

BANKRUPTCY BUGLE



NOVEMBER 2011 Newsletter



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Federal Rule 3002.1, effective 12/1/11, references notices on claims secured by a security interest in the debtor's principal residence. In general, this rule applies in a chapter 13 case to claims that are secured by a security interest in the debtor's principal residence and provided for under §1322(b)(5) of the Code in the debtor's plan.

These new docket events will be available on December 1, 2011, to allow the supplemental information to be filed. The new events, explained as follows, appear in Bankruptcy > Claims Actions >

- **Notice of Mortgage Payment Changes.** Allows the claim holder to inform appropriate case participants when a change in payment amount occurs.
- **Notice of Postpetition Fees, Expenses, and Charges.** Includes itemized fees, expenses or charges that were incurred postpetition and that the holder asserts are recoverable.
- **Response to Notice of Final Cure Payment Rule 3002.1.** Requires the holder of the claim to file a statement indicating whether it agrees that the debtor has completed the final cure payment and all plan payments have been completed.

When docketed, these events appear in the history section of the Claims Register.

CM/ECF AVAILABILITY

At **4:00 p.m.** on **Wednesday, November 23, 2011** and continuing until **12:00 Noon** on **Monday, November 28, 2011**, the Case Management/Electronic Case Filing System (CM/ECF) for the United States Bankruptcy Court, District of Nevada will be unavailable. During this time, the court will be migrating CM/ECF from the current version (3.4) to the latest release (4.2).

During the next few weeks, information will be distributed to users via the Bankruptcy Bugle and the court's web site detailing enhancements contained in this release.

Should you have any questions regarding this announcement, please call the Help Desk at **(866) 232-1266**. Thank you.

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RELATING/LINKING DOCUMENTS

When a docket prompt asks you if the event you are docketing relates to an existing pleading in the case, please make sure you check the box and link your pleading properly. If you skip this docketing step, there is a possibility your matter will not be put on calendar. If you incorrectly relate to an event, the wrong matter may be placed on calendar.

The Judges have determined that no one may be removed from a mailing matrix. Ex-parte Motions and Orders may be submitted to the Clerk to stop e-service ONLY.

NEW ADMINISTRATIVE ORDERS

The following is a summary of Administrative Orders, effective January 1, 2012.

Administrative Order 2012-01

This amends Local Rule 3015. Section (f) is new. Upon filing a plan or amended plan, the debtor must serve a copy of it, or a summary of the plan, on the applicable parties.

Administrative Order 2012-02

This amends Administrative Order 2011-03 regarding chapter 11 individual discharges. Upon filing the local Certificate of Compliance form, the attorney for the debtor (or the clerk, if the debtor is pro se) must serve a copy to all creditors.

Administrative Order 2012-03

This amends Local Rule 2002. New section (f) delegates noticing of the chapter 7 Summary of Final Report and Account of Trustee Over \$1500 to the case trustee.

Administrative Order 2012-04

This amends Local Rule 5009 delegating certain noticing duties. The trustee must now notice the Chapter 13 Final Account and Report. When a debtor files the local Certificate of Compliance form, the attorney for the debtor (or the clerk, if the debtor is pro se) must serve a copy of it on all creditors.

Administrative Order 2012-05

This amends Local Rule 9022. The clerk will serve notice of the entry of the judgment or order on local counsel for the movant, who then must serve a copy of it on the applicable parties. For pro se movants or for sua sponte orders, the clerk's office will serve a copy of the judgment or order on the affected parties.

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CLOSING CHAPTER 7 ASSET CASES

The Clerk's office has been receiving numerous inquiries as to why some asset cases are not closed. A Final Distribution Report (reviewed by the United States Trustee) must be filed before the case may be closed. Please do not confuse this event with the Trustee's Final Account and **Proposed** Distribution *OR* the Order Approving the Final Account and Proposed Distribution. Even if these documents are docketed in the case, the Court must wait for the **FINAL DISTRIBUTION REPORT** before an asset case may be closed.

THE TOP 11 BANKRUPTCIES IN AMERICAN HISTORY

According to *Business Insider* (November 1, 2011), the top 11 bankruptcies in American History are:

Pacific Gas & Electric Co., filed Chapter 11 in 2001, with a value at bankruptcy of \$36.15 billion

Thornburg Mortgage filed Chapter 11 in 2009 with a value at bankruptcy of \$36.5 billion

Chrysler filed Chapter 11 in 2009 with a value at bankruptcy of \$39.3 billion

MF Global filed Chapter 11 in 2011 with a value at bankruptcy of \$41 billion

Conseco filed Chapter 11 in 2002 with a value at bankruptcy of \$61.4 billion

Enron filed Chapter 11 in 2001 with a value at bankruptcy of \$65.5 billion

CIT Group filed Chapter 11 in 2009 with a value at bankruptcy of \$80.4 billion

General Motors filed Chapter 11 in 2009 with a value at bankruptcy of \$91 billion

WorldCom filed Chapter 11 in 2002 with a value at bankruptcy \$103.9 billion

Washington Mutual filed Chapter 11 in 2008 with a value at bankruptcy of \$327.9 billion

Lehman Brothers filed Chapter 11 in 2008 with a value at bankruptcy of \$691 billion

PASSWORDS AND LOGINS

The login assigned by the court to an individual represents one way you sign your document. You have agreed to be responsible for anyone who uses that login. This also includes financial responsibility. That is why it is so important to change your passwords often! CM/ECF passwords should be changed on a regular basis and should always be changed when you have staff turnover.

To change your password, go to

**UTILITIES > YOUR ACCOUNT >
MAINTAIN YOUR ECF ACCOUNT >
MORE USER INFORMATION.**

Delete your old password and re-type your new password. Return to Account Screen, then click on "submit" to complete the process.



BUGLE MANIA!

Get your Bankruptcy Bugle
HOT-OFF-THE-PRESS!

Be the first in town to **READ ALL ABOUT IT!**

If you want to be one of those "In-The-Know" Bugle Fans you can sign up to receive your Bugle via e-mail right from the Court! Just drop us a line at:

HelpDesk@nvb.uscourts.gov

Give us your current e-mail address and we'll do the rest!

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HIGHLIGHTING DOCUMENTS

If you are filing documents or pleadings over the counter, please be aware that any items you may have highlighted in yellow or other highlight colors often appear blacked out when the document is scanned. You may wish to choose other methods of drawing attention to certain areas on a document, such as underlining, to correct this matter.

HOW THINGS HAVE CHANGED



Looking back to 1960's in Nevada. The population in Las Vegas was a little over 64,000. In Reno, the population was about 52,000. In Las Vegas there were no planned communities, just a lot of sagebrush and coyotes. In Reno, you could go to the Lemmon Valley Speedway for a little excitement. Bob Cashell wasn't a mayor yet, he was the owner of Boomtown (originally Bill & Effie's) out in Verdi where they served the best 99¢ All-You-Could-Eat Buffet in the world. Or at least the cheapest! In Las Vegas, Benny Binion "held court" in his 10-gallon hat and happily posed for pictures with the tourists at the Horseshoe Hotel and Casino. Oscar Goodman was still a lawyer, not yet the happiest mayor in the universe.

In 1970, the Clerk's staff numbered nine for the entire District of Nevada. Referee in Bankruptcy, Russell B. Taylor presided in Las Vegas from 1959-1974. Judge Bert M. Goldwater presided part-time in Reno from 1964-1982. A busy year for the court back then consisted of 695 cases being filed in the entire state! In 1960, it cost \$45.00 to file a Chapter 7 bankruptcy. Flash forward to the 1980's...Jimmy Carter began the decade as our President. Gas cost around \$1.25 a gallon, postage stamps cost 15¢, and a dozen eggs cost 91¢. Judge Lloyd D. George presided in the Bankruptcy Court from 1974-1984 and left to serve in the U.S. District Court. Judge Robert C. Jones presided in the Bankruptcy Court from 1983-2003, first in Reno, then moved back to Las Vegas and left to serve in the U.S. District Court. Judge James H. Thompson presided in the Bankruptcy Court, 1985-1994. In 1988, Judge Linda B. Riegler was appointed to the Bankruptcy Court. By now it cost \$175.00 to file a Chapter 7, \$160.00 to file a Chapter 13 and \$830.00 to file a Chapter 11. In 1988, the total number of bankruptcy cases filed in Nevada was 5,693. The price of a movie ticket might set you back \$4.11, and the gas to get there dropped to \$1.08 a gallon! A dozen eggs were a bargain at 89¢.



Judge Gregg W. Zive was appointed to the Bankruptcy Court in 1995, followed in 2004 by Judge Bruce A. Markell, and Judge Michael K. Nakagawa in 2006. Case filings in 2010 reached an all-time high of 29,325. Judge Bruce T. Beesley was appointed in 2011.

Today, the Clerk has a staff of 75 employees between both offices. A Chapter 7 bankruptcy costs \$306.00. As of the end of September 2011, Nevada's case filings reached 18,733. A gallon of gas runs around \$3.57 a gallon, and a postage stamp will set you back 44¢. Going to the movies costs about \$12.00 and that doesn't include popcorn and a drink! Las Vegas has about 584,000 residents. Reno has around 224,000 residents. "And the beat goes on" ...to quote Sonny and Cher.



BANKRUPTCY BUGLE

VOLUNTARY PETITION

Official Form B1, known as a "Voluntary Petition" must be filed by a debtor to begin a bankruptcy case.



STEPS TO MANUALLY OPEN A VOLUNTARY PETITION

(Note: Steps 2-6 should be done immediately after opening.)

- 1 Upload **VOLUNTARY PETITION**
- 2 Upload **MATRIX**
- 3 Docket **JUDGE/
TRUSTEE
ASSIGNMENT** 
- 4 Docket **STATEMENT OF
SOCIAL SECURITY**
- 5 Docket **DECLARATION OF
ELECTRONIC FILING**
- 6 Docket **MEANS TEST
(Individuals Only)**
- 7 Docket **CERTIFICATE OF
CREDIT COUNSELING
(Individuals Only)**
- 8 Docket **CHAPTER 13 Plan
(if Applicable)**

ALL Chapter 13 and 11 cases are opened as **ASSET** cases.



JUDGE/TRUSTEE ASSIGNMENT

THIS IS A VERY IMPORTANT STEP in opening a new petition.

It is a crucial part of case opening, and will ensure that you receive your 341 notice immediately.

NEW BANKRUPTCY COURTHOUSE HOURS

Beginning 9/12/11: C. Clifton Young Federal Building and U.S. Courthouse Hours are:

7:30 AM to 5:00 PM

Beginning 11/1/11, Foley Federal Building and U.S. Courthouse Hours are:

7:30 AM to 5:00 PM

Bankruptcy Court Intake Hours are:

9:00 AM to 4:00 PM (Monday— Friday)

BANKRUPTCY COURT CONTACT NUMBERS

LAS VEGAS CLERK'S OFFICE: (702) 527-7000

RENO CLERK'S OFFICE: (775) 326-2100

CM/ECF HELP DESK: (866) 232-1266



Frequently called numbers and e-mail addresses are listed on the court's website under Court Information:

<http://www.nvb.uscourts.gov/about-the-court/contact-information/>

A Message From The Clerk

On behalf of the bankruptcy judges and all the staff at the Bankruptcy Court, I would like to extend our best wishes for this holiday season to one and all. May good health and good wishes abound.

- Mary Schott, Clerk