

OFFICE OF THE CHAPTER 13 STANDING TRUSTEE-DETROIT

**NOTICE TO ATTORNEYS REGARDING INTERPRETATION OF ORDERS  
& PLEADINGS IN CHAPTER 13 CASES**

(EFFECTIVE OCTOBER 1, 1998)

Our Courts' new Local Rules have taken a bold new direction in response to the large increase in Chapter 13 cases. Formerly, the old rules required that the trustee's signature appear on the vast majority of orders submitted to the Court for its consideration. While that provision may have been an appropriate part of the Court's case management system eight years ago (Detroit's Chapter 13 caseload at that time was 3,500), it is no longer apropos of the present (11,000 cases). What may have worked then, does not necessarily work today.

Thus, in an effort to streamline transactional costs and reduce time delays, the Court has chosen not to carry forward old rule 13.15(b).

The Chapter 13 Standing Trustee supports this change and now offers guidance to the Bar in understanding how our office will interpret those Orders and other documents that do not provide sufficient instructions for case administration (please note that this is not meant to address substantive legal issues). These are items about which no one generally takes issue, but nonetheless are needed to administer the plan. Rather than add to transactional costs and delays by interposing nominal objections, our office herewith submits a policy of interpretation when administrative directions are missing, are vague, or are ambiguous.

We hope this notice assists in promoting a sense of "better practices" for the profession.

We welcome your thoughts and comments. This notice should be considered a work in process, and as such, is subject to revision over time as we receive more comments from the Bench, Bar, and the public.

**1. TRUSTEE SIGNATURE REQUIRED FOR:**

- **Orders Confirming Plan** L.B.R. 3015-3(a)(5); 3015-3(b); 9021-1(a)(3) (E.D.M.)
- **Ex-Parte Orders Approving Attorney Fees** L.B.R. 2016-2(c) (E.D.M.)
- **Orders resulting from hearings where the Trustee filed written objections** L.B.R. 9021-1(a)(3) (E.D.M.)
- **Stipulated Orders** affecting distribution of funds under the plan or affecting trustee's responsibilities.

**2. ASSUMPTIONS MADE TO ASSIST IN PLAN ADMINISTRATION:**

- **Effective Dates:** If omitted, we will use the true copy date of the Order.
- **Creditors "Paid Direct" or "Through Trustee":** If omitted, we will assume paid through Trustee. L.B.R. 3070-1 (E.D.M.)
- **Plan Modifications Omitting Frequency of Payment:** We will use the old payment frequency.
- **Plans or Orders Reducing Distributions Where Prior Plans Allowed Same:** We will not seek refund of those monies properly and timely distributed where a later modification would prohibit it.
- **Orders Entered Twice:** We will use the earlier one.

**3. DOCUMENT DRAFTING DYNAMICS:**

- **Be Descriptive!** Indicate if payments/dividends are to be *reduced* or *increased*.
- **Be Specific!** Often creditors may have more than one claim in a case; which one are you referring to? If the debtor has more than one automobile, please specify make, model, year.
- **Which Class of Unsecured Debt?** Priority or general?
- **Refer to the Plan's "Boilerplate" When Modifying!** Especially when dealing with claim allowance issues.
- **Was a Hearing Held or Not?** Procedurally, this is important; it affects debtor's/creditor's rights!
- **Does the Prayer for Relief Match the Order?**
- **Proof Read!** Do dollar amounts match? Descriptions of collateral? Frequency of payments? We will use the first-mentioned reference, not the second!
- **Is the Caption of the Order Reasonably Descriptive?** Are you "inviting" mistakes in the reading of the document? Remember that PACER will only post the caption.
- **Are You Using the Correct Case Name and Number?** Mistakes like these happen all the time!