

# NATIONAL PLAN FORM

A Pro and Con Discussion



## National Plan Form Brought to you by the NACTT Academy



John Gustafson  
Chapter 13 Trustee  
Toledo, OH



Honorable Eugene Wedoff  
United States Bankruptcy Court  
Northern District of Illinois



Hank Hildebrand  
Chapter 13 Trustee  
Nashville, TN

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## The History



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## Advantages of a National Form

- 1) Data enabling can only be accomplished if there is a national Form.



## Advantages of a National Form

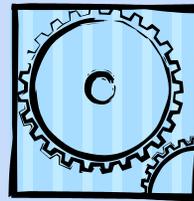
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## Advantages of a National Form

- 1) Data enabling can only be accomplished if there is a national Form.
- 2) National creditors, trustees and judges will know where to find non-standard provisions of the plan.
- 3) A Form may help reduce local variations in Chapter 13 practices, making the bankruptcy laws more uniform.
- 4) It will place Form plans on a more solid legal footing because its use will not depend on a Local Rule or Administrative Order.

## Advantages of a National Form



- 5) A Form will create greater efficiency and be less expensive.

## Disadvantages of a National Plan

- 1) **Reduced local control.**



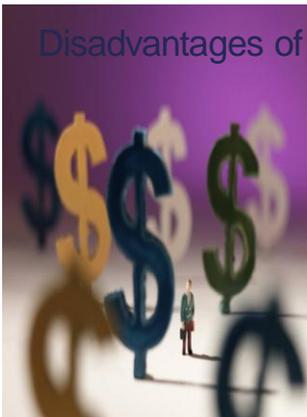
## Disadvantages of a National Plan

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- 1) **Reduced local control.**
- 2) **The need to retool systems of checks and balance that are 'tried and true'.**
- 3) **The time and costs of implementation.**
- 4) **It isn't a problem, and doesn't need to be addressed.**



## National Plan Form

**Does requiring the use of this Form violate § 1321 – the provision that says:**

**“The debtor shall file a plan”?**



Hank Hildebrand  
Chapter 13 Trustee  
Nashville, TN



## National Plan Form

**Q. Is this Form Plan intended to be mandatory?**

**A. Yes, just as the use of the Schedules and the proof of claim form are mandatory, the Form Plan is intended to be mandatory in all Jurisdictions. See, Rules 9009 & 9029.**



## National Plan Form

The proposed changes to the Bankruptcy Rules are part of a

‘Grand Bargain’

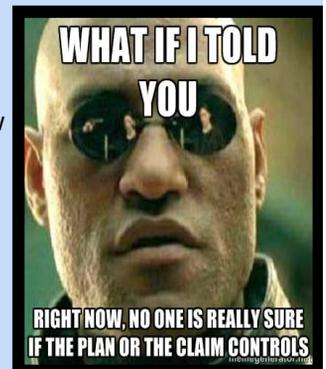
Better notice to creditors means a Chapter 13 Plan can do more.



## The Major Advantages of the Proposed Rule Changes

- 1) We will finally know which controls, the Plan or the Claim!

Rah!



## The Major Advantages of the Proposed Rule Changes

- 2) Under § 522(f), liens can be stripped in the Plan, including judicial liens, without the need to file a Motion.



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## The Major Advantages of the Proposed Rule Changes

- 3) In most cases, proofs of claim will be filed before the Confirmation Hearing, eliminating uncertainty about Plan feasibility.



## The Major Advantages of the Proposed Rule Changes

- 4) Creditors will be required to file claims in order to be paid, simplifying the process of getting secured



## National Plan Form

No matter what we do in bankruptcy, there always seems to be different interpretations by the courts.

Why won't the 3<sup>rd</sup> Circuit and the 9<sup>th</sup> Circuit disagree on the meaning of the language of this form?





## National Plan Form

Email Comments to:

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and/or

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