BANKRUPTCY BENCH–BAR MEETING AGENDA

Date: February 20, 2026
Time: 12:30 – 1:30 pm
Location: Rutland Courthouse & Via Zoom.gov

JUDICIAL UPDATE
Presented by Heather Z. Cooper

- Recent developments
- Notable decisions or emerging trends
- Court programs
  - Nuts & Bolts CLE – April 17, 2026, at the Rutland Courthouse
  - Future CLE Boot Camp Seminar Ideas – Chapter 13, CM/ECF Training, Contested Matters, Adversary Proceedings
  - VBA Annual Meeting in September will have a panel to discuss Real Estate Issues in Bankruptcy

---

CLERK'S OFFICE UPDATE
Presented by Jody Kennedy

- Updates and reminders
- CM/ECF training opportunities and resources

CHAPTER 7 TRUSTEE UPDATES
Presented by Raymond Obuchowski

VT. LBR 4002-1. Debtor's Duties – Generally.
(c) Document Production Prior to the First Meeting of Creditors.

In business cases – or when Debtor has electronic records – provide electronic versions of check registers, Profit and Loss statements, and passwords and related information for access to online records, including statement of service and expense. Also applicable for Go Daddy or similar for Domains.

VT. LBR 6005-1. Appraisers and Auctioneers. Specifically, buyer's premiums.

CHAPTER 13 TRUSTEE UPDATES

Presented by Andrea Celli

- **National Association of Chapter 13 Trustees' Annual Seminar (NACTT)**

  This year's NACTT Seminary will be held July 7–10 at the Marriott Marquis in New York City. This is an educational program for consumer bankruptcy professionals, offering in-depth, cutting-edge training on all aspects of consumer bankruptcy practice and typically attended by more than 800 practitioners from across the country.

  Based on my experience working with the Vermont Bar over the past year, practitioners would bring valuable insight and perspective to the program, and we would be thrilled to have them participate this year.

  To broaden access—particularly for those who have not previously attended, work in smaller or rural practices, or face financial constraints—NACTT is offering scholarship funding for interested attendees. Please find the scholarship application attached.

SECTION CHAIR UPDATES

Presented by Ryan Long and Greg Fox

- Judge Brown Retirement Funds in Jack Kennelly's Trust Account

---

OPEN FORUM

- Issues raised by practitioners and suggestions for future topics

---

ADJOURNMENT

- Closing remarks and next meeting date May 12, 2026, at the Burlington Courthouse

Bench-Bar meetings are coordinated by the Bankruptcy Court.
One hour of CLE credit is provided for attendance at each meeting.
Contact Lisa Clifford at Lisa_Clifford@vtb.uscourts.gov with any questions.

APPLICATION FOR NACTT TRAINING SCHOLARSHIP

Date:____________

Training program you wish to attend with this scholarship:

____Annual Conference ____ (yr)

____Trustee-only Mid-Year Meeting ____ (yr)

____Trustee Staff Symposium ____(date)

____Other: ___________________ ____ (yr)

Applicant Name: ____

Address: ____

Email:__________________________________ Phone: ______________________

If you are a Chapter 13 Trustee, indicate:

Office Location:________________________ Year appointed:______________

If you are not a Chapter 13 Trustee, please describe your involvement in the practice (geographic location, nature and volume (i.e. debtor /creditor counsel/ volume of work):

____

____

Are you a NACTT member? __________

Have you previously attended NACTT Annual Conference(s)? _____ If yes, when:

____

____

NACTT is committed to raising the standard of consumer bankruptcy practice by offering scholarships that provide access to the highest quality legal education programs to trustees, trustee staff, and all consumer bankruptcy professionals who may not otherwise have access to its training opportunities. Through this support, NACTT empowers professionals to achieve excellence, continuously advance their expertise, and ultimately serve the public with the highest level of legal service, integrity, and dedication.

Please tell us why you're applying for the NACTT Educational Scholarship. How will this opportunity support your professional goals, and are there specific factors or challenges you're currently facing that make this scholarship particularly important for you and/or your practice at this time?____

____

____

____

____

____

____

____

____

____

Please add additional sheets if necessary.

Scholarships funds requested. *(Please check all that apply below)*
☐ Conference attendee registration
☐ Hotel
☐ Travel expenses (e.g., flights, transportation to/from airport, parking, etc.)

**Receipts or other supporting documentation verifying the expense will be required at time of actual reimbursement.*

____
Applicant Signature

Please return to NACTT Headquarters
One Windsor Cove, Suite 305, Columbia, SC 29223
FAX (803) 765-0860 - Email: info@nactt.com

FOR NACTT USE ONLY:

Board Action: GRANTED_________ DENIED_________

AMOUNT: ___________________________

NOTES: ____

---

motion to declare mediation closed with a proposed order attached (Local Form MM # 11), or (B) a stipulation requesting that mediation not be closed until a particular date or the occurrence of a particular event (e.g., the approval of a temporary payment plan or execution of a final modification agreement).

(2) If the moving party fails to timely file a motion to close mediation, the mediator or any party to the mediation may file a motion to close mediation. See Local Form MM # 11.

(g) Mediator Prohibited from Testifying About the Mediation. Mediators may not be required to testify in any action relating to issues in a mediation conducted pursuant to this Rule, other than as to whether a party participated in good faith.

(h) Retention of Jurisdiction. This Court retains jurisdiction to interpret and enforce any agreement or result obtained through mediation conducted pursuant to this Rule.

(i) Service. Whenever a debtor is required to serve a creditor under this Rule, the debtor must serve the creditor at the address set forth on the creditor's proof of claim, if a proof of claim has been filed.

RULE 4002-1. DEBTOR'S DUTIES – GENERALLY.

(a) Certificate from Approved Nonprofit Budget and Credit Counseling Agency.

(1) General Requirement. A debtor who is an individual must file with the petition a certificate from an approved nonprofit budget and credit counseling agency evidencing the debtor's completion of the mandatory credit counseling course and compliance with the requirements of § 109(h)(1). See also 11 U.S.C. § 111.

(2) Temporary Waiver. To obtain a temporary waiver of § 109(h)(1), the debtor must attach a separate sheet to the petition explaining (a) the efforts the debtor made to timely obtain briefing about credit counseling, (b) why the debtor was unable to obtain the certificate before filing for bankruptcy, and (c) the exigent circumstances that forced the debtor to file for bankruptcy without the credit counseling certificate. The Court may hold an expedited hearing on three business days' notice to the debtor, debtor's attorney (if any), case trustee, United States Trustee, and any other interested parties that filed a notice of appearance in the case. A debtor's failure to file a certificate from an approved nonprofit budget and credit counseling agency within the additional time allowed by the Court subjects the case to dismissal without further notice or hearing.

(3) Permanent Waiver. If a debtor seeks a permanent waiver of § 109(h)(1), the debtor must file a motion that includes an affidavit setting forth facts in support of the request, and must serve the motion on the case trustee, all creditors, and the United States Trustee. See Local Rule 9013-4(10).

(b) Filing Payment Advice Cover Sheet. See Local Rule 1007-1(d).

(c) Document Production Prior to the First Meeting of Creditors. See also Local Rule 2003-1(b).

(1) If a debtor is unable to file the schedules, statements, and other required documents at least seven days before the date of the first meeting of creditors (see subparagraphs (c)(2)–(4) below), the debtor must notify all creditors of this fact. With the case trustee's consent, the debtor may reschedule the meeting of creditors to the next available date. However, if the debtor is unable to obtain the trustee's consent to reschedule the meeting, the debtor and the debtor's attorney (if any), must appear at the originally scheduled meeting of creditors.

(2) In all chapter 7 cases, to the extent applicable, the debtor must provide the case trustee with the

following documents at least seven days before the first scheduled meeting of creditors:

(A) for each residence, condominium, cooperative apartment, mobile home, lot, real property or time-share the debtor owns or listed on the debtor's schedules:

(i) a copy of the deed and all mortgage deeds showing recording information or stock certificates;

(ii) recent evidence of value (e.g., tax bill, grand list value) and copies of all appraisals performed within the last three years; and

(iii) current mortgage statements, including the pay-off figure as of the most recent mortgage statement;

(B) for each motor vehicle, snow machine, all-terrain vehicle, trailer, boat, airplane, piece of equipment or machinery, or other personal property that is titled or registered, which the debtor owns or listed on the bankruptcy schedules:

(i) a copy of the current title or, if none, a copy of the current registration;

(ii) if the asset is collateral for a secured debt, the most recent statement of balance due from the secured creditor; and

(iii) a copy of the most recent appraisal or valuation;

(C) for each bank account in which the debtor had an interest within three months of the bankruptcy filing, copies of the monthly bank statements for the three-month period prior to and through the date of filing;

(D) for any personal injury lawsuit or other lawsuit or cause of action in which the debtor has an interest or believes they may have an interest, as of the date of the bankruptcy filing, including all those set forth on Official Form 106 A/B or Official Form 206 A/B of the debtor's schedules:

(i) the name and address of the attorney representing the debtor in the action; and

(ii) a copy of the complaint and any correspondence with respect to the status of the action, or a brief statement of the cause of action, and the anticipated parties if no lawsuit has yet been commenced;

(E) copies of completed federal and state income tax returns, including all schedules and attachments, for the two years prior to the year of the filing of the bankruptcy case, see also Local Rule 4002-2;

(F) for all asset transfers within one year prior to the bankruptcy filing, any documents evidencing those transfers, including copies of the bills of sale, closing statements, deeds, and divorce decrees;

(G) for all retirement plans, annuities, or life insurance policies in which the debtor had an interest within one year prior to the bankruptcy filing:

(i) a statement of current value; and

(ii) statements showing all activities in each retirement plan, annuity, or insurance policy for the 12 months prior to bankruptcy the filing date;

(H) a copy of any decree of divorce entered within one year of the bankruptcy filing and any State of Vermont Form 813A "Financial Affidavit" or 813B "Financial Affidavit of Property and Assets" filed during the course of the divorce proceedings, or equivalent inventory documents; and

(I) copies of all child support orders currently in effect or pending before any court.

(3) In chapter 13 cases, to the extent applicable, the debtor must provide the trustee, at least seven days before the first scheduled meeting of creditors: the documents set forth in subparagraph (2) above, as well as proof of insurance on all improved real estate, mobile homes, motor vehicles, boats, and business assets. If any of these assets are not insured, the debtor must also provide a written statement indicating which assets are not insured and explaining why.

(4) The debtor must also provide any additional documents (or copies thereof) as the case trustee reasonably requests and which the debtor has available.

(5) The debtor (or the debtor's principal in entity cases) must also bring the following documents to the meeting of creditors: (A) a government-issued photo identification card, and (B) the debtor's social security card. If the debtor does not have a social security card, then the debtor must bring one of the following documents, containing the debtor's social security number, to the meeting of creditors: a medical insurance card, a recent payment advice, a current W-2 form, a current IRS Form 1099, or an original Social Security Administration report.

(6) Individual chapter 11 debtors must provide to the United States Trustee, at least seven days before the date of the first scheduled meeting of creditors, the same documents that individual chapter 7 and 13 debtors must provide to the case trustee.

(d) Chapter 11 Debtor's Books and Records. Upon the filing of the petition, a chapter 11 debtor must close and preserve its present books of account, close all bank accounts, and open and maintain new books of account and bank accounts. If a chapter 11 debtor operates as a debtor-in-possession, it must document all income, expenditures, receipts, and disbursements, and other necessary financial information in the new books of account, and designate the account holder on all bank accounts and checks as a "debtor-in-possession."

(e) Chapter 11 Debtor's Monthly Operating Reports.

(1) All chapter 11 debtors must file monthly operating reports as required by § 1106 on the forms designated by the United States Trustee. (For Chapter 12 and Chapter 13 Operating Reports, see Rule 2015-1 and Rule 2015-2).

(2) Small business chapter 11 debtors, and all *pro se* chapter 11 debtors, must send the original, signed monthly operating report, along with the corresponding bank statements and copies of cancelled checks (with account numbers redacted), to the United States Trustee.

(3) Non-small business chapter 11 debtors represented by counsel must comply with 28 C.F.R. Part 58, which requires debtor's counsel to retain the original, signed monthly operating reports.

(4) If the Court has directed the appointment of a chapter 11 operating trustee under § 1104, such operating trustee shall comply with all applicable monthly operating report requirements.

(4) the extent to which the proceeds of sale will be used to benefit each class of creditors,

(5) the extent of the debtor's liabilities;

(6) the net value of the debtor's remaining assets, if any, not subject to the proposed sale; and

(7) the business justification for disposing of estate assets before a disclosure statement has been approved or a plan confirmed.

RULE 6005-1. APPRAISERS AND AUCTIONEERS.

(a) Purchase Prohibited. Neither an auctioneer nor any officer, director, stockholder, insider, relative, agent, or employee of an auctioneer may directly or indirectly purchase, or have a financial interest in the purchase of, any property of a bankruptcy estate.

(b) Bond.

(1) General Requirement. An auctioneer may not render any services in a bankruptcy case until after the Court has entered an order approving the auctioneer's employment and the auctioneer has furnished (at their expense) a surety bond in favor of the United States of America in each estate. Surety bonds must be approved, and in such sum as may be set, by the Court. Approval of a surety bond is conditioned upon:

(A) the faithful and prompt accounting of all monies and property which may come into the possession of the auctioneer;

(B) compliance with all rules, orders, and decrees of the Court; and

(C) the faithful performance of duties in all respects.

(2) Blanket Bond. In lieu of a bond in each case, an auctioneer may file a blanket bond covering all cases in which the auctioneer may act. A blanket bond must be in an amount sufficient to cover the aggregate appraised value of all property to be sold.

(c) Disposition of Proceeds of Sale. Unless the Court orders otherwise, no later than 21 days after the date of sale, the auctioneer must turn over to the trustee, or deposit in a separate interest-bearing account, a sum equal to the proceeds of sale minus the auctioneer's reimbursable expenses. The trustee may not disburse any commission or reimbursement to the auctioneer until the Court enters an order approving the auctioneer's payment, as provided in paragraph (e) below. The Court retains jurisdiction to review the auctioneer's reimbursable expenses for validity and reasonableness. In the event the Court determines that a portion of the expenses deducted from the proceeds of sale is inappropriate or unreasonable, the auctioneer will be required to deliver such funds to the trustee immediately.

(d) Report of Sale. The auctioneer must file a report with the Clerk and serve a copy of the report on the United States Trustee and the case trustee (if any), within 90 days after the conclusion of the sale. The report of sale must set forth:

(1) the time, date, place, and format of sale;

(2) a statement of the manner and extent of advertising for the sale and the availability of the items for inspection prior to the sale;

(3) the terms and conditions of sale that were read to the audience immediately prior to the

commencement of the sale;

(4) the sign-in sheet that lists the people who were present, either in person or remotely, at the sale;

(5) the names of all purchasers and the items purchased by each of them;

(6) the gross amount realized from the sale;

(7) the amount of sales tax collected;

(8) an itemized statement of commissions sought, and disbursements made, under this Rule, including the name of the payee and the original receipts or canceled checks, or copies thereof, substantiating the disbursements; if the canceled checks are not available at the time the report is filed, then the report must so state, and the canceled checks must be filed as soon as they become available; where labor charges are included, the report must specify the names of the persons employed, the hourly wage for each employee, and the number of hours worked by each employee;

(9) if the auctioneer has a blanket bond covering all sales conducted, the auctioneer must also include an explanation of how the bond expenses charged to the estate were allocated;

(10) the disposition of any items for which there was no bid; and

(11) such other information as the Court or the United States Trustee may reasonably request.

(e) Application for Commissions and Expenses.

(1) Notice of Application; Inclusion of Report. An auctioneer must apply to the Court for approval of commissions and expenses on not fewer than 21 days' notice and must have filed the report referred to in paragraph (d) above prior to filing the application for commissions and expenses.

(2) Calculation of Commission. The maximum allowable commissions on the gross proceeds of each sale are as follows:

(A) 10% on first $100,000 or less;

(B) 5% on any amount in excess of $100,000 up to $200,000; and

(C) 2.5% on any amount in excess of $200,000.

(3) Reimbursement of Expenses. The auctioneer will be reimbursed for reasonable and necessary expenses directly related to the sale (including the bond premium or allocable portion of the blanket bond premium) and costs attributable to the sale (including labor, printing, advertising, and insurance, but excluding worker's compensation, social security, unemployment insurance, or other payroll taxes). Unless the Court orders otherwise, an auctioneer will be reimbursed for a blanket bond at a rate of $100 per case or 10% of the gross proceeds from an auction, whichever is less, minus any amounts previously reimbursed for the bond. If the case trustee hires the auctioneer to transport goods, the auctioneer will also be reimbursed for reasonable costs associated with that transport.

RULE 6006-1. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

The Court will not approve a debtor's motion to assume an executory contract, including a lease, in a chapter 7 case unless the case trustee has either consented to the executory contract or lease assumption or filed a