

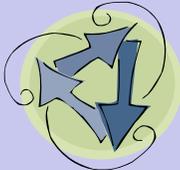
COURT CONNECTION

U.S. Bankruptcy Court
Western District of N.C.

E-Mail Address:
Newsletter@ncbankruptcy.org

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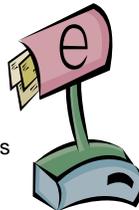
What's Inside?



Drop Box Update
Operations News
Financial Update
Approved for CM/ECF
On the "Inside" . . .
. . . and more

The Chambers "Skinny"

by George R. Hodges &
J. Craig Whitley, Bankruptcy Judges

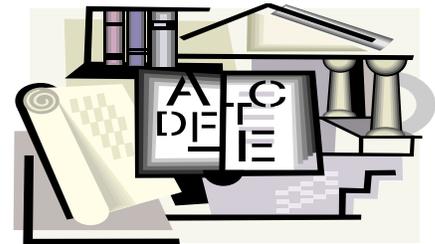


The court officially established a "Chambers Day" in November of 1999, which is designed to improve access to the court in divisions outside of Charlotte. "Chambers Day" will be set in Asheville for Tuesday and Wednesday of the first full week of each month. If the Bar finds it useful at this location, the practice will be expanded to Statesville and Shelby. Here is how it is intended to work:

- (1) The Court - that is one of the judges - will be available for consideration of Asheville matters during the time set aside as the Asheville "Chambers Day." This can include anything from conferences, informal meetings, administrative matters, emergencies or formal hearings set in advance.
- (2) The Court's commitment is that one of the judges will be available during this period to deal solely with Asheville matters. Normally Judge Hodges will be present at the office in Asheville during this time, even when nothing has been scheduled specifically in advance. At times it may not be possible to have a judge physically in Asheville on "Chambers Day," but on those occasions one of the judges will be available by phone (and to come to Asheville on short notice if necessary). The court will not schedule matters elsewhere that would preempt its ability to deal with Asheville cases during this period.
- (3) Scheduling of matters for the Asheville "Chambers Day" period or contacting the judge during this time should be done through Julie Brodhag at 704.350.7575.

It is our hope that the "Chambers Day" will increase access to the court in divisions

outside of Charlotte and that it will be useful to the Bar. The concept is the product of the court's strategic planning effort, and specifically, the Court Procedure Team. We invite your input and feedback so that we can improve the process as we gain experience with it. Please direct any such comments or suggestions to the Committee's Chair, Linda Simpson, Bankruptcy Administrator.



CLE Seminar on Bankruptcy January 21

by Gerri Crockett, Clerk of Court

The Mecklenburg County Bar Association (MCBA) will sponsor a CLE course entitled, **An Introduction to Bankruptcy Practice and Procedure: Navigating the Bankruptcy System** on January 21 at the Federal courthouse in Charlotte. The program will be presented by staff from the Clerk's Office of the U.S. Bankruptcy Court in Western, N.C. The program will cover the following topics:

- an overview of the Clerk's Office function
- an overview of CM/ECF (Case Management /Electronic Case Filing)
- document filing and processing
- fees and financial information
- Chapter 7 and 13 Trustee issues and information
- role of the Bankruptcy Administrator

Paralegals, legal assistants, new associates, or practitioners new to bankruptcy practice will

"Seminar" continued on page 2

U.S. Bankruptcy Court
Western District of N.C.

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Asheville, NC 28801
Tel: 828.771-7300
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www.ncbankruptcy.org



In FY 1999 . . .

Did you KNOW?

- 12,861 receipts were written
- \$1,671,509 was collected
- over 650 boxes were shipped to archives
- over 190,000 docket entries were made

Newsletter
Comments?

E-mail

Newsletter@ncbankruptcy.org

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"Seminar" continued from page 1

benefit from this program. To register, contact the MCBA at (704) 375-8624 or send an e-mail to Lisa Armanini at larmanini@meckbar.org. Cost is \$45.00 for legal assistants and others and \$90.00 for attorneys. The CLE credit for this course is 3.25 hours.



News in Court Operations

by Linda Anderton, Chief Deputy Clerk and
Gerri Crockett, Clerk of Court

Court Mail Boxes

Anyone who has an individual mail box at the court, please note that signed orders are placed in the box *after* they are docketed. If orders are not picked up within two business days, the court will attempt to mail the orders to your office via first class mail. If other pleadings are in the box, they will be included in the mailing.

Drop Boxes

On January 10, a drop box will be available in Charlotte for submitting documents to the court. It will be located on the front of the building to the side of the handicap ramp/entrance. On November 1, 1999, a drop box became available at the Asheville courthouse.

In both Charlotte and Asheville, envelopes must be provided by the party submitting the documents. Each box includes a date stamp which should be used on the appropriate envelope. Documents will be recorded as "filed" based on the date stamped on the envelope. Instructions for using the drop boxes are posted on signs near the boxes as well as on the Court's Internet site (www.ncbankruptcy.org).

All documents placed in the drop box will be picked up by the Clerk's Office at 8:30 a.m. on the following business day. Please note that the District Court also has a drop box; care should be taken not to drop Bankruptcy Court documents into the District Court's box.

First Meeting Continuance

A request to continue the initial 341(a) meeting of creditors requires a motion, notice, certificate of service and an order. *The request may not be made by notice alone.* The motion must specify the reason for the continuance

and include the consent of the trustee. During the initial 341(a) meeting of creditors, the trustee may adjourn the meeting to a later date.

Reaffirmation Agreement Form

A revised Reaffirmation Agreement, Form B-240, is now available to the public. The form can be used when a bankruptcy debtor has agreed to reaffirm a debt to a creditor under Section 520(c) of the Bankruptcy Code. The form is a procedural form, rather than an official bankruptcy form. Use of the form is not mandatory, but is strongly recommended. The new form incorporates requirements added to the Bankruptcy Code by the Bankruptcy Reform Act of 1994.

Reenactment of Chapter 12 of the Bankruptcy Code

On October 9, 1999, the President signed Public Law Number 106-70, 113 Stat. 1031, retroactively extending Chapter 12 of the Bankruptcy Code (which expired on October 1, 1999) for nine months, ending July 1, 2000. The expiration and retroactive reenactment of Chapter 12 do not affect cases pending under this chapter as of October 1, 1999.

Amendments to the Rules of Practice and Procedure

On December 1, 1999, the following amendments to the Federal Rules of Bankruptcy, Civil, and Criminal Procedure went into effect.

- **Bankruptcy Rules:** 1017, 1019, 2002, 2003, 3020, 3021, 4001, 4004, 4007, 6004, 6006, 7001, 7004, 7062, 9006, and 9014.
- **Civil Rules:** 6(b) and Form 2.
- **Criminal Rules:** 6, 11, 24, and 54.

Preliminary Draft of Proposed Amendments to the Federal Rules of Practice and Procedure

The Judicial Conference's Advisory Committees on Bankruptcy Rules and Civil Rules have proposed amendments to the federal rules and are seeking public comment. Comments are due by **February 15, 2000**. All communications on rules should be addressed to the Secretary of the Committee on Rules of Practice and Procedure, Administrative Office of the U.S. Courts, Washington, D.C. 20544. Comments may be sent electronically via the Internet at www.uscourts.gov.

The full text of the proposed rules amendments and explanatory committee notes are set out in the *Request for Comment* pamphlets, which are posted on the above Internet site. The proposed

"Proposed Amendments" continued on page 3

amendments to the Bankruptcy and Civil Rules are as follows:

- **Bankruptcy Rules:** 1007, 2002, 3016, 3017, 3020, 9006, 9020, and 9022.
- **Civil Rules:** 5, 6-alternative, 65, 77, and 81; and Copyright Rules 1-13 are abrogated.



Fee\$ and Financial

by Carol Caldwell, Financial Administrator

Refunding of Filing Fees

It is the policy of the Judicial Conference that filing fees may not be refunded if it later appears that the filing was in error or if the case or proceeding is subsequently dismissed. This also applies to a motion to reopen a case. The Judicial Conference states that the fee collected is for the filing of the motion and is not refundable if the motion is denied. Also, the fee prescribed for filing a complaint may not be waived or refunded if it later appears that the complaint was filed in error or if the adversary proceeding subsequently is dismissed.

Credit Card Payment

As a benefit to the public and the Bar, the Court is now accepting VISA and MasterCard as payment for court filing fees, expenses, fines, and other services. The Administrative Office of the U.S. Courts has advised that other credit cards will be accepted in the future.



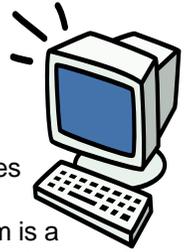
CM/ECF Hardware Needs

- A personal computer with at least a Pentium processor, or a Macintosh, running a standard operating system such as Windows, or Macintosh OS
- A scanner for documents not in your word processor software
- An Internet Service Provider (not an "Online Service") with a minimum connection speed of 56K
- Netscape Navigator software version 4.6 or higher
- Windows or Macintosh based word processing software
- Adobe Acrobat software (Reader and Writer) which is used to convert documents from a word processing software format to a Portable Document Format (PDF) or to save scanned documents to PDF. Adobe Acrobat reader is free and may be downloaded via the Internet at www.Adobe.com. Adobe Acrobat Writer must be purchased. Special Law Office Pricing from Adobe may be obtained by calling 888-502-5275. Attorneys will need to give their Bar number and mention that they will be participating in CM/ECF with the U.S. Courts.

Payment by credit card is not accepted from a debtor in a **pending** case. Please see the *Financial Information* section of the Court's web site (www.ncbankruptcy.org) for additional information on authorization forms and the acceptance of credit cards.

Court Approved for CM/ECF

by Karen Heavner



The Case Management / Electronic Case Files (CM/ECF) project is the judiciary's new replacement docket system. The new system is a web-based (or browser-based) docket system that may be accessed by attorneys 24 hours a day, seven days a week. Attorneys and trustees will have the ability to docket pleadings and open cases in CM/ECF at their own convenience through the Internet. All records will be electronic and, in the future, there will be no need for paper court files.

In the past two years, four district courts and five bankruptcy courts have been working with the Administrative Office (AO) in Washington to design and test "prototype" systems. The five bankruptcy courts (aka "pilot" courts) who have been instrumental in designing the new system are California (Southern), New York (Southern), Virginia (Eastern), Georgia (Northern), and Arizona.

In April, 1999 the Bankruptcy Court for the Western District of North Carolina formed a "CM/ECF Team" consisting of court staff, local bankruptcy attorneys, and trustees. The team applied to the AO for consideration as a CM/ECF court. In August and September, court staff visited three of the five "pilot" courts, and on October 8, North Carolina Western received notice from the AO that we (along with Texas Western and Wyoming) were approved as the next "alpha" bankruptcy courts. Alpha courts will work closely with the CM/ECF project team at the AO and the Technology Training and Support Division (TTSD) in Texas to refine implementation and training plans.

The CM/ECF Team for North Carolina Western has been very busy during the months of November, December and January, devoting almost all of their time to preparation for CM/ECF. The team will draft an Administrative Order and Implementation Plan, form subcommittees needed to prepare for CM/ECF, and train court staff to use CM/ECF. The Court will begin internal training in January and go "live" on Version-1 of CM/ECF in early spring. The court will provide training to the larger legal community in late Spring. In addition, periodic review classes for the legal community will be made available throughout the year.

The ultimate "plan" of the Administrative Office is for all courts to be using the CM/ECF system by the year 2003. The older systems (NIBS and BANCAP) will no longer be supported after that time. More information will be coming your way as we progress towards implementation.

On the Inside. . .

New Law Clerk

In September 1999, Todd Smith joined the court as a law clerk to Judge Hodges. He will be serving a one-year tenure with the court. Todd comes to Charlotte after attending the University of North Carolina at Chapel Hill and the University of North Carolina School of Law.

Todd is a native of Burlington, N.C. where he managed a jewelry store before deciding to attend law school. His interests include playing with his children, remodeling homes and writing short stories. He says that he hopes to learn how the Bankruptcy Court operate inside and out during this time here.



Fall Family Fun Day

by Debbi Leonard

Forty-eight people (staff and family members) attended the Bankruptcy Court Family Fun Day on October 16, 1999 at Kings Mountain, N.C. Fun was the goal of the day and fun is what it was!

Though the day started out on the chilly side, everyone warmed up as they began hiking, playing tag football and playing games with the "little ones" (To this end, some of us aren't sure who had more fun---the "grown boys" playing tag football [which led to aching muscles on Sunday]---or the children who played putt putt, had a cupcake walk and hiked a nature trail!). On a more "yummy" note, anyone who knows the Court staff knows that we like food! We enjoyed BBQ pork and chicken and had plenty of desserts to go around.

It was certainly a FUN day, and hopefully will be the start of an annual event. The committee responsible for organizing the activities was pleased with the day's success. (Family Fun Committee members include Alesia Wallace, Cecelia Burr, Debbi Leonard and Kim VanDyke.)



Awards Ceremony

This past September, the Court hosted an Awards Ceremony for court staff to thank them for their hard work, dedication, innovative contributions, and commitment to quality service throughout fiscal year 1999. A listing of over 150 highlights and accomplishments of FY'99 was presented and reviewed during the ceremony. This presentation emphasized the areas of court operations, budget/procurement, automation and administration. In addition, special recognition for committees and work groups was made. Almost all staff members were involved in at least one of the 15 committees and groups who were operational over the past year. Committees included the three Strategic Planning teams, Intranet and Internet Focus Groups, Suggestion & Solution Advisory Committee, CM/ECF Work Group, Procedures Committee, Dictionary Committee, Archives Team, Asheville Seminar Team, District Health and Safety Committee, Family Fun Committee, Cheer Committee, Retreat Committee, and Federal Court Clerk's Association Committee Members.

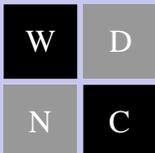
Asheville Seminar Report

by Shawn Leisey

The October 1, 1999 *Bankruptcy Basics* seminar in Asheville was a success. Seventeen attorneys and 33 legal assistants/paralegals attended. Program topics included an overview of the Clerk's Office, document processing, procedural issues, financial information, Chapter 7 and 13 issues and information, and the role of the Bankruptcy Administrator.

A handbook was provided to attendees which included information such as a voluntary petition checklist, minimum requirements for filing an emergency voluntary petition, requirements for filing a conversion, Clerk's Office cover sheets and summonses, court fees, etc. To top it off, refreshments, many which were home baked by staff, were served during the break.

According to the evaluations received after the program, the seminar was successful and helpful to those who attended.



Editor:
Susan Slade
Administrative
Coordinator

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