

Local Rule 1019-1

Upon the conversion or dismissal of a case under chapter 13 of the Bankruptcy Code, the trustee shall, after first paying the balance of any sanctions as directed by the Court in an Order imposing sanctions and next paying any unpaid filing fees dispose of funds in the following manner, unless otherwise ordered by the Court:

- (a) If there is a confirmed plan in the case, the trustee shall pay any funds received before the conversion or dismissal of the case to creditors pursuant to the terms of the plan. All funds received thereafter shall be paid to the debtor.
- (b) Applicable only to cases not governed by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, if there is neither a confirmed plan nor an order directing otherwise, the trustee shall pay any remaining funds to the debtor without regard to when the funds were received.
- (c) Applicable to cases governed by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, if there is neither a confirmed plan nor an order directing otherwise, the chapter 13 trustee shall disburse funds received prior to the entry of an order of dismissal or conversion in the following order:
 - 1. Unless otherwise ordered, disburse the lesser of the amount of debtor's attorney's proof of claim, to the extent that the claim has not been satisfied; \$500.00; or the remaining balance of funds received by the trustee prior to dismissal or conversion. The attorney may seek a greater payment upon timely application to the Court made prior to the disbursement by the chapter 13 trustee; and
 - 2. as adequate protection, disburse funds received prior to entry of an order of dismissal or conversion to the holders of allowed secured claims and allowed claims for executory contracts scheduled to be paid through the most recently filed plan, divided based upon the monthly payments provided therein. Subject to the availability of funds, creditors will be paid a full payment for each full month beginning thirty (30) days after the order for relief and continuing through the date of dismissal or conversion. No payment will be made for partial months; and
 - 3. any funds remaining after these payments, and all funds received after conversion or dismissal, shall be returned to the debtor.
- (d) Subject to the above, the trustee shall pay any funds that would be considered an asset of a converted case to any subsequent trustee, and the trustee shall pay to the Court any remaining balance of the filing fee owed to the Court.
- (e) In addition to the above, Interim Rule 1019, adopted by this Court as a local rule effective October 17, 2005, is applicable to cases governed by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 and is to be read in conjunction with any corresponding Federal Rule.