

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:) Case No. 10-50494
)
FAIR FINANCE COMPANY,) Chapter 7
)
Debtor.) Judge Marilyn Shea-Stonum
)

**TRUSTEE’S MOTION FOR AN ORDER
AMENDING THE PROCEDURES FOR THE ASSIGNMENT OF FILED CLAIMS**

Brian A. Bash, the duly-appointed Chapter 7 Trustee (the “Trustee”) for Fair Finance Company (the “Debtor”) in the Debtor’s pending Chapter 7 bankruptcy case, files this motion (the “Motion”) seeking entry of an order amending this Court’s *Order Granting Trustee’s Motion for an Order Establishing Procedures for the Assignment of Filed Claims* (the “Original Order”)¹ (Dkt. No. 1064). The amended order would (i) require the filing of an Assignment Form, in the form attached to this Motion, with the Transfer Form already required by the Original Order and (ii) waive payment of the \$25 transfer fee imposed by recent amendments to this Court’s Bankruptcy Fee Schedule. The proposed amended order would be effective as of the date of the filing of this Motion. In support of the Motion, the Trustee states as follows:

BACKGROUND

1. On August 1, 2012, the Trustee filed a motion seeking entry of an order approving procedures for the assignment of claims filed in the Debtor’s bankruptcy case, including

¹ Capitalized terms not otherwise defined in this Motion shall have the definition assigned to them in the Original Order.



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approving the use of certain transfer and notice forms in lieu of the Official Bankruptcy Forms (Dkt. No. 1030).

2. On August 22, 2012, this Court entered the Original Order, which established the Claims Trading Procedures and approved the use of certain forms in lieu of the Official Bankruptcy Forms (Dkt. No. 1064).

3. This Court amended its Bankruptcy Fee Schedule to require the payment of a \$25 fee for all claim transfers as of May 1, 2013. This administrative fee did not exist at the time of the entry of the Original Order.

JURISDICTION AND VENUE

4. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

5. The statutory predicates for the relief requested herein are 11 U.S.C. §§ 105(a), 501 and 502, and Rule 3001(e) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

RELIEF REQUESTED

6. The Trustee seeks entry of an order approving (i) an amendment to the Claims Trading Procedures that requires claim transferees to file an “Assignment Form” executed by the transferor or the transferor’s legal representative, in addition to the Transfer Form already required by the Claims Trading Procedures, (ii) the use of the “Assignment Form” attached to this Motion as Exhibit A, (iii) an amendment to the Claims Trading Procedures that waives payment of the \$25 administrative fee for each Filed Claim Transfer, and (iv) entry of the Order attached to this Motion as Exhibit D.

BASIS FOR RELIEF REQUESTED

7. As of the date of this Motion, the Trustee's its claims agent, Kurtzman Carson Consultants ("KCC") has received a number of Transfer Forms purporting to transfer Filed Claims. Many of those Transfer Forms were accompanied by documents executed by the transferor evidencing the transfer of the claim. Some Transfer Forms, however, were not accompanied by any documentation providing evidence of the transferors' acquiescence to the transfer.

8. The existing Claims Trading Procedures do not expressly require a party filing a Transfer Form to provide evidence of the assignment of the claim at issue. In the interest of protecting the integrity of the Claims Trading Procedures and with the goal of ensuring that transfers made under the Claims Trading Procedures are made with the consent of the transferor, the Trustee requests an amendment to the Claims Trading Procedures that requires the transferee to file an "Assignment of Claim" form (in the form attached to this Motion as Exhibit A) executed by the transferor or the transferor's legal representative, in addition to the Transfer Form already required by the Claims Trading Procedures.

9. The Trustee sought entry of the Original Order to protect less sophisticated creditors, remedy the confusion about how claims could be transferred, ease the administrative burden on the Clerk of the Bankruptcy Court and ensure that the claims register maintained by KCC remains accurate. Amending the Claims Trading Procedures to require the filing of the Assignment Form furthers those goals and will assist the Trustee with claims administration in this case.

10. The Trustee further seeks to amend the Claims Trading Procedures to waive the payment of the \$25 transfer fee imposed by the Court's existing Bankruptcy Fee Schedule.

Since the entry of the Original Order, the Court has imposed a \$25 fee for the transfer of claims to help offset the Clerk's costs for administering claim transfers. In this case, under the Original Order, it is KCC that administers the transfer of Filed Claims, not the Clerk. Accordingly, the Trustee asks this Court to waive the \$25 claim transfer fee. Inasmuch as the Trustee has been paying these costs to the present, no request for payment to the estate of any transfer fee is being requested.

PROPOSED AMENDED CLAIMS TRADING PROCEDURES

11. By this Motion, the Trustee respectfully requests that the Court approve the following amended procedures and forms (the "Amended Claims Trading Procedures") with respect to the transfer of Filed Claims in these proceedings:

- a) Filed Claim Transfer. The transferee of a Filed Claim must generate the paperwork associated with the transfer of the Filed Claim. This includes specifically, but is not limited to, buyers of Filed Claims who engage in claims trading for-profit and other purposes. Buyers and other transferees often do not use the Official Bankruptcy Form for transferred claims. To ensure that the same information is provided for each transferred Filed Claim, the Trustee is proposing that all Filed Claim transferees in these proceedings must use standardized forms. Thus, to evidence the transfer of a Filed Claim, the transferee of a Filed Claim or the transferee's agent must do the following:
 - i. Have both the transferor (or the transferor's authorized agent) and the transferee (or the transferee's authorized agent) complete, sign and date an "Assignment of Claim" Form that conforms to Exhibit A attached to this Motion (the "Assignment Form"). The Assignment Form shall

specifically identify the (aa) name of the transferor, (bb) dollar amount of the Filed Claim to be transferred, certifying that the amount transferred represents the total amount of the transferor's Filed Claim,² (cc) the Filed Claim number, (dd) the primary address and telephone number of the transferor, and (ee) the primary address and telephone number of the transferee. The only instance in which multiple Assignment Forms would be completed would be when the transferor has received separate Filed Claim numbers from the Trustee and the transaction involves the transfer of multiple Filed Claims having separate Filed Claim numbers.³ In that event, the transferor and transferee must complete a separate Assignment Form for each distinct Filed Claim being transferred; and

- ii. Complete, sign and date a "Transfer of Filed Claim" form that conforms to Exhibit B attached to this Motion (the "Transfer Form," and together with the Assignment Form, the "Assignment and Transfer Forms"). The Transfer Form shall specifically identify the (aa) name and primary address of the transferor and transferee; (bb) address where a distribution on the transferred Filed Claim should be sent, if different from the transferee's primary address; (cc) the dollar amount of the Filed Claim to be transferred, certifying that the amount transferred represents the total

² Partial transfers of Filed Claims would not be permitted, as discussed *infra*.

³ Examples of situations in which a transferor may have multiple Filed Claim numbers include situations in which a transferor holds V-Notes in different capacities (e.g., both individually and as the trustee of a trust), or a transferor filed multiple proofs of claim for the same V-Note. In order for a Filed Claim Transfer to be valid, the transferor must transfer all Filed Claims relating to the same V-Note, as discussed *infra*.

amount of the transferor's Filed Claim;⁴ and (dd) the Filed Claim number. The only instance in which multiple Transfer Forms would be completed would be when the transferor has received separate Filed Claim numbers from the Trustee and the transaction involves the transfer of multiple Filed Claims having separate Filed Claim numbers. In that event, the transferee must complete a separate Transfer Form for each distinct Filed Claim being transferred; and

- iii. Submit the completed, signed and dated Assignment and Transfer Forms to the Fair Finance Claims Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245. It is not necessary that the transferee submit documents other than the Assignment and Transfer Forms in support of the transferred Filed Claim at this stage of the process unless further instructed.⁵ The completed, signed and dated Assignment and Transfer Forms constitute evidence of the "Filed Claim Transfer." KCC maintains the register of creditors and can efficiently serve the Notice of Transfer, as discussed below, file certificates of service, and compile a register of transferred Filed Claims without burdening the Clerk or disrupting and unnecessarily increasing the administrative cost of these proceedings. KCC shall have the right to

⁴ Partial transfers of Filed Claims would not be permitted, as discussed *infra*.

⁵ As set forth in this Motion, KCC or the Court may require additional support for the transfer if an objection is filed by the transferor.

request and obtain additional information from the transferee to the extent that KCC determines that the completed, signed and dated Assignment and Transfer Forms are ambiguous or deficient to evidence the Filed Claim Transfer. If KCC does not receive complete and satisfactory information, as requested, from the purported transferee, the Filed Claim Transfer shall be deemed invalid and unenforceable. In such circumstances, without further notice or a hearing, the transferor would be deemed to be the holder of the Filed Claim for all purposes, including receiving any distribution on such Filed Claim if the Filed Claim is allowed.

- b) Waiver of Filed Claim Transfer Fee. Effective as of May 1, 2013, the Court's Bankruptcy Fee Schedule requires the payment of a \$25 fee for all claim transfers. That fee is waived under these Amended Claims Trading Procedures.
- c) Notice of Filed Claim Transfer. If KCC receives satisfactory evidence of the Filed Claim Transfer, including completed, signed and dated Assignment and Transfer Forms that are not ambiguous or deficient, within five (5) business days thereafter, KCC must do the following:
 - i. Send the transferor identified in the Assignment and Transfer Forms, by United States mail, postage prepaid, a notice of transfer that conforms to Exhibit C attached to this Motion (the "Notice of Transfer"), together with copies of the Assignment and Transfer Forms and any additional evidence of the Filed Claim Transfer requested or received by KCC. The Notice of Transfer shall notify the transferor that the transferor has twenty-one (21)

days from the date of the mailing of the Notice of Transfer to object to the Filed Claim Transfer (the “21-Day Notice Period”). If no objection to the Filed Claim Transfer is timely filed and served, the Filed Claim Transfer will be valid and enforceable upon expiration of the 21-Day Notice Period without further notice. Thereafter, the transferee shall be substituted for the transferor for all purposes with respect to the transferred Filed Claim; and

ii. Promptly file with the Clerk a certificate of service of the Notice of Transfer and copy of the Transfer Form.

d) Objection to Filed Claim Transfer. A transferor that objects to the Filed Claim Transfer must do the following:

i. Prepare a written objection explaining the reasons for objecting to the transfer of the Filed Claim (the “Objection”);

ii. File the Objection with the Clerk of the Bankruptcy Court, in person between the hours of 9:00 a.m. and 4:00 p.m., or by mail, at John F. Seiberling Federal Building & U.S. Courthouse, 455 U.S. Courthouse, 2 South Main Street, Akron, Ohio 44308. If the transferor is represented by counsel that is a registered user of the Bankruptcy Court’s electronic case filing system, counsel for the transferor may file the Objection electronically using the Bankruptcy Court’s electronic case filing system;

iii. Serve a copy of the Objection and a certificate of service upon the following:

- The Trustee's claims agent at:
Fair Finance Claims Processing Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, California 90245
 - The transferee of the transferred Filed Claim at the address indicated in the Assignment and Transfer Forms; and
- iv. Promptly file with the Bankruptcy Clerk a certificate of service of the Objection.
- e) Hearing on Objections. All Objections to a Filed Claim Transfer shall be resolved by a final order of the Court as a contested matter (a "Contested Transfer") after notice and a hearing. The transfer of a Filed Claim will not be valid and enforceable until the Contested Transfer is resolved by a final order of the Court, or the Objection is withdrawn or settled with Court approval. The Notice of Hearing shall be in lieu of a motion to determine the Contested Transfer. The Court may require that the parties submit further evidence in support of the transferred Filed Claim and/or legal briefs in order to resolve the dispute. The Court thereafter shall enter such orders respecting the Contested Transfers as it deems appropriate. Upon receiving a copy of the Objection, the transferee or transferee's agent shall be responsible for contacting the Clerk of the Bankruptcy Court and requesting that the Court fix a hearing date that is at least thirty (30) days after the date of service of the Objection upon the transferee (the "Hearing Date"). After contacting the Court to obtain a Hearing Date, the transferee or transferee's agent shall do the following:
- i. File a "Notice of Hearing," which Notice of Hearing shall (aa) specify the Hearing Date; (bb) identify the Contested Transfer by Filed Claim number

and amount; (cc) identify the date of the purported transfer; (dd) identify the transferor and transferee; and (ee) identify the docket entry number of each Objection that will come before the Court during the hearing.

ii. Serve a copy of the Notice of Hearing and a certificate of service upon the following:

- The Trustee's claims agent at:
Fair Finance Claims Processing Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, California 90245
- The transferor of the transferred Filed Claim at the address indicated in the Assignment and Transfer Forms; and

iii. Promptly file with the Clerk of the Bankruptcy Court a certificate of service of the Notice of Hearing.

f) No Partial Transfers of Filed Claims Permitted. For a transfer of a Filed Claim to be valid and enforceable, the entire amount of the Filed Claim must be transferred. A transfer of part of a Filed Claim, whether expressed in the Filed Claim Transfer as a percentage or in partial dollars, would impose a burden on the Trustee of calculating and allocating a *pro rata* distribution to transferor and transferee for each partially transferred Filed Claim that is allowed. That burden would be compounded if there were multiple transferees receiving partial assignments of a single Filed Claim. Instead of minimizing the Court's involvement in a routine Filed Claim Transfer, allowing partial transfers could increase the Court's involvement, thereby draining, rather than conserving, the Court's and the parties' resources. The Trustee requests, therefore, that any transfer that purports to transfer only part of a Filed Claim, and not the entire

Filed Claim, shall be invalid and unenforceable. In such circumstances, without further notice or a hearing, the transferor would be deemed to be the holder of the Filed Claim for all purposes, including receiving a distribution on such Filed Claim if the Filed Claim is allowed.

- g) Retroactive Application of Amended Claims Trading Procedures. The Trustee requests that the Amended Claims Trading Procedures be approved as of the date that the Motion was filed, and that the Court enter an order applying the relief retroactively to that date (the “Effective Date”).

12. The Amended Claims Trading Procedures outlined above will be followed with respect to each and every Filed Claim that a transferee seeks to have transferred from and after the Effective Date and also will apply substantially in the following circumstances:

- a) If, prior to the Effective Date, the transferor and transferee entered into a written agreement to transfer a Filed Claim, but, as of the Effective Date, the transferee has not submitted evidence of the transfer of the Filed Claim to KCC. In these circumstances, the transferee must submit evidence of the transfer of the Filed Claim to KCC. The evidence of the transfer need not strictly conform to the Assignment Form attached as Exhibit A, but it should include in substance the information called for in the Assignment Form. The evidence of the transfer shall include the Transfer Form attached as Exhibit B to this Motion. KCC shall have the right to request and obtain additional information from the transferee to the extent that KCC determines that the evidence of the transfer of the Filed Claim that has been furnished is ambiguous or deficient, as compared with the information required by this Motion. If KCC receives all requisite information, it

shall issue the Notice of Transfer to the transferor, and the Amended Claims Trading Procedures shall be followed in all respects from that point forward. If KCC does not receive complete and satisfactory information, as requested, from the purported transferee, the Filed Claim Transfer shall be deemed invalid and unenforceable. In such circumstances, without further notice or a hearing, the transferor would be deemed to be the holder of the Filed Claim for all purposes, including receiving any distribution on such Filed Claim if the Filed Claim is allowed.

- b) If, prior to the Effective Date, the transferee of a transferred Filed Claim has filed with KCC evidence of the transfer of the Filed Claim, but KCC has not given notice to the transferor of the opportunity to object. In such circumstances, the evidence of the transfer need not strictly conform to the Assignment Form attached as Exhibit A, but it should include in substance the information called for in the Assignment Form. The evidence of the transfer shall include the Transfer Form attached as Exhibit B to this Motion. KCC shall have the right to request and obtain additional information from the transferee to the extent that KCC determines that the evidence of the transfer of the Filed Claim that has been furnished is ambiguous or deficient, as compared with the information required under this Motion. If KCC receives all requisite information, it shall issue the Notice of Transfer to the transferor, and the Amended Claims Trading Procedures shall be followed in all respects from that point forward. If KCC does not receive complete and satisfactory information, as requested, from the purported transferee, the Filed Claim Transfer shall be deemed invalid and unenforceable.

In such circumstances, without further notice or a hearing, the transferor would be deemed to be the holder of the Filed Claim for all purposes, including receiving any distribution on such Filed Claim if the Filed Claim is allowed.

13. The Amended Claims Trading Procedures would not apply to a transfer of a Filed Claim in which (i) prior to the effective date of the Original Order, the following notice and hearing procedures were complied with: (aa) the transferee filed with the Court evidence of the transfer of the Filed Claim, (bb) the Clerk of the Bankruptcy Court or the transferee gave at least 21-days' advance written notice to the transferor of the opportunity to object, and (cc) if notice to the transferor of the transferred Filed Claim in accordance with this paragraph was given by the transferee, the transferee contemporaneously filed with the Court and served upon the transferor and the Trustee a certificate of service with respect to such notice; or (ii) prior to the Effective Date, as defined in this Motion: (xx) the transferee filed the Transfer Form with KCC in accordance with the original Claims Trading Procedures, (yy) KCC served the Notice of Transfer upon the transferee in accordance with the original Claims Trading Procedures, and (zz) KCC served a certificate of service with respect to the Notice of Transfer with the Court. In such circumstances, if the 21-Day Notice Period elapsed with no objection having been filed, the transferee effectively has been substituted for the transferor with respect to the transferred Filed Claim.

14. At this time, substantially all of the Filed Claims have not yet been determined by the Trustee. Following the Amended Claims Trading Procedures will not: (i) reverse the Trustee's prior determination of a Filed Claim that has already been determined, (ii) have any impact whatsoever on the Trustee's later determination of the Filed Claim, (iii) give the transferor or transferee any additional rights with respect to such Filed Claim, or (iv) alter or

remove any rights of the Trustee as against the transferor or transferee with respect to such Filed Claim.

15. The Amended Claims Trading Procedures substantially comply with Bankruptcy Rule 3001(e) and are in the best interest of the estate.

NOTICE

16. Notice of this Motion has been given to the Office of the United States Trustee, counsel to the Petitioning Creditors, all parties who have requested notice and any transferors or transferees of Filed Claims identified from papers docketed with the Court or otherwise brought to the Trustee's attention. The Trustee submits that such notice is good and sufficient and no other or further notice is necessary or required.

WHEREFORE, the Trustee respectfully requests that the Court enter an order substantially in the form of Exhibit D attached hereto (i) granting this Motion, (ii) approving the Amended Claims Trading Procedures effective retroactively to the date of the filing of this Motion, (iii) waiving the \$25 claim transfer fee, and (iv) granting the Trustee such other and further relief as is just and proper.

Dated: October 1, 2013

Respectfully submitted,

/s/ Alexis C. Osburn

Kelly S. Burgan (0073649)

Alexis C. Osburn (0083642)

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Counsel for the Trustee

EXHIBIT A

ASSIGNMENT FORM

Assignment of Claim Form

_____ (the "Assignor"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby transfer and assign unto _____, its successors and assigns (the "Assignee"), all rights, title, interests in and to the Assignor's claim in the amount of \$_____, as stated in the Proof of Claim No. _____ filed by the Assignor in the bankruptcy case pending in the United States Bankruptcy Court in the Northern District of Ohio captioned *In re Fair Finance Company*, Case No. 10-50494.

Assignor hereby certifies by this Assignment that:

- i) Assignee will be recognized as the valid owner of the claim and will receive all distributions on account of such claim, if any; and
- ii) The claim amount constitutes the entire amount of the claim and has not been reduced by any attempted partial transfer of the claim or prior payment from the Trustee on account of the claim.

IN WITNESS WHEREOF, dated the _____ of _____, 20____.

Assignor:
By: _____
(Signature of Authorized Party)

Assignee:
By: _____
(Signature of Authorized Party)

(Assignor Name)

(Assignee Name)

(Printed Name of Authorized Party)

(Printed Name of Authorized Party)

Address: _____

Address: _____

Phone: _____

Phone: _____

EXHIBIT B

TRANSFER FORM

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 10-50494
)	
FAIR FINANCE COMPANY,	)	Chapter 7
)	
Debtor.	)	Judge Marilyn Shea-Stonum
)	

TRANSFER OF FILED CLAIM

A claim has been filed in this case, designated as Claim No. _____. Transferee hereby gives evidence pursuant to those certain Amended Claims Trading Procedures approved by Order of the Court dated _____, 2013 (Dkt. No. ____), of the transfer of the filed claim referenced herein.

Transferee Name: _____ Transferor Name: _____

Name and Address where notices to Transferee should be sent: _____
Name and Address where notices to Transferor should be sent: _____

Name and Address where potential payments to Transferee should be sent (if different from above): _____
Filed Claim No. _____

_____ Filed Claim Amount: _____

I declare under penalty of perjury that the information provided herein is true and correct to the best of my knowledge and belief.

By: _____ Date: _____, 20____
Transferee/Transferee's Agent

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 & 3571.

EXHIBIT C

NOTICE OF TRANSFER

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 10-50494
)	
FAIR FINANCE COMPANY,	)	Chapter 7
)	
Debtor.	)	Judge Marilyn Shea-Stonum
)	

NOTICE OF TRANSFER

TO: [Transferor Name]
[Street Address]
[City, State and Zip Code]

[Transferee name] _____, as Transferee, has asked the Bankruptcy Court to transfer your filed Claim No. _____ against Fair Finance Company (your "Claim") to the Transferee.

If you do not object to the transfer of your Claim, you do not need to take action.

If you do not want your Claim to be transferred to the Transferee, **WITHIN 21 DAYS OF THE MAILING OF THIS NOTICE, YOU MUST DO THE FOLLOWING:**

1. Prepare a written objection to the transfer explaining your reasons for objecting to the transfer of your Claim to the Transferee. Your written objection must include the caption of this case and the Case Number (10-50494). You must also refer to Claim No. _____ in your objection.
2. File your written objection with the Clerk of the United States Bankruptcy Court, in person between the hours of 9:00 a.m. and 4:00 p.m., or by mail at the following address:

Clerk, United States Bankruptcy Court for the Northern District of Ohio
John F. Seiberling Federal Building & U.S. Courthouse
455 U.S. Courthouse
2 South Main Street
Akron, Ohio 44308

3. Send a copy of your objection to the Transferee at [Transferee address] _____, and send a copy of your objection to the Trustee's claims agent at Fair Finance Claims Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245.
4. Prepare a written certification including the caption of the case and the Case Number (10-50494), and certifying that you sent a copy of your objection to the Transferee of your Claim and to the Trustee's claims agent, as set forth in paragraph 3 above, and file that written certification with the Clerk of the United States Bankruptcy Court at the address above.

If you file an objection, the purported Transferee of the Allowed Claim must request a hearing before the United States Bankruptcy Court at the address above to resolve the objection before any distribution is made on the Claim, if the Claim is allowed.

IF YOUR OBJECTION IS NOT TIMELY FILED, THE TRANSFEREE WILL BE SUBSTITUTED IN COURT RECORDS AS THE CREDITOR HOLDING YOUR CLAIM AND WILL RECEIVE ANY DISTRIBUTION TO WHICH YOUR CLAIM IS ENTITLED.

EXHIBIT D

PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 10-50494
)	
FAIR FINANCE COMPANY,	)	Chapter 7
)	
Debtor.	)	Judge Marilyn Shea-Stonum
)	

**ORDER GRANTING TRUSTEE’S MOTION FOR AN ORDER
AMENDING THE PROCEDURES FOR THE ASSIGNMENT OF FILED CLAIMS**

This matter came before the Court on the *Trustee’s Motion for an Order Amending the Procedures for the Assignment of Filed Claims* (the “Motion”)¹ filed by Brian A. Bash, the duly-appointed Chapter 7 Trustee (the “Trustee”) for Fair Finance Company (the “Debtor”) in the Debtor’s pending Chapter 7 bankruptcy case, seeking entry of an order amending the procedures for the assignment of claims filed in the Debtor’s bankruptcy case (collectively, the “Filed Claims”). The Court having considered the Motion; and having found that notice of the Motion

¹ Capitalized terms not otherwise defined in this Order shall have the definition assigned to them in the Motion.

was adequate and sufficient under the circumstances, and that no other or further notice need be provided; and the Court having conducted a hearing on the Motion at which all parties in interest had an opportunity to present their respective positions; and the Court having found and determined that the relief sought in the Motion is in the best interests of the estate and other parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and any objections to the Motion having been overruled or withdrawn; and after due deliberation and sufficient cause appearing therefore:

IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. The Amended Claims Trading Procedures, as defined in the Motion, are approved.
3. Filed Claim Transfer. The transferor and transferee (or their respective agents) shall complete, sign and date the Assignment Form, as defined in the Motion, a copy of which is attached as Exhibit 1 to this Order. The transferee or its respective agent shall complete, sign and date the Transfer Form, as defined in the Motion, a copy of which is attached as Exhibit 2 to this Order. The completed, signed and dated Assignment and Transfer Forms shall constitute evidence of the Filed Claim Transfer.
4. The transferee or the transferee's agent shall deliver the completed, signed and dated Assignment and Transfer Forms, as set forth in the Motion, to the Trustee's claims agent, Kurtzman Carson Consultants LLC ("KCC") at the following address: Fair Finance Claims Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245.

5. KCC shall have the right to request and obtain additional information from the transferee or transferee's agent to the extent that KCC determines that the Assignment and Transfer Forms are ambiguous or deficient to evidence the Filed Claim Transfer. If KCC does not receive complete and satisfactory information, as requested, from the purported transferee, the Filed Claim Transfer shall be deemed invalid and unenforceable. In such circumstances, without further notice or a hearing, the transferor would be deemed to be the holder of the Filed Claim for all purposes, including receiving any distribution on such Filed Claim if the Filed Claim is allowed.

6. Waiver of Filed Claim Transfer Fee. Effective as of May 1, 2013, the Court's Bankruptcy Fee Schedule requires the payment of a \$25 fee for all claim transfers. That fee is waived under these Amended Claims Trading Procedures.

7. Notice of Transfer of Filed Claim. If KCC receives satisfactory evidence of the Filed Claim Transfer from the transferee or transferee's agent, including completed, signed and dated Assignment and Transfer Forms that are not ambiguous or deficient, within five (5) business days thereafter, KCC shall send the transferor a Notice of Transfer, as defined in the Motion, a copy of which is attached as Exhibit 3 to this Order, together with the Assignment and Transfer Forms received from the transferee and any additional evidence of the Filed Claim Transfer requested or received by KCC. KCC shall promptly file a certificate of service of the Notice of Transfer with the Clerk of the Bankruptcy Court.

8. The Notice of Transfer shall notify the transferor that the transferor has twenty-one (21) days from the date of the Notice of Transfer to object to the Filed Claim Transfer by preparing a written objection (the "Objection") to the Filed Claim Transfer and explaining the reasons for the Objection.

9. If no Objection is timely filed and served, after expiration of the 21-day notice period, the transferee shall be substituted for the transferor with respect to the transferred Filed Claim and shall receive all distributions made on account of the Filed Claim if the Filed Claim is allowed.

10. Objection to a Filed Claim Transfer. If the transferor objects to the Filed Claim Transfer (a “Contested Transfer”), the transferor shall file the Objection with the Clerk of the Bankruptcy Court and serve a copy of the Objection and a certificate of service upon (i) KCC at the address indicated in paragraph 4 of this Order, and (ii) the transferee at the address indicated in the Assignment and Transfer Forms. The transferor shall also promptly file a certificate of service of the Objection with the Clerk of the Bankruptcy Court.

11. Notice of Hearing. If an Objection is timely filed and served, upon receiving a copy of the Objection, the transferee or transferee’s agent shall be responsible for contacting the Clerk of the Bankruptcy Court and requesting that the Court fix a hearing date that is at least thirty (30) days after the date of service of the Objection upon the transferee (the “Hearing Date”). After contacting the Court to obtain a Hearing Date, the transferee or the transferee’s agent shall file a Notice of Hearing, which shall specify the Hearing Date and identify the Contested Transfer by (i) Filed Claim number and amount; (ii) date of the purported transfer; (iii) transferor and transferee; and (iv) docket entry number of each Objection that will come before the Court during the hearing. The transferee or the transferee’s agent shall serve a copy of the Notice of Hearing and a certificate of service upon (aa) KCC at the address indicated in paragraph 4 of this Order, and (bb) the transferor at the address indicated in the Assignment and Transfer Forms. The transferee shall also promptly file a certificate of service of the Notice of Hearing with the Clerk of the Bankruptcy Court:

12. The Notice of Hearing shall be in lieu of a motion to bring the Contested Transfer before the Court.

13. The transfer of a Filed Claim will not be valid and enforceable until the Contested Transfer is resolved by a Court order, unless the Objection is withdrawn or settled with Court approval.

14. No Partial Transfers of Filed Claims Permitted. A transferor must transfer the entire amount of a Filed Claim. Any transfer that purports to transfer only part of a Filed Claim, whether expressed by percentage or dollar amount, shall be invalid and unenforceable. In such circumstances, the transferor shall be deemed to be the holder of the Filed Claim for all purposes, including with respect to receiving distributions on such Filed Claim if the Filed Claim is allowed.

15. Any transfer of a Filed Claim that was completed before the Effective Date and purports to have transferred less than the full amount of such Filed Claim is invalid. As to any such transferred Filed Claim, the transferor and transferee must comply with the Amended Claims Trading Procedures.

16. The Amended Claims Trading Procedures apply to the transfer of Filed Claims, as set forth in the Motion. Following the Amended Claims Trading Procedures will not (i) reverse the Trustee's prior determination of a Filed Claim, (ii) have any impact whatsoever on the Trustee's later determination of the Filed Claim, (iii) give the transferor or transferee any additional rights with respect to the Filed Claim, or (iv) alter or remove any rights of the Trustee as against the transferor or transferee with respect to a Filed Claim.

17. Neither the transferor nor the transferee of a transferred Filed Claim may waive compliance with the Amended Claims Trading Procedures approved by this Order.

#

Submitted and approved by:

/s/ Alexis C. Osburn

Alexis C. Osburn (0083642)

BAKER & HOSTETLER LLP

PNC Center

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Counsel for the Trustee

EXHIBIT 1

ASSIGNMENT FORM

Assignment of Claim Form

_____ (the "Assignor"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby transfer and assign unto _____, its successors and assigns (the "Assignee"), all rights, title, interests in and to the Assignor's claim in the amount of \$_____, as stated in the Proof of Claim No. _____ filed by the Assignor in the bankruptcy case pending in the United States Bankruptcy Court in the Northern District of Ohio captioned *In re Fair Finance Company*, Case No. 10-50494.

Assignor hereby certifies by this Assignment that:

- i) Assignee will be recognized as the valid owner of the claim and will receive all distributions on account of such claim, if any; and
- ii) The claim amount constitutes the entire amount of the claim and has not been reduced by any attempted partial transfer of the claim or prior payment from the Trustee on account of the claim.

IN WITNESS WHEREOF, dated the _____ of _____, 20____.

Assignor:

Assignee:

By: _____
(Signature of Authorized Party)

By: _____
(Signature of Authorized Party)

(Assignor Name)

(Assignee Name)

(Printed Name of Authorized Party)

(Printed Name of Authorized Party)

Address: _____

Address: _____

Phone: _____

Phone: _____

EXHIBIT 2

TRANSFER FORM

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 10-50494
)	
FAIR FINANCE COMPANY,	)	Chapter 7
)	
Debtor.	)	Judge Marilyn Shea-Stonum
)	

TRANSFER OF FILED CLAIM

A claim has been filed in this case, designated as Claim No. _____. Transferee hereby gives evidence pursuant to those certain Amended Claims Trading Procedures approved by Order of the Court dated _____, 2013 (Dkt. No. ____), of the transfer of the filed claim referenced herein.

Transferee Name: _____ Transferor Name: _____

Name and Address where notices to Transferee should be sent: _____
Name and Address where notices to Transferor should be sent: _____

Name and Address where potential payments to Transferee should be sent (if different from above): _____
Filed Claim No. _____

_____ Filed Claim Amount: _____

I declare under penalty of perjury that the information provided herein is true and correct to the best of my knowledge and belief.

By: _____ Date: _____, 20____
Transferee/Transferee's Agent

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 & 3571.

EXHIBIT 3

NOTICE OF TRANSFER

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 10-50494
)	
FAIR FINANCE COMPANY,	)	Chapter 7
)	
Debtor.	)	Judge Marilyn Shea-Stonum
)	

NOTICE OF TRANSFER

TO: [Transferor Name]
[Street Address]
[City, State and Zip Code]

[Transferee name] _____, as Transferee, has asked the Bankruptcy Court to transfer your filed Claim No. _____ against Fair Finance Company (your "Claim") to the Transferee.

If you do not object to the transfer of your Claim, you do not need to take action.

If you do not want your Claim to be transferred to the Transferee, **WITHIN 21 DAYS OF THE MAILING OF THIS NOTICE, YOU MUST DO THE FOLLOWING:**

1. Prepare a written objection to the transfer explaining your reasons for objecting to the transfer of your Claim to the Transferee. Your written objection must include the caption of this case and the Case Number (10-50494). You must also refer to Claim No. _____ in your objection.
2. File your written objection with the Clerk of the United States Bankruptcy Court, in person between the hours of 9:00 a.m. and 4:00 p.m., or by mail at the following address:

Clerk, United States Bankruptcy Court for the Northern District of Ohio
John F. Seiberling Federal Building & U.S. Courthouse
455 U.S. Courthouse
2 South Main Street
Akron, Ohio 44308

3. Send a copy of your objection to the Transferee at [Transferee address] _____, and send a copy of your objection to the Trustee's claims agent at Fair Finance Claims Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245.
4. Prepare a written certification including the caption of the case and the Case Number (10-50494), and certifying that you sent a copy of your objection to the Transferee of your Claim and to the Trustee's claims agent, as set forth in paragraph 3 above, and file that written certification with the Clerk of the United States Bankruptcy Court at the address above.

If you file an objection, the purported Transferee of the Allowed Claim must request a hearing before the United States Bankruptcy Court at the address above to resolve the objection before any distribution is made on the Claim, if the Claim is allowed.

IF YOUR OBJECTION IS NOT TIMELY FILED, THE TRANSFEREE WILL BE SUBSTITUTED IN COURT RECORDS AS THE CREDITOR HOLDING YOUR CLAIM AND WILL RECEIVE ANY DISTRIBUTION TO WHICH YOUR CLAIM IS ENTITLED.

CERTIFICATE OF SERVICE

A copy of the foregoing has been served via ECF or regular, U.S. Mail, on October 1, 2013, on the attached service list.

/s/ Alexis C. Osburn

Alexis C. Osburn

Counsel for the Trustee

SERVICE LIST

Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive e-mail notice/service for this case.

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Manual Notice List

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