



GUIDE TO PRACTICE & PROCEDURES

*United States Bankruptcy Court
Central District of Illinois*

December 1, 2024

TABLE OF CONTENTS

INTRODUCTION	1
DEFINITIONS	2
COURT AND CLERK’S OFFICE INFORMATION	3
MEETINGS OF CREDITORS (SECTION 341 MEETINGS)	4
COURT COSTS AND FEES	5
GUIDELINES FOR FILING DOCUMENTS AND PRACTICE BEFORE THE COURT	6
General Filing Requirements	6
CM/ECF (Case Management/Electronic Case Filing)	6
Self-Represented Individuals – Electronic Document Submission	6
Self-Represented Individuals – Paper Document Submission	6
Self-Represented Debtors – Electronic Bankruptcy Petition Preparation and Submission	7
Signature Requirements	8
Order Submission and Formatting	8
Proof of Service Requirements	10
Service Tips: Corporate Entities and Registered Agents	11
Noticing and Related Issues	11
Debtor Electronic Bankruptcy Noticing (“DeBN”)	12
Privacy Protection Policy	13
Attorney Appearances	14
Employment of Professionals	14
Substitution of Trustee or Attorney	14
Professional Fees	15
Chapter 13 “No Look” Fee for Attorneys for Debtors	15
CASE FILING AND ADMINISTRATION	16
Required Documents	16
Voluntary Petition	16
Statement of Compliance with Credit Counseling Requirements	16
Case Filing Fee	16
Statement of Social Security Number	16

Mailing Matrix	16
Schedules, Statements, and Related Documents	17
Chapter 13 Plan	18
Disclosure of Compensation of Attorney for Debtor	19
Statement of Intention	19
Extensions of Time to File Required Documents	19
Amendments	19
Consolidation and Joint Administration	20
Automatic Stay	20
Motions for Relief from Stay	20
Motions for Relief from Co-Debtor Stay	21
Motions to Extend or Impose Stay	21
Other Stay Related Motions	21
Claims	21
Filing Proofs of Claim	21
Objections to Claims	22
Transfer or Assignment of Claims	22
Withdrawn Claims	22
Matters Concerning Property of the Estate	23
Exemptions and Liens	23
Turnover	23
Sales of Estate Property	23
Abandonment	25
Retention of Collateral	25
<i>Reaffirmation Agreements</i>	25
<i>Redemption</i>	26
Statement of Intention	26
Conversion	26
Dismissal	27
Motions to Dismiss	27
Sua Sponte Dismissal	27
Motion to Reinstate Case/Motion to Vacate Order Dismissing Case	27
Discharge and Closing	27
Objections to Discharge	27
Completion of Financial Management Course	28
Waiver of Discharge	28
Reopening a Closed Case	29

CHAPTER SPECIFIC ISSUES	30
Chapter 11	30
Overview	30
Status Conference in Subchapter V Cases	30
Plan and Disclosure Statement	30
Plan Exclusivity and Filing Deadlines	30
UST Quarterly Fees	31
Reporting Requirements	31
Chapter 13	31
Plans	31
Service of Plans	31
Plan Objections and Confirmation Hearings	32
Wage Deduction Orders	32
Motions to Modify Plan	32
Motions for Moratorium	33
Motions to Borrow	33
Motions for Approval of Modification of Mortgage Payment	33
Motions for Hardship Discharge	34
Notices Governed by Bankruptcy Rule 3002.1	34
ADVERSARY PROCEEDINGS	36
Commencement of Adversary Proceeding	36
Generally	36
Service of Summons	36
Disposition of Adversary Proceeding Without Trial	37
Dismissal	37
Settlement and Compromise	37
Default and Default Judgments	37

INTRODUCTION

This Guide is a resource intended to highlight aspects of bankruptcy practice in the Central District of Illinois and includes specific instructions and pertinent information to assist lawyers, their staff, trustees, and the public. Although this Guide is published by the Court and is intended to be helpful to practitioners and unrepresented parties, the information herein should not be construed as legal advice. Filers are ultimately responsible for the accuracy of their papers and for ensuring that documents are properly and timely filed.

Practitioners, *pro se* individuals, and other interested parties are directed to the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, this Court's Local Rules, the General, Administrative and Standing Orders adopted by the Court, and other posted policies and procedures. To the extent the information in this Guide conflicts with the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, the Court's Local Rules, and any other applicable rule, procedure or order, such applicable authority will control. When an individual judge orders, directs, or otherwise provides that a specific procedure or course of action other than what is provided in this Guide is to be followed in a particular instance, the order or other directive provided by the judge will control.

Links to the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, required forms, and other bankruptcy related resources may be found on the Court's website. The Court's Local Rules, as well as standing orders and procedures currently in effect, are also posted on the Court's website.

Please bring any inaccuracies or suggested additions or changes to the Court's attention in writing addressed to the Clerk of Court.

DEFINITIONS

“Bankruptcy Code” or “Code” refers to title 11 of the United States Code.

“Bankruptcy Rule” refers the Federal Rules of Bankruptcy Procedure.

“CM/ECF” refers to the case management and electronic case filing system maintained by the United States Bankruptcy Court for the Central District of Illinois described in greater detail on page 6.

“Court” refers to the United States Bankruptcy Court for the Central District of Illinois.

“DeBN” refers to the Debtor Electronic Bankruptcy Noticing program used by the Court to send notices and orders via email to debtors who request to participate in the program.

“EDSS” refers to the Court’s Electronic Document Submission System available to unrepresented individuals described in greater detail on page 6.

“ePOC” refers to the Court’s Electronic Proof of Claim Program described in greater detail on page 21.

“eSR” refers to the Electronic Self-Representation Bankruptcy Petition Preparation System described in greater detail on page 7.

“Local Rules” refers to the local rules adopted by the United States Bankruptcy Court for the Central District of Illinois.

“Matrix” or “Mailing Matrix” refers to the list required by Bankruptcy Rule 1007(a)(1) containing the name and address of each entity included or to be included on Schedules D, E/F, G, and H.

“PACER” is an acronym for Public Access to Court Electronic Records and refers to the electronic public access system provided by the federal judiciary which allows attorneys and the public to access the electronic dockets and claims registers for bankruptcy and other federal cases.

“Section” or “§” refers to provisions of the Bankruptcy Code unless otherwise specified.

Unless otherwise specified, “website” refers to the website for the United States Bankruptcy Court for the Central District of Illinois available at <https://www.ilcb.uscourts.gov/>.

COURT AND CLERK'S OFFICE INFORMATION

The Bankruptcy Court for the Central District of Illinois has three divisions: Peoria, Springfield, and Urbana. All offices are open from 8:00 a.m. until 5:00 p.m., Monday through Friday, excluding federal holidays and emergency closures. Announcements regarding emergency or weather-related closings are posted on the Court's website, notice of which goes out in a broadcast email to all enrolled to receive email announcements via GovDelivery. A link to sign up for email alerts is posted to the homepage of the Court's website.

COURT LOCATIONS AND MAILING ADDRESSES		
Peoria Division	Springfield Division	Urbana Division
U.S. Bankruptcy Court Central District of Illinois 100 N.E. Monroe Street Room 216 Peoria, Illinois 61602	U.S. Bankruptcy Court Central District of Illinois 600 E. Monroe Street Room 226 Springfield, Illinois 62701	U.S. Bankruptcy Court Central District of Illinois 201 South Vine Street Room 203 Urbana, Illinois 61802
https://www.ilcb.uscourts.gov/		
CLERK'S OFFICE CONTACT INFORMATION		
Phone: 309-671-7035	Phone: 217-492-4551	Phone: 217-974-7330

Where a bankruptcy case is filed generally depends on the county of the debtor's residence, principal place of business, or where principal assets are located in the 180 days preceding the case filing.

Peoria Division Counties	Springfield Division Counties	Urbana Division Counties
Bureau, Fulton, Hancock, Henderson, Henry, Knox, Marshall, McDonough, Mercer, Peoria, Putnam, Rock Island, Stark, Tazewell, Warren, Woodford	Adams, Brown, Cass, Christian, DeWitt, Greene, Logan, Macon, Macoupin, Mason, McLean, Menard, Montgomery, Morgan, Pike, Sangamon, Schuyler, Scott, Shelby	Champaign, Coles, Douglas, Edgar, Ford, Iroquois, Kankakee, Livingston, Moultrie, Piatt, Vermilion

MEETINGS OF CREDITORS (SECTION 341 MEETINGS)

The debtor is required to appear and submit to questioning under oath at the meeting of creditors usually held within 21 to 50 days of the case being commenced. After a bankruptcy petition is filed, the Clerk will issue a notice of the filing and the date, time, and location set for the meeting of creditors; if the meeting is to be held by video conference, connection information will also be provided. The Court does not preside at, attend, or otherwise have any involvement in the meeting. The bankruptcy trustee assigned to the case conducts the meeting, and all inquiries and issues should be raised directly with the trustee. The name and contact information of the trustee assigned to the case will be set forth in the notice of filing issued by the Clerk.

Other pertinent information from the United States Trustee for Region 10 may be available on the Department of Justice website at <https://www.justice.gov/ust-regions-r10/region-10-southern-and-central-districts-illinois>.

COURT COSTS AND FEES

The most current Bankruptcy Court Miscellaneous Fee Schedule is posted on the United States Courts website available at <https://www.uscourts.gov/services-forms/fees/bankruptcy-court-miscellaneous-fee-schedule>. Information about the most commonly collected fees is also posted on the Bankruptcy Court's website with a link to the most current fee schedule. Fees are due at the time of filing or services rendered by the Court.

The Clerk's Office ACCEPTS the following forms of payment:

- Plastic card payments made via Pay.gov by attorneys using the CM/ECF system
- Cash, in person only, not via the mail or drop boxes
- Money order, cashier's check, or company/firm check made payable to:

CLERK, U.S. BANKRUPTCY COURT

The following forms of payment are NOT ACCEPTED:

- Personal check
- Third party check
- Blank money order, cashier's check, or company/firm check
- Unsigned money order, cashier's check, or company/firm check
- Incorrect amount (only exact amount accepted)
- Money order, cashier's check, or company/firm check with numerical and written amounts that do not agree
- Postdated money order, cashier's check, or company/firm check
- Money order, cashier's check, or company/firm check not made payable to correct party (see above)
- Cash sent through the mail or left in drop boxes
- Plastic card payments (other than by attorneys via Pay.gov as set forth above)

Additional information about the proper method of payment based on the method of filing is detailed in the next section of this Guide. Filers should also review Local Rule 1006-1.

GUIDELINES FOR FILING DOCUMENTS AND PRACTICE BEFORE THE COURT

General Filing Requirements

Bankruptcy petitions, pleadings, written motions, and other documents that are to be filed with the Court must be filed with the Clerk in the appropriate division office. Except for individuals not represented by an attorney (*pro se*), the Court requires all documents to be filed electronically. See the *General Order Regarding Electronic Filing of Documents* (effective July 10, 2017), available on the Court's website. Failure to adhere to the Court's mandatory electronic filing policy will result in an order to show cause why the paper filing should not be stricken.

CM/ECF (Case Management/Electronic Case Filing). CM/ECF is the case management system used by the Court that facilitates the electronic filing of documents. Electronically filed documents are immediately entered on the Court's docket maintained through CM/ECF and simultaneously available for viewing through PACER (Public Access to Court Electronic Records). **Attorneys and trustees are required to file documents through CM/ECF.**

Proofs of Claim. Proofs of claim should be filed electronically. See the "Claims" section of this Guide at page 21 below.

Self-Represented Individuals — Electronic Document Submission. Individuals not represented by an attorney (*pro se*) may file paper documents with the Clerk or may submit documents electronically through the Court's Electronic Document Submission System ("EDSS"). Documents submitted through EDSS will be processed and entered into CM/ECF by the next business day. Bankruptcy petitions may not receive a case number until the next business day. Filing documents via EDSS is governed by all applicable federal and local rules and the EDSS policy posted on the Court's website. The system and related information can be accessed through the Court's website at <https://www.ilcb.uscourts.gov/content/electronic-document-submission-system>. **Attorneys, trustees, and non-individual creditors are prohibited from using EDSS.**

Self-Represented Individuals — Paper Document Submission. *Pro se* individuals who would prefer to submit documents to the Clerk in paper form are encouraged to do so through the mail. Alternatively, unrepresented individuals may bring the documents to the courthouse for filing. Drop boxes are located inside the doors of the courthouses and are available for use between 8 a.m. and 5 p.m., Monday through Friday, excluding holidays and other closures. Documents submitted in paper

form will be scanned and entered into CM/ECF by the next business day after receipt. When leaving documents in the drop box, the following steps should be followed:

- Place all documents and filing fees in a sealed envelope clearly addressed to the Bankruptcy Court. Drop boxes may be used by the District Court or other building tenants, so clearly addressing envelopes intended for delivery to the Bankruptcy Court will avoid confusion. Do not drop loose paper or payment into the drop box.
- If a filing fee is due with your documents, include the fee in the form of a money order or cashier's check payable to the Clerk of the U.S. Bankruptcy Court. Do not include cash or a personal check with your filing.
- Regardless of what information is included on the documents to be filed, please include your name, mailing address, phone number, and email address with the filing. This will allow us to contact you if further information is needed.
- Stamp the front of the sealed envelope with the electronic date stamp that is located next to the drop box. The stamp will record the date and time that the document is "received."
- If filing a time sensitive petition (for example, to stop a home foreclosure), please call the Clerk's Office for assistance. For guidance on courthouse locations and Clerk's Office phone numbers, see the "Court and Clerk's Office Information" section of this Guide at page 3 above.

Self-Represented Debtors — Electronic Bankruptcy Petition Preparation and Submission. For *pro se* debtors filing an individual Chapter 7 or Chapter 13 bankruptcy petition, the Court also offers an online tool known as the Electronic Self-Representation ("eSR") Bankruptcy Petition Preparation System to help them complete their bankruptcy petition. Debtors are asked a series of questions, and their responses are used to automatically fill the official forms. The petition is submitted through eSR, after which a confirmation email is sent to the debtor with links to additional required documents that will need to be completed and submitted in paper form or electronically through EDSS. *Note: the petition package will not be processed without all required documents.* Individuals interested in using eSR are encouraged to carefully review the related information and instructions available on the Court's website at <https://www.ilcb.uscourts.gov/electronic-self-representation-esr-bankruptcy-petition-preparation-system-chapter-7-and-chapter-13>.

Signature Requirements

Federal Rule of Bankruptcy Procedure 9011 requires that “every petition, pleading, written motion, and other paper, except a list, schedule, or other statement, or amendments thereto” be signed by at least one attorney of record in the individual attorney’s name. All petitions, lists, schedules, and statements and amendments thereto must be signed by the debtor or be accompanied by an unsworn declaration signed by the debtor. *See* ILCB LR 1007-1, 1009-1. If not represented, the debtor must sign all papers. *See* Fed. R. Bankr. P. 9011.

For electronic filings through CM/ECF or EDSS, documents containing signatures may be filed as scanned images showing the actual signatures or may be filed with signatures represented by “/s/” and the name typed in the space where a signature would otherwise appear (e.g., /s/ Jane Doe). For documents containing the actual signature of someone other than the person filing it, the original “wet signature” copy must be obtained and maintained by the filer until all time periods for appeals expire or as otherwise ordered by the Court. No document to which another person’s electronic signature is affixed shall be filed before such other person has signed the document.

See the Administrative Procedures for the Case Management/Electronic Case Filing System (effective July 10, 2017) and the Court’s *General Order Regarding Electronic Signatures* (effective March 24, 2020), available on the Court’s website, for all signature requirements, including electronic signatures and the retention of documents containing original, wet signatures of others.

Order Submission and Formatting

Attorneys are encouraged to submit a proposed order when filing a motion or other request for relief. At the conclusion of an in-court or telephonic hearing, if a proposed order granting specific relief allowed has not previously been submitted, the Court generally will request that the prevailing party submit an order within a fixed period of time—usually 14 days. Likewise, when an objection date has been set on a motion or other pleading seeking relief and no objection has been timely filed, the Court will request an order be submitted within 14 days if one has not previously been submitted. The failure to submit an order within the time specified by the Court could result in the motion, request, application, objection, or other pleading being denied without further notice. Parties who are unable to submit an order within the set time

frame should affirmatively request an extension of time to submit the required order. See ILCB LR 9006-1.

A proposed order must be submitted in PDF format and uploaded through the Order Upload function of CM/ECF. Filers are encouraged to create the order in word processing software and then convert to PDF before uploading. Scanned orders are not prohibited, but filers should beware that the electronic signature function may not work properly on scanned orders and could result in a deficiency notice requiring that a revised order be uploaded in native PDF format. Any necessary attachments should be included in the PDF with the order; do not separately upload attachments. To upload the order, select the *Order Upload* event under the *Bankruptcy* or *Adversary* menu as appropriate and follow the prompts to complete the process.

The proposed order must be formatted so that:

- The page size is no larger than 8.5" x 11";
- The first page has a four-inch margin at the top;
- No signature line for the judge appears on any page;
- No date appears on any page; and
- Three pound signs (###) are present in the center of the last page, and one blank line separates the last line of the text and the centered ###.

Properly uploaded orders will be reviewed for content and processed for entry following the objection date or hearing as appropriate. If the proposed order is correctly formatted and is not otherwise deficient, it will be signed and entered by the Court. If the uploaded order is found to be deficient for any reason, the Clerk will issue an order deficiency notice apprising the filer of the deficiency and the need for a corrected order. Unless the Court orders otherwise, failure to upload a corrected order within the original timeframe will result in denial of relief for failure to submit the order as directed.

Generally, proposed orders must be tied to a motion, pleading, application, or other request pending before the Court and be limited to the relief requested in the motion or granted at hearing on the motion. Other requirements may apply to specific requests for relief as may be provided in this Guide, the Local Rules, or the assigned judge's procedures.

Proof of Service Requirements

The Bankruptcy Code and Rules require that a party filing a motion, amendment, objection, or similar document serve the United States Trustee and all parties that have an interest in the filing. When a document is filed electronically through CM/ECF, a notice of electronic filing (“NEF”) is automatically generated and transmitted to registered users that have appeared in the case and other interested parties enrolled to receive notices in the case electronically through CM/ECF. The NEF constitutes service of the document on those parties registered to receive electronic notice in the case through CM/ECF. Interested parties who have neither appeared in the case nor registered to receive electronic notices in the case through CM/ECF must be served in accordance with the Bankruptcy Rules and any applicable Local Rule.

A signed certificate of service must be included or filed with all documents required to be served. The certificate of service must include the full name of each party served electronically and the full name and address of each party served by mail or other means and must indicate the precise manner of service for each party. If filed separately from the document served, the certificate of service must also specifically identify the document served and include the case caption. *Pro se* debtors are not required to file a certificate of service if all interested parties received electronic notice of the filing. But if an interested party did not receive electronic notice or service is required on the entire Mailing Matrix, *pro se* debtors must file a certificate of service. **Failure to file proper proof of service may result in the filed document being stricken.**

There are several ways that CM/ECF users can verify who has been served electronically by the NEF generated through CM/ECF. The confirmation page generated in CM/ECF after a document is docketed lists the parties that received the NEF. The filer may also simply review the NEF itself upon receipt, which will list the other parties that received the NEF. Alternatively, CM/ECF users may run a Docket Report in CM/ECF, making sure to select the option to include “Links to Notices of Electronic Filing.” With that option selected, CM/ECF users are able to review the NEF for any docket entry by clicking the silver ball icon next to the docket number. CM/ECF users can verify who will receive an NEF before filing a document by going to the *Utilities* menu in CM/ECF, then to *Mailings... > Mailing Info for a Case*. This option is also available to PACER users and may be accessed through PACER or from the public terminals located in the Clerk’s Offices. *Pro se* filers should be careful about making any assumptions about who will receive electronic notice of their filings. Out of an abundance of caution, *pro se* filers are

encouraged to serve every party in interest by mail unless they have specific knowledge that a particular party will receive notice electronically.

Service Tips: Corporate Entities and Registered Agents

- Any corporate officer is an authorized agent for service. The name of the corporate officer is not required but they must be identified by their role.
- Corporations will also designate a person or entity to serve as a registered agent. This information is public and available on the Secretary of State's website for the State of incorporation.
- Attorneys often serve as registered agents but are not necessarily the same attorneys that have represented the corporation in other matters. Further, law firms do not generally serve as registered agents, and service upon the law firm of an attorney designated as registered agent and not the attorney individually may be inadequate.

Noticing and Related Issues

Parties should not assume that every other party entitled to notice will receive notice of the filing of the document through the CM/ECF system. The Clerk will generally prepare and serve upon parties on the Mailing Matrix notices of hearings and notices of deadlines to object or otherwise respond to pleadings, motions, or other papers. If directed by notice from the Clerk, the filer of any pleading, motion, or other paper shall also serve the notice of hearing or notice of deadline as directed and file a certificate of service. The fact that the Clerk schedules and sends notices of hearings and objection dates does not relieve the filer of a document or pleading of the obligation to serve the document as otherwise required. *See* ILCB LR 2002-1.

It is the responsibility of the debtor to provide the Mailing Matrix at the time a case is commenced. The Clerk is not responsible for adding new creditors, registered agents, or other persons or entities to the Mailing Matrix or identifying changes of addresses from certificates of service attached to pleadings, motions, or other papers. When a paper must be served on a person or entity not previously included on the Mailing Matrix, the debtor may file an amended schedule and pay the requisite filing fee, if any, to update the Mailing Matrix. Because, for many motions, service by the Clerk is not made on the entire Matrix but only upon the parties who appear to have an interest in the motion, registered agents, corporate officers, and other similar persons added to the Matrix should be clearly identified as the agent of a particular creditor. If the debtor does not update the Mailing Matrix, then the movant—whether the debtor or

some other party in interest—must serve the paper directly and file a certificate of service evidencing compliance with all applicable Rules. Parties in interest who want to receive notices should update their addresses with the Clerk by filing a notice of change of address. Parties who are aware of the change of address of another party should serve not only their own pleading, motion, or other paper on that party at the correct address but should also serve any notices issued by the Clerk with respect to the matter on the party at the correct address and file a certificate of service. *See* ILCB LR 2002-1.

The address for any party in interest may be changed through the appropriate CM/ECF event. Docketing of a change of address must include both the previous and new addresses for the interested party. The address change will not be completed and the interested party will not be added to the Mailing Matrix unless the previous address is provided (unless previously listed as having “no known address”). The change of address event is not the proper procedure for adding a creditor or party in interest. The filing of an amended Matrix or schedule with the associated filing fee is required to add a party. Removal of a party in interest may only be accomplished by written motion.

The Court may require particular parties rather than the Clerk to routinely prepare and/or serve certain notices themselves. For instance, Chapter 7 trustees throughout the District are required to prepare, serve, and file their own notices for the following events: Applications to Employ, Applications for Compensation, Notices of Intent to Sell, Notices of Compromise, Motions to Pay, Notices of Intent to Abandon, Motions to Extend Time to Object to Claims of Exemption, Motions to Extend Time to Object to Discharge, Interim and Supplemental Distributions, and Final Reports. Individual judges may also require other parties to prepare and/or serve notices themselves for certain events or in specific instances. The failure to comply with such directives may result in the underlying pleading, motion, or other paper being stricken or the relief requested therein being denied. *See* ILCB LR 2002-1.

Debtor Electronic Bankruptcy Noticing (“DeBN”). The Court offers debtors the opportunity to request receipt of court notices and orders via email, *instead of via U.S. mail*, through a program called “Debtor Electronic Bankruptcy Noticing” or DeBN. Debtors who want to participate in the DeBN program (whether or not represented by an attorney) must complete and file a Debtor’s Electronic Noticing Request (DeBN) form with the Court where their case is filed. Additional information and links to the request form are available on the Court’s website. *Note: only notices and orders issued by the Court are emailed through the DeBN program. Service of papers by other entities or parties will be made by U.S. mail, personal service, or as otherwise prescribed by applicable rule.*

Privacy Protection Policy

Bankruptcy Rule 9037 applies to all documents filed with the Court. This policy requires parties to modify or partially redact personal data identifiers contained in documents. Per Local Rule 9037-1, the filer of a document is responsible for redacting personal data identifiers, for reviewing filings for sensitive information prior to filing, and for taking necessary remedial action to redact information included in a previously-filed document.

Filers should not include sensitive information in any document filed with the Court unless such inclusion is required by the applicable Rules or Official Forms or the inclusion is otherwise necessary and relevant to the case.

In all instances, the following personal data identifiers **must be partially redacted** from the filing:

1. Social security numbers
2. Dates of birth
3. Names of minor children
4. Financial account numbers

Other sensitive information that may require redaction (even though not specified in Bankruptcy Rule 9037) includes but is not limited to:

1. Any personal identifying number, such as a driver's license number
2. Medical records, treatment, and diagnosis
3. Proprietary or trade secret information

Bankruptcy Rule 9037 notwithstanding, individual debtors are required to provide at the time of case filing a statement regarding all social security or federal taxpayer identification numbers they have used. To protect the debtor's privacy, the Statement About Your Social Security Numbers should **not** be included as part of the PDF containing the Voluntary Petition. Instead, the statement should be filed as a separate document (on the most current Official Form) using the event *Bankruptcy>Miscellaneous Events>Statement of SSN*. This event has a restricted access code associated with it, and only court personnel may view the associated PDF.

The Court is not responsible for policing redaction of documents and other privacy issues.

Attorney Appearances

A notice of appearance must be filed for an attorney in order for that attorney to be authorized to file or sign documents on behalf of a party. *See* Fed. R. Bankr. P. 9011; ILCB LR 2090-1. Filing an appearance will also ensure that the attorney is added to the list of persons to receive electronic notice of filings and will receive notice of all future filings in the case or proceeding. Documents signed by an attorney who has not appeared in the case will not be processed. Likewise, documents will not be processed if it is not clear whose signature is on the document. The full name of the attorney signing should be typed on the document; generic labels like “attorney for debtor” are insufficient.

Employment of Professionals

Generally, all professionals employed by a debtor, trustee, examiner, or committee—or who would otherwise be paid from property of the bankruptcy estate—must obtain court approval for their employment. Only properly employed professionals may later be awarded compensation. Court approval of employment of the debtor’s attorney is not required in Chapter 7 and Chapter 13 cases, but an application to employ is necessary in Chapter 11 and Chapter 12 cases.

Applications to employ professionals are generally governed by Bankruptcy Rule 2014. Every application should contain the information set forth in the Rule, and every application must be accompanied by the verified statement required by the Rule. Applications which are incomplete or not accompanied by the verified statement may be stricken without further notice. The Court requires an objection date notice of at least 14 days; professional employment will generally not be approved on an emergency basis. Chapter 7 trustees are responsible for preparing, serving, and filing their own objection date notices for Applications to Employ.

Substitution of Trustee or Attorney

Substitution of attorneys may be accomplished by filing a motion signed by both the withdrawing attorney and the attorney intending to appear for the client. Alternatively, the new attorney may separately file an appearance. *See* ILCB LR 2090-1.

Professional Fees

The Court may award reasonable compensation and reimbursement of expenses to properly employed professionals for services rendered upon request made by application. Applications should generally be filed on behalf of professionals by the party that employed them. No compensation will be awarded to professionals whose employment has not been approved by the Court. Applications for compensation must comply with Bankruptcy Rule 2016 and establish that the required standards under §330 are met. Applications must state in detail the services rendered, time spent, expenses incurred, and the amounts requested.

Chapter 13 “No Look” Fee for Attorneys for Debtors

Attorneys generally may charge a flat “no look” fee for representing debtors in Chapter 13 consumer cases without having to file a fee application. The amount is subject to periodic adjustments and is set by standing order posted on the Court’s website.

A fee application is required when an attorney has elected not to charge the “no look” amount adopted by the Court. A fee application may also be required upon order of court based upon concerns about the reasonableness of the fees charged for the services that were provided in the case raised sua sponte or by a party in interest. Attorneys should consult the Court’s posted standing order on Chapter 13 attorney fees.

CASE FILING AND ADMINISTRATION

Required Documents

It is the responsibility of the debtor and their attorney to ensure that all required documents are timely filed in their voluntary case. Several required documents are addressed in this Guide as well as the Local Rules. Neither resource, however, is intended to be comprehensive of all documents necessary in every case. Failure to file required documents may result in dismissal of the case.

Voluntary Petition. To be completed on the most current Official Form and signed by the debtor(s), the filing of the petition marks the commencement of the bankruptcy case. See Local Rule 1002-1 and pages 6 through 8 of this Guide for case commencement, general filing, and signature requirements.

Statement of Compliance with Credit Counseling Requirements. Due at the time of case filing, the statement required by Bankruptcy Rule 1007(b)(3) has been incorporated into Part 5 of Official Form B 101 Voluntary Petition for Individuals Filing for Bankruptcy. Based on the statement that is provided, additional requirements and deadlines may apply. See Local Rule 1002-1(C) for all compliance requirements.

Case Filing Fee. Due at the time of case filing, the petition must be accompanied by the requisite case filing fee or an application to either pay the filing fee in installments or have the filing fee waived if applicable. See Local Rule 1006-1(A) for specific requirements for installment and waiver applications. For general guidance on accepted methods of payment, see the “Court Costs and Fees” section at page 5 above.

Statement of Social Security Number. To be separately submitted with the petition in voluntary cases, individual debtors must complete and sign a statement about their social security numbers using the most current Official Form. See the Court’s “Privacy Protection Policy” at page 13 above for additional information.

Mailing Matrix. To be filed with the petition in every voluntary case, the Mailing Matrix is a list that contains the name and address of each entity included (or to be included) in Schedules D, E/F, G, and H. The Mailing Matrix is used by the Court to provide interested parties with case-related notices. The Mailing Matrix should be submitted in a computer readable format using the following parameters:

FONT: Do not use script-style fonts.

COLUMNS: Use one single column per page.

MARGINS: Use one-inch margins on the top, bottom, left, and right.

ADDRESS LINES: Each name/address block must consist of no more than five total lines and each must be no more than 40 characters in length.

CAPITALIZATION: Name/Address blocks should be capitalized appropriately using upper and lower case. Do not use all caps.

CITY/STATE ADDRESS LINE: Format as follows:

City (comma, space) two-letter U.S. Post Office state abbreviation (space) five-digit zip code. *City, State and Zip Code must be on the same line.*

DO NOT: spell out the state, use periods between state abbreviation letters (example: use NC rather than N.C.), use abbreviations for states other than U.S. Post Office accepted two-letter abbreviations, or use nine-digit zip codes.

An example of a properly formatted entry in a Mailing Matrix would be:

Acme Credit Corp.
1234 W. 9th St.
Somewhere, IL 12345

DO NOT include the following on the Matrix:

- Debtor
- Joint Debtor
- Debtor's Attorney
- U.S. Trustee
- U.S. Bankruptcy Court for the Central District of Illinois

Schedules, Statements, and Related Documents. The following schedules, statements, and other documents are generally required (as applicable by case and debtor) per Bankruptcy Rule 1007(b) to be completed on the most current Official Form (if any) and filed with the petition or within 14 days thereafter. *This is not a comprehensive list of required documents. Not all documents apply to or are required in every case. The burden is on debtors and their attorneys to determine and file all necessary documents.*

- Summary of Your Assets and Liabilities and Certain Statistical Information (individual debtors only) or Summary of Assets and Liabilities for Non-Individuals

- Schedule A/B: Property
- Schedule C: The Property You Claim as Exempt (individual debtors only)
- Schedule D: Creditors Who Hold Claims Secured By Property
- Schedule E/F: Creditors Who Have Unsecured Claims
- Schedule G: Executory Contracts and Unexpired Leases
- Schedule H: Your Codebtors
- Schedule I: Your Income (individual debtors only) and Schedule J: Your Expenses (individual debtors only) or Schedule of current income and expenditures (non-individual debtors) (no Official Form)
- Declaration About an Individual Debtor's Schedules or Declaration Under Penalty of Perjury for Non-Individual Debtors
- Statement of Financial Affairs for Individuals Filing for Bankruptcy or Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy
- Chapter 7 Statement of Your Current Monthly Income (individual debtors only)
 - Chapter 7 Means Test Calculation
 - Statement of Exemption from Presumption of Abuse Under §707(b)(2)
- Chapter 11 Statement of Your Current Monthly Income (individual debtors only)
- Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period
 - Chapter 13 Calculation of Your Disposable Income

Chapter 13 Plan. Required to be filed within 14 days of case filing or conversion to Chapter 13, the plan must be prepared and filed on the most current local model plan form. See Local Rule 3015-1 and page 31 of this Guide for additional information and requirements.

Disclosure of Compensation of Attorney for Debtor. Any attorney appearing for or retained to represent a debtor in bankruptcy must file the required disclosure of compensation within 14 days of filing the case, executing an updated agreement, or first appearing for or being retained by the debtor after the case has commenced. *See* ILCB LR 2016-1.

Statement of Intention. In Chapter 7 cases, individual debtors must file a statement of their intention with respect to the retention or surrender of property securing debts and, if applicable, whether the property is claimed as exempt, whether the debtor intends to redeem the property, or whether the debtor intends to reaffirm the debt securing the property. Debtors must be attentive to the requirements and deadlines set forth in §521(a). Failure to file the required statement of intention and perform the stated intention within the times prescribed by the statute or to seek an extension of time before the deadlines have passed may result in automatic termination of the stay as to subject property.

Extensions of Time to File Required Documents. Debtors unable to comply with statutory or court-ordered deadlines for filing required documents must affirmatively request an extension of time to file by motion. Motions to extend time to file required documents may be granted without notice or hearing or may be treated as emergency motions and set for hearing in the short term on an expedited basis. The movant should be prepared to appear at such hearing and show cause for granting an extension. Debtors and their attorneys should carefully consider their ability to comply with prescribed deadlines for filing schedules, statements, and other required documents before commencing a bankruptcy case. The Court will be disinclined to grant extensions that would require continuation of the meeting of creditors or otherwise adversely affect the rights and obligations of interested parties in the case. *See* ILCB LR 9006-1.

Amendments. Generally, amendments to voluntary petitions, lists, schedules, and statements may be filed freely, without leave, at any time before the case is closed. *See* Bankruptcy Rule 1009 and Local Rule 1009-1 about specific requirements. Amendments cannot, however, be used as means to an end that the Bankruptcy Code or Rules prohibit or otherwise prescribe to be achieved differently. For instance, an amended petition cannot be used to add or remove a joint debtor or to change the bankruptcy chapter the case is to proceed under.

Consolidation and Joint Administration

“Joint Administration” or “Procedural Administration” refers to the combining of cases for the purpose of administering them more efficiently or to save on costs of noticing. Docketing usually continues in each separate case, but sometimes docketing will be combined and occur in one lead case. In all instances, there remain separate estates, separate assets and liabilities, and separate distribution of assets. Only individual spouses may file a joint petition; others must file petitions separately, and their cases may be jointly administered upon court order.

“Consolidation” or “Substantive Consolidation” is much different and a more significant procedural order as it affects the substantive rights of both debtors and creditors. It refers to the complete joining of estates and occurs when the affairs of two debtors are so intertwined that the cases cannot be separated. Consolidation or substantive consolidation commonly involves a parent corporation and its affiliates. Liabilities and assets are pooled into a single fund. There is one docket and one claims register. There will be one distribution to all creditors in the combined cases.

Attorneys should take care to differentiate joint administration from consolidation and to clearly and accurately set forth the relief being sought when filing a motion to join or consolidate cases.

Automatic Stay

Generally, an automatic stay under §362 of the Bankruptcy Code comes into effect when a bankruptcy petition is filed that stops creditors from trying to collect on debts from the debtor. There are exceptions, but most creditors may not start or continue lawsuits, start or collect on wage garnishments, or communicate payment demands unless the Court grants them relief from the automatic stay upon request made by motion. When the case follows a recent case(s) by the same debtor that resulted in dismissal, the imposition of the stay in the new case may be curtailed unless the Court extends or imposes the stay upon the debtor’s motion.

Motions for Relief from Stay. Motions for relief from the automatic stay are governed by Bankruptcy Rule 4001 and Local Rule 4001-1. There is generally a filing fee for stay relief motions. Agreed motions for stay relief signed by all parties in interest do not require a fee and will generally be granted without notice or hearing. *See* ILCB LR 4001-1. To ensure prompt resolution of stay relief motions, it is important for movants

to include as exhibits copies of all documentation necessary to establish their right to relief.

Motions for Relief from Co-Debtor Stay. In Chapters 12 and 13, certain actions against a co-debtor are automatically stayed by the debtor's bankruptcy filing. Relief from the co-debtor stay generally must be sought by motion subject to the same requirements set forth in Local Rule 4001-1. Co-debtors should be listed on Schedule H and the Mailing Matrix. If the co-debtor is not listed on the Mailing Matrix, the movant will be required to separately serve and file proof of service as to the co-debtor. There is no fee for standalone co-debtor stay relief motions.

Motions to Extend or Impose Stay. When a case is filed within one year of a prior case or cases being dismissed, the debtor is not entitled to full protection of the automatic stay. Depending on the circumstances, the debtor will need to file a motion to either extend or impose the stay. Statutory presumptions exist that subsequent filings after dismissal are not in good faith, and particular attention should be paid to the factors that give rise to the presumptions. Such motions are not routinely granted and therefore require strict adherence to the requirements set forth in Local Rule 4001-1. Time is of the essence when seeking an extension or imposition of the stay.

Other Stay Related Motions. The Court generally does not issue comfort orders as to the scope and application of the automatic stay. A motion under §362(j) seeking confirmation of the termination or absence of the automatic stay may, however, be appropriate in limited circumstances. Debtors have standing to enforce the automatic stay and may do so by motion under §362(k). All other declaratory, injunctive, or equitable relief relating to the automatic stay should be sought through commencement of an adversary proceeding.

Claims

Filing Proofs of Claim. All attorneys, as well as institutional creditors and their agents, are required to file proofs of claims electronically. Proofs of claim may be filed through CM/ECF with an unrestricted CM/ECF account or through the Court's website without the need for a CM/ECF account using the Electronic Proof of Claim Program ("ePOC"). Filers with only limited CM/ECF privileges are required to use ePOC and should not attempt to file proofs of claim through CM/ECF. Individuals without legal representation are encouraged to file proofs of claim electronically using ePOC but may

file documents in paper form with the Clerk's Office. EDSS should not be used to file a proof of claim.

Claimants are responsible for reviewing their proofs of claim for accuracy and deficiencies. Claimants should not include sensitive information in proofs of claim and are encouraged to review the Court's "Privacy Protection Policy" at page 13 above. The Clerk's Office does not generally review claims for issues or take action on deficiencies.

Objections to Claims. The claim number and claimant's name (as entered in the claims register) must be specified in both the PDF and docket text of the objection. Generally, when a claim objection is allowed, a text order allowing the objection as filed will be entered. Such text orders will not take into consideration extraneous matters raised in the claim objections and therefore may cause confusion if claim objections are not concisely drafted. *See* ILCB LR 3007-1.

Objections to federal tax claims or other claims filed by a government agency must be served on the IRS or agency that filed the claim, the U.S. Attorney General (in D.C.), and the local U.S. Attorney. Objections to state tax claims or other claims filed by a state agency must be served on the Illinois Attorney General or the Attorney General for the State asserting the claim.

Transfer or Assignment of Claims. As with claim objections, both the PDF and docket text must reflect the claim number and names of the transferor and transferee (and match the claims register).

Withdrawn Claims. Claims may be withdrawn by the filer by notice. The Notice of Withdrawal must contain the claim number and claimant name. For tax claims filed by the debtor or trustee, proof of service is required on the Illinois Department of Revenue, the IRS, or such other taxing or government agency entitled to notice.

Supplemental Claim Forms in Chapter 13 Cases. Notices governed by Bankruptcy Rule 3002.1 are addressed in this Guide at page 34 below.

Matters Concerning Property of the Estate

Exemptions and Liens. Certain property owned by an individual debtor, as statutorily permitted, may be removed from the bankruptcy estate by claim of exemption. The availability and amount of a particular exemption may depend on the specific circumstances of the case. A list of property claimed as exempt should be filed with the petition or within 14 days thereafter but generally may be amended at any time before case closure. Debtors should take care to identify property with sufficient detail to put the trustee and interested parties on notice of what is being claimed as exempt.

The trustee, or any party in interest, may object to a claim of exemption by a debtor. Such objection must be filed within 30 days of the conclusion of the meeting of creditors under §341 or the filing of an amended schedule of exemptions, whichever is later. An extension of time to object may be granted upon motion filed before the time for objections has expired that provides a reason for the requested extension. When seeking an extension of time to object, trustees are required to prepare, serve, and file their own objection date notice of not less than 14 days after mailing. Motions filed after the time to object has been twice extended or that would bring the total extension of time beyond 60 days from the original deadline will be set for hearing.

Individual debtors may avoid certain liens as described in §522(f) to the extent they impair an exemption the debtor would have been entitled to. Other requirements for lien avoidance under §522 are set forth in Local Rule 4003-1.

Turnover. When a Chapter 7 case is filed, virtually all property of the debtor becomes property of the estate and, unless and until abandoned, is subject to administration by the Chapter 7 trustee. The Chapter 7 trustee has the authority to demand turnover of estate property from the debtor. Debtors who ignore this fundamental premise find themselves in trouble and often are denied a discharge. But trustees must take control of estate assets if they are going to be administered. Efforts to compel or allow debtors to exercise control over estate property so that the trustee might avoid the burdens of liquidating and administering the same are improper. Debtors and trustees are encouraged to confer and discuss their relative positions prior to seeking intervention by the Court.

Sales of Estate Property. Only the trustee or the debtor in a case under a reorganization chapter may sell property of the bankruptcy estate. Motions to sell require an accompanying notice of intent to sell, both of which must be filed far enough

in advance of the proposed sale date to ensure adequate notice is provided. The earlier the motion and notice of intent are filed, the more likely it is that any objections can be resolved without having to cancel or postpone the sale.

For sales by Chapter 7 trustees, the trustees are responsible for their own noticing, the cost of which is a reimbursable expense. The notice must provide for not less than 21 days from mailing for the filing of objections, and the objection date must not be less than 7 days before the proposed sale date. *See* Fed. R. Bankr. P. 2002(a)(2), 6004(b).

For sales by debtors in cases under reorganization chapters, the motion and notice of intent must be filed not less than 30 days before the proposed sale to facilitate the mailing of notice by the Clerk. Debtors should also keep in mind that authority to employ brokers, auctioneers, or other professionals must be obtained before a sale can be authorized.

The notice of intent should clearly and precisely describe the property to be sold. Real estate should be described by the type of structure (single family residence, 12-unit apartment building, warehouse, etc.) and common address. Legal descriptions are not required but may be helpful. Personal property sales should include a list of specific items.

The notice of intent should also include the date, time, and place of the sale if by public auction and, at minimum, the name of the buyer and agreed price if by private sale. For online auctions, the place of sale needs to be accurate—provide the website rather than merely mentioning that the sale will be online. Multi-day auctions must be disclosed, including the start and end dates—both need to be accounted for when calculating objection deadlines and notices.

A report of sale is required, but orders approving or confirming sales are not required and should not be submitted. Any party in interest aggrieved by what occurred at a sale or by the distribution of proceeds as shown on the report of sale should file a motion seeking whatever relief they deem appropriate. If a previously authorized sale does not close, a report of “no sale” should be filed. *See* ILCB LR 6004-1.

Applications for compensation of professionals relating to the sale should be filed following the sale and should not be combined with reports of sale. Chapter 7 trustees are responsible for preparing, serving, and filing their own 21-day objection date notice.

Abandonment. Trustees may abandon property of the estate in a pending case by giving notice of their intent to do so. Chapter 7 trustees are responsible for preparing, serving, and filing the notice with an objection date not less than 14 days after the date the notice will be mailed. Service of the notice should be made on the entire Matrix with the exception that if a claims bar date has run, service does not need to be made on unsecured creditors who did not file claims.

Requests to compel the trustee to abandon property must generally be made by motion accompanied by the associated fee. Unless agreed to by the trustee, debtor, and any other party with interest in the property, an order granting a motion to compel abandonment will not be entered without providing an opportunity for interested parties to object within 14 days of service.

Property cannot be abandoned to a specific creditor or party. Such relief, to the extent available, may require an adversary proceeding.

Retention of Collateral. There are various methods through which the debtor may retain possession of estate property that serves as collateral for a claim held by a secured creditor. Such property may be retained if fully exempt by claim of the debtor, if provided for in a confirmed plan, by entering into a reaffirmation agreement, or by redeeming the property by paying the creditor the value of their claim in full.

Reaffirmation Agreements. The responsibility for ensuring that reaffirmation agreements are in a form that satisfies the disclosure and other requirements of §524 rests entirely with the parties to the agreement and their counsel. Neither the Clerk nor the Court will generally review filed agreements to determine whether they comport with all requirements under the Code and Rules.

Subject to any other applicable deadlines, reaffirmation agreements must be signed before a discharge order is issued; if necessary, a motion to extend the time to file a reaffirmation agreement must therefore also be filed before the discharge is entered.

Motions or applications to reaffirm a debt are unnecessary and not recommended. In any event, such motions are not a substitute for filing the reaffirmation agreement and related documents required under §524, Bankruptcy Rule 4008, and Local Rule 4008-1.

Redemption. In Chapter 7 cases, the debtor may redeem property securing a debt by paying the creditor the value of their secured claim in full. Redemption is distinguishable from reaffirmation in that it is accomplished by motion—creditor agreement is not required—and the required amount is paid in full at the time of redemption as opposed to ongoing installments.

Statement of Intention. In Chapter 7 cases, individual debtors must file a statement of their intention with respect to the retention or surrender of property securing debts and, if applicable, whether the property is claimed as exempt, whether the debtor intends to redeem the property, or whether the debtor intends to reaffirm the debt securing the property. Debtors must be attentive to the requirements and deadlines set forth in §521(a). Failure to file the required statement of intention and perform the stated intention within the times prescribed by the statute or to seek an extension of time before the deadlines have passed may result in automatic termination of the stay as to subject property.

Conversion

Conversion from Chapter 7 or 11 to Chapter 13 may be obtained only by motion at the request or with consent of the debtor, after notice and hearing, and subject to other statutory requirements. *See* §706(a), (c), (d); §1112(d), (f).

Conversion from Chapter 7, 11, or 13 to Chapter 12 may be obtained only by motion at the request or with consent of the debtor, after notice and hearing, and subject to other statutory requirements. *See* §706(a), (c), (d); §1112(d), (f); §1307(d), (f), (g).

Conversion from Chapter 7 or 13 to Chapter 11 may be obtained only upon request made by motion, after notice and hearing, and subject to other statutory requirements. *See* §706(a), (b), (d); §1307(d), (f), (g); Fed. R. Bankr. P. 1017(f)(2).

Conversion from Chapter 11 to Chapter 7 may be obtained only upon request made by motion, after notice and hearing, and subject to other statutory requirements. *See* §1112(a), (b), (c), (e), (f); Fed. R. Bankr. P. 1017(f)(2).

Conversion from Chapter 12 or 13 to Chapter 7 may be obtained by the debtor at any time upon filing of notice. *See* §1208(a); §1307(a); Fed. R. Bankr. P. 1017(f)(3). Requests for conversion from other interested parties must be made by motion and may only be granted after notice and hearing and upon showing that other statutory requirements are met. *See* §1208(d); §1307(c), (e), (f).

Dismissal

Motions to Dismiss. Relief must be sought by motion stating with particularity the grounds for dismissal. Except in Chapter 12 or 13 cases that have not previously been converted and in which a motion to convert is not then pending, debtors do not have an absolute right to voluntarily dismiss their cases.

Sua Sponte Dismissal. A case may be dismissed on the Court's own motion for various reasons. Examples of common causes for dismissal include failures related to the signing of a voluntary petition, the payment of case filing fees, or the filing of required documents or statements.

Motion to Reinstate Case/Motion to Vacate Order Dismissing Case. Such motions are not liberally granted. The filing of the petition triggers the issuance of several notices and starts the clock on various deadlines in a bankruptcy case. When creditors and other interested parties receive notice of a case being dismissed, vacating the order of dismissal and reinstating the case causes confusion and prejudices those interested parties. Attorneys must take great care to avoid dismissal in the first place and should not expect that cases will be reinstated as a matter of course. All outstanding fees and missing documents should be paid or filed when seeking to reinstate a dismissed case.

Discharge and Closing

Generally, a discharge in bankruptcy relieves the debtor of personal obligation on prepetition debts, and the discharge injunction permanently enjoins creditors from collection from the debtor personally. Section 523 lists several exceptions to the general discharge; some are self-executing and others must be raised through an adversary proceeding. In some instances, a debtor's discharge may be denied or revoked entirely. Interested parties seeking to except a particular debt from the general discharge entered or to have the debtor's discharge denied entirely should pay careful attention to what relief should be sought and the consequences of proceeding under one avenue or another.

Objections to Discharge. Objections to discharge under §§727(a)(8), (a)(9), and 1328(f) are commenced by motion. All other objections to discharge, as well as requests to revoke a discharge previously entered, must be commenced by filing an adversary complaint. *See* Fed. R. Bankr. P. 4004(d), 7001(d). Objections to discharge are time-

sensitive; interested parties should be attentive to deadlines for objections. *See* Fed. R. Bankr. P. 4004(a). The time for objecting to a debtor's discharge may be extended upon motion filed, in most cases, before the deadline for objection has expired. *See* Fed. R. Bankr. P. 4004(b). Chapter 7 trustees are responsible for preparing, serving, and filing their own objection date notice of at least 14 days after mailing for motions to extend time to object to the debtor's discharge.

Generally, no discharge will be entered (even in absence of objection) in favor of an individual debtor unless certain requirements have been fulfilled. To the extent applicable and subject to other chapter-specific requirements, the meeting of creditors under §341 must have been held, any outstanding fees owed by the debtor to the Court must be paid, and the debtor must have received and filed a certificate of completion of a financial management course unless the Court has waived compliance or granted the debtor an exemption. The discharge must also be entered before the case is closed; the burden is on the debtor and their attorney to ensure that the requirements for discharge have been met before a case is closed.

Completion of Financial Management Course. A list of approved credit counseling and financial management (debtor education) course providers is maintained on the United States Trustee Program website, a link to which is available on the Court's website at <https://www.ilcb.uscourts.gov/counseling-and-education-providers>. When required, the financial management course must be completed within a prescribed time after the petition is filed; this requirement is separate and distinct from the pre-petition credit counseling requirements. Motions to extend the time to file the certificate of completion should be promptly filed with proof of service upon the United States Trustee and case trustee if there is one; it is wholly within the Court's discretion to grant an extension. *See* Fed. R. Bankr. P. 1007(b)(7), (c).

Waiver of Discharge. A debtor may wish to waive any entitlement to a discharge. This typically occurs when it becomes apparent that a discharge will not be entered and the debtor wants to avoid adverse findings of wrongdoing. A waiver of discharge requires court approval. The waiver must be in writing and signed by the debtor or their attorney after the petition is filed but before a discharge order is entered. Waivers of discharge may be set for hearing at which the debtor's appearance is required. Waivers of discharge apply to the general, statutory discharge. The discharge of a particular debt may be waived by reaffirmation agreement.

Reopening a Closed Case. Section 350 and Bankruptcy Rule 5010 provide that the Court may reopen a bankruptcy case upon motion of the debtor or other party in interest “to administer assets, to accord relief to the debtor, or for other cause.” 11 U.S.C. §350(b). While the movant is not required to prove the merits of the underlying relief that is to be sought upon reopening, they must show at least a colorable basis or authority for granting relief if the case were to be reopened. In no event should the reopening of a case be construed as a determination as to the merits of the underlying relief sought.

CHAPTER SPECIFIC ISSUES

Chapter 11

Overview. There are several types of Chapter 11 cases that are subject to different Code provisions, deadlines, rules, and procedures. Except as provided in §109(d), any person or entity that is eligible for Chapter 7 relief is eligible for relief in a Chapter 11 case. If a Chapter 11 debtor meets the definition of a “small business debtor” under §101(51D), they are subject to a number of provisions that specifically govern small businesses and may differ from some provisions that would be applicable in a typical Chapter 11 case. Chapter 11 debtors are required to indicate whether they are a small business debtor on their petition. Small business debtors, as well as others that qualify, may elect to proceed under subchapter V, which is in turn governed by its own set of provisions. A debtor’s designation as a small business debtor or election to proceed under subchapter V is consequential to how that case is administered but could also be relevant in future cases. Interested parties may object to a debtor’s designation or election.

Status Conference in Subchapter V Cases. Section 1188 requires the Court to hold a status conference within 60 days of the order for relief in a subchapter V case. No later than 14 days prior to the conference, the debtor must file a report detailing its efforts to attain a consensual plan.

Plan and Disclosure Statement. The proponent of a Chapter 11 plan generally must file and obtain court approval of a separate disclosure statement before soliciting votes on the plan. Due to expedited confirmation deadlines in small business cases, the Court may conditionally approve the disclosure statement and set the hearing for final approval in tandem with plan confirmation. In some cases, the Court may find that the plan itself provides adequate information and that a separate disclosure statement is not necessary. But plan proponents should affirmatively request the Court find that a disclosure statement is not necessary and should not expect that, if requested, such finding will be made as a matter of course without substantive review and hearing. In subchapter V cases, a disclosure statement is not required unless the Court orders otherwise, in which case approval may be conditionally granted under the same standard for small business cases.

Plan Exclusivity and Filing Deadlines. Per §1121, only the debtor may file a plan for the first 120 days after the order for relief in a traditional Chapter 11 case and for the first 180 days after the order for relief in a small business case. But the plan and

disclosure statement (if any) in a small business case must be filed not later than 300 days after the order for relief. Only the debtor may file a plan in a subchapter V case, and such plan must be filed within 90 days of the order for relief. *See* 11 U.S.C. §1189. Exclusivity and plan deadlines may be extended only as specifically prescribed by statute and if the applicable standards have been satisfied. *See* 11 U.S.C. §§1121, 1189.

UST Quarterly Fees. Payment of quarterly fees to the United States Trustee is required in most Chapter 11 cases. The fees are based on a sliding scale formula in 28 U.S.C. §1930(a)(6). Failure to pay UST quarterly fees—or other fees—is “cause” for dismissal under 11 U.S.C. §1112(b)(4)(K). Subchapter V debtors are exempt from paying UST quarterly fees. *See* 28 U.S.C. §1930(a)(6)(A).

Reporting Requirements. Trustees or debtors-in-possession are required to file periodic operating reports. The obligations and end dates may vary by the type of Chapter 11 case. *See generally* 11 U.S.C. §§308, 704(a)(8), 1116, 1187; Fed. R. Bankr. P. 2015(a), (b). Unexcused failure to timely file required reports may be “cause” for dismissal under 11 U.S.C. §1112(b)(4)(F).

Chapter 13

Chapter 13 bankruptcy enables individuals with regular income to keep property in exchange for repayment of all or part of their debts over time under the terms of a plan proposed by them and approved by the Court. The process of navigating a case under Chapter 13 is much more complex than under Chapter 7, making it correspondingly more difficult for debtors to succeed without an attorney.

Plans. A Chapter 13 plan is required to be filed within 14 days of case filing or conversion. *See* Fed. R. Bankr. P. 3015(b). All Chapter 13 plans—original and amended—must be created using the most current local model plan form, properly captioned/labeled, completed, signed, dated, and filed in its entirety. Failure to do so may result in the plan being stricken. The interactive plan form must be “printed to PDF” before filing to remove interactivity within the form. The local model plan form is available on the Court’s website under “Local Forms.”

Service of Plans. The Clerk will send a copy of the original plan to all creditors and parties in interest with a notice scheduling an objection or hearing date. Accordingly, debtors do not need to include a certificate of service when filing the original plan. The Clerk will not send copies of amended plans; debtors must serve all

amended plans and file proof of service. Amended plans will not be processed until proof of service is filed. *See* ILCB LR 3015-1.

Plan Objections and Confirmation Hearings. The deadline for objections to the original plan is 21 days from the date the meeting of creditors is concluded. The deadline for objections to amended plans may not be less than 21 days from the date of mailing or the date the meeting of creditors is concluded, whichever is later. Debtors are encouraged to wait until the end of the objection deadline before filing an amended plan so that all necessary plan changes can be accounted for at once. Doing so not only will save the debtor/attorney time and costs of drafting and serving further amended plans but also will limit confusion and the opportunity for post-confirmation challenges or problems.

In the absence of objection, the Court may enter an order confirming a plan without hearing. If an objection is filed, the Court will generally set the pending plan for hearing not less than 7 days following the deadline for objections. Because a plan may be confirmed without hearing in the absence of objection, interested parties are encouraged to timely file each objection they have to every proposed plan. If an amended plan is filed that does not fully cure a creditor's objection to the previously-filed plan, an objection to the amended plan should be filed out of an abundance of caution to preserve the creditor's rights. If an amended plan is filed that cures an objection to the previously-filed plan, no action is necessary.

Debtors are required to serve all creditors with notice of the order confirming Chapter 13 plan. Failure to timely do so could, for practical purposes, extend the time for a creditor to challenge and seek to vacate the order of confirmation.

Wage Deduction Orders. All debtors are encouraged to enroll in automatic payments, be it through an ACH service or voluntary wage deduction order. If a debtor fails to stay current on plan payments, a wage deduction order—if possible—may be necessary to resolve a motion to dismiss by the trustee. Whether a wage deduction order will be required in a particular case is a matter of court discretion.

Motions to Modify Plan. After a Chapter 13 plan has been confirmed, it may be modified by motion. *See* 11 U.S.C. §1329. Motions to modify are only appropriate if there is a previously confirmed plan. If no plan has been confirmed, any changes to a proposed plan should be incorporated into an amended plan. Motions to modify must also be signed and dated. *See* Fed. R. Bankr. P. 3015(c), 9011. Motions to modify which do not meet these basic requirements may be stricken without further notice.

The Clerk of Court will send a copy of the motion to modify to all creditors and parties in interest with a notice scheduling an objection or hearing date. Accordingly, debtors generally do not need to include a certificate of service when filing a motion to modify. Again, the Clerk serves only the Mailing Matrix and, accordingly, to the extent a motion to modify seeks relief as to a corporation or insured depository institution, debtors and their attorneys are required to make sure that service of the motion and notice of the objection or hearing date is properly effectuated and must file a certificate of service evidencing compliance with Bankruptcy Rule 7004.

No plan may be modified to extend the plan term beyond 60 months from the date first payment was due under the original plan. Proposed orders must set forth the terms of modification specifically requested in the motion, including any change in treatment of unsecured creditors or a statement that the modification does not change the treatment of unsecured creditors.

Motions for Moratorium. A motion for moratorium is a type of modification, and the guidance for motions to modify also applies to motions for moratorium. A moratorium may be obtained by motion only after a Chapter 13 plan has been confirmed. If no plan has been confirmed, then relief should be sought through the terms of an amended plan. Motions must be signed and should include specific dates of moratorium (e.g., February 1, 2023, to May 1, 2023, as opposed to just stating “three months”). Such motions may not be used to extend the plan term beyond 60 months from the date first payment was due under the original plan. Proposed orders should include all the information required in the motion, including the specific dates of moratorium.

Motions to Borrow. The amount to be borrowed, name of the lender, and any property that is to secure the loan should be clearly set forth in a motion. Motions should also state whether and how incurring the debt will affect the terms of the debtor’s Chapter 13 plan and compliance therewith. Proposed orders should include the information required in the motion.

Motions for Approval of Modification of Mortgage Payment. Court approval of consensual mortgage modifications or refinancing should be brought by motion identifying the lender, the property securing the loan, and loan amount and monthly payment as compared to the existing loan. Motions should also explain whether and how the modification will affect the terms of the debtor’s Chapter 13 plan and compliance therewith.

Motions for Hardship Discharge. A debtor that has not completed payments under a confirmed plan may be eligible for a so-called hardship discharge if three conditions are met. The debtor must file a motion and affirmatively demonstrate that (1) the failure to complete payments is due to circumstances “for which the debtor should not justly be held accountable;” (2) the best-interests-of-creditors test (Chapter 7 hypothetical liquidation) is satisfied; and (3) modification is not practicable. *See* 11 U.S.C. §1328(b). A hearing on a motion for hardship discharge will be held even in the absence of objection. Many of the other requirements for discharge still apply. *See* 11 U.S.C. §1328.

General requirements for entry of discharge in typical Chapter 13 case:

- Completion of plan payments
- All outstanding fees paid
- Certificate of completion of financial management course unless waiver or exemption granted
- Certification regarding payment of Domestic Support Obligations (*see* Form B2830)

Notices Governed by Bankruptcy Rule 3002.1. Bankruptcy Rule 3002.1 sets forth specific notice requirements and procedures for changes affecting the payment of mortgage claims secured by the debtor’s principal residence. Those procedures and related deadlines are to be strictly followed. They are summarized here only to highlight the nuances of filing documents governed by the Rule.

	Who	Where	When
Notice of Mortgage Payment Change	To be filed by the holder of the claim and served on debtor, debtor’s attorney, and trustee	ePOC or CM/ECF	Not less than 21 days before payment change is to go into effect
Motion to Determine Validity of Payment Change	To be filed by the debtor or trustee	CM/ECF	Any time before payment change is to go into effect

	Who	Where	When
Notice of Postpetition Mortgage Fees, Expenses, and Charges	To be filed by the holder of the claim and served on the debtor, debtor's attorney, and trustee	ePOC or CM/ECF	Within 180 days of incurring such fees, expenses, or charges
Motion to Determine Mortgage Fees and Expenses	To be filed by the debtor or trustee	CM/ECF	Within one year of being served with notice of such fees, expenses, or charges

	Who	Where	When
Notice of Final Cure Mortgage Payment	To be filed by the trustee and served on the holder of the claim, the debtor, and debtor's attorney (debtor may file and serve if trustee does not timely do so)	CM/ECF	Within 30 days after the debtor completes all plan payments (or thereafter if filed by debtor)
Response to Notice of Final Cure Payment	To be filed by the holder of the claim and served on the debtor, debtor's attorney, and trustee	ePOC or CM/ECF	Within 21 days after service of notice filed by trustee (or debtor)
Motion to Determine Final Cure and Payment	To be filed by the trustee or debtor	CM/ECF	Within 21 days after service of response filed by the holder of the claim

ADVERSARY PROCEEDINGS

Commencement of Adversary Proceeding

Generally. Certain relief may only be obtained through an adversary proceeding commenced by filing a complaint. Because the nature and legal significance of various causes of action differ and may require different treatment, it is imperative that complaints are docketed in a manner that accurately reflects the nature of the suit and the relief sought to avoid any unintended and potentially adverse consequences. It is the complaining party's responsibility to clearly assert its claims, to properly docket the nature of those claims when filing the complaint, and to correct the record when it becomes apparent there is an error. *See* ILCB LR 7003-1.

The importance of being attentive to how complaints are drafted and docketed is perhaps best illustrated by comparing causes of action under §§727 and 523. Section 727 relates to the general discharge of the debtor's debts. As such, a cause of action docketed as an objection to discharge under §727 creates a hold on the entry of the debtor's discharge while the matter is pending. A cause of action docketed as one under §523, which relates to whether a particular debt should be excepted from the general discharge entered or to be entered under §727, does not itself create a hold on the general discharge. Thus, a complaint that includes claims for relief under §§727 and 523 but is docketed as simply an action under §523 will not place a hold on the debtor's discharge to be entered under §727. If not promptly corrected, the debtor's discharge will be entered if all other requirements are met.

Service of Summons. Proper service must be effectuated in accordance with all applicable rules. *See* Fed. R. Bankr. P. 7004; Fed. R. Civ. P. 4; ILCB LR 7004-1. If a defendant is not properly served within 90 days of the filing of the complaint, the Court, after notice to the plaintiff, may dismiss the action without prejudice unless the plaintiff shows good cause for extending the time for service. Despite such dismissal being without prejudice, if the deadline for filing the complaint has passed, refileing the complaint after dismissal may be time-barred. *See* Fed. R. Civ. P. 4(m).

Disposition of Adversary Proceeding Without Trial

Dismissal. An action may generally be dismissed upon filing of notice of dismissal by the plaintiff any time before the opposing party has answered or moved for summary judgment on the complaint or at any other time upon stipulation signed by all parties.

Exception. A complaint objecting to or seeking to revoke the debtor's discharge may not be dismissed voluntarily without notice to the debtor, the trustee, the United States Trustee, and all creditors and parties of record. Further, because it affects all creditors, a cause of action brought by a single creditor seeking to deny the debtor a discharge generally cannot be dismissed in exchange for consideration. *See* Fed. R. Bankr. P. 7041; ILCB LR 7041-1. Specific requirements for voluntary dismissal of an action objecting to or seeking revocation of a debtor's discharge are set forth in Local Rule 7041-1.

Settlement and Compromise. Bankruptcy Rule 9019 requires a motion and approval of any settlement to which the trustee or debtor-in-possession is a party and that affects the bankruptcy estate. Such motion should be filed in the main bankruptcy case. Settlement of proceedings to deny or revoke a debtor's general discharge are subject to heightened scrutiny and require notice to all parties of interest in the bankruptcy case and court approval. *See* ILCB LR 7041-1.

Default and Default Judgments. Obtaining a default judgment is generally a two-step process, but the steps may and should be combined in one motion. Motions for default judgment will generally be set for hearing. *See* ILCB LR 7055-1. It is the responsibility of the party entitled to judgment to seek appropriate relief against a defaulting party. Generally, the Court will not request motions for default judgment and supporting documents when an answer deadline has passed or take any action relating to defaults or default judgments until the party entitled to judgment has filed the appropriate motion(s). The failure to seek relief against a defaulting party in a timely manner may result in the dismissal of the action for want of prosecution.