

It is therefore **ORDERED** that the following guidelines shall be followed in Chapter 13 cases:

1. The default interest rate for the Chapter 13 Trustee's office to use in the computation of adequate protection payments to secured creditors is the Wall Street Journal composite prime rate plus two percent (the "Formula Rate").

2. The Wall Street Journal prime rate published on the first business day of the calendar month will be used as the basis for the Formula Rate for all cases filed during that same month. In the event the first day of the month falls on a Saturday, Sunday, or bank holiday, the Wall Street Journal composite prime rate effective the preceding business day would be the basis for the Formula Rate in cases filed on those days.

3. The court (www.ncwb.uscourts.gov) will provide a link from which the Wall Street Journal prime rate can be determined.

4. The Formula Rate applies to oversecured, fully secured, and undersecured claims.

5. Unless the Chapter 13 plan summary specifically provides otherwise for any particular claim or claims, the Trustees will apply the Formula Rate to all secured claims provided for by the Chapter 13 Plan.

6. Where the contract rate of interest is less than the Formula Rate, debtors may elect to use the contract rate if:

- a. The Plan summary specifically provides that the contract rate will apply to a particular claim or claims; and
- b. (i) The claim is fully secured (the claim cannot be a bifurcated claim); or
(ii) The claim is secured only by the debtor's principal residence (applies to prepetition arrearage claims cured by Trustee payment and short-term mortgage claims paid fully through the Plan).

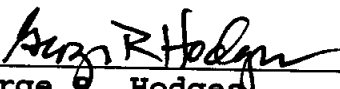
7. Where a claim is secured by only the debtor's principal residence and the contract rate is greater than the Formula Rate, the contract rate must be used pursuant to 11 U.S.C. § 1322(b)(2).

8. A different interest rate may be used if agreed upon by the debtor, claimant, and Chapter 13 Trustee.

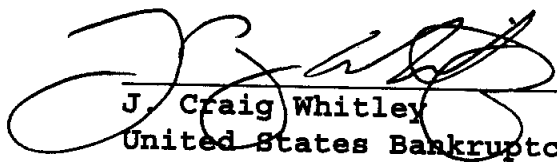
9. Notwithstanding the above guidelines, a party in interest may request an evidentiary hearing if a departure from the contract/Formula Rate conventions is warranted. Such request must be made by motion and notice and determined by hearing.

10. Any request by a debtor to modify a plan post-confirmation to adjust interest rates consistent with the above guidelines must be done by motion in the particular case, and such motion may be filed on a no-protest basis.

11. The effective date of this Administrative Order is
January 7, 2005.



George R. Hodges
United States Bankruptcy Judge



J. Craig Whitley
United States Bankruptcy Judge