003-1.

Local Rule 4003-1 regarding objections to exemptions should be amended as outlined below to refer to the correct Local Rule number.

RULE 4003-1 OBJECTIONS TO DEBTOR'S EXEMPTIONS

Subject to Fed. R. Bankr. P. 4003, objections to exemptions claimed by a debtor must be noticed for hearing as an original motion in accordance with Rule 9013-1.

22. PROPOSED AMENDMENT TO LOCAL RULE 5005-1.

Local Rule 5005-1 concerning method of filing should be amended as outlined below to eliminate the reference to the Committee Note. All references to Committee Notes have previously been eliminated from the Local Rules as being unnecessary.

RULE 5005-1 METHOD OF FILING

A. Administrative Procedures

The court may adopt Administrative Procedures to permit filing, signing, service and verification of documents by electronic means in conformity therewith.

B. Electronic Case Filing

Pursuant to Fed. R. Bankr. P. 5005(a)(2), all documents must be filed in accordance with the Administrative Procedures.

C. Divisions of the District

The caption of each document must identify the division of the court to which the case is assigned.

D. Paper Documents

If paper documents are permitted or required by the Administrative Procedures, they must be filed at the office of the clerk in Chicago, Illinois, for Eastern Division cases, and the office of the clerk in Rockford, Illinois, for Western Division cases.