

TRANSCRIPT OF
INTERVIEW OF
H. FRANK ALLEN

Place: Wake County
(Heard via Zoom)

Date: January 22, 2021

TRANSCRIPT ORDERED BY:

DAWN R. WRIGHT, CASE ADMINISTRATOR (U.S. Bankruptcy
Court)

ATTENDEES:

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CHRISTINE CASTELLOE, CHIEF DEPUTY CLERK (U.S. Bankruptcy
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Audio Recorded
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MS. BUTLER: So, today we are interviewing Frank Allen for our history project. And we have here today to assist with the interviewing, myself, Stephanie Butler, Christine Castelloe, Cindy Oliver and Travis Sasser. And we would also like to thank Sharon Angel for doing our recording for us today.

So, Mr. Allen, I'm going to get you started out, and I get to throw you the softball questions before everybody else starts throwing you the hardball questions. When and where were you born?

MR. ALLEN: I was born in Statesville, North Carolina in December 1946, and I grew up in North Wilkesboro.

MS. BUTLER: Okay. Can you tell us a little bit about your parents?

MR. ALLEN: My grandfather owned a movie theater in North Wilkesboro, and my Dad and my uncle ended up owning it after my grandfather died. And in the early 50's Dad saw the boom in tv and the decline in theater attendance and so he got out. He wound up in sales and operated a home repair business. My mother was a teacher for, I don't know, 25 years out in the Mountain View community of Wilkes County, North Carolina.

MS. BUTLER: All right. We'll pass along to somebody else.

MR. ALLEN: Okay. Those were the softballs?

MS. BUTLER: Well, no, there's some more, but we -- what we like to do is we like to kind of float the questions around until we kind of get a natural conversation going, and sort of expand upon some things that you're saying, so --

MR. ALLEN: Okay.

MS. OLIVER: So, tell us where you went to school?

MR. ALLEN: High school, or college?

MS. OLIVER: Well, high school and college, as well.

MR. ALLEN: High school I went to Wilkes Central, in North Wilkesboro. Graduated in 1965. College, I started at UNC, and went for two years. Then you had to declare a major -- I had no idea. So, I joined the Marines. I enlisted and at boot camp qualified to apply to attend Officer Candidate School. I attended OCS and the Marine Corps Basic School for officers and my first duty station was Vietnam. As a Marine Officer I was a infantry platoon commander and S-3 operations officer with the 7th Marines and, in

between those roles, handled some court martial duties. That experience encouraged me to think about becoming a lawyer. After three years in the Marine Corps I was released from active duty and finished my undergraduate work at Appalachian State University, and then went back to Carolina to attend law school. So, the Marine Corps helped me find a career.

MR. SASSER: Did you take bankruptcy law in law school?

MR. ALLEN: No, there were no bankruptcy courses in UNC law school at that time. It was more something called debtor/creditor rights, and we studied odd sounding things like receiverships and replevin and a little bit of bankruptcy, but not very much. You came out of law school and knew virtually nothing about bankruptcy. I probably learned more about bankruptcy from the business Law courses I took at Appalachian. One of the professors had handled bankruptcy cases when he practiced law.

MS. OLIVER: And what year did you graduate from law school?

MR. ALLEN: I graduated from law school in 1975.

MS. BUTLER: Did you start practicing

bankruptcy right out of law school? I mean, you said you knew nothing about it.

MR. ALLEN: No. I got a job here in Tarboro with a sole practitioner named Jack Hopkins who did a little of everything. He also had some accounting clients. I worked with those, did some criminal work off the appointed list, some personal injury. He had actually filed a Chapter XIII case and the first time I ever went to bankruptcy court was for that Chapter XIII, a worker's comp client with a possible settlement coming, and he was trying to save his mobile home and the XIII helped stop his creditors or at least confused them. It also helped that at that time Judge Moore was ill and cases were delayed. It turned out Jack had never filed a plan for the Chapter XIII. At the Chapter XIII hearing Buzzy Stubbs, who was the trustee suggested it be converted. I explained some of what the debtor wanted to do and we agreed to continue it so we could actually file a plan. As I recall, our client's workman's comp case was settled and he was able to work things out with his creditors.

Later that year, there was a seminar at Wrightsville Beach. Buzzy and Judge Moore put on the seminar and Claude Rice from EPI, which became Epiq,

was there and I remembered the XIII I tried to handle and at the seminar actually learned something about Chapter XIII. By the way, at that time we were under the Bankruptcy Act and the case designations were in Roman Numerals. And after that seminar I started doing some, and it just kind of went from there.

MR. SASSER: How did you find out about the seminar at Wrightsville Beach?

MR. ALLEN: I think it probably was just a circular in the mail. Jack said I should go to that. Larry Thompson, who was doing Chapter XIIIs in Fayetteville was there. Mack Howard, who was introduced as the new XIII trustee, in addition to Buzzy, was there.

Claude Rice had the approach of why would you ever file a Chapter VII. You could do most everything in Chapter XIII you could do in Chapter VII. And he could articulate what a Chapter XIII plan would look like. My impression was there were people doing Chapter XIIIs but they were generally unknown to the bar as a whole.

So, that got me thinking, and then we started doing some and the next year the Supreme Court struck down the ban on legal advertising in *Bates v. Arizona*.

It was interesting to see the ad Travis sent me, a newspaper ad we ran, starting in 1977 or 1978 I believe, advertising "Wage Earner" Plans for \$250.00.

MR. SASSER: Mm-mm.

MR. ALLEN: The Bates opinion struck down bans on legal advertising and a prior opinion a year or two earlier had struck down minimum fee schedules. When I started practicing, you couldn't advertise. With minimum fee schedules, you couldn't let the community know you were willing to do legal matters cheaper than the established firms in town because there was no legal advertising. Minimum fee schedules meant advertising that you were doing things cheaper than the going rate was an ethical violation.

MR. SASSER: Getting back to that 1976 --

MS. BUTLER: Travis, can we pause for just one second. The audio is not coming through well on my end. I don't know about for the rest of you, so I just want to check with Sharon and make sure that the audio is coming through on her end.

Sharon, the audio -- or is everything coming through okay?

COURT CLERK: Hey, I'm getting a little bit of feedback when Mr. Allen speaks. But it's coming

through. It's just so much of his answers are a little inaudible.

MS. BUTLER: Yeah, Christine and I are both on iPads and we're getting a lot of gaps. But that's fine. I just wanted to make sure that the recording is getting what it needs to get. So, that's the most important thing at this point.

MS. BUTLER: Okay. I'm sorry to interrupt, Travis, but I wanted to make sure that weren't having issues with that.

MR. SASSER: Yeah, I'm hearing gaps as well, but --

MS. BUTLER: Okay. All right.

MS. CASTELLOE: The transcript will give him the opportunity to get it fixed -- it if it says unintelligible he can go --

MS. BUTLER: He can fill them in?

MR. ALLEN: Well, if I can remember.

MS. BUTLER: Maybe what comes through will help trigger your memory.

MR. ALLEN: If not, I'll just make it up.

MS. BUTLER: That will work, too.

All right. Go ahead, Travis, I'm sorry I had to interrupt.

MR. SASSER: I was just going to say, do you remember how many people were at the Wrightsville seminar in November of '76?

MR. ALLEN: There weren't many. Thirty-some. I had never met Judge Moore before. At the first bankruptcy hearing I attended -- the XIII that my law partner had filed, Judge Moore was ill and Rufus Reynolds conducted the hearing. They were not called judges then but referees, and they attended the 341 meeting, but it was known as the creditors meeting.

At breakfast the morning before the seminar started, I was paying the bill at the cash register and a white-haired man introduced himself. It was Judge Moore, and he was cordial and seemed glad to see a new face.

Buzzy Stubbs was at the seminar. Mack Howard had just been appointed as the second Chapter XIII Trustee and he was there. Larry Thompson, from Fayetteville, who had done a number of XIIIIs was there, Larkin Pahl, who was a chapter VII trustee, was there and gave a presentation on Chapter VII.

MS. OLIVER: So, tell us about the type of advertising that you've done over the years.

MR. ALLEN: Started out newspapers, maybe in

the local paper. I think -- it must have been the local paper, because when I'd see somebody around town they'd kind of joke, well, if I had \$250 why would I file bankruptcy. Somewhere along we expanded the print advertising, advertised in Rocky Mount, Roanoke Rapids, and Raleigh. We'd also gotten into doing television advertising.

MR. SASSER: Did you receive any kind of a negative feedback about your advertising? You mentioned people joking with you, but did anybody give you a hard time about that?

MR. ALLEN: Well, that article that Travis sent me from the News & Observer, that was, what, '81, is that right? As I recall, yeah. There was feedback. There was a front-page article in the Rocky Mount paper in the late 70s, I mean, they tried to do a hit job. And I'm sure they were getting a lot of gripes from the merchants that advertised with them. The Rocky Mount paper accepted our ads, but their front-page article, their attitude was that the Bar was allowing advertising for bankruptcy and somehow that was unethical and the Bar needed to do something about it. They called and interviewed me, but they barely printed anything I said. Their sense was you didn't need to

advertise bankruptcy because if you went to a lawyer, a lawyer would advise you about the legal alternatives. I tried to get across that that was not happening.

Ideally, yes, a lawyer should be advising the legal alternatives, but they were not, and a lot of it was that Chapter XIII was just not well known especially among lawyers. Our approach to advertising was not hype but was informational. We were telling consumers of options that were not well known at all.

Also, another attempted hit job was the local chamber of commerce. They had a session at the Tarboro Inn, a breakfast meeting, for their members and mainly small businesses in Tarboro. This was probably in the early '80s after the Bankruptcy Code was passed. They invited Mack Howard, who was the Chapter 13 trustee for this area, my trustee, and he called me and said I ought to go since they were probably going to gripe about me. And it was kind of a gripe session, but they let me speak.

I remember when I was riding out there, I heard on the radio that some guy had been arrested for having 900 credit cards. And that was fortuitous. That could emphasize a point I was going to make in talking to them, you know, you guys want to gripe at a lawyer

trying to provide relief, reorganization of debts, and the bulk of the bankruptcies I did. I was pointing out that the bulk of what I did was Chapter 13's where a debtor come up with a plan to pay those debts. Here's a guy who had 900 credit cards. How did he get 900 credit cards. The world is changing. Credit is no longer a local thing. We used to have the local mom and pop's that granted credit -- now people are getting credit all over, and creditors are soliciting and sending out credit cards without adequately checking anybody's credit. Don't tell me about filing bankruptcies--reform the credit industry and do some credit checks. Don't be handing these things, these credit cards like green stamps to people who are already overextended anyway

MR. SASSER: I notice in the advertisement it talks about -- it says, you know, don't file for bankruptcy, file a wage earner. Was there that kind of a distinction that was made, obviously, at that time, did that continue on?

MR. ALLEN: We may have made that distinction. If so, it was because we thought that it was new, at least in the minds of the reader of the ad. Chapter XIII was new because it was unknown and we were

making it known. We were advertising something, that though it had been on the statutes since the Great Depression I believe, the first Chapter XIII I believe wasn't filed until 1960 in the Eastern District of North Carolina by Robert Greene Bowers of New Bern. At least, that's what he told me.

Although a lot of attorneys in the area were familiar with Chapter VIIs and could fill out the forms, or have their secretary do it, few attorneys were filing Chapter XIII. The advertising made it new, made it different.

In the early years, there was a broad discrepancy between districts as to whether there was even a Chapter XIII practice or not.

Rufus Reynolds was an innovator in the Middle District, and Judge Moore got things going in the Eastern District. And when I went to that seminar November '76 and Howard became the second XIII trustee, obviously, there was already a Chapter XIII practice going on, but the advertising, and the fact I started concentrating in it, helped make it known more broadly.

MR. SASSER: Before we move on to that part of it, what was -- do you remember much about what it was like to practice under the Act in terms of, like,

Judge Moore presiding at the meeting of creditors and just the way it was different than --

MR. ALLEN: Yeah. Well, it was different. Not just the judge, but rules that were sometimes ad hoc, perhaps described as folk rules. One of them was known as the big car rule. If a debtor showed up in court as a Chapter XIII debtor, and he had a car that was nicer than the judge's, well, he might have to give it up. The judge could shoot the case down from the bench.

Under the Bankruptcy Act, you couldn't treat mortgage arrearages. You couldn't cram down anybody. And creditors had to vote to approve a plan. The judge could just decide to basically end the case. At times, Mack and I would whisper about a case and decide to agree to continue it in that the judge was having a problem with it and let this case come back up later and sometimes that problem would just not come up at the continued meeting of creditors.

So, it was very different having a judge sitting up there, and rules like the big car rule that could be very arbitrary. One case I remember the debtor had a big car, a Lincoln Continental. Mack talked to me before the hearing, basically a "what's the matter

with you" conversation. Why did you propose this plan? I told him we're prepared to pay the car payment in full; the plan in full. The debtor is a salesman. The car is his job, his life. It's how he projects -- how he makes a sale before he even makes a sales pitch. Mack just stood up and said, "I've talked to Mr. Allen about this, and we agree this plan is proper under the circumstances," and he explained and Judge Moore went along with it.

MR. SASSER: How did Judge Moore -- you mentioned that he kind of took up some things to promote Chapter 13, and are there ways that he promoted Chapter 13 in particular? You mentioned the forming of the trustee and educational efforts, or what other things did he do to promote the practice?

MR. ALLEN: Well -- yeah, educational, sure. And promoting Chapter 13. Like the 1976 seminar, having Claude Rice there. For me, that got me focused on Chapter 13 in that I probably would not have focused on it at the time without going to that seminar.

When EBI was established, education was the focus. However, it was not esoteric. It was education about cases decided in the district, local practice, and guests that were helpful contacts, like

the US Attorneys office, the Internal Revenue Service, and State of North Carolina Department of Revenue. The judges made a point of being there, pretty much all the trustees showed up, the Clerk's Office, and the BA's office. and the judge. Then there is a cocktail party where everybody can get together informally.

And I think that's been the strength of the EBI process. You have the judges talking about cases they decided, and practice pointers about what they do and what they think is important. I know the local rules that you sent me some from 1983 -- and what, there was one page of them, is that right?

MR. SASSER: I think, actually, that was just one -- there was other pages, but --

MR. ALLEN: I think that came from Judge Small's influence as he came on the bench in 1982 and, yeah, he had more stuff written down.

MR. SASSER: So, to your recollection, there were no local bankruptcy rules before that --

MR. ALLEN: That's my recollection. Let's put it this way, there were no written local rules when I started in the late 70s. Now, I may be wrong about that, but that's my recollection.

MS. BUTLER: Did you ever serve on the local

rules committee at any point during your career?

MR. ALLEN: I don't think I've been on a local rules committee.

MS. OLIVER: Frank, where did you draw your bankruptcy clients from?

MR. ALLEN: Where did I draw them from?

MS. OLIVER: Yeah, where did they come from?

MR. ALLEN: They came from the streets, and the neighborhoods and the fields and --

MS. OLIVER: I'm sure they came from outside Tarboro, right? I mean, how far did your clients drive to get to you?

MR. ALLEN: Well, I've had -- in fact some guy in Ocracoke, I asked him what ferry did you take? He drove. He said it was easier to drive than to depend on the ferry. So, in northeastern North Carolina it's better now, but for awhile there, there was no bankruptcy lawyer. There were general practitioners that did some Chapter VIIs. There were few Chapter XIIIs and few lawyers that knew about Chapter XIII.

MR. SASSER: What do you recall about the transition between the Act to the Code in terms of, like, what it took to kind of make that change?

MR. ALLEN: Well, it's interesting. We had some seminars about the new law. There was the issue of the procedure of what would be called 341 Meetings instead of Creditor Meetings, who would be in charge for the -- I recall the clerk's office. The clerk's office would preside at a 341 meeting. And I'm not sure how long it went on. Each Chapter 7 or 13 there would be either the clerk or a deputy clerk, and that may have gone on for years before at some point the trustee started handling the meeting. It was a little strange not having the judge there at meetings, but, I mean, I think the meetings worked reasonably well without the judge. Judge Moore said, maybe at one of the seminars going over the new law, that with a good trustee, which his were, and with a good debtor's attorney, the judge was not needed at a creditor's meeting.

One annoying thing was at the end of the Chapter 7 process, you had to have a discharge hearing where people would come and have to come to a meeting at the end of a case to qualify to get their discharge by hearing the judge explain what a discharge meant. That has since been relegated to information the clerk sends out about the discharge.

MR. SASSER: What would happen at those discharge hearings, exactly? It was explained to them, or what all was said?

MR. ALLEN: Yes, that would basically be it. Judge Moore or Judge Small would generally go to the site of where the 341 meeting was held and convene a hearing, and the roll was checked and the judge would explain as simply as possible the effect of a bankruptcy discharge.

MS. OLIVER: So, would the judge discharge all the debtors at one time who were in the courtroom, or did they have a separate hearing for each debtor in the courtroom for discharge?

MR. ALLEN: No, there was not a separate hearing for each debtor. It was just a onetime thing that they had to show up for.

MS. OLIVER: They all were discharged as a group?

MR. ALLEN: When they went to that hearing then they got their discharge, so long as they went to that hearing.

MR. SASSER: Were attorneys required?

MR. ALLEN: Attorneys were not required. I tended to go. I know Judge Small one time went out to

Elizabeth City. And he asked me later why I was there and I told him I wanted to make sure my client wouldn't get up and ask him a question that the client had not asked me.

MR. SASSER: Getting back to the 341 Meetings under the Code. Was that -- was any old clerk's office employer, was that the estate administrator, or I think it was June Farmer was the estate administrator from whatever it was -- '81, '82 to whenever --

MR. ALLEN: I don't remember how that was -- Peggy (Deans) went to a lot of them. Sometimes a deputy clerk presided. June Farmer did preside at some.

MS. CASTELLOE: Yeah, I think I can remember Duane Haddock telling me that, the clerk's office used to rotate going to 341 meetings back in the day.

MR. SASSER: Do you recall how it was assigned? How they decided which -- ?

MS. CASTELLOE: I don't. It was the before I came on, but I can remember them saying, yeah, before we got trustees, we used to go do the meetings. And I thought that was an interesting piece of history.

MR. ALLEN: Yeah. Back in the day, Chapter 13 and Chapter 7 hearings would be on the same day.

They held the Chapter 7 cases in the morning, and then had Chapter 13 cases in the afternoon or vice versa. Also, pre-Code there seemed to be less hearing days. It was not unusual for there to be just one hearing day a month

MS. BUTLER: There were a lot less filings then, though, so they could --

MR. ALLEN: Yeah, with less filings.

MR. SASSER: The 341s in Wilson were at, actually, the federal courtroom, is that where they had the 341's?

MR. ALLEN: There was a federal courtroom on the second floor of the post office building. That was for a good while. Judge Moore's office was there for a while. His law clerk had an office there on the second floor. The clerk's office was where Judge Moore's law office used to be. And then at some point, I think, the clerks moved out and the courtroom was in Judge Moore's old law office. Seems like a couple of years went by like that. Things could get pretty crowded on motion day.

MS. OLIVER: Frank, are there any cases that you were involved in that standout in your mind for whatever reason?

MR. ALLEN: The credit union had a process of loaning money and claiming a state employee's state retirement as collateral. If you got a loan at the credit union, you signed an agreement that when you retired or drew your retirement out, it would go to the credit union. They would take it. It would go into the bank account at the credit union, and they would offset their loan and give you what's left.

I remember challenging that in a 13 case. In fact, I did it a couple of times and they quit doing it. They didn't have a lien on anybody's State retirement.

I did some Chapter 11 work, and this was not my case, but this was -- I call this the airplane case. My client had a small corporation and the corporation owned two station wagons and he would drive people from Rocky Mount to the Raleigh airport to catch their flight or pick them up. So, he had a connection to the Raleigh-Durham airport but that's not what the airplane case was about. We were on the docket behind the airplane case.

One thing about Judge Moore we all learned practicing in front of him, if he got hacked off at the start of the docket, he could stay that way for the

entire docket. That day Buzzy had the case ahead of me, and there was something about an airplane. I don't really remember what it was about or why. I just remember that Judge Moore just got really hacked off at what was going on about the airplane, so much so that he actually threw the file across the dais. I thought, good God, I'm the next case.

So, after Buzzy sort of snuck out, my case was called. First thing I said was, "Judge Moore, you'll be glad to know there's no airplane in this case," and he started laughing, and my guy had clear sailing.

MS. OLIVER: You had a good read on him.

MR. ALLEN: You may have heard this story-- in fact, it may be the first time I met Ted Nodell. He was representing a furniture company, and my guy had bought some furniture. I can remember a bed, a TV. He had filed a Chapter 13. At the 341 meeting, Ted wanted to ask all these questions, and Mack and I sort of agreed you know, don't you want to do this at a 2004 exam when there weren't a room full of Chapter 13 debtors waiting for their case. I mean, look at this roomful of people here trying to get their hearing.

So, he went back and filed an objection that

the Chapter 13 was filed in bad faith, not a 2004 request. We had a hearing in front of Judge Moore. The premise of the motion was the debtor had gone into Ted's client's furniture store and bought a bed and a tv and shortly thereafter, filed Chapter 13, and that was bad faith, buying stuff on credit knowing you were then going to go over to Mr. Allen's office and file Chapter 13. So, I put my guy on the stand and -- basically his story was this: "My wife and I had separated, and she got everything and moved out of the apartment, and I didn't have -- all I had was a roof. So, I went out and bought it. Then I had a place to sleep, a place to sit and a TV. I had other bills I was worried about not just the furniture and I was sitting there late at night, sitting on the bed, I didn't even have a chair and a miracle happened. While I was sitting on the bed, watching the TV, Mr. Allen's ad for Chapter 13 came across the TV. And I listened to that. And I called his office the next day."

Judge Moore listened to his testimony, and the witness was credible, and the judge said, "Mr. Nodell I think it's obvious this gentleman has not filed in contemplation of bankruptcy because he didn't know anything about it. If he didn't have the bed to

sit on, and the tv to watch, he wouldn't be here."

Next time you see Ted, ask him about that.

MR. SASSER: When did you start advertising on TV?

MR. ALLEN: 1977 or so. Probably late at night, something like that.

MR. SASSER: That's when you started, right?

MR. ALLEN: Started, yeah.

MR. SASSER: I got it. You advertised in the Raleigh market, or out there -- Greenville or what?

MR. ALLEN: We advertised mainly in Greenville and Raleigh, yeah. Raleigh had a big reach. More than I needed really.

MR. SASSER: When did you stop advertising on TV?

MR. ALLEN: Well, I stopped in Raleigh early 2000s, 2003 or so, something like that, because I was trying to cut back on some of the travelling and limit my practice. I did not want to be in another partnership, and I wanted to practice law, sit down with a client, solve a problem, not be a manager of a large organization where I never saw a client or go to court.

MR. SASSER: Did you have other attorneys

working for you, or with you in the '80s, or was it just you?

MR. ALLEN: Well, before my partner and I split, I had, my law partner. And we had -- he did personal injury work. We had a lawyer that worked with us that became skilled in both bankruptcy and personal injury work. She left the practice in '90 or '91 and Jack and I split in '92. I haven't had another lawyer with me since then. My daughter's working with me and she's a law school graduate.

MS. OLIVER: Where did she go to law school?

MR. ALLEN: Campbell.

MS. CASTELLOE: She was an intern with our court, wasn't she? Didn't she intern with Judge Warren?

MR. ALLEN: Yes. Yes, she did and enjoyed it.

MR. SASSER: You practiced, at this point, in front of all seven of the bankruptcy judges, is that right?

MR. ALLEN: Have there been seven? Wow. Yeah. Yeah. And then a judge in Virginia, a judge from the Middle District -- and to think it over, I had a hearing with Judge Wooten in the western district.

MR. SASSER: Setting aside those ones, if you just focus on the seven Eastern District Judges who have primarily been here, who did you most like to appear in front of?

MR. ALLEN: I mean, I -- Judge Small was always, as far as having a hearing, he was always fair. He didn't decide it my way all the time, but he was fair and a gentleman in court. I never saw him throw a file. That's not to say any of the others were unfair at all, Judge Small was just unperturbable.

MR. SASSER: What about trustees? Who was your favorite trustee? And it's okay -- we're just going to keep it between ourselves. Nobody else will know about it.

MR. ALLEN: Well, my favorite was Bob Browning, I think, because he and I got along, and he -- you know, there was very few times that we had something that we didn't -- couldn't work out if it could be worked out, or if it should be worked out prior to a hearing. Along the way there has been a trustee or two that would want a hearing on something that on things that could probably be worked out.

MS. BUTLER: What about other attorneys? Are there other attorneys that you practiced with over the

years that you particularly admire?

MR. ALLEN: Well, I think Billy Brewer, I mean, as far as, you know, having a great grasp of legal issues. When Billy goes off listserv for any period of time, it seems there's collective wailing and gnashing of teeth that even I hear, and I'm not on listserv that much.

Other fellow attorneys that have been good friends, Robert Fuller is one. I well remember a schedule messup we had, and a Chapter 7 hearing was not scheduled at the right time, this was over twenty years ago. My client was there at the hearing and the case was called and I was not there. Bob stood, walked to the front and sat down like I had called him ahead of time. I have never forgotten that act of friendship.

John Williford in Rocky Mount, who does mainly creditor work in bankruptcy court, we have known each other since the mid-70s. We probably touch base every couple of weeks about about an issue one or the other has. He calls me about debtor issues and I call him about creditor issues.

MR. SASSER: As you reflect over the arc of your bankruptcy career, I guess from '76 until now, what are some major, I suppose, differences, as well as

similarities between how things were originally and how they currently are?

MR. ALLEN: I'll have to say it was something of a culture shock, leaving Chapel Hill, and coming to a small town in eastern North Carolina. It was an area with a farming heritage that continued well into the 1980s and still is a large farming area. It was a poor area and not much industry, and ways of doing things that were probably similar to how things were done years before, the 1930s and so on.

For a lot of people conditions are improving. But in some cases, I'm representing great-grandkids of people I've represented before and with some of the same troubles. Northeastern North Carolina has been, perhaps, kind of the wayward child of North Carolina for many years, and bankruptcy has been a way to help them.

And, you know, I know that before I knew beans about bankruptcy court, I was trying to help a woman who a furniture company wanted to take her furniture. She came to the office, had lost her husband, and the kids sat out in the waiting room while I listened to her sad story. I called the manager up, myself, and his attitude was very severe. If she

doesn't' pay what she owes now, she's going to lose the furniture—that sort of attitude. I did not have a way to help her. She sat in my office and there was nothing I could do to relieve her situation. I went to that seminar November of '76 and I discovered a way to help people like her, and many times since I have seen her face in the faces of my clients, and I have been honored to see that face turn into emotional relief, a smile even. I feel blessed to have been part of that transformation.

MS. OLIVER: Well --

MR. ALLEN: Go ahead.

MS. OLIVER: Well -- so, today, is there a section in the Bankruptcy Code that you think is unfair and if you had the power by yourself to change it, you would change it? And I'm just looking at -- I don't know if you have an opinion as to, you know, student loan debt or anything else in the Code that you would like to see changed?

MR. ALLEN: Yeah, the student loans, I think they ought to be dischargeable in some fashion. You know, up to a point you could discharge them back then, as long as they weren't older than such and such. And they ought to be -- I mean, people coming out owing the

money they owe and having it for 30 years. Incredible.

You know, this pandemic, and this is sort of beside the point of your question, I don't like to -but it's kind of nice having hearings where you don't actually have to go -- where you have a telephone hearing or, you know, or something like this, and you're not having to ride to Greenville or up to Raleigh or -- of course back in the day bankruptcy court in Elizabeth City -- there weren't many bankruptcy lawyers up there. So, to proceed with an Elizabeth City case it was a day to deal with that. And so having a telephone hearing or a Zoom hearing, that is amazing.

MS. BUTLER: And I assume you feel the same way about the 341's being done, as well?

MR. ALLEN: Oh, yeah. Yeah. I mean, that's -- I mean, people don't have to take off work, don't have to take a whole day off work. So, yeah.

MR. SASSER: Were you sad when they moved the Bankruptcy Court from Wilson to Greenville, or you're just kind of neutral about that?

MR. ALLEN: Oh, I got used to Wilson. You know, Wilson you didn't have a problem parking. I mean, it was very rare for the Wilson court building

parking lot to be full, and if it was, well there was a mall parking lot over there just across the street. Greenville has a continuing parking issue. For what it's worth, Greenville has better liquor stores than Wilson ever had.

MR. SASSER: You mention these remote hearings that we're doing now, but, of course, we've also changed from a paper-based practice to, you know, electronic filing or automation. Do you consider that to be a good thing?

MR. ALLEN: That's one thing I should mention. The lawyer I started practicing with, when I started there he had one of the IBM electric typewriters where you put in certain things and so on, and then he went around and talked to IBM about a word processor, and we didn't get it from IBM we got it from somebody else. He was able to learn how to program that thing to do things. It was like a small computer. And so when the first computers came out, we were able to shift some of our practice very easily. So, yeah, in that day we were one of the first to go digital.

MR. SASSER: I see all those books behind you on the screen. Are those for decoration or are you still updating your bankruptcy reporters there in the

back?

MR. ALLEN: No, I don't update them anymore. No, I look it up on the internet.

MS. BUTLER: Another good thing about technology.

MR. ALLEN: Yeah, yeah. Or this -- these here -- these things, yeah, otherwise we'd be in a room in Raleigh, I guess, with this stuff.

MS. BUTLER: Shepardizing.

MR. ALLEN: Yeah.

MS. BUTLER: So, what are some of the other strengths that you see about Eastern District of North Carolina bankruptcy system? You said you practiced in the Middle District and some in Virginia. What do you see as things that Eastern North Carolina has done that you feel like maybe puts them a step ahead of some of the other districts?

MR. ALLEN: I've done enough in the Middle or the Western District, really, to say something specifically. I like the Eastern District. One thing, we all seem to get along.

MR. SASSER: Now, that's East, I mean, you might exclude some of the Raleigh folk.

MR. ALLEN: Is Frank Drake listening to this?

MS. BUTLER: East of 95, is that it?

MR. ALLEN: For the most part we have a very collegial bar -- yeah, all the way up, I mean, pretty much with the judges, the trustees and the attorneys. I mean, Ted Nodell, he's been my good friend for -- since that hearing, not at that hearing, but since that hearing he's been a friend. And it's not unusual when we're at a seminar that we're sitting together.

MS. BUTLER: On the flip side, are there any areas that you think might need to be improved upon in our bankruptcy system in the Eastern District?

MR. ALLEN: Can you get rid of the new bankruptcy law and go back to the Bankruptcy Code?

MS. BUTLER: We don't have that kind of power.

MR. ALLEN: Yeah. You know, I tend to roll with what's there, you know.

MS. BUTLER: All right. Travis, Cindy, do you guys have any more questions? Christine, do you have any?

MS. CASTELLOE: Was there anything, Mr. Allen, that you wanted to tell us today when we contacted you about this interview, or any stories or

anything else that you wanted to make sure you told us today that we haven't covered in our questions?

MR. ALLEN: Good question. Maybe when I get the transcript I'll see what I left out.

MS. OLIVER: Feel free to add to your transcript, if there's something that comes to mind.

MR. ALLEN: All right.

MR. SASSER: That was great. I appreciate that a lot. Very informative. Real helpful.

MS. BUTLER: We really appreciate each taking the time to sit and talk with us today.

MR. ALLEN: Oh, happy to do that. If you got other questions as we go along just email me.

MS. BUTLER: Okay. We wish it could have been in person but, obviously, that's just not possible right now, but -- so we do appreciate you wanting to do it by video with us.

MR. ALLEN: Oh, yes.

MS. BUTLER: It does help to be able to tell the story.

MR. ALLEN: Yeah. I know that Christine said that her parents had had their shot. I'm getting my shot next week, hopefully. Be glad to get the thing over with. Going back to something, a store, a

gathering-- without getting, you know, a virus.

MS. BUTLER: Yeah. We've been very fortunate here in our court. I know I've been passing on to Christine, I'm a member of the Johnston County Bar, because I live in Clayton, and so I get the e-mails. And their clerk's offices have had to shut down in the last two or three weeks, because they are just completely covered with COVID cases. So, we've been very fortunate, but I think we've been very good about trying to keep our staffing in the office low to prevent as much transmission as we can. We want to be safe and we want to keep you guys safe, too, so --

MR. ALLEN: You know, I miss sitting across the table -- I haven't been across the table in two years. I mean, that's always been my favorite part of what I do, sitting across from somebody, they're carrying burdens. You can see it in their demeanor, sometimes the slump of their shoulders, their voice. A nervousness like going to the dentist. They don't want to be there. Yet, when we talk. When we discuss their situation. When they find out what can be done. Sometimes it does not solve their situation, but a lot of times you can see that the burdens they had when they came in, they have at least laid some of them

down. And that makes me feel good. It's a feeling I have had a part in making a difference in their lives.

MS. BUTLER: Have you been doing any video conferencing with prospective clients, or are you just doing telephone?

MR. ALLEN: So, I would think, arranging Zoom or getting it arranged so we could sit down and talk like we were talking now, would be difficult for some of my folk. Others, it would work.

MS. BUTLER: Right.

MR. ALLEN: So, we, for the most part, we just talk on the phone.

MR. SASSER: Thanks again.

MS. BUTLER: Yeah, thank you.

MS. OLIVER: That was a great interview.

MR. SASSER: Can we caucus real quick after Frank gets off the call?

MR. ALLEN: Let me see if -- I'm going to disappear.

MS. BUTLER: All right. Have a good weekend.

MR. ALLEN: All right. Thank you.

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C E R T I F I C A T I O N

I, ALYCE H. STINE, court approved transcriber, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter, and to the best of my ability.

/s/ Alyce H. Stine

ALYCE H. STINE

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