

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA

In re:)
ELECTRONIC MEANS FOR)
FILING, SIGNING, AND) General Order No. 7
VERIFICATION OF DOCUMENTS)
_____)

**ORDER CONCERNING PROOFS OF CLAIM AND THE ELECTRONIC
FILING OF PROOFS OF CLAIM AND AUTHORIZING THE
CLERK TO REGISTER NON-ATTORNEYS IN CM/ECF FOR THE
LIMITED PURPOSE OF FILING PROOFS AND TRANSFERS OF CLAIMS**

Every year, tens of thousands of proofs of claim are filed in cases pending in this court. This Order deals with related but distinct issues concerning proofs of claim. First, this Order addresses the recurring problems that proofs of claims rarely provide a precise explanation of how the claims were computed. Second, this Order expands the use of the Court’s Electronic Case Files (“ECF”) system by permitting creditors to file proofs of claims and transfers of claims electronically without the involvement of an attorney. Heretofore the court has permitted only attorneys to file documents electronically. Several large entities that file numerous proofs of claim in cases in this court have expressed an interest in being able to file those claims electronically, and the court concludes that access to ECF for limited purposes relating to claims should be made available to creditors. In addition, greater efficiency would be achieved if entities that file significant numbers of transfers of claim could do so electronically.

1. Need for Summary of Computations of Secured Claims and Claims for Post-Petition Interest. Secured creditors sometimes fail to explain adequately the bases for their claims. As a result, trustees and attorneys for debtors must make inquiries about, or object to, many such secured claims in

order to perform their fiduciary and professional duties. In an effort to remedy these inefficiencies and to provide debtors and trustees with more accurate information, the court approves a standard Secured Claim Worksheet, a copy of which is attached to this Order as Exhibit A, which secured creditors should attach as the second page to proofs of secured claims.

Creditors sometimes file claims that include post-petition interest as a means of estimating an amount necessary to provide adequate protection or because the claim is believed to be oversecured. This practice is unnecessary and conflicts with the instructions in the official proof of claim form (Official Form 10), which tells the creditor to state the “Total Amount of Claim at Time Case Filed,” not what the claim would be at some time in the future. Hence, in stating the amount of a claim in section 4 of Official Form 10, **a creditor must not include post-petition interest**, notwithstanding a good faith and accurate belief that the claim is oversecured so as to give rise to a right to payment of post-petition interest or that the creditor is entitled to adequate protection. The Bankruptcy Code provides adequate means of dealing with these rights apart from the proof of claim.

2. Exhibits to Proofs of Claim. Official Form 10 instructs filers (1) to attach copies of supporting documents to the proof of claim but (2) if the documentation is voluminous, to attach summaries. In the ECF environment, proofs of claim are scanned and the images converted to documents in Adobe Corporation’s Portable Document Format (“PDF”). Imaged PDF documents are much larger files than text based counterparts of equal length and hence take longer to file and longer to retrieve for viewing. For this reason, the court encourages creditors to file with the proof of claim only those attachments that are necessary to show the basis for the amount of the claim and the basis for any secured claim. Thus, a creditor should not file invoices with its claim but rather just a summary of

invoices. Secured creditors should include the Secured Claim Worksheet, the note and the relevant portions of security or perfection documents, showing recording information, collateral descriptions and signatures. An excerpted exhibit must be clearly and prominently identified as an excerpt. A creditor that files an excerpted exhibit must make available the complete exhibit immediately upon request by a party or the court. Creditors filing excerpts of exhibits pursuant to this Order do so without prejudice to the right to file with the court additional exhibits or complete exhibits.

3. Signatures on Proofs of Claim and Transfers of Claims and Notification. The name of the person who signs a proof of claim or transfer of claim should be typed or legibly printed beneath the signature. Every proof of claim or transfer of claim filed electronically must include an image of the signature of the person submitting that document.

4. Notices Concerning Proofs of Claim, Including Transferred Claims. Official Form 10 includes a space for the “Name and address where notices should be sent.” To the right of that part of the form, there are check boxes, including one that reads: “Check box if the address differs from the address on the envelope sent to you by the court.” In providing that information, the creditor agrees that an objection to a claim and a notice of hearing on that objection may be served on the entity and at the address stated or if no entity and address are stated, on the creditor at its address for notices provided in Fed. R. Bank. P. 2002(h).

The name and address of the transferee shown on a transfer of claim shall be deemed the mailing address designated by the transferee to which notices concerning the transferred proof of claim, including objections to the claim and notices of hearings concerning the claim, should be sent.

5. Form of Transfer of Claim. A transfer of a claim for which a proof of claim has been filed shall state the claim number, as shown in the Claims Register, for the transferred claim.

6. ECF Access for Filing Proofs of Claim and Transfers of Claims. The CM/ECF software now permits the court to increase the expand the number of groups of users, making it possible to limit the features available to a particular group. Hence, the court is now able to craft limited access to CM/ECF for the ministerial function of filing proofs of claims and transfers of claims. Giving creditors limited access to CM/ECF for these purposes will further advance the goals of reducing or eliminating costs and delays associated with paper files and making detailed case information available to attorneys and the public at low cost over the Internet.

The Judges of this court have reviewed proposed administrative procedures for registering persons who are not attorneys and the entities that employ them to file proofs of claim and transfers of claims electronically (“Procedures for Electronic Filing Proofs of Claim and Transfers of Claims by Non-Attorneys”), a copy of which is attached to this Order as Exhibit B. These procedures, as limited by this Order, are consistent with, and further the responsibility of, the Clerk of this court for the control of the court’s docket under Fed. R. Bank. P. 5005, including safeguarding the integrity of the court’s docket and filed documents and are therefore APPROVED and incorporated herein by reference.

7. Procedures for Electronic Filing of Proofs of Claim and Transfers of Claims.

No person or entity shall cause a proof of claim or transfer of claim to be filed electronically without the express authorization of the individual whose signature appears on the electronically filed document and the entity on whose behalf the document is being filed. The imaged signature of an individual who authorizes the electronic filing of a proof of claim or transfer of claim shall constitute that individual’s

signature for purposes of Fed. R. Bank. P. 9011 and of 18 U.S.C. §§152 and 3571. When an individual creditor or employee or agent of any creditor to whom the Clerk issues a log-in and password files a proof of claim or transfer of claim, that individual certifies that (1) he or she is authorized to file the proof of claim or transfer of claim by the entity on whose behalf the document is being filed, (2) the creditor is the same entity stated on that individual's application to use the CM./ECF system and (3) the individual whose signature appears on the proof of claim or transfer of claim has authorized the filing of that document. No individual registered to use the ECF system to file only proofs of claim and transfers of claims shall knowingly permit or cause to permit the password assigned to that individual to be utilized by any other person.

IT IS SO ORDERED.

Dated: June 27, 2001.

/s/

STACEY W. COTTON
CHIEF UNITED STATES BANKRUPTCY JUDGE
FOR THE COURT

Secured Claim Worksheet

Case Number: _____ - _____

Case Name: _____

Instructions:

1. Attach this Worksheet to the proof of claim, which should conform to Official Form 10.
2. Compute the claim as of the date on which the Debtor filed the petition initiating the case.
3. **Do NOT include interest or charges that accrue after the Petition Date (the date on which the petition initiating the case was filed) in the computation of the debt due on the Petition Date.** A claim that accrues interest **after the Petition Date** for payments on secured debt not made when due after the petition date should be presented in a **separate** proof of claim dealing only with post-petition claims.
4. Provide information on computation of claim **as of Petition Date** in the blanks below. Principal Balance and Accrued Interest **MUST NOT** include unearned interest. The completion and filing of this form does not prejudice a creditor's right to contest whether the creditor's interest in property of the estate is adequately protected by payments made post-petition.

A	Principal Balance	\$
B	Accrued Earned Interest As of Date of Filing of Petition	\$
C	Late Charges	\$
D	Forced Placed Insurance	\$
E	Other Charges (itemize)	\$ \$ \$
F	Total Claim as of Petition Date (Sum of A-E) - Copy To Block 4 on Official Form 10	\$

G	Amount of arrearage and other charges at time case is filed , if any, included in amount on Line 4	\$
H	Monthly Payment	\$
I	No. of Installments Past Due on Petition Date	
J	Contractual Annual Interest Rate (APR)	_____ %
H	Value of Collateral - Copy to Block 5 on Official Form 10	\$

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA**

Procedures Concerning Electronic Filing of
Proofs of Claim and Transfers of Claims
By Persons Who Are Not Attorneys

June 27, 2001

Exhibit B to General Order No. 7

PROCEDURES

I. REGISTRATION

1. Forms. An individual or entity, including a governmental entity, (“Creditor”) desiring to file electronically proofs of claim (hereinafter referred to as “EPOC” and/or transfers of claims (hereinafter referred to as “ETC”) in cases filed in this court should complete and submit the Creditor Registration Form appended hereto as Attachment 1, Clerk’s Office, United States Bankruptcy Court, Northern District of Georgia, 75 Spring Street, S.W., Room 1340, Atlanta, Georgia 30303, Attn: W. Yvonne Evans, Clerk of Court. In addition, at least one employee or agent of a Creditor who is to be responsible for uploading EPOC/ETC’s for that creditor (“Filer”) must complete and submit the Filer Registration Form appended hereto as Attachment 2. The court may require a Creditor or Filer to resubmit an executed registration form from time to time as terms and conditions for using the Electronic Case Filing System change.

2. Transmittal of Password. Each Filer approved by the Clerk will receive a notice from the Clerk to retrieve from the Clerk’s Office an envelope containing an assigned password. Only the Filer or a representative authorized in writing by the Filer on the letterhead of the Filer’s employer may retrieve the envelope. The Clerk will mail the password to the Filer upon written request.

3. Safeguarding Password. Filers may find it desirable to change their court-assigned passwords periodically, which they may do by mailing a request to the Clerk. Any Filer having reason to believe that the security of an existing password has been compromised or that a threat to the court’s computer system may exist shall immediately notify the Clerk of Court, Chief Deputy Clerk or Systems Department Manager by telephone and confirm the notice in writing, so as to prevent possible unauthorized access to the court’s computer system.

II. ELECTRONIC FILING OF PROOFS OF CLAIM AND TRANSFERS OF CLAIMS

Creditors, their Responsible Persons (as defined below) and their Filers participating in the electronic filing of proofs of claim and/or transfers of claims shall comply with the following instructions and procedures.

1. Form of Proof of Claim. Each EPOC must conform to Official Form 10 with respect to the information requested by that form, subject to the instructions concerning attachments below. EPOCs may be prepared and submitted as text documents (as opposed to scanned or imaged documents) in PDF format, provided that an image of the signature of the employee or agent who is authorized to submit the EPOC for filing and who in submitting the EPOC for filing certifies its accuracy (the “Responsible Person”) is embedded in the text based document. The Filer and the Responsible Person do not have to be the same individual. The form of the proof of claim must include below the signature line the admonition at the bottom of Official Form 10 that ***“Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.”***

2. Form of Transfer of Claim. A transfer of a claim shall state the claim number or numbers of the proofs of claim, as shown in the Claims Register, for each transferred claim.

3. Secured claims. Creditors filing proofs of claim that are totally or partially secured should attach the Secured Claim Worksheet, as required by General Order No. 7.

3. Attachments. Any document to be filed electronically as an exhibit to an electronically filed proof of claim shall be redacted so as to include in the exhibit only the portion minimally necessary to explain the basis of the claim. For example, attach summaries of accounts, not copies of invoices, and attach only those portions of documents evidencing a secured claim necessary to compute the amount of the claim and demonstrate the interest in the collateral, i.e., a note and critical portions of security deeds, mortgages and security agreements,

such as pages showing recording information, parties to the instrument or agreement, signatures, grants of liens or security interests and collateral descriptions. An excerpted exhibit must be clearly and prominently identified as an excerpt, and the creditor must make available the complete exhibit immediately upon request by a party or the court. A creditor should include all exhibits to a proof of claim in the same PDF document with the proof of claim (and hence not use the attachment feature in ECF) unless the total number of pages created by scanning documents exceeds 15 pages. Creditors filing excerpts of exhibits pursuant to this order do so without prejudice to the right to file with the court additional exhibits or complete exhibits.

4. Signatures. An image of the signature of the Responsible Person must appear on each EPOC/ETC. In filing each EPOC/ETC, the Filer certifies that (1) he or she is authorized to file the proof of claim or transfer of claim by the entity on whose behalf the document is being filed, (2) the creditor is the same entity stated on that individual's application to use the CM/ECF system and (3) the Responsible Person whose signature appears on the proof of claim or transfer of claim has authorized the filing of that document. The Responsible Person who directs the filing of an EPOC/ETC bears the same responsibility for the proof of claim and information provided therein as would be the case if the proof of claim or transfer of claim were filed in paper form.

5. Change of Address. If the address used by the Clerk to mail notices to a Creditor is not the address to which the Creditor desires that notices be sent concerning a proof of claim, including objections to that claim, the Creditor should (1) direct a Filer for that creditor to create a new creditor record in the course of filing the EPOC and (2) flag the fact that name and/or address have been changed in the Remarks block on the screen for recording information about the claim. See Attorney's User Guide.

Attachment 1

CREDITOR REGISTRATION FORM

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ELECTRONIC PROOFS OF CLAIM
CREDITOR REGISTRATION FORM**

Entities filing proofs of claim and/or transfers of claims in cases pending in the U.S. Bankruptcy Court for the Northern District of Georgia (“Creditors”) that desire to be authorized to file such documents electronically should complete this registration form and submit it to the Clerk of the Court.

“Firm” is the name of the Creditor entity on whose behalf an employee or agent (“Filer”) is to be issued a login and password and authorized to file electronically proofs of claim and/or transfers of claims. Complete a separate form for each separate corporate or other distinct legal entity.

Firm Name: _____

Firm Address: _____

Firm Federal Tax ID #: _____

Contact Person: _____

Voice Phone Number: _____

FAX Phone Number: _____

Internet E-Mail Address: _____

By submitting this registration form, the undersigned Creditor agrees as follows:

1) Rule 9011 of the Federal Rules of Bankruptcy Procedure and Official Form 10 require that every proof of claim be signed by the person authorized to submit the proof of claim for filing (“Responsible Person”). Creditor will direct each of its Filers and each of its Responsible Persons to read and to comply with the orders and procedural directions of the Court concerning the electronic filing of proofs of claim.

2) If a Filer ceases to be an employee or agent of the Creditor or for any other reason ceases to be authorized to file proofs of claim electronically on behalf of the Creditor, the Creditor will promptly notify the Clerk.

3) The undersigned has read General Order 6.

The undersigned certifies under penalty of perjury that he or she is properly authorized to submit this Creditor Registration Form on behalf of the Firm identified above.

Dated: _____

Signature

**Office or Position
with the Creditor Firm**

**Address and telephone
(if different from information
provided above)**

**Please return to: W. Yvonne Evans, Clerk of Court
United States Bankruptcy Court
1340 U.S. Courthouse
75 Spring Street, S.W.
Atlanta, Georgia 30303**

6/27/01

Attachment 2

FILER REGISTRATION FORM

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ELECTRONIC PROOFS OF CLAIM
FILER REGISTRATION FORM
(Live System)**

To register for an account on the Court’s Electronic Filing System, please provide the information requested below. “Firm” is the name of the entity on whose behalf the Filer is to be authorized to file electronically proofs of claim and transfers of claims. If Filer is employed by more than one entity in the same group of entities, attach a continuation sheet with the information requested for each such entity.

First/Middle/Last Name : _____

Firm Name: _____

Firm Address: _____

Firm Federal Tax ID #: _____

Filer’s Voice Number: _____

Filer’s FAX Number: _____

Filer’s E-Mail Address: _____

By submitting this registration form, the undersigned Filer agrees as follows:

1) Rule 9011 of the Federal Rules of Bankruptcy Procedure and Official Form 10 require that every proof of claim be signed by the person authorized to submit the proof of claim for filing (“Responsible Person”). Filer will check to be sure an image of the signature of the Responsible Person is attached to or part of each proof of claim filed electronically. The unique password issued to an Filer registered to use the ECF system identifies that Filer to the court each time that the Filer logs on to the ECF system. The use of an Filer’s password serves as and constitutes the signature of the Filer for purposes of indicating an understanding of and agreement to comply with the orders and procedural directions of the court concerning the electronic filing of proofs of claim. Therefore, a Filer must protect and secure the password issued by the court. If any reason exists to suspect the password has been compromised in any way, it is the duty and responsibility of the Filer to notify the court immediately. The court will thereafter immediately delete that password from the electronic filing system and issue a new password.

2) If the Filer ceases to be an employee of the Creditor on whose behalf the Filer was authorized to file claims or ceases for any reason to be authorized to file proofs of claim electronically for that Creditors, the Filer will immediately inform the Clerk of the Court in writing that the Filer is no longer an authorized Filer and will cease using the logon and password issued to that Filer. If any of the information provided by Filer on this form changes, Filer will promptly send an amended registration form to the Clerk with the then current information.

3) The undersigned has read General Order 6.

Dated: _____

Applicant's Signature

Approved:

Signature of Authorized Supervisor
of Applicant

Office or Position
with the Creditor Firm

Address and telephone
(if different from information
provided above)

Please return to: W. Yvonne Evans, Clerk of Court
United States Bankruptcy Court
1340 U.S. Courthouse
75 Spring Street, S.W.
Atlanta, Georgia 30303