

Lloyd T. Kraus
Standing Chapter 13 Trustee
Eastern District of Texas
Tyler/Marshall/Beaumont/Lufkin Divisions

341a Meeting Date

All 341a meetings, original and reset are held by Zoom. The case is called, Debtors are sworn in, copies of ID documents are reviewed by the hearing officer and verified by Debtor's Attorney that the copies he/she provided were made by his/her office, and the Debtors are who they say they are. Standard 341a Questions are asked and any questions regarding the review of Debtors schedules or documents previously provided are asked. Results of meetings are as follows:

- 1) **HC** – Held and Concluded (debtor appeared, all documents provided)
- 2) **HNC** – Held and Not Concluded (usually because we need pay stubs, tax returns)
- 3) **NAR** – Debtor failed to appear, Reset – (usually because of a medical emergency or debtor/co-debtor couldn't get off work and the Attorney has previously notified us that the debtor will not be appearing)
- 4) **NAD** – Debtor failed to appear, Trustee intends to file a Motion to Dismiss (usually debtor fails to appear and the Attorney has not heard from the Debtor; Plan and or Schedules have not been filed)
- 5) **HNCR** – Held, not concluded, Reset – (usually the co-debtor has failed to appear and the meeting is reset to allow them to appear)
- 6) **ANHR** – Debtor appeared, Not Held, Reset (usually all necessary documents have been filed with the Court but Debtor has failed to provide a copy of his/her ID and or Social Security Card)
- 7) **ANHD** – Debtor appeared, Not Held, Trustee intends to file a Motion to Dismiss (usually Plan and/or Scheduled have not been filed; Debtor is delinquent with plan payments)

Post 341a Meeting

The day after the 341 meeting has been held, we file a Trustee's Report on 341 Creditors' Meeting (Exhibit 1) in every case. Outcome of the 341a meeting is filed with PACER using one of the 7 results above.

Pre-Confirmation Process

Trustee Confirmation Reports (Exhibit 2) are prepared and filed by the Legal Assistants with the Court and mailed to the Attorneys/Debtor(s) 7 days prior to the Confirmation hearing. For this to happen, the reports are due to the Trustee/Staff Attorney 20 days prior to the hearing. This gives the Trustee/Staff Attorney plenty of time to review and make corrections if needed. Trustee Confirmation Reports lists a

summary of the latest Plan and Scheduled I & J filed, lists estimated net amount available to Creditors, lists disbursements to be made by the Trustee, and any objections to the Plan. Objections include one or more of the following:

- 1) Debtor's failure to prosecute case
- 2) Plan deficiency
- 3) 341(a) meeting & documents
- 4) Budgetary Issues
- 5) Deficiencies of the Plan

All Debtors are required to file with the Court a Declaration of Debtors under Penalty of Perjury (Form 3015-c Exhibit 3). This form states that they have/have not proposed a Plan with claims to be paid direct (DPO) rather than thru the Plan and they do/do not owe a domestic support obligation (DSO) or have/have not paid any domestic support obligations (DSO) since the filing of the case. Failure to file this form will result in an objection to and delay of confirmation.

Once the Reports have been filed with the Court, the Trustee/Staff Attorney e-mails the bar with a link to schedule an Attorney Conference. These conferences are held telephonically on Monday and Tuesday prior to the in-person Court hearing on Thursday. If a "no objection Trustee Report" is filed, the Attorney will email a Confirmation Order and we will upload it prior to the Court hearing and the docket (Exhibit 4) will be noted as COS, order previously uploaded. If the Attorney can satisfy all Trustee objections during the conference or before the we submit the final docket to the Court, his/her case on the docket will be marked Confirmed with Order to be provided in 14 days. If all Trustee objections are not satisfied or if there are Creditor objections pending, the docket is marked "CALL" and will be brought before the Judge Thursday morning. The initial docket notes are due to the Court by 2pm on Tuesday before Court on Thursday. Once the updated docket has been e-mailed to the Court by the Trustee/Staff Attorney, a copy is e-mailed to the Attorneys. The Trustee/Staff Attorney will continue to receive e-mails from Attorney's attempting to get their case confirmed. Debtors' Attorneys will have a final chance to meet with the Trustee/Staff Attorney at 8:30 am on Thursday morning outside the Court room. If objections are satisfied thru an e-mail or at the Thursday morning meeting, the Trustee will notify the Court with updates prior to the "calls" being heard the morning of Court.

Debtors are allowed two tries to get their case confirmed before being dismissed. If the case is not confirmed on the first try, an Initial Denial Order (Exhibit 5) is uploaded to the Court giving the Debtors 30 days to file a new Plan, once the new Plan has been filed, the Court will reset confirmation and notices the Matrix of the reset Confirmation. If an amended Plan is not filed within in the 30 days, the case will automatically be dismissed with prejudice to re-filing for 120 days. If Confirmation is reset and confirmation is not achieved, a Final Denial Order (Exhibit 6) is uploaded, and the case will be dismissed without prejudice to refileing.

Once a case is confirmed, an Order Confirming Chapter 13 Plan (Exhibit 7) is uploaded. Our Noticing Department will notice the Matrix with the Confirmation Order once it has been signed by the Judge.

If a Confirmed case has a direct pay mortgage, they are required to notify the Trustee monthly whether they have made their ongoing mortgage payment. A letter and postcards (Exhibit 8) explaining the

process is mailed to the Debtor and Debtors' Attorney after Confirmation. There are 3 ways this notification can be accomplished:

- 1) E-mail the notification to mortgage@ch13tyler.com
- 2) Call the Trustee's Office monthly
- 3) Mail a postcard to the Trustee monthly

If a mortgage notification is not received, the Trustee will file a Payment Deficiency with the Court. Once the case has 2 payment deficiencies, the Court will set a Show Cause hearing. Once the Court has set the hearing, the Debtor is required to provide proof of payments for the months listed in the Show Cause notice as well as the months leading up to the hearing.

Issues we would like to go away:

- 1) File **all** schedules with the petition and not file Motions to Extend Time to file Schedules.
- 2) Provide all 7 day documents timely – don't wait until the day before the 341a hearing to provide them, we need time to review
- 3) Provide Confirmation Orders within the 14 day period – we should not have to contact the Attorney multiple times to get an Order