

Rule 3017-2. Disclosure Statement Approval and Confirmation Hearing - Small Business Cases.

(A) Conditional Approval of Disclosure Statement. A plan proponent in a case in which a chapter 11 debtor properly has elected to be considered a small business pursuant to Bankruptcy Rule 1020 and Local Rule 1020-1 may seek conditional approval of a disclosure statement by filing a motion for conditional approval of disclosure statement, accompanied by the Local Form “Order Conditionally Approving Disclosure Statement and Setting Hearing on Final Approval of Disclosure Statement and Confirmation of Chapter 11 Plan”, at the time of filing the disclosure statement and plan. The court may deny conditional approval of a disclosure statement, conditionally approve a disclosure statement, or conditionally approve a disclosure statement subject to revisions to be made by the plan proponent prior to the final hearing. If the application for conditional approval is denied, no further hearing will be set to consider final approval of the disclosure statement.

[Comment: See Local Rule 9013-1(C)(13) (ex parte motion for court approval of disclosure statement must be served on the U.S. trustee).]

(B) Hearing on Final Approval of Disclosure Statement. If a disclosure statement is conditionally approved, the court shall enter the Local Form “Order Conditionally Approving Disclosure Statement and Setting Hearing on Final Approval of Disclosure Statement and Confirmation of Chapter 11 Plan”. The hearing on final approval of the disclosure statement and the confirmation hearing shall be set for the same date, time and place. At that hearing, the court shall first consider final approval of the disclosure statement (as revised, if conditionally approved subject to revisions). If the disclosure statement is not finally approved, the court may deny confirmation or continue the confirmation hearing.

(C) Disclosure Statement Not Conditionally Approved. If a plan proponent does not seek conditional approval of a disclosure statement, the procedures contained in Local Rule 3017-1 shall apply.

(D) Disclosure Statement Conditionally Approved.

- (1) Deadline for Objecting to Disclosure Statement.** If a disclosure statement has been conditionally approved, objections to the disclosure statement must be filed and served upon the debtor, the trustee, U.S. trustee, the plan proponent, any committee appointed under the Code and any other entity designated by the court at least 3 business days before the hearing on final approval of the disclosure statement.
- (2) Service of Plan, Disclosure Statement, Ballot, and Notice; Deadline for Service.** After conditional approval of a disclosure statement and at least 20 days before the hearing on final approval of disclosure statement and confirmation hearing, the plan proponent shall serve the Local Form “Order Conditionally

Approving Disclosure Statement and Setting Hearing on Final Approval of Disclosure Statement and Confirmation of Chapter 11 Plan”, together with the plan and disclosure statement (as revised, if conditionally approved subject to revisions), on the parties required by Bankruptcy Rule 3017(d), and shall serve a ballot in the form required by Local Rule 3018-1 on all creditors and equity security holders entitled to vote on the plan.

[Comment: See also Bankruptcy Rules 2002(b) and (d) and 3017(a) and (d) and Local Rule 2002-1(C)(8) (service of plan, disclosure statement, ballot, and local form order required) and Bankruptcy Rules 2002(k) and 9034 (service on U.S. trustee required). See also Local Rule 2002-1(C)(9) (service of notice on fee applications).]