

FILED

at ___ O'clock & ___ min. ___ M

AUG 29 2003

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

BRENDA K. ARGOE, CLERK
United States Bankruptcy Court
Columbia, South Carolina (30)

IN RE:

Joseph Britton Pack, III and
Grace Monteith Pack,

Debtors.

C/A No. 03-05021-W

Chapter 12

ENTERED

AUG 29 2003

D.L.L.

IN RE:

Pack Enterprises, Inc.,

Debtor.

C/A No. 03-05020-W

Chapter 12

**ORDER AUTHORIZING SUBSTANTIVE CONSOLIDATION
OF CHAPTER 12 CASES**

THIS MATTER came before the Court on the above captioned Debtors' motions for the joint administration of their Chapter 12 bankruptcy cases. It appears that notice of the motions were properly served on all creditors and parties in interest. No party has objected to the motions. The motions prominently request joint administration but also include a request for substantive consolidation.

Consolidation is the combining of all assets and liabilities of two estates into a single pool to pay creditors. See Bunder v. Peyton (in re Bunker), 312 F.3d 145, 153-54 (4th Cir. 2002). While joint administration combines the estates only for administrative matters by using a single docket, it does not merge assets and liabilities. In joint administration, creditors of each debtor continue to look to that debtor for payment of their claims. See In re Bridges, C/A No. 91-05122-B, slip op. at

11 (Bankr. D.S.C. Jul. 7, 1993) (citing In re Parkway Calabasas, Ltd.) 89 B.R. 832, 836-837 (Bankr. C.D. Cal. 1988)).

At the hearing on Debtors' motions, the Chapter 12 Trustee for both cases and the United States Trustee agreed that the cases should be substantively consolidated. See In re Palumbo Family Ltd. P'ship, 182 B.R. 447 (Bankr. E.D. Va. 1995) (noting that Court ordered substantive consolidation pursuant to 11 U.S.C. § 105 absent an objection following notice and opportunity to be heard). It is hereby

ORDERED, that the motions filed by each Debtor are granted. The above captioned cases shall be substantively consolidated. All pleadings filed in reference to the Debtors shall contain the above caption and prominently indicate that the cases are substantively consolidated. Case No. 03-05020-W shall be designated the lead case for purposes of case administration. In order to ensure proper actual notice of the relief, Debtors shall serve this Order on all creditors in both cases. Such creditors are provided an additional fifteen (15) days from the entry of this Order to file a written objection to substantive consolidation. Upon timely objection, the Court may set a hearing to consider vacating this Order.

AND IT IS SO ORDERED.


UNITED STATES BANKRUPTCY JUDGE

Columbia, South Carolina,
August 29, 2003.