## UNITED STATES BANKRUPTCY COURT

## **DISTRICT OF NEVADA**

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In re:	)	
AMENDMENT OF LOCAL RULE 3011.1	)	ADMINISTRATIVE ORDER 2018-04
	)	
	_)	

Pursuant to LR 1001(c), the bankruptcy judges of the District of Nevada hereby adopt this Administrative Order regarding the amendment of LR 3011.1.

## 3011.1 DISPOSITION OF UNCLAIMED FUNDS.

- (a) <u>Deposit by chapter 7, 12, or 13 trustee</u>. The chapter 7, 12, or 13 trustee shall deposit with the court any funds left undistributed pursuant to Fed. R. Bankr. P. 3011.
  - (b) Disposition of unclaimed funds under a chapter 11 liquidating plan.
- (1) The disbursing agent, under a chapter 11 plan that provides for the complete liquidation of the property of the debtor, shall, when making final distribution under the plan:
- (A) Notify such entity, if any, that purchased all of the debtor's assets under the chapter 11 plan, of its potential right to the unclaimed funds to the extent the disbursing agent can identify such an entity; and
- (B) File a final account under 11 U.S.C. § 1106(a)(7), prior to the expiration of time provided in 11 U.S.C. § 1143, and all other reports required by local rules.
- (2) A chapter 11 liquidating plan may provide that any unclaimed funds may be redistributed to other creditors or administrative claimants or donated to a not-for-profit, non-religious organization identified in the plan or disclosure statement accompanying the plan.
  - (c) Disposition of undistributable funds under a chapter 11 liquidating plan.
- (1) Undistributable funds are any funds other than unclaimed funds, including but not limited to, funds that cannot be disbursed because:
  - (A) A creditor has affirmatively rejected a distribution;

- (B) The administrative costs effectively interfere with distribution; or
- (C) All creditors, including administrative claimants, have been paid in full and there is no one that has a right to the funds.
- (2) A chapter 11 liquidating plan may provide that any undistributable funds, if applicable or practicable, may be redistributed to other creditors, administrative claimants, or donated to a not-for-profit, non-religious organization identified in the plan or disclosure statement accompanying the plan.
- (3) If a chapter 11 liquidating plan does not provide for the disposition of undistributable funds then, if there are any such funds at the time of final distribution under the plan, the disbursing agent shall file a motion, upon notice and hearing, proposing distribution of such funds, including as described in subsection (c)(2) of this local rule.
- (4) Withdrawal of unclaimed funds. The court shall consider a request for withdrawal of unclaimed funds in accordance with LR 3011.

IT IS SO ORDERED.

Bruce T. Beesley, Chief Judge United States Bankruptcy Court

District of Nevada