

Loan Modification Management Program Procedures
United States Bankruptcy Court Middle District of North Carolina

1. **Purpose.** These procedures and forms implement the Loan Modification Management Program (“LMM” or “LMM Program”). The LMM is designed to function as a forum for debtors and creditors to reach a consensual resolution when a debtor’s property is at risk of foreclosure. The goal of the LMM is to facilitate communication and exchange of information in a confidential setting under the supervision of the United States Bankruptcy Court for the Middle District of North Carolina.
2. **Definitions.** The following definitions shall be applicable to the LMM and the procedures described herein:
 - a. **Adequate Protection Payments:** An amount equal to eighty percent (80%) of the contractual principal and interest payment plus escrow amounts for property taxes and insurance (including mortgage insurance, if applicable) due on an Eligible Loan.
 - b. **Creditor:** means any holder, servicer, or trustee of an Eligible Loan.
 - c. **Debtor:** means any individual Debtor in a case filed under Chapter 13 of the Bankruptcy Code, including joint Debtors. Where a Debtor is represented by an Attorney, the term “Debtor” may mean the Debtor’s Attorney on behalf of the Debtor unless the context requires otherwise.
 - d. **Document Preparation Software:** means a secure online program maintained and operated by the Program Manager that facilitates the preparation of the Initial LMM Package by populating the Standard LMM Documents and generating a customized checklist of required additional forms and supporting documents that a Debtor needs to initiate a loss mitigation review with the Creditor. The use of the Document Preparation Software ensures that the initial submission to Creditor is complete and accurate and should expedite Creditor’s review. By requiring its use by the Debtor prior to the filing of the Motion for LMM, the Debtor will signify to the Bankruptcy Court and the Creditor that the Debtor is prepared to engage in the LMM in good faith and provide the necessary information to the Creditor.
 - e. **Document Preparation Software Fee:** means the non-refundable fee for creating the Initial LMM Package.
 - f. **Eligible Loan:** means any loan, lien, or extension of money or credit secured by Eligible Property, regardless of whether the loan is considered to be subprime or non-traditional, was in foreclosure prior to the bankruptcy filing, is the first or junior deed of trust or lien on the Eligible Property, and/or has been pooled, securitized or assigned to a creditor or trustee.
 - g. **Eligible Property:** means the Debtor’s principal residence as defined by 11 U.S.C. § 101(13A).
 - h. **Final Report:** means the report to be filed at the conclusion of the LMM per Section 9(c)(ii).

- i. Initial LMM Package: means collectively the Standard LMM Documents and all of the forms and supporting documentation that the Creditor requires to initiate the assessment of a Debtor's loss mitigation options. Creditor shall be responsible for providing Creditor's Initial LMM Package to the Program Manager, as more particularly provided for in Section 8(b)(i).
- j. LMM Period: means the time during which the LMM is in effect prior to its expiration or termination by Bankruptcy Court order.
- k. LMM Portal Submission Fee: means the non-refundable fee charged for the use of the Portal.
- l. Loss Mitigation: means the full range of solutions that may prevent either the loss of a Debtor's Eligible Property to foreclosure, increased costs to the Creditor, or both, including but not limited to, loan modification, loan refinance, forbearance, short sale, or surrender of the Eligible Property in full satisfaction of obligations arising under an Eligible Loan.
- m. Portal: means a secure online service maintained and operated by the Program Manager that allows LMM documents and communications to be submitted, retrieved, and tracked between the Required Parties. The Portal must be readily accessible to the Bankruptcy Court, Bankruptcy Administrator, Trustee, and Program Manager. Submitting documents to the Portal provides transparency in the loan modification process by making information immediately available to all parties through a secure internet website. To ensure that all Required Parties may obtain access to the Portal in a timely manner, registration on the Portal by any Required Party (including, without limitation, registration by the Creditor as provided in Section 8(b)(i)) must be capable of being completed in three (3) business days.
- n. Program Manager: means an independent, nonpartisan organization or person that has demonstrable skill and experience in bankruptcy loss mitigation to assist the Court with managing the LMM. Without limiting the generality of the foregoing, the Program Manager should:
 - i. Have extensive knowledge of the forms and supporting documents required by Creditors to complete a loss mitigation analysis;
 - ii. Have extensive understanding of the various loss mitigation programs offered by Creditors and the terms of their availability to Debtors;
 - iii. Own or be able to provide access to the Document Preparation Software; and
 - iv. Own or be able to provide access to the Portal.

Program Manager shall have the right to retain outside parties to assist Program Manager in its duties under the LMM provided such parties have the necessary skill and experience in bankruptcy loss mitigation as determined by the Program Manager. The Program Manager as of the effective date of the LMM is Default Mitigation Management, LLC; provided, however, the Court reserves the right to select a different Program Manager in its sole discretion.

- o. Program Manager Fee: means the non-refundable fee payable to the Program Manager for the fulfillment of the services provided herein which shall be payable upon the terms set forth herein.

- p. Required Parties: means when applicable Debtor, Debtor's Attorney, Creditor, Creditor's Attorney, the Chapter 13 Trustee, the Program Manager, any co-obligor, co-borrower, and third party obligor.
 - q. Standard LMM Documents: collectively, the industry standard forms that are generally required by creditors to initiate a review of a Debtor's loss mitigation options, which include, but are not limited to, the following:
 - i. HAMP Request for Mortgage Assistance
 - ii. Uniform Borrower Assistance Form (Form 710)
 - iii. IRS Form 4506-T
 - iv. Hardship Letter
 - v. Dodd-Frank Certification
3. **Eligibility**. Any Debtor who currently has a case pending under Chapter 13 where the on-going contractual mortgage payment is proposed to be paid through disbursements by the Chapter 13 Trustee is eligible to participate in the LMM Program with respect to any Eligible Property. Individuals who seek to modify a loan under the LMM Program must have paid their bankruptcy filing fee in full and filed all required schedules and statements prior to filing a motion to participate in LMM Program.
4. **Ineligibility**. The Bankruptcy Court may, after notice and hearing, resolve any disputes regarding eligibility of the Debtor to apply for loss mitigation, the application process, or any other matters related to the LMM Program.
5. **Additional Parties**.
- a. Co-Debtors, Creditors, and Third Parties. Where the participation of a co-debtor, additional creditors, or other third parties may be necessary or desirable, any party may request by motion that such party participate in loss mitigation, to the extent that the Bankruptcy Court has jurisdiction over the party.
 - b. Bankruptcy Administrator. The Bankruptcy Administrator may participate in the LMM Program to the extent such participation would be consistent with the Bankruptcy Administrator's duties under the Bankruptcy Code.
6. **Commencement of LMM**. The Debtor, Creditor, or the Bankruptcy Court may seek referral to the LMM Program beginning as of the filing date of the Chapter 13 case and continuing for a period of up to twelve (12) months thereafter unless otherwise ordered by the Court. Cases that are pending at the time of the implementation of the LMM Program in the District may seek referral to the Program for a period of up to twelve (12) months following the Program implementation date.
- a. By Debtor.
 - i. Confirm Eligibility. Prior to filing a Motion for Loan Modification Management, Debtor shall perform reasonable due diligence to confirm that Debtor may be eligible for loss mitigation and confirm all information necessary to make the certifications required on the Certification of LMM Eligibility and Readiness.
 - ii. Complete Document Preparation Software. Prior to filing a Motion for Loan Modification Management, Debtor shall complete the Document Preparation

Software and pay the Document Preparation Software Fee. Debtor's Initial LMM Package shall be completed and ready for signature and submission before filing a Motion for Loan Modification Management.

- iii. Contract for Representation in LMM. Prior to filing a Motion for Loan Modification Management, if represented by an Attorney, Debtor shall execute a contract with such Attorney detailing the costs, fees, duties and limitations on representation.
- iv. Proposed Chapter 13 Plan. If the Debtor seeks referral to the LMM Program prior to confirmation of the Plan, the proposed plan must include the following nonstandard provision:

The Debtor has or will, within the first twelve (12) months following the filing of this case, file a Motion for Loan Modification Management. Pursuant to the LMM Program, mortgage creditors will be provided with an opportunity to object to participation. During the pendency of the LMM, the mortgage creditor shall be entitled to Adequate Protection Payments in an amount equal to eighty percent (80%) of the contractual principal and interest payment plus escrow amounts for property taxes and insurance (including mortgage insurance, if applicable) and paid or held in reserve on account of its claim.

- v. Modification of Chapter 13 Plan. If Debtor's Chapter 13 plan has already been confirmed, Debtor shall additionally plead sufficient details in the Motion for Loan Modification Management, to satisfy the requirements for modification of such plan pursuant to 11 U.S.C. § 1329. Such modification shall provide that during the pendency of the LMM, the mortgage creditor shall be entitled to Adequate Protection Payments paid or held in reserve on account of its claim.
 - vi. Pro Se Debtor Obligations. All Pro Se Debtors shall have the same duties under the LMM Program as Debtors which are represented by an attorney. Nothing in these rules shall be construed to require the Program Manager or any other party to provide legal advice or legal assistance to a Debtor who participates in the LMM Program Pro Se.
 - vii. Motion for Loan Modification Management. Upon completion of the Debtor's Initial LMM Package, Debtor may request the commencement of the LMM by filing a Motion for Loan Modification Management. The Motion for Loan Modification Management shall be served pursuant to Federal Bankruptcy Rules 7004 and 9014 on the Chapter 13 Trustee, Bankruptcy Administrator, Program Manager, Creditor, and all other creditors whose claims are secured by liens against the Eligible Property. If the Creditor has filed a proof of claim the Creditor must also be served at the notice address on the proof of claim. A Certification of LMM Eligibility and Readiness and a fully executed Contract for LMM Representation shall be attached to the motion. A proposed Order for Loan Modification Management should be submitted.
- b. By Creditor. A Creditor seeking to commence the LMM must file with the Bankruptcy Court and serve pursuant to Federal Bankruptcy Rules 7004 and 9014 on the Debtor, the Attorney for the Debtor, the Chapter 13 Trustee, and the Bankruptcy Administrator a Motion for Loan Modification Management.

- c. By the Bankruptcy Court. The Bankruptcy Court may order the assignment of a loss mitigation matter to the LMM upon the Court's own motion.
7. **Opportunity to Object.** Upon the filing of a Motion for Loan Modification Management the Clerk's Office will produce a tentative hearing notice with an objection deadline. Objections shall identify with specificity the grounds for the objection, which may include unavailability of loss mitigation options; ineligibility of the Debtor; or the Creditor declining to participate in the LMM Program. If no objection is filed, the Bankruptcy Court may enter an Order for Loan Modification Management without further notice or hearing.
8. **LMM Participation and Duties.**
 - a. General. Upon entry of the Order for Loan Modification Management, the moving party shall serve a copy of the Order on the Required Parties and file a certificate of service. Upon entry of the Order for Loan Modification Management the following shall apply:
 - i. Good Faith Requirement. The Required Parties shall act in good faith throughout the entirety of the LMM Period, including but not limited to, promptly responding to all inquiries through the Portal and providing all requested documentation and information. A party failing to participate in good faith may be subject to sanctions and/or termination of the LMM after a tentative hearing notice with an objection deadline.
 - ii. Deadlines. The Required Parties shall comply with all deadlines set forth in the Order for Loan Modification Management; provided any deadlines may be extended by Bankruptcy Court order or by stipulation of the parties.
 - iii. Communication through Portal. During the LMM Period, unless otherwise permitted by the Bankruptcy Court, all material communications between the Required Parties shall be conducted exclusively through the Portal; provided, however, any litigated matters incidental to the LMM process shall be considered as separate matters not subject to the Portal requirement. (For example, a motion to compel mediation or motions related to discovery must be filed in the main bankruptcy case, not through the Portal).
 - iv. Automatic Stay. A Creditor seeking relief from the automatic stay with respect to real property subject to the LMM Program prior to the conclusion of the LMM Program shall, in the motion, set forth the reasons why relief is appropriate prior to the conclusion of the LMM Program. If a relief from stay motion is pending when an Order for Loan Modification Management is entered, or if such a motion is filed during the LMM Period, the Bankruptcy Court may condition the stay upon fulfillment of the Debtor's obligations under the Order for Loan Modification Management. If the Debtor fails to comply with the Debtor's LMM duties or the Order for Loan Modification Management, the Creditor may file a motion to terminate the LMM Program.
 - v. No Delay. The referral of a case to the LMM Program does not relieve the parties from complying with any other court orders or applicable provisions of the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or the Local Bankruptcy Rules. Notwithstanding a matter being referred to the LMM Program,

the bankruptcy case shall not be stayed or delayed without further order of the Bankruptcy Court.

- vi. Confidential Communications. All communications and information exchanged during the LMM Program that is not otherwise discoverable shall be privileged and confidential and shall be inadmissible in any subsequent proceeding as provided by Federal Rule of Evidence 408, except:
1. In proceedings for sanctions under these procedures;
 2. In proceedings to enforce, to rescind, or to seek approval of any loss mitigation reached under these procedures;
 3. In disciplinary proceedings before the State Bar or any agency established to enforce standards of conduct for applicable professionals; or
 4. In proceedings to enforce laws concerning juvenile or elder abuse.

b. Creditor Duties upon Commencement of LMM.

- i. Registration on Portal. Within ten (10) days after entry of the Order for Loan Modification Management, Creditor and Creditor's Attorney shall register on the Portal (if not already registered) and provide Creditor's most current Initial LMM Package to the Program Manager, who will promptly post same on the Portal. Registration on the Portal is a one-time event, and once Creditor and Creditor's Attorney are registered on the Portal, they will not have to re-register for each subsequent matter; however, Creditor is responsible for providing any updates or changes to Creditor's Initial LMM Package if and as necessary.
- ii. Acknowledge Receipt of Initial LMM Package. Within seven (7) days after Debtor submits Debtor's completed Initial LMM Package to Creditor on the Portal, Creditor shall on the Portal: (i) acknowledge receipt of Debtor's completed Initial LMM Package; and (ii) designate its single point of contact and outside legal counsel (if any). The designated single point of contact and outside legal counsel (if any) shall have all requisite authority to settle any and all issues that may arise during the LMM Period.
- iii. Payment of LMM Program Manager Fee. Within seven (7) days after Debtor submits Debtor's completed Initial LMM Package, Creditor shall also pay one-half (1/2) of the applicable Program Manager Fee directly to the Program Manager.
- iv. Process Debtor's Application. Upon receipt of Debtor's Initial LMM Package, Creditor shall promptly, and in no case more than 30 days after acknowledgement under Section 8(b)(ii) above unless such time is extended by the court, review Debtor's Initial LMM Package to determine Debtor's eligibility for any loss mitigation options which may be available to Debtor. In the event that Creditor shall require additional (or corrected) documentation, Creditor shall promptly notify Debtor through the Portal of such requirements and promptly respond to Debtor's submissions thereof as well as any inquiries made by the Debtor.
- v. Servicer Transfer. In the event that the Creditor participating in the LMM Program ("Participating Creditor") transfers a loan subject to the LMM Program, the Participating Creditor shall promptly provide a copy of the Order for Loan Modification Management to the new holder of the loan (the "Successor

Creditor”), and the Successor Creditor shall promptly comply with the provisions of Rule 3001(e)(2).

1. The Trustee will continue to disburse payments to the Participating Creditor until a transfer of claim is filed in compliance with the provisions of Rule 3001(e)(2). The Trustee will reserve disbursements on the claim of the Participating Creditor upon the filing of a notice of transfer of the claim complying with Rule 3001(e)(2). After the transfer of the claim to the Successor Creditor is effective the Trustee will resume disbursements on the claim.
 2. The Successor Creditor shall accept all documentation and information previously accepted by the Participating Creditor while participating in the LMM Program.
 3. The Participating Creditor shall file a motion to substitute the Successor Creditor as the LMM Creditor. The Participating Creditor shall transfer the submission on the Portal to the Successor Creditor provided, however, nothing herein shall prevent Debtor from transferring the file on the Portal in lieu of Creditor. Upon the filing of the motion the Clerk’s Office will produce a tentative hearing notice with an objection deadline. The Participating Creditor shall file an Order Substituting LMM Creditor.
- vi. Payment Changes. During the LMM Period, the Creditor shall comply with the requirements of Rule 3002.1(b) regarding Notices of Mortgage Payment Changes. Upon compliance by the Creditor, the Trustee shall adjust the Adequate Protection Payment as follows:
1. For payment changes due to adjustments needed in the escrow account the Adequate Protection Payment shall remain at eighty percent (80%) of the contractual payment (principal and interest only) plus any change, whether increase or decrease needed, in the monthly escrow payment.
 2. For payment changes due to adjustments needed for interest rate changes the Adequate Protection Payment shall be recalculated to reflect eighty percent (80%) of the newly adjusted principal and interest payment, plus any escrow payment as applicable.
- c. Debtor Duties upon Commencement of LMM.
- i. Submit Initial LMM Package. Within seven (7) days after entry of an Order for Loan Modification Management or within seven (7) days after Creditor’s registration on the LMM Portal, whichever occurs later, Debtor shall upload the following to the Portal: (i) Debtor’s Initial LMM Package and (ii) a copy of the Order for Loan Modification Management.
 - ii. Payment of Portal and LMM Program Manager Fee. Within seven (7) days after entry of an Order for Loan Modification Management or Creditor’s registration on the LMM Portal, whichever occurs later, Debtor shall pay the LMM Portal Submission Fee and one-half (1/2) of the applicable Program Manager Fee.

- iii. *Document Submissions.* Upon the request of Creditor through the Portal, Debtor shall promptly provide any additional documents requested by the Creditor or Program Manager and answer any questions.
 - iv. *Final Report.* Complete the Final Report as more particularly provided in Section 9(c).
- d. Trustee Duties.
- i. *Adequate Protection Payments.* Upon the entry of the Order for Loan Modification Management, without regard to whether a Chapter 13 plan has been confirmed, the Trustee will commence Adequate Protection Payments on a filed proof of claim. If no proof of claim has been filed, the Adequate Protection Payments will be reserved until a proof of claim is filed. The amount of the Adequate Protection Payment will be determined by the Order for Loan Modification Management.
- e. Program Manager Duties.
- i. *Loan Modification Monitoring.* The Program Manager shall monitor all Portal communications between Debtor and Creditor to ensure that each party is performing its obligations and duties as required by the LMM Program including without limitation:
 - 1. Confirming that the Debtor has provided the correct Initial Package;
 - 2. Facilitating the communication and document exchanges between Creditor and Debtor to ensure that the loss mitigation review is proceeding in accordance with the terms and deadlines of the LMM Program;
 - 3. Tracking and monitoring the deadlines for each party; and
 - 4. Preparing for, scheduling, and conducting LMM Conferences.
 - ii. *Reporting Non-Compliance.* Upon the material non-compliance with the terms of the LMM Program by any of the Required Parties, the Program Manager shall demand cure of the non-compliance by the Required Party within seven (7) days. Upon the failure of a Required Party to cure the non-compliance within the allotted time, the Program Manager shall file a Certificate of Non-Compliance with the Bankruptcy Court providing details of the Required Party's material non-compliance together with supporting evidence documenting such non-compliance.
 - iii. *LMM Program and System Education.* Program Manager shall be familiar with the rules and procedures of this LMM Program and be able to advise Debtors and Creditors about the basic procedures for participation therein.

9. LMM Process.

a. Duration.

- i. *Initial Duration.* The LMM Period shall be one hundred eighty (180) days from the date of the Order for Loan Modification Management unless otherwise specified in the Order for Loan Modification Management.

- ii. Extension. A request to extend the LMM Period shall be made by way of a Motion to Extend the LMM Period. A complete and current printout of the account history from the Portal shall be attached to the Motion.
 - iii. Early Termination. A request to terminate the LMM Period prior to its expiration shall be made by way of a Motion to Terminate the LMM. A complete and current printout of the account history from the Portal shall be attached to the Motion. A request to terminate the LMM shall be served on all Required Parties.
- b. LMM Conferences.
- i. Scheduling. In the event that Debtor and Creditor are not able to reach mutually agreeable terms, then upon consultation with the parties and their attorneys (if any), the Program Manager shall fix a reasonable date and time for the LMM Conference during the LMM Period and shall give the parties at least seven (7) days advance written notice of the date and time of the LMM Conference. The Program Manager shall report the scheduling of the LMM Conference on the Portal. The Program Manager may schedule multiple LMM Conferences.
 - ii. Appearances. Attendance at the LMM Conference by the Debtor and Creditor is mandatory. All Required Parties may appear at the LMM Conference remotely unless otherwise agreed to by the parties or directed by the Program Manager.
 - 1. Debtor Represented by Attorney. If Debtor is represented by an Attorney, then Debtor, Debtor's Attorney, and any co-obligor, co-borrower, or other third party obligated on the note or deed of trust, may participate in the LMM Conference by telephone provided that they are physically present with Debtor's Attorney and present identification to Debtor's Attorney during all LMM Conferences.
 - 2. Translator. Debtor shall provide a translator at Debtor's own expense in the event that one is necessary, other than as required under the Americans with Disabilities Act.
 - 3. Creditor. Creditor shall appoint a designated representative to appear on behalf of the Creditor.
 - 4. Settlement Authority. All parties attending the LMM Conference shall be ready, willing, and able to sign a binding settlement agreement at the LMM Conference and have the ability to scan, send and receive documents by facsimile, email, or other electronic means at the time of the LMM Conference.
 - iii. Failure to Appear. In the event that a Required Party fails to appear at a scheduled LMM Conference, the Program Manager may file a Certificate of Non-Compliance with the Bankruptcy Court.
- c. Final Report. Within seven (7) days after the conclusion of the LMM Period, the Debtor, on notice to the Creditor, shall file and serve an LMM Final Report with an attached printout of the current and complete account history from the Portal. If the Debtor fails to file Final Report within seven (7) days after the conclusion of the LMM Period, the Creditor

may file the Final Report on notice to the Debtor. The LMM Final Report shall be completed in accordance with the instructions provided in the Portal.

- d. Debtor Payments. In Chapter 13 cases, any Debtor participating in the LMM Program shall be required to make any payments due to a Creditor through the Chapter 13 Trustee including, but not limited to, Adequate Protection Payments, trial modification payments, and final modification payments.

10. **LMM Resolution**.

- a. Trial Loan Modification Agreement. If the parties reach a trial loan modification agreement, but not a final loan modification agreement, then within fourteen (14) days after the parties reach such agreement, Debtor shall file a Motion to Approve Trial Loan Modification Agreement. The Motion to Approve Trial Loan Modification Agreement shall be served upon all interested parties. The Clerk's Office shall set the motion for hearing. If the motion is granted, the Debtor shall serve a copy of the Order on the Required Parties and file a certificate of service.
- b. Final Loan Modification Agreement. If the parties reach a final loan modification agreement, the Debtor shall file a Motion to Authorize the Loan Modification which shall be served immediately on the Required Parties and all creditors whose claims are secured by liens against the Eligible Property. The motion shall contain a detailed analysis of the proposed loan modification and shall include a Loan Modification Summary. A copy of the loan modification agreement shall accompany the motion. The Clerk's Office shall set the motion for hearing. Any proposed Loan Modification Order shall include the following provisions, where applicable:
 - i. If the approved loan modification impacts the provisions of the Debtor's Chapter 13 plan, a motion to modify plan shall be filed within fourteen (14) days of the entry of the order approving the loan modification.
 - ii. If the approved loan modification results in a material change in the Debtor's expenses, the Debtor shall amend Schedules I and J within fourteen (14) days of the entry of the order approving the loan modification.
- c. Additional Terms.
 - i. No Dismissal. Dismissal of the bankruptcy case shall not be made a requirement of an agreement reached through the LMM.
 - ii. Consent. Consent to the agreement shall be acknowledged in writing by an authorized representative of the Creditor, the Debtor, and the Debtor's Attorney, if applicable.
 - iii. Bankruptcy Court Review and Approval. Any agreement reached by the parties during the LMM process requires approval by the Bankruptcy Court.

11. LMM Fees.

a. Compensation for Debtor's Attorney.

- i. Presumptive Flat Fee. Debtor's Attorney may accept a "no look" fee in a reasonable amount not to exceed \$2,000.00 to be paid as an administrative expense. Debtor's Attorney must indicate a selection of the presumptive flat fee in the Motion for Loan Modification Management. The presumptive fee shall be in lieu of any non-base fees otherwise payable for a Motion for Authority to Refinance or Modify Mortgage, a Motion to Incur Indebtedness, and a Motion to Modify Chapter 13 Plan. The presumptive fee shall, absent a contrary determination by the Bankruptcy Court, be awarded as follows:

\$1200.00 upon entry of the Order for Loan Modification Management;
\$400.00 upon entry of an interim loan modification order;
the balance of the presumptive fee upon entry of an order granting a loan modification.

- ii. Hourly Fee Application. Debtor's Attorney may seek approval for reasonable compensation on an hourly basis for necessary and proper work performed in connection with the LMM process by indicating the selection to opt out of the presumptive fee in the Motion for Loan Modification Management and filing an application for allowance of attorney fees and costs with the Bankruptcy Court.
- b. Creditor Fees. If a proposed LMM resolution provides for a creditor to receive payment or reimbursement from the Debtor of any fee, cost or charge that arose from the LMM process, all such fees, costs and charges shall be disclosed to the Debtor prior to approval of the resolution and requires Bankruptcy Court approval. The attorney for the creditor may be entitled to receive a reasonable fee for all work involved with the LMM and shall clearly delineate such fee in the LMM resolution or by Notice of Post-Petition Fees pursuant to Bankruptcy Rule 3002.1(c).
- c. Document Preparation Software Fee, LMM Portal Submission Fee and Program Manager Fee. There are non-refundable fees for Document Preparation Software, submission of an Initial LMM Package to the Portal, and the Program Manager.