# UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS GENERAL ORDER 11-0029

The full Court met in executive session on Thursday, October 20, 2011 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 September 9, 2011. Comments were received from Ledford & Wu and Adelman & Gettleman.

The Rules Advisory Committee on Local Rules and Procedures discussed the proposal and comments at its meeting on September 13, 2011. The Rules Advisory Committee recommended that the Court adopt the proposed rules with some modifications.

The Court's Rules Committee discussed the report at its meeting on October 13, 2011. The Rules Committee approved the draft amendments with modifications as suggested by the Rules Advisory Committee and approved by the Bankruptcy Court, with the exception of the proposed amendment to Rule 9029-4, which was not approved. It recommended that the full Court adopt the remaining proposed Local Rules of the Bankruptcy Court.

The full Court considered the recommendation of the Rules Committee at its meeting on Thursday, October 20, 2011 and agreed to adopt the Local Rules of the Bankruptcy Court with the exception of Rule 9029-4; therefore,

By direction of the full Court, which met in executive session on Thursday, October 20, 2011,

IT IS HEREBY ORDERED that the amendments to the Local Rules of the Bankruptcy Court be adopted as attached (additions shown <u>thus</u>, deletions shown <del>thus</del>).

ENTER: FOR THE COURT Jame 7. Holder Chief Judge

Dated at Chicago, Illinois this 27th day of October, 2011

#### 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 1000-1.

The Bankruptcy Judges recommend amending Local Rule 1000-1 by deleting the definition of "business day" and making several minor changes.

#### RULE 1000-1 DEFINITIONS

(1) "Administrative Procedures" shall mean the Administrative Procedures for the Case Management/Electronic Case Filing System, adopted by the court on February 17, 2004, as amended;

(2) the "Bankruptcy Code" shall mean Title 11 of the United States Code, as amended;

(3) a "business day" shall include any day other than a Saturday, Sunday, or a legal holiday as defined by Fed. R. Bankr. P. 9006(a);

(3) (7) "court" or "Bankruptcy Court" shall mean the bankruptcy judges of the United States District Court for the Northern District of Illinois;

(4) "clerk" shall include the clerk of the court, any deputy clerk, and any member of a judge's staff who has taken the oath of office to perform the duties of a deputy clerk;

(5) "clerk of the court" shall mean the clerk of the court duly appointed by the Bankruptcy Court;

(6) "CM/ECF" shall mean the Case Management/Electronic Case Filing System;

(7) (8) "courtroom deputy" shall mean the deputy clerk assigned to perform courtroom duties for a particular judge;

(8) (9) the "date of presentment" shall refer to the day on which the motion is to be presented in open court according to the notice required by Rule 9013-1;

(9) (10) "District Court" shall mean the United States District Court for the Northern District of Illinois;

(<u>10</u>)(<del>11)</del> "District Court Local Rules" shall mean the Civil Rules promulgated by the District Court;

(11) (12) "Executive Committee" shall mean the Executive Committee of the District

Court;

(12) (13) "judge" or "court" shall mean the judge assigned to a case or an adversary proceeding or any other judge sitting in that judge's stead;

(14) the terms "motion," "petition," and "application" shall refer to any request for an order, however characterized.

(13) "motion" shall include all requests for relief by motion or application, other than applications to waive the filing fee or pay the filing fee in installments.

(14) (15) "Rules" shall mean these Local Bankruptcy Rules and any amendments or additions thereto;

(<u>15</u>)(<del>16</del>) "Rule \_\_\_\_\_" shall mean a rule within these Rules and any amendments and additions thereto;

(16) (17) "trustee" shall mean the person appointed or elected to serve as case trustee under the Bankruptcy Code, but not the debtor in possession in a case under Chapter 11.

# 2. PROPOSED AMENDMENT TO LOCAL RULE 1007-2.

The Bankruptcy Judges recommend amending Local Rule 1007-2 to clarify the procedure in large cases.

# RULE 1007-2 CLAIMS REGISTERS

#### <u>A.</u> <u>Clerk to Supervise</u>

The clerk will supervise preparation <u>and maintenance</u> of claims registers in all cases. <del>If,</del> however, there are more than 500 creditors in a case, the debtor must employ an entity approved by the clerk to assist the clerk in the performance of this function, unless excused by order of the court.

#### <u>B.</u> <u>Claims Agent</u>

On motion of the debtor or trustee, the court may authorize retention of a claims agent under 28 U.S.C. § 156(c) to prepare and maintain the claims register. In all cases with more than 500 creditors, the debtor must file a motion to employ a notice or claims agent approved by the clerk to perform this function. The claims register prepared and maintained by a claims agent retained under this Rule will be the official claims register of the court.

# 3. PROPOSED AMENDMENT TO LOCAL RULE 1015-1.

The Bankruptcy Judges recommend amending Local Rule 1015-1 for the purpose of reducing "judge shopping" by requiring attorneys to certify that cases are related when filed.

# RULE 1015-1 RELATED CASES

# A. Relatedness Defined

Two or more cases are related if one of the following conditions is met:

- (1) the debtors are husband and wife;
- (2) the debtor was a debtor in a previous case under Chapter 11 of the Bankruptcy Code; or
- (3) the cases involve persons or entities that are affiliates as defined in §101(2) of the Bankruptcy Code.

# B. Assignment of Related Case by Clerk at Filing

If a case meets the conditions for direct assignment set out in the Internal Operating Procedure covering assignments at the time of filing, the case shall be assigned by the clerk directly to the calendar of the judge to whom the earlier-numbered related case was assigned, unless that judge is no longer sittingtwo or more cases to be filed in this district at the same time are related, the attorney filing the cases must file a Certification of Relatedness in substantially the form posted on the court's website. If a case to be filed in this district is related to a case previously filed in this district, the attorney filing the case must file a Certification of Relatedness in substantially the form posted on the court's website. If the Certification of Relatedness shows that the cases are related, the clerk must assign the related cases to the same judge.

# C. Transfer to Chief Judge for Reassignment as Related

Subject to section B of Rule 1073-3, the judge to whom a later-numbered related case is assigned may transfer it <u>A motion by a party in interest to transfer a case on the grounds of relatedness must be brought before the judge assigned to the higher-numbered case. If the cases are related, the judge must transfer the case to the chief judge for reassignment to the judge to whom assigned the carlier-numbered lower-numbered case was assigned. The judge assigned the higher-numbered related case may also transfer the case sua sponte to the chief judge for reassignment.</u>

# **D.** Motion for Reassignment Based on Relatedness

A motion for reassignment based on relatedness shall be presented to the judge before whom is pending the later-numbered case of those alleged to be related.

# E.D. Effect of Filing County on Reassignments for Relatedness

No reassignment shall be made on the basis of section A(2) of this Rule if the case is pending in a county other than Cook County.

# 4. PROPOSED AMENDMENT TO LOCAL RULE 1019-1.

The Bankruptcy Judges recommend amending Local Rule 1019-1 by changing the number "15" to the number "14" to comply with the new rule regarding multiples of 7.

# RULE 1019-1 CONVERSION BY ONE DEBTOR UNDER A JOINT PETITION

When only one of two joint debtors in a joint petition files a notice of intent or motion to convert, upon payment of any required additional filing fees, the clerk shall divide the case into two separate cases and assign a case number to the new case. The debtor seeking to convert his or her case shall give notice to the other debtor, as well as to all other parties entitled to notice under the Bankruptcy Code and Bankruptcy Rules, and shall be responsible for the payment of all required fees. Each debtor shall file within 154 days of division of the case all necessary amendments to the schedules and statement of financial affairs.

# 5. **PROPOSED DELETION OF LOCAL RULE 2002-2.**

The Bankruptcy Judges recommend deleting Local Rule 2002-2 as no longer needed in light of electronic filing and because the clerk no longer maintains a "notice list."

# RULE 2002-2 MOTION TO BE ADDED TO THE NOTICE LIST

#### A. Notice, Motion, and Draft Order

Parties desiring to be added to the notice list under Fed. R. Bankr. P. 2002(m) shall file a notice of motion, motion, and draft order entitled "Order Adding Party to the Notice List." The draft order shall specify the name and mailing address of the party, and if the party is not pro se; the name and mailing address of the individual attorney to be added to the list. The proposed order shall contain or have attached to it as an exhibit the current notice list.

#### B. Content of Motion

The motion for such relief shall allege facts justifying the added expense to the parties that is caused by expanding the notice list.

# 6. **PROPOSED ADDITION OF NEW LOCAL RULE 2016-1.**

The Bankruptcy Judges recommend adopting new Local Rule 2016-1 requiring disclosure of all agreements between debtors and their attorneys to allow the judges to better fulfill their duties under section 329 of the Bankruptcy Code.

# <u>RULE 2016-1</u> <u>DISCLOSURE OF AGREEMENTS BETWEEN DEBTORS</u> AND THEIR ATTORNEYS

Every agreement between a debtor and an attorney for the debtor that pertains, directly or indirectly, to the compensation paid or given, or to be paid or given, to or for the benefit of the attorney must be in the form of a written document signed by the debtor and the attorney. Agreements subject to this rule include, but are not limited to, the Court-Approved Retention Agreement, other fee or expense agreements, wage assignments, and security agreements of all kinds. Each such agreement must be attached to the statement that must be filed under Fed. R. Bankr. P. 2016(b) in all bankruptcy cases. Any such agreement of the filing of the statement under Rule 2016(b) must be filed as a supplement to that statement within 14 days of the date the agreement is entered into.

# 7. PROPOSED AMENDMENT TO LOCAL RULE 2090-5.

The Bankruptcy Judges recommend amending Local Rule 2090-5 to clarify appearances and to add audits to the duties of debtors' counsel.

# RULE 2090-5 APPEARANCES

# A. Individual Appearances; Appearances by Firms Prohibited

- (1) Filing a document electronically constitutes entering an appearance for the party on whose behalf the document is filed, and no further notice of appearances under Fed. R. Bankr. P. 9010(b) is required.
- (2) Any other appearance must be filed by the attorney appearing using forms prescribed by the District Court.
- (3) Only individual attorneys may file appearances. Appearances by firms are not allowed.

# B. Appearance of Attorney for Debtor; Adversary Proceedings

Counsel who represents the debtor upon the filing of a petition in bankruptcy is deemed to appear as attorney of record on behalf of the debtor for all purposes in the bankruptcy case, including any contested matter <u>and any audit</u>, but is not deemed to appear in any adversary proceeding filed against the debtor.

# C. Appearance by United States Attorney or United States Trustee

No appearance form need be filed by the United States Attorney or the United States Trustee or any of their assistants when appearing in the performance of their duties.

# D. Appearance of Attorney for Other Parties

Once an attorney has appeared in a contested matter or an adversary proceeding, that attorney is the attorney of record for the party represented for all purposes incident to the matter or proceeding, unless a court orders otherwise.

# 8. PROPOSED AMENDMENT TO LOCAL RULE 2091-1.

The Bankruptcy Judges recommend amending Local Rule 2091-1 to add subsection B to incorporate the substance of a Standing Order which was adopted in 2004 in response to <u>Bethea</u> <u>v. Robert J. Adams & Assoc.</u>, 352 F.3d 1125 (7<sup>th</sup> Cir. 2003).

# RULE 2091-1 WITHDRAWAL, ADDITION, AND SUBSTITUTION OF COUNSEL

# <u>A.</u> <u>General Rule</u>

An attorney of record may not withdraw, nor may other attorneys appear on behalf of the same party or as a substitute for the attorney of record, without first obtaining leave of court by motion, except that substitutions or additions may be made without motion where both counsel are of the same firm. Where the appearance indicates that pursuant to these Rules a member of the trial bar is acting as a supervisor or is accompanying a member of the bar, the member of the trial bar included in the appearance may not withdraw, nor may another member be added or substituted, without first obtaining leave of court. Any motion to withdraw must be served on the client as well as all parties of record.

# <u>B.</u> <u>Failure to Pay</u>

In a case under Chapter 7 of the Bankruptcy Code, including a case converted from Chapter 13, where (1) the debtor's attorney has agreed to represent the debtor conditioned on the debtor entering into an agreement after the filing of the case to pay the attorney for services rendered after the filing of the case, and (2) the debtor refuses to enter into such an agreement, the court may allow the attorney to withdraw from representation of the debtor on motion of the attorney.

# 9. PROPOSED AMENDMENT TO LOCAL RULE 3018-1.

The Bankruptcy Judges recommend amending Local Rule 3018-1 in light of electronic filing and the new rule about days.

#### RULE 3018-1 COUNTING CONFIRMATION BALLOTS IN CHAPTER 11 CASES

Unless the court orders otherwise, the following shall apply in all cases pending under chapter 11 of the Bankruptcy Code:

- (1) Ballots accepting or rejecting a plan are to be filed with the clerk.
- (2) Prior to the confirmation hearing, counsel for each plan proponent shall tally all ballots filed with the clerk and prepare a report of balloting which at a minimum shall include:
  - (a) a description of each class and whether or not it is impaired (for example, "Class I, unsecured creditors, impaired");
  - (b) for each impaired class, the number of ballots received, the number of ballots voting to accept and their aggregate dollar amount, and the number of ballots voting to reject and their aggregate dollar amount;
  - (c) a concluding paragraph indicating whether the plan has received sufficient acceptance to be confirmed;
  - (d) a completed ballot report form substantially similar to the one appended to this Rule posted on the court's web site;
  - (e) appended to the completed ballot report form, copies of all ballots not counted for any reason and a statement as to why the same were not counted; and
  - (f) certification that all ballots were counted for the classes for which those ballots were filed except for ballots appended to the report.
- (3) Counsel for each plan proponent shall:
  - (a) file the report of balloting on that plan with the clerk;
  - (b) serve notice of such filing together with a copy of the report on the United States Trustee, all parties on the service list, and all parties who have filed objections to confirmation; and.
  - (c) deliver a copy thereof to the chambers of the judge.
- (4) The notice and copy of the report shall be filed and served at least two business <u>3</u> days prior to the confirmation hearing. Proof of such service and a copy of the notice and report shall be filed with the clerk prior to the confirmation hearing.

# 10. PROPOSED AMENDMENT TO LOCAL RULE 4001-2.

The Bankruptcy Judges recommend amending Local Rule 4001-2 by removing some unnecessary language, correcting a typographical error, and changing "ten (10)" to "7."

# RULE 4001-2 CASH COLLATERAL AND FINANCING ORDERS

#### A. Motions

- Except as provided in these Rules, all cash collateral and financing requests under §§363 and 364 of the Bankruptcy Code must be heard by motion filed pursuant to Fed. R. Bankr. P. 2002, 4001 and 9014 ("Financing Motions").
- (2) Provisions to be Highlighted. All Financing Motions must (a) recite whether the proposed form of order or underlying cash collateral stipulation or loan agreement contains any provision of the type indicated below, (b) identify the location of any such provision in the proposed form of order, cash collateral stipulation or loan agreement, and (c) state the justification for the inclusion of such provision:
  - (a) Provisions that grant cross-collateralization protection (other than replacement liens or other adequate protection) to the pre-petition secured creditors (i.e., clauses that secure pre-petition debt by post-petition assets in which the secured creditor would not otherwise have a security interest by virtue of its pre-petition security agreement or applicable law).
  - (b) Provisions or findings of fact that bind the estate or all parties in interest with respect to the validity, perfection or amount of the secured creditor's pre-petition lien or debt or the waiver of claims against the secured creditor without first giving parties in interest at least 75 days from the entry of the order and the creditors' committee, if formed, at least 60 days from the date of its formation to investigate such matters.
  - (c) Provisions that seek to waive any rights the estate may have under §506(c) of the Bankruptcy Code.
  - (d) Provisions that immediately grant to the pre-petition secured creditor liens on the debtor's claims and causes of action arising under §§544, 545, 547, 548, and 549 of the Bankruptcy Code.
  - (e) Provisions that deem pre-petition secured debt to be post-petition debt or that use post-petition loans from a pre-petition secured creditor to pay part or all of that secured creditor's pre-petition debt, other than as provided in §552(b) of the Bankruptcy Code.
  - (f) Provisions that provide treatment for the professionals retained by a committee appointed by the United States Trustee different from that provided for the professionals retained by the debtor with respect to a professional fee carve-out, and provisions that limit the committee counsel's use of the carve-out.
  - (g) Provisions that prime any secured lien, without the consent of that lienor.
  - (h) A declaration that the order does not impose lender liability on any secured creditor.

- Provisions that grant the lender expedited relief from the automatic stay in §362 of the Bankruptcy Code, or relief from the automatic stay without further order of court.
- (j) In jointly administered cases, provisions for joint and several liability on loans.
- (3) All financing Motions must also provide a summary of all provisions that must be highlighted under section (A)(2) of this Rule and a summary of the essential terms of the proposed use of cash collateral or financing, including the maximum borrowing available on a final basis, the interim borrowing limit, borrowing conditions, interest rate, maturity, events of default, use of funds limitations, and protections afforded under §§363 and 364 of the Bankruptcy Code.
- (4) All Financing Motions must also provide a budget covering the time period in which the order will remain in effect. The budget must state in as much detail as is reasonably practical the amount of projected receipts and disbursements during the period covered by the budget.
- (5) The court may deem unenforceable any provision not highlighted as required under section (A)(2) of this Rule.

# B. Interim Relief Orders

When Financing Motions are filed with the court on or shortly after the date of the entry of the order for relief, the court may grant interim relief pending review by the interested parties of the proposed debtor-in-possession financing arrangements. Such interim relief should only be granted to avoid immediate and irreparable harm to the estate pending a final hearing. In the absence of extraordinary circumstances, the court shall not approve interim financing orders that include any of the provisions previously identified in section (A)(2)(a) through  $(A)(2)(f_1)$  of this Rule.

# C. Final Orders

A final order shall be entered only after notice and a hearing pursuant to Fed. R. Bankr. P. 4001. If formation of a creditors' committee is anticipated, no final hearing shall be held until at least ten (10)  $\underline{7}$  days following the organizational meeting of the creditors' committee contemplated by § 1102 of the Bankruptcy Code unless the court orders otherwise.

# 11. PROPOSED AMENDMENT TO LOCAL RULE 5005-3.

The Bankruptcy Judges recommend amending Local Rule 5005-3 to (1) discourage responses to motions in the form of answers to complaints, (2) require inclusion in the caption of the location of the court in cases not heard in Chicago, and (3) limit most filings to fifteen pages.

# RULE 5005-3 FORMAT OF DOCUMENTS FILED

# A. Numbering Paragraphs in Pleadings

Allegations in any pleading must be made in numbered paragraphs, each of which must be limited, as far as practicable, to a statement of a single set of circumstances. Responses to pleadings must be made in numbered paragraphs, first setting forth the complete content of the paragraph to which the response is directed, and then setting forth the response.

# **<u>B.</u>** <u>Responses to Motions</u>

<u>A response to a motion must not be in the form of an answer to a complaint but must state</u> in narrative form any reasons, legal or factual, why the motion should be denied, unless the judge orders otherwise.

# B. C. Requirements

- (1) Each document filed on paper must be flat and unfolded on opaque, unglazed, white paper approximately 8 1/2 x 11 inches in size. It must be plainly written, or typed, or printed, or prepared by means of a duplicating process, without erasures or interlineations which materially deface it, and must be secured by staples or other devices piercing the paper on the top at the left corner of the document. Paper clips or other clips not piercing the paper are not acceptable.
- (2) Where the document is typed, line spacing must be at least 2 lines.
- (3) Where the document is typed or printed:
  - (a) the size of the type in the document must be no smaller than 12 points, and
  - (b) the margins, left-hand, right-hand, top, and bottom, must each be no smaller than 1 inch.
- (4) The first page of each document must bear the caption, descriptive title, and number of the action or proceeding in which it is filed, the case caption and chapter of the related bankruptcy case, the name of the judge to whom the case is assigned, and the next date and time, if any, that the matter is set.
- (5) The final page of each document must contain the name, address, and telephone number of the attorney in active charge of the case as well as that of the attorney signing the pleading, or the address and telephone number of the individual party filing *pro se*.
- (6) Copies of exhibits appended to documents filed must be legible.
- (7) Each page of a document must be consecutively numbered.

- (8) Each document filed electronically must be formatted similarly to documents filed on paper.
- (9) Signatures on documents must comply with the Administrative Procedures (II-C).
- (10) The caption of every document filed in cases heard in Joliet, DuPage County, Kane County, or Lake County must list the location where the case is heard (either Joliet, DuPage County, Kane County, or Lake County) in parentheses immediately below the name of the assigned judge.

# C. D. Briefs Limited to Fifteen Pages Fifteen Page Limit

No brief may exceed fifteen pages without prior approval of the court.

No motion, response to a motion, brief, or memorandum in excess of fifteen pages may be filed without prior approval of the court.

# D. E. Documents Not Complying with Rule Subject to Being Stricken

Any document filed in violation of this Rule may be stricken by the court without prior notice. The judge may allow a document not in conformity with this Rule to remain on file or may direct the filing of any communication to the court deemed appropriate for filing.

If a document is filed in violation of this Rule, the court may order the filing of an amended document complying with this Rule. A judge may direct the filing of any communication to the court deemed appropriate for filing.

# E. F. Proof of Service

All documents filed with the clerk must be accompanied by a proof of service consistent with Rules 7005-1 and 9013-31.

# 12. PROPOSED AMENDMENT TO LOCAL RULE 5082-1(D).

The Bankruptcy Judges recommend amending Local Rule 5082-1(D) to refer to Rule 5005-4 for uniform treatment of Restricted Documents.

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

[A, B, C, and E are unchanged]

# D. Privileged Information and Work Product

Should compliance with this Rule require disclosure of privileged information or work product, then, with leave of court sought by motion, materials containing such information may be separately tendered for filing *in camera*, unless to do so would constitute an *ex parte* communication concerning a matter before the court. If leave is given to file *in camera*, such materials may be omitted from the copies served on other parties and their coursel.

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.

# 13. PROPOSED AMENDMENT TO LOCAL RULE 5082-2.

The Bankruptcy Judges recommend amending Local Rule 5082-2 to (1) condition awards of Flat Fees to cases in which the attorney and the debtor have entered into a Court-Approved Retention Agreement, and (2) delete section E(3) because it is not consistent with the Bankruptcy Code.

# RULE 5082-2APPLICATIONS FOR COMPENSATION AND<br/>REIMBURSEMENT FOR PROFESSIONAL<br/>SERVICES IN CASES UNDER CHAPTER 13

#### A. Definitions

For the purpose of this Rule:

- (14) "Court-Approved Model Retention Agreement" means Local Bankruptcy Form 23c.
- (21) "Form Itemization" means Local Bankruptcy Forms 21 and 22.
- (32) "Form Fee Application" means Local Bankruptcy Form 23.
- (4<del>3</del>) "Form Fee Order" means Local Bankruptcy Form 23a or 23b.
- (5) "Flat Ffee" means a fee not supported by an itemization of time and services.
- "Creditors Meeting Notice" means the Official Notice of Chapter 13 Bankruptcy Case, Meeting of Creditors, and Deadlines. (Official Form B9I.)
- (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.
- (32) Applications for original fees must be noticed for hearing on the Original Confirmation Date at the time for confirmation hearing.

# C. Flat Fees Model Retention Agreement

(1) If debtor's counsel and the debtor have entered into the Court-Approved Model 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.

- (2) If debtor's counsel and the debtor have not entered into the Court-Approved Model Retention Agreement, the Form Fee Application must be accompanied by a completed Form Itemization.
- (3) The Flat Fee will not be awarded 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 in accordance with Rule 9013-3. 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.

# E. Compensation Following Dismissal

(1) When a chapter 13 case is dismissed, the court will retain jurisdiction to hear requests from debtor's counsel as follows:

(a) In cases heard in Chicago and Rockford, jurisdiction will be retained for 30 days following the date of dismissal.

- (b) In cases not heard in Chicago or Rockford, jurisdiction will be retained for 45 days following the date of dismissal.
- (2) Notice of a request for compensation under this subsection E must be given in accordance with subsection D.

(3) If a request for compensation has not been both filed and heard before the end of the period during which the court has retained jurisdiction, the trustee may disburse any funds the trustee has on hand in accordance with the policies of the trustee's office.

# 14. PROPOSED AMENDMENT TO LOCAL RULE 5096-1.

The Bankruptcy Judges recommend amending Local Rule 5096-1 to revise the definition of emergencies and to refer to the Administrative Procedures.

# RULE 5096-1 EMERGENCY MATTERS; EMERGENCY JUDGE

#### A. Definitions

For the purpose of these Rules:

- (1) "Emergency judge" means the judge assigned to perform the duties of emergency judge specified by any local rule or procedure adopted by the court.
- (2) "Emergency matter" means a matter of such a nature that the delay in hearing it in the ordinary course would cause serious and irreparable harm to one or more of the parties to the proceeding.
- (2) "Emergency motion" means a motion that arises from an occurrence that could not reasonably have been foreseen and requires immediate action to avoid serious and irreparable harm.

# B. Duties of Emergency Judge

The emergency judge is responsible for hearing all emergency matters that arise outside of the regular business hours of the court. During regular business hours of the court, the emergency judge will hear emergency matters arising out of the cases assigned to the calendar of another judge when that judge is not sitting. The emergency judge will not hear emergency matters arising during regular business hours of the court when the assigned judge is sitting, except by agreement of the emergency judge at the request of the assigned judge.

# C. Unavailability of the Emergency Judge

If the assigned judge and the emergency judge are unavailable, the matter may be brought to the attention of the chief judge, who shall then determine which judge will hear the matter the person seeking to present an emergency motion must follow the procedure in the Administrative <u>Procedures.</u>

# 15. PROPOSED AMENDMENT TO LOCAL RULE 7041-1.

The Bankruptcy Judges recommend amending Local Rule 7041-1 by changing the number "20" to the number "21" to comply with the new rule regarding multiples of 7.

# RULE 7041-1NOTICE REQUIREMENTS FOR DISMISSAL OF<br/>PROCEEDINGS TO DENY OR REVOKE DISCHARGES

# A. Requirements for Motion to Dismiss Adversary Proceeding to Deny or Revoke Discharge

No adversary proceeding objecting to or seeking to revoke a debtor's discharge under Sections 727, 1141, 1228, or 1328 of the Bankruptcy Code shall be dismissed except on motion and hearing after  $2\theta \underline{1}$  days notice to the debtor, the United States Trustee, the trustee, if any, and all creditors and other parties of record. The motion shall either (1) state that no entity has promised, has given, or has received directly or indirectly any consideration to obtain or allow such dismissal or (2) specifically describe any such consideration promised, given, or received.

[B and C are unchanged]

# 16. PROPOSED AMENDMENT TO LOCAL RULE 7054-1.

The Bankruptcy Judges recommend amending Local Rule 7054-1 to delete section C because it is substantive rather than procedural. See <u>Inskeep v. Griffin (In re Griffin Trading</u> <u>Company, Inc.)</u>, 424 B.R. 431 (Bankr. N.D. III. 2010).

# RULE 7054-1 TAXATION OF COSTS

#### A. Time for Filing Bill of Costs

Within thirty days of the entry of a judgment allowing costs, the prevailing party shall file a bill of costs with the clerk and serve a copy of the bill on each adverse party. If the bill of costs is not filed within the thirty days, costs under 28 U.S.C. § 1920(1), other than those of the clerk, shall be deemed waived. The court may, on motion filed within the time provided for the filing of the bill of costs, extend the time for filing the bill.

# B. Costs of Stenographic Transcripts

Subject to the provisions of Fed. R. Bankr. P. 7054, the necessary expenses of any prevailing party in obtaining all of any part of a transcript for use in a case, for purposes of a new trial, for amended findings, or for appeal shall be taxable as costs against the adverse party. The costs of the transcript or deposition shall not exceed the regular copy rate as established by the Judicial Conference of the United States in effect at the time the transcript or deposition was filed, unless some other rate was previously provided for by order of court. Except as otherwise ordered by the court, only the cost of the original and one copy of such transcript or deposition, and for depositions, the cost of the copy provided to the court, shall be allowed.

#### C. Bond Premiums

If costs are awarded to any party, the reasonable premiums or expenses paid on all bonds or other security given by the party shall be taxed as part of the costs.

# 17. PROPOSED AMENDMENT TO LOCAL RULE 7056-1.

The Bankruptcy Judges recommend amending Local Rule 7056-1 to clarify the procedures.

# RULE 7056-1 MOTIONS FOR SUMMARY JUDGMENT; MOVING PARTY

#### A. Supporting Documents Required

With each motion for summary judgment filed under Fed. R. Bankr. P. 7056, the moving party must serve and file a supporting memorandum of law and a statement of material facts as to which the moving party contends there is no genuine issue and that entitles the moving party to judgment as a matter of law, and that also includes:

- (1) a description of the parties;
- (2) all facts supporting venue and jurisdiction in this court; and
- (3) any affidavits and other materials referred to in Fed. R. Civ. P. 56(e).

#### **B.** Form – Statement of Facts

The statement of facts must consist of short numbered paragraphs, including within each paragraph specific references to the affidavits, parts of the record, and other supporting materials relied upon to support the facts set forth in that paragraph. Failure to submit such a statement constitutes grounds for denial of the motion.

# C. Subsequent Filings by Moving Party

If additional material facts are submitted by the opposing party pursuant to Rule 7056-2, the moving party may submit a concise reply in the form prescribed in Rule 7056-2 for response. All <u>additional</u> material facts set forth in the opposing party's statement filed under section A(2)(b) of Rule 7056-2 will be deemed admitted unless controverted by the <u>a</u> statement of the moving party filed in reply.

# 18. PROPOSED AMENDMENT TO LOCAL RULE 9013-1.

The Bankruptcy Judges recommend adopting a new Local Rule 9013-1 to replace existing Local Rules 9013-1, 9013-2, 9013-3, 9013-4, 9013-5, 9013-6, 9013-7, and 9013-8. The new rule will contain all provisions governing motions in a more coherent manner than the existing rules.

# RULE 9013-1 MOTIONS

# A. General Requirements

Except as otherwise provided in these Rules or as ordered by the court:

- (1) Every motion must be in the format required by section B of this Rule.
- (2) Every motion must be filed with each of the items specified in section C of this Rule and must be filed no later than the date on which the motion is served. The date and time of filing a motion filed electronically are those shown on the Notice of Electronic Filing issued by the court's CM/ECF system. The date of filing a paper motion is the date on which the clerk receives the motion.
- (3) <u>Every motion must be served on parties in interest as required by section D of this</u> <u>Rule.</u>
- (4) <u>Every motion must be presented by the movant as required by section E of this</u> <u>Rule.</u>

# **B.** <u>Title and Format of Motions</u>

<u>Every motion must be titled as one of the events contained in the court's CM/ECF</u> system, unless no event accurately describes the subject of the motion. Every motion must conform to the requirements of Rule 5005-3.

# <u>C.</u> <u>Items Required to be Filed with Motions</u>

Every motion must be filed with the clerk of court, and the filing must include each of the items specified below:

# (1) Notice of Motion

For all motions, a notice of motion, signed by the moving party or counsel for the moving party, and stating the date, time, and location of the motion's presentment to the court. The location must include the room number and full street address.

(2) Exhibits

If a motion refers to exhibits, legible copies of the exhibits must be attached to the motion, unless the court orders otherwise.

# (3) <u>Certificate of Service</u>

Except for motions filed *ex parte*, a certificate of service stating the date on which the motion and each item filed with the motion were served. The certificate must also state

- (a) for each recipient who is a registrant with the court's CM/ECF system, the date of the filing and the name of the recipient, and
- (b) for each recipient who is not a registrant with the court's CM/ECF system, the date, manner of service, and name and address of the recipient.
- (4) Ex parte affidavit

For all motions filed *ex parte*, an affidavit showing cause for the filing of the motion *ex parte*.

(5) Proposed Order.

For all motions, a proposed order in the form required by the Administrative Procedures, with a title specifying the relief granted in the order (e.g., "Order Granting Motion to Modify Stay" or "Order Extending the Time to Object to Discharge").

# **D.** Service of Motions

(1) Service by Mail

<u>Where service of the notice of motion is by mail, the notice of motion must be</u> <u>mailed at least 7 days before the date of presentment.</u>

(2) <u>Personal Service</u>

<u>A notice of motion served personally must be served no later than 4:00 p.m. on</u> the third day before the date of presentment. Personal service includes actual delivery and delivery by facsimile transmission ("fax").

(3) Fax Service

Where service is by fax, the certificate of service must be accompanied by an automatically generated statement confirming transmission. The statement must contain the date and time of transmission, the telephone number to which the motion was transmitted, and an acknowledgment from the receiving fax machine that the transmission was received.

# (4) Service by the CM/ECF System

In accordance with the Administrative Procedures for the Case Management/Electronic Case Filing System, electronic filing of a document constitutes service on any person who is a Registrant entitled to file documents using the Case Management/Electronic Case Filing System and who has filed a document in the case in electronic format via the System.

# (5) <u>E-mail Service</u>

Except for service by the CM/ECF System as provided in this rule, service by electronic mail is prohibited.

# E. <u>Presentment of Motions</u>

- (1) Except for emergency motions, and unless otherwise ordered by the court, every motion must be presented in court on a date and time when the judge assigned to the case regularly hears motions.
- (2) The presentment of a motion must be no more than 30 days after the motion is filed, unless applicable statutes or rules require a longer notice period, in which case the date of presentment must be within 7 days after the expiration of the notice period.

# F. Oral Argument

Oral argument on motions may be allowed in the court's discretion.

# **<u>G.</u>** Failure to Comply

If a motion fails to comply with the provisions of this Rule in any respect, the court may, in its discretion, deny the motion.

# <u>H.</u> Failure to Prosecute

If a movant fails to present the motion at the time set for presentment, the court may, in its discretion, deny the motion.

# I. <u>Request for Ruling</u>

<u>Any party may file a motion calling to the court's attention a matter that is fully briefed</u> and ready for decision and requesting a status hearing.

# RULE 9013-2 through 8 [RESERVED]

# 19. PROPOSED AMENDMENT TO LOCAL RULE 9013-9.

The Bankruptcy Judges recommend amending Local Rule 9013-9 to remove motions by debtors to convert their cases to other chapters from the list of routine motions.

# RULE 9013-9 ROUTINE AND UNCONTESTED MOTIONS

#### A. Routine Motion or Application Defined

A party presenting any of the following, upon required notice, may designate it as a "routine motion" or "routine application", as the case may be:

 $\dots$  [(1) through (12) are unchanged]

- (13) motions by the debtor:
  - (a) to convert or dismiss under §§ 1208(b) or 1307(b) of the Bankruptcy Code; and
  - (b) to convert under §§ 706(a) and 1112(a) of the Bankruptcy Code.

[B, C, D, E, F, G, H, and I are unchanged]

# 20. PROPOSED ADDITION OF NEW LOCAL RULE 9019-1.

The Bankruptcy Judges recommend adopting new Local Rule 9019-1 to clarify the correct procedure.

# RULE 9019-1 MOTIONS TO COMPROMISE OR SETTLE ADVERSARY PROCEEDINGS

<u>A motion under Fed. R. Bankr. P. 9019 seeking approval of a compromise or settlement</u> of an adversary proceeding must be filed in the bankruptcy case and not in the adversary proceeding.

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#### 21. PROPOSED AMENDMENT TO LOCAL RULE 9027-2.

The Bankruptcy Judges recommend amending Local Rule 9027-2 by changing the number "20" to the number "21" in the title of section B and changing the word "twenty" to the number "21" in the text to comply with the new rule regarding multiples of 7.

#### RULE 9027-2 REMOVAL OF CASES FROM STATE COURT

#### A. Notice of Removal to Be Filed With Clerk of This Court

A party desiring to remove to this court, pursuant to 28 U.S.C. § 1452 and Fed. R. Bankr. P. 9027, a civil action or proceeding from a state court in this district shall file all required papers with the clerk.

# B. Copy of Record to Be Filed With Clerk Within 201 Days

Within twenty 21 days after filing the notice of removal, the petitioner shall file with the clerk a copy of all records and proceedings had in the state court.

# 23. PROPOSED AMENDMENT TO LOCAL RULE 9037-1.

*The Bankruptcy Judges recommend adopting new Local Rule 9037-1 to implement Fed. R. Bankr. P. 9037(a).* 

# <u>RULE 9037-1</u> <u>MOTIONS TO REDACT PERSONAL INFORMATION</u>

<u>A motion to redact personal information prohibited under Fed. R. Bankr. P. 9037(a)</u> should be filed without a notice of motion and without serving other parties. The motion must be accompanied by a redacted version of the filed document and a proposed order requiring the clerk to substitute the redacted document for the unredacted document. The judge should rule on the motion as soon as possible without holding a hearing unless there appears to be a reason to deny the motion, in which case the judge should set the matter for hearing with the movant as soon as possible.

# 24. PROPOSED AMENDMENT TO LOCAL RULE 9070-2.

The Bankruptcy Judges recommend deleting Local Rule 9070-2 as no longer needed in light of electronic filing.

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 RULE 9070-2
 WITHDRAWAL OF FILED DOCUMENTS; RECEIPT FOR

 WITHDRAWAL
 WITHDRAWAL

Pleadings and other documents filed with the clerk-shall not be withdrawn from the custody of the court except as provided by these Rules or upon order of court. Parties withdrawing documents or other items pursuant to these Rules or order of court shall give the clerk a signed receipt identifying the material taken, and the receipt shall be filed and docketed.