

I have read the new proposed rule strongly support the proposed amendment to Rules 3001 and proposed Rule 3002.1. These are necessary to end the systematic abuse of the bankruptcy courts by creditors, whose business model is sloth and who think the rules apply to the other guys in bankruptcy courts. In a perfect world, the rules could be improved by providing a harsh sanction for repeat abusers. Sanctions might include striking false claims and/or subordination of such claims.

The proposed amendment to Rule 3001 is necessary to prevent the claims process from being subverted by debt buyers that think cost-cutting business models are important than accuracy. The proposed Rule 3001 will sharply curtail those who see the claims process as nothing more than a tactic to gouge money from other creditors, who properly file claims and are entitled to disbursements. Creditors and debt buyers should not be permitted to disregard of the evidentiary requirements of proof and documentation to enhance a phony business model that emphasizes profit over accuracy and speed over clarity. The amendment squarely address mortgage servicers who are unable to disclose and itemize charges and who punish the judicial system with endless hearings and continuances while they attempt to decipher their own incomprehensible accounting systems. Many times charges are not only unjustified in federal court, but not permitted under the state law. These charges have been added to the principal and interest due on debtors' mortgages, as well as the filing or proofs of claim, denying the honest, but unfortunate debtor a fresh start because once he gets his discharge he has to fight the mortgage company a second time in a discharge adversary proceeding for unwarranted and unclaimed charges post-discharge.

The proposed amendment should be strengthened to require the filing to state whether the statute of limitation under appropriate state law has run. Rather than forcing the court, trustees and the debtor to find evidence of a stale claim and then bear the fee and cost of production and persuasion that is easily done with a calendar. It should also require attachment of all contracts on which the claim is based, like the security interest language, "party to be charged". Such a requirement would reduce the multiple claims where two parties file proofs of claim for the same debt, but because no contracts are attached to either claim, it takes Sherlock Holmes, Agatha Christie, and Hercule Poirot to discover the duplication. A proof of claim for an unsecured claim that does not substantially comply with the rule should be disallowed without the constant amendment and 'outside the purview of the judiciary' negotiating that occurs in some jurisdictions. The Supreme Court can define by 502(a) exactly what is an allowed claim and what documents are necessary for an allowed proof of claim.

Proposed Rule 3002.1 should prevent chapter 13 mortgage cures from becoming totally ineffectual after discharge. No court yet has come up with a simple way to untangle the web of confusion that currently permits servicers to hold off on charges until after discharge and then, like Judy Carne, to sock it to the debtor, effectively eviscerating the fresh start principles of bankruptcy. The mortgage servicing industry has never bothered to computerize its accounting for chapter 13 mortgage cures. The lack of computer system on the part of mortgage services results in erroneous charges added in almost every case. There is nothing more frustrating to a debtor, having successfully completed a reorganization plan, than to have a servicing company come forward with bogus charges after discharge and then claim innocence or ignorance that there ever was a bankruptcy. Often a debtor finds himself at the beginning of bankruptcy owing a couple of thousand dollars in mortgage arrearages and when he finishes he finds he owes the

mortgage servicer double or triple the amount of the original arrearage. This frequent occurrence results in a loss of faith and respect in the judiciary system and erodes the fundamental ordered liberty upon which our society is grounded. Debtors find themselves in post-discharge foreclosures proceeding, which were precisely what they sought to avoid and cure with the Chapter 13 reorganization and completion that cured the mortgage defaults. The new rule establishes common sense procedures that will restore effectiveness to the bankruptcy system and respect to the judiciary overall..

I also support the amendment to Rule 2003, which will make chapter 7 trustees conclude creditors' meetings and force them to timely file objections to exemptions. It will also avoid some of the problems that have resulted under both section 1308 and Rule 4003 when it is not clear whether the creditors meeting has been concluded. Both Creditor and Debtors are entitled to a speedy administration so that they can order their lives without demands of the trustee well after the discharge has been granted.

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