

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA**

PUBLIC NOTICE

**INVITATION FOR COMMENT ON AMENDMENTS TO
LOCAL BANKRUPTCY RULES 6004-3 AND 6004-4;
CHAPTER 13 PLAN; AND CONFIRMATION ORDER**

Comments are invited to amendments to Rules 6004-3 and 6004-4 of the Local Rules of the United States Bankruptcy Court for the Eastern District of Virginia. In addition, comments are invited to a revision to the Court's Chapter 13 Plan and Confirmation Order.

On August 13, 2024, the Fourth Circuit Court of Appeals issued its opinion in *Trantham v. Tate (In re Trantham)*, 112 F.4th 223 (4th Cir. 2024). The above two referenced Rules are intended to bring them, in addition to the Court's Chapter 13 Plan and Confirmation Order, in compliance with the requirements set forth in the *Trantham* Opinion.

The above cited revision to the Local Bankruptcy Rules, Confirmation Plan, and Confirmation Order, may be accessed at the Court's Internet web site, at www.vaeb.uscourts.gov, under News and Announcements.

Comments may be submitted, by mail, to:

Local Rules Changes
c/o William C. Redden
U.S. Bankruptcy Court
701 East Broad Street Suite 4000
Richmond, VA 23219-1888

or, by e-mail, at:
localrules@vaeb.uscourts.gov

Comments will be received by mail or at the Court's web site until 5:00 P.M., local time, December 11, 2024.

William C. Redden
Clerk of Court

Date: November 12, 2024

Attachment

**UNITED STATES BANKRUPTCY COURT
FOR THE
EASTERN DISTRICT OF VIRGINIA**

**AMENDMENTS TO LOCAL BANKRUPTCY RULES
6004-3 AND 6004-4; CHAPTER 13 PLAN; AND CONFIRMATION
ORDER**



Effective January 20, 2025

(DRAFT Ver. 11/12/2024)

A. Amendments to the Court's Local Bankruptcy Rules

RULE 6004-3 SALE OR REFINANCE OF PROPERTY BY CHAPTER 13 DEBTOR AFTER CONFIRMATION

(A) A debtor ~~seeking approval for the~~ intending to sell or refinance of real property following confirmation of a plan ~~that reverts such property in the debtor~~ shall file a motion and shall provide the chapter 13 trustee and all creditors and parties in interest at least 21 days' notice of the motion seeking such approval unless the notice period has been shortened by the Court for cause shown.

Comments

6004-3 Paragraph (A) of this Rule is amended to conform with the holding in *Trantham v. Tate*, 112 F.4th 223 (4th Cir. 2024). [Changes Effective 1/20/25.]

RULE 6004-4 MORTGAGE LOAN MODIFICATION BY CHAPTER 13 DEBTOR AFTER CONFIRMATION

(A) Unless provided in a Consent Order resolving a Motion for Relief from Stay, a debtor(s) seeking approval for the modification of a mortgage on real property following confirmation of a plan ~~that reverts such property in the debtor(s)~~ shall file a motion and shall provide the chapter 13 trustee and any creditor who has filed a request for all notices in the case at least 21 days' notice of a motion seeking such approval unless the notice period has been shortened by the Court for cause shown.

Comments

6004-4 Paragraph (A) of this Rule is amended to conform with the holding in *Trantham v. Tate*, 112 F.4th 223 (4th Cir. 2024). [Changes Effective 1/20/25.]

B. Amendments to Exhibit 1 to the Court's Local Bankruptcy Rules: Chapter 13 Plan and Related Motions

The Court's Chapter 13 Plan shall be amended to include the following Paragraph 12:

Property of the estate will vest in the debtor(s) upon

Check the applicable box:

- ☐ plan confirmation.
- ☐ entry of discharge.
- ☐ other: _____.

The existing Paragraph 12 ("Nonstandard Plan Provisions") shall be redesignated as Paragraph 13.

C. Amendments to the Court's Chapter 13 Confirmation Order

Paragraph 2 of the Court's standard Chapter 13 Confirmation Order shall be amended as follows, and new Paragraph 3 shall be added:

~~(2) Upon entry of this order, all property of the estate reverts in the Debtor(s). Notwithstanding such reversion, the Debtor(s) shall not encumber, refinance, sell or otherwise convey real estate without first obtaining an order of approval from this Court.~~

(2) The debtor(s) shall obtain prior Court approval of the following transactions, upon a motion that provides notice to the Chapter 13 Trustee and all necessary parties and discloses completely the transaction's proposed terms:

(a) the voluntarily incurrence of new debt, whether secured or unsecured, that causes the debtor's(s') total principal amount borrowed post-petition to exceed \$15,000 at any point in time;

(b) the transfer or sale of real or personal property with a value that exceeds \$15,000;

(c) the refinance or modification of a loan secured by real or personal property; and

(d) the encumbrance of real or personal property.

(3) The debtor(s) shall disclose the acquisition of real or personal property with a value that exceeds \$15,000.

[Re-number all subsequent paragraphs.]