

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA**

FILED

JAN - 6 2017

**STEPHANIE J. BUTLER, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF NC**

IN RE:

**FLOOD RELATED PROCEDURES
EXTENSION**

GENERAL ORDER

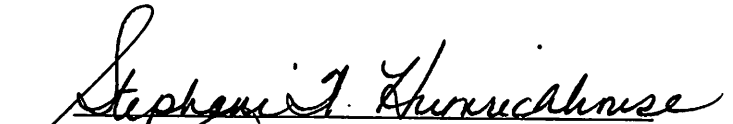
The Eastern District of North Carolina was struck by Hurricane Matthew on October 8, 2016, resulting in significant flooding throughout the Eastern District. The Court determined that it was necessary to make amendments to its normal procedures in order to accommodate those affected by the flooding. The Court entered a General Order setting forth amended procedures on October 12, 2016. Upon further review, the Court determines that it is necessary to extend these emergency measures. Therefore, the following procedures shall be in effect through February 28, 2017.


1. Trustees (both in Chapter 7 and 13 cases) will be given authority to continue 341 meetings without motion and order, simply by notating on the minutes that the meeting was continued to a date certain.
2. The limitation on number of waivers of payment to be given by Chapter 13 trustees without court approval will be suspended; trustees may authorize whatever waivers appear reasonably necessary under the circumstances.
3. The limitation in Local Rule 4002-1(g)(5) that a Chapter 13 debtor may not purchase property or incur debt of more than \$7500 without court approval is suspended. To the extent reasonably necessary to replace flood-damaged property, debtors may incur debt or purchase property. If the amount of debt or purchase exceeds \$7500, debtors must have the approval of the Chapter 13 trustee. If the trustee objects, court approval is necessary.

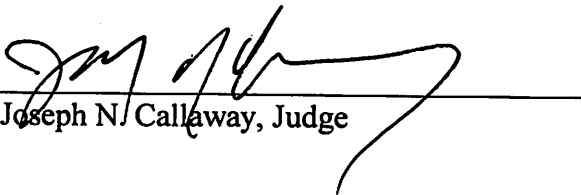
4. Under Local Rule 9014-1, orders will not be entered solely on the basis that no response was filed, unless the court is persuaded that actual notice was received by respondent or respondent's counsel. A movant may satisfy the court that service was made by sending the motion by certified mail, or by submitting a short affidavit that the attorney or an employee of the attorney for movant actually contacted the respondent or counsel for respondent, and receipt of the motion was acknowledged. If no mail receipt or affidavit is received, the court may, in its discretion, contact counsel for respondent to make certain that service was made, or in the alternative, set the matter for hearing.
5. It is understood that many residents of eastern North Carolina are currently dislocated and difficult to contact. Accordingly, counsel for respondents will be permitted to file a response requesting a hearing solely on the basis of their inability to contact the respondent within the relevant period.
6. Given the widespread destruction of property and interruption or loss of employment, it is anticipated that a large number of Chapter 13 debtors will modify their plans to reflect changed circumstances due to flood-related loss. The court will rule on these motions expeditiously; however, the filing and service requirements must be met. Additionally, it is critical that motions to modify fairly spell out the changed circumstances in their entirety. Thus the motion must recount not only any loss of property or employment, but also any insurance proceeds applied for or received, and disaster relief funds applied for or received from any source, public or private.
7. Similarly, it is anticipated that large numbers of debtors in Chapter 13 cases will, because of flood-related loss, temporarily be unable to meet payment obligations under orders curing earlier defaults with secured creditors or trustees. If consensual extensions cannot be agreed

to, counsel for debtors who have suffered flood-related loss may request the court to modify the default provisions of a particular order. In the event that such a motion is filed, the default provisions of the order are suspended until the court rules. Again, it is critical that such motions to modify fairly set out all of the changed circumstances requiring the modification, including both the nature and extent of loss, and the application for or receipt of insurance proceeds or disaster relief funds.

SO ORDERED, this 6th day of January, 2017.


Stephani W. Humrickhouse, Chief Judge


David M. Warren, Judge


Joseph N. Callaway, Judge