

[Attorney name  
Contact information]

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF IDAHO

In re:

\_\_\_\_\_

\_\_\_\_\_,

Debtor.

Case No. \_\_\_\_-\_\_\_\_-\_\_\_\_

Chapter 11  
(Subchapter V)

**SUBCHAPTER V DEBTOR'S PLAN OF REORGANIZATION  
[OR LIQUIDATION]**

This Plan of Reorganization [or Liquidation] is presented to you to inform you of the proposed Plan for restructuring the debt [or liquidating the assets] of [Debtor], and to seek your vote to accept this Plan. 11 USC § 1190.

You are encouraged to carefully review the full text of this document, including all exhibits and attachments, before deciding how to vote on this Plan. To assist you in your review, please note that a list of definitions appears at the end of this document.

**IN ADDITION TO CASTING YOUR VOTE TO ACCEPT OR REJECT THIS PLAN, YOU MAY OBJECT TO CONFIRMATION OF THIS PLAN BY FILING AN OBJECTION WITH THE BANKRUPTCY COURT. IF YOU WISH TO OBJECT TO CONFIRMATION OF THIS PLAN, YOU MUST DO SO BY [OBJECTION DATE/TIME].**

**YOUR BALLOT STATING HOW YOU ARE VOTING ON THIS PLAN MUST BE RETURNED BY [DEADLINE]. THE BALLOT MUST BE MAILED TO THE FOLLOWING ADDRESS: [DEBTOR'S COUNSEL'S ADDRESS].**

**A HEARING ON THE CONFIRMATION OF THIS PLAN IS SCHEDULED FOR [HEARING DATE/TIME] IN COURTROOM NO. \_\_\_\_ AT THE [INSERT COURTHOUSE NAME AND FULL ADDRESS].**

Your rights may be affected by this Plan. You should consider discussing this document with an attorney.

**ARTICLE 1**  
**BUSINESS OPERATIONS OF THE DEBTOR**

**1.1 Nature of the Debtor's Business**

[Describe the Debtor's business, including the legal structure and ownership here. If the Debtor is an individual or individuals, please indicate the same here.]

**1.2 History of Business Operations of the Debtor**

[Describe a brief history of the business operations of the Debtor.]

**1.3 Events Leading to the Filing of the Bankruptcy Case**

[Describe what problems compelled the filing of the Chapter 11 petition and, if applicable, how the Debtor has cured those problems for its successful rehabilitation.]

**1.4 Filed Monthly Operating Reports**

The Debtor has filed monthly operating reports that detail the revenue, expenses, and other financial events during the course of the case. These reports are available for review by contacting Debtor's counsel or by online access through PACER.

**1.5 Unusual or Significant Events During the Bankruptcy Case**

[Describe unusual or significant events during the Debtor's bankruptcy case, which may include:

- Any asset sales outside the ordinary course of business, debtor-in- possession financing, or cash collateral orders.
- The identity of professionals approved by the Bankruptcy Court.
- Any adversary proceedings that have been filed or other significant litigation that has occurred (including contested claim disallowance proceedings), and any other significant legal or administrative proceedings that are pending or have been pending during the case in a forum other than the Bankruptcy Court.
- Any steps taken to improve operations and profitability of the Debtor.
- Other events as appropriate.]

**ARTICLE 2  
TREATMENT OF CLAIMS, LIENS AND INTERESTS UNDER THE PLAN**

The Debtor’s Plan describes how its Creditors will be paid.

As required by the Bankruptcy Code under § 1123(a)(1), this Plan places Claims and Equity Interests in various classes and describes the treatment each class will receive. This Plan also states whether each class of Claims or Equity Interests is impaired or unimpaired. If this Plan is confirmed, each Creditor’s recovery is limited to the amount provided in this Plan.

Only Creditors in classes that are impaired may vote on whether to accept or reject this Plan, and only Creditors holding Allowed Claims may vote. A class that is not impaired is deemed to accept this Plan.

**2.1 Unclassified Claims**

Certain types of Claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such Claims do not vote on this Plan. They may, however, object if, in their view, their treatment under this Plan does not comply with that required by the Code. As such, this Plan does not place the following Claims in any class:

**A. Administrative Expenses**

Except as otherwise provided under the Plan, each holder of an Administrative Expense claim allowed under § 503 of the Code will be paid in full on the Effective Date of the Plan, in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor or as approved by the Court. If an Administrative Expense is disputed, payment will be made after the Court resolves the dispute and determines the amount of the allowed Administrative Expense. In the event this Plan is confirmed under §1191(b), the Plan may provide for payment of claims specified in paragraph (2) or (3) of 11 U.S.C. §507(a) through the Plan, rather than paid in full on the Effective Date of the Plan. **You should examine the proposed treatment of your claim carefully.**

The following chart lists the Debtor’s estimated Administrative Expenses and their proposed treatment under this Plan:

<b>Type</b>	<b>Estimated Amount Owed</b>	<b>Proposed Treatment</b>
Professional fees, as approved by the Bankruptcy Court		After Bankruptcy Court approval, Payment through this Plan as follows: _____
Other Administrative Expenses (please describe)		Payment through this Plan as follows: _____

Trustee		Upon application under § 330 and after Bankruptcy Court approval, payment through this Plan as follows: _____
TOTAL		

**B. Priority Tax Claims**

Each holder of a Priority Tax Claim pursuant to § 507(a)(8) will be paid as set forth in the chart below:

<b>Name of Taxing Authority and Type of Tax</b>	<b>Estimated Amount Owed</b>	<b>Date of Assessment</b>	<b>Treatment</b>
			Pmt Interval = [Monthly] payment = Begin Date = End Date = Interest Rate % = Total Payment = \$
			Pmt Interval = [Monthly] payment = Begin Date = End Date = Interest Rate % = Total Payment = \$

**2.2 Classes of Claims and Equity Interests**

The following are the classes set forth in this Plan and the proposed treatment they will receive under this Plan:

**A. Classes of Secured Claims**

The following chart lists all classes containing the Debtor’s secured prepetition Claims and their proposed treatment under this Plan:

**[Drafting Tip:** The below chart is useful for certain secured claims (e.g. an auto loan). However, where the secured claims require a more detailed description and/or additional treatment terms, use a narrative description of the classes and their treatment instead of the chart.]

Class #	Description	Insider? (Yes or No)	Impairment	Treatment
	<i>Secured claim of:</i> Name = _____  Collateral description = _____  Allowed Secured Amount = \$ _____  Priority of lien = _____  Principal owed = \$ _____  Pre-pet. arrearage = \$ _____  Total claim = \$ _____		[State whether impaired or unimpaired]	[Monthly Pmt.] = _____  Pmts Begin = _____  Pmts End = _____  [Balloon Pmt] = _____  Interest rate % = _____  Treatment of Lien [including whether claim is being treated under §1190(3)] = _____  [Additional payment required to cure defaults] = _____  Deficiency in the amount of \$ _____ to be classified and treated as a general unsecured Claim

**2.2.A.1**      Waiver of Secured Status and Lien Rights by Claimants. In the event any of the claimants listed or scheduled as secured file a proof of claim stating that no part of the claim is secured, then the claim shall be deemed entirely unsecured and treated as such pursuant to this Plan.

**2.2.A.2**      Proof of Claim Controls Over Amount Scheduled by Debtor(s). The amount listed on a timely filed proof of claim (subject to allowance of the claim) shall control over any contrary amount listed in the Debtor's schedules and deemed filed pursuant to 11 U.S.C. § 1111(a).

**B. Classes of Priority Unsecured Claims**

The following chart lists all classes containing Claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code and their proposed treatment under this Plan:

<b>Class #</b>	<b>Description</b>	<b>Impairment</b>	<b>Treatment</b>
	Priority unsecured claim pursuant to Section [insert] Total amt of claims = \$	[State whether impaired or unimpaired]	
	Priority unsecured claim pursuant to Section [insert] Total amt of claims = \$	[State whether impaired or unimpaired]	

**C. Class[es] of General Unsecured Claims**

The following chart identifies this Plan’s proposed treatment of Class[es] \_\_\_\_\_ through \_\_\_\_\_, which contain general unsecured Claims against the Debtor. 11 USC § 502:

<b>Class #</b>	<b>Description</b>	<b>Impairment</b>	<b>Treatment</b>
	[Administrative Convenience Class]	[State whether impaired or unimpaired]	[Insert proposed treatment, such as “Paid in full in cash on effective date of the Plan or when due under contract or applicable nonbankruptcy law”]
	General Unsecured Class [including the unsecured portion of any claims set forth in Section 2.2.A, above]	[State whether impaired or unimpaired]	Monthly Pmt = Pmts Begin = Pmts End = [Balloon pmt] = Interest rate % from [date] = Estimated = percent of claim paid

**D. Class[es] of Equity Security Holders**

The following chart sets forth this Plan’s proposed treatment of the class[es] of Equity Security Holders: [There may be more than one class of Equity Security Holders in, for example, a partnership case, or a case where the prepetition debtor had issued multiple classes of stock.]

<b>Class #</b>	<b>Description</b>	<b>Impairment</b>	<b>Treatment</b>
	Equity Security Holders	[State whether impaired or unimpaired]	

**2.3 Estimated Number and Amount of Claims Objections**

The Debtor may object to the amount or validity of any Claim within 60 days of the Confirmation Date by filing an objection with the Bankruptcy Court and serving a copy of the objection on the holder of the Claim. The Claim objected to will be treated as a Disputed Claim under this Plan. If and when a Disputed Claim is finally resolved by the allowance of the Claim in whole or in part, the Debtor will pay the Allowed Claim in accordance with this Plan. [Set forth amount and number of Claims in each class that will be objected to.]

Class	Number of Claims Objected To	Amount of Claims Objected To

**2.4 Treatment of Executory Contracts and Unexpired Leases**

Executory Contracts are contracts where significant performance of the contract remains for both the Debtor and another party to the contract. The Debtor has the right to reject, assume (i.e. accept), or assume and assign these types of contracts to another party, subject to the Bankruptcy Court’s approval. The paragraphs below explain the Debtor’s intentions regarding its Executory Contracts (which includes its unexpired leases) and the impact such intentions would have on the other parties to the contracts.

Check all that apply:

Assumption of Executory Contracts.

The Executory Contracts shown on Exhibit \_\_\_ shall be assumed by the Debtor. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Bankruptcy Code, if any. Exhibit \_\_\_ also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of future performance, you must file and serve your objection to the assumption within the deadline for objecting to the confirmation of this Plan, unless the Bankruptcy Court has set an earlier time.

OR

Assumption and Assignment of Executory Contracts and Unexpired Leases.

The Executory Contracts shown on Exhibit \_\_\_ shall be assumed by the Debtor and assigned to the party listed in that Exhibit. Assumption and assignment by the Debtor means that the Debtor will undertake the obligations under such contracts and unexpired leases, will cure

defaults of the type that must be cured under the Bankruptcy Code, if any, and will assign the contract to the party listed.

If you object to the assumption and assignment of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of future performance, you must file and serve your objection to the assumption and assignment within the deadline for objecting to the confirmation of this Plan, unless the Bankruptcy Court has set an earlier time.

AND/OR

Rejection of Executory Contracts and Unexpired Leases.

Rejection means that the Debtor has elected not to continue to perform the obligations under such contracts or leases. If the Debtor has elected to reject a contract or lease, the other party to the contract or lease will be treated as an unsecured Creditor holding a Claim that arose before the bankruptcy was filed.

Except for executory contracts and unexpired leases that have been assumed, and if applicable assigned, before the Effective Date, or that are the subject of a pending motion to assume, and if applicable assign, the Debtor will be conclusively deemed to have rejected all executory contracts and unexpired leases as of the Effective Date. **Any creditors that believe they hold claims with respect to contracts rejected hereunder shall file a proof of claim on or before thirty (30) days after Confirmation of this Plan.** Any such timely filed allowed claims will participate in the distribution for General Unsecured Creditors set out within this Plan. Any Claim based on the rejection of an Executory Contract will be barred if the proof of claim is not timely filed unless the Bankruptcy Court orders otherwise.

## **2.5 Projected Recovery of Avoidable Transfers**

*[Drafting Tip: Choose one of three options and delete what is not applicable]*

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions.

OR

The Debtor estimates that up to \$ \_\_\_\_\_ may be realized from the recovery fraudulent, preferential or other avoidable transfers. While the results of litigation cannot be predicted with certainty and it is possible that other causes of action may be identified, the following is a summary of the preference, fraudulent conveyance and other avoidance actions filed or expected to be filed in this case:

<b>Transaction</b>	<b>Defendant</b>	<b>Amount Claimed</b>

OR



[If the Debtor does not yet know whether it intends to pursue avoidance actions]

The Debtor has not yet completed its investigation with regard to prepetition transactions. The Debtor anticipates completing its investigation by [insert date]. If you received a payment or other transfer of property within 90 days of bankruptcy, the Debtor may seek to avoid such transfer.

## **2.6 Payments**

If this Plan is confirmed under § 1191(a), payments to Creditors provided for in this Plan will be made directly by the Debtor and shall not be paid through the subchapter V Trustee except as otherwise provided in this Plan or in the order confirming this Plan.

If this Plan is confirmed under § 1191(b), payments to creditors under this Plan will be made by [identify Debtor or other individual or entity].

*[Drafting Tip:* Unless you name someone different, name the subchapter V Trustee.]

## **2.7 Means for Implementation of the Plan**

[Describe how this Plan will be implemented, including how this Plan will be funded. For example, if this Plan proposes a sale of the Debtor's assets, describe how the sale will proceed, including anticipated marketing efforts and proposed bidding procedures. Additional provisions, if any, for implementing this Plan can be inserted here, including provisions necessary to comply with Section 1191(c)(3)(B).]

*[Drafting Tip:* If applicable, include the following paragraph]

[As outlined above, the Debtor anticipates all distributions to creditors will be made by the Debtor, with no distributions by the subchapter V Trustee. The Debtor anticipates the compensation for the subchapter V Trustee will be on an hourly basis for his work monitoring this case. In the event the subchapter V Trustee is required to make distributions to creditors, the Debtor anticipates the Trustee will receive a maximum administrative commission for those distributions equivalent to two percent (2%) of the funds received and disbursed after Confirmation, plus additional compensation on an hourly basis for performing other statutory duties related to this case; and that Plan Payments will be made from the Debtor to the Trustee through Electronic Funds Transfers (EFTs) or other medium of efficient monetary transactions from the Debtor to the Trustee, as agreed and arranged between them.]

## **2.8 Post-Confirmation Management**

The Post-Confirmation Officers/Managers of the Debtor and their compensation shall be as follows:

<b>Name</b>	<b>Position</b>	<b>Compensation</b>

**2.9 Tax Consequences of this Plan**

**CREDITORS AND EQUITY INTEREST HOLDERS CONCERNED WITH HOW THIS PLAN MAY AFFECT THEIR TAX LIABILITY SHOULD CONSULT WITH THEIR OWN ACCOUNTANTS, ATTORNEYS, AND/OR ADVISORS.**

**2.10 Projections in Support of Debtor's Ability to Make Payments Under the Proposed Plan**

Debtor has provided projected financial information. Those projections are listed in Exhibit \_\_\_\_.

**ARTICLE 3  
FEASIBILITY OF PLAN**

**3.1 Ability to Initially Fund Plan**

The Debtor believes that the Debtor will have enough cash on hand on the Effective Date of this Plan to pay all the Claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the Effective Date of this Plan, and the sources of that cash, are attached hereto as Exhibit \_\_\_\_.

**3.2 Ability to Make Future Plan Payments And Operate Without Further Reorganization**

The Debtor must submit all or such portion of the future earnings or other future income of the Debtor to the supervision and control of the Trustee as is necessary for the execution of this Plan.

The Debtor has provided projected financial information. Those projections are listed in Exhibit \_\_\_\_ (referenced in § 2.10, above).

The Debtor's financial projections show that the Debtor will have an aggregate annual average cash flow, after paying operating expenses and post-confirmation taxes, of \$\_\_\_\_\_. The final Plan payment is expected to be paid on \_\_\_\_\_.

[Summarize the numerical projections and highlight any assumptions that are not in accord with past experience. Explain why such assumptions should now be made.]

**YOU SHOULD CONSULT WITH YOUR ACCOUNTANT OR OTHER FINANCIAL ADVISOR IF YOU HAVE ANY QUESTIONS PERTAINING TO THESE PROJECTIONS.**

**ARTICLE 4  
LIQUIDATION ANALYSIS**

To confirm this Plan, the Bankruptcy Court must find that all Creditors and Equity Interest holders who do not accept this Plan will receive at least as much under this Plan as such Claimants and Equity Interest holders would receive in a Chapter 7 liquidation. 11 USC § 1190(B). A liquidation analysis is attached hereto as Exhibit \_\_\_\_\_.

**ARTICLE 5  
DISCHARGE**

*[Drafting Tip: Choose either Option 1 or Option 2 and delete what is not applicable]*

*[Option 1 – Discharge – If § 1141(d)(3) is not applicable]*

**If this Plan is confirmed under § 1191(a)**, on the Confirmation Date of this Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the Effective Date, to the extent specified in § 1141(d) of the Bankruptcy Code; or

**If this Plan is confirmed under § 1191(b)**, as soon as practicable after completion by the Debtor of all payments due under this Plan, unless the court approves a written waiver of discharge executed by the Debtor after the order for relief under this chapter, the court shall grant the Debtor a discharge of all debts provided in section 1141(d)(1)(A) of this title, and all other debts allowed under section 503 of the Bankruptcy Code and provided for in this Plan, except any debt—

- (1) on which the last payment is due after the first 3 years of this Plan, or such other time not to exceed 5 years fixed by the court; or
- (2) if applicable, of the kind specified in section 523(a) of the Bankruptcy Code.

*[Option 2 – No Discharge – If § 1141(d)(3) is applicable]*

In accordance with § 1141(d)(3) of the Bankruptcy Code, the Debtor will not receive any discharge of debt in this bankruptcy case.

*[Drafting Tip: If the Debtor is not entitled to discharge under 11 U.S.C. § 1141(d)(3), change the heading for Article 5 to “NO DISCHARGE OF DEBTOR”]*

**ARTICLE 6  
GENERAL PROVISIONS**

**6.1 Title to Assets**

If a plan is confirmed under § 1191(a), except as otherwise provided in this Plan or in the order confirming this Plan, (i) confirmation of this Plan vests all of the property of the estate in the Debtor, and (ii) after confirmation of this Plan, the property dealt with by this Plan is free and clear of all Claims and Equity Interests of Creditors, Equity Security Holders, and of general partners in the Debtor.

If a plan is confirmed under § 1191(b), property of the estate includes, in addition to the property specified in § 541, all property of the kind specified in that section that the Debtor acquires, as well as earnings from services performed by the Debtor, after the date of commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 12, or 13 of the Bankruptcy Code, whichever occurs first. Except as provided in § 1185 of the Bankruptcy Code, this Plan, or the order confirming this Plan, the Debtor shall remain in possession of all property of the estate.

## **6.2 Binding Effect**

**IF THIS PLAN IS CONFIRMED, THE PROVISIONS OF THIS PLAN WILL BIND THE DEBTOR AND ALL CREDITORS, WHETHER OR NOT THEY ACCEPT THIS PLAN. THE RIGHTS AND OBLIGATIONS OF ANY ENTITY NAMED OR REFERRED TO IN THIS PLAN WILL BE BINDING UPON, AND WILL INURE TO THE BENEFIT OF, THE SUCCESSORS OR ASSIGNS OF SUCH ENTITY.**

## **6.3 Release of Claims**

The consideration to be distributed under the Plan shall be in exchange for, and in complete satisfaction and release of, all claims against the Debtor or any of its assets or properties, including without limitation any claim accruing after the Petition Date and prior to the Effective Date.

## **6.4 Permanent Injunction**

Except as otherwise expressly provided in, or permitted under, this Plan, the Confirmation order shall provide, among other things, that all claimants and persons who have held, hold or may hold claims that existed prior to the Effective Date, are permanently enjoined on and after the Effective Date against the: (i) commencement or continuation of any judicial, administrative, or other action or proceeding against the Debtor on account of claims against the Debtor, or on account of claims released by this Plan; (ii) enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree, or order against the Debtor or any property; or (iii) creation, perfection or enforcement of any encumbrance of any kind against the Debtor arising from a claim. This provision does not enjoin the prosecution of any claims that arise on or after the Effective Date nor does it enjoin the determination in the Bankruptcy Court of the amount of any claims that arose prior to the Effective Date. Claimants and parties asserting entitlement to payment of administrative claims incurred prior to the date of Confirmation shall be permanently enjoined from asserting any Claim against the Debtor or their retained assets based upon any act or omission, transaction or other activity that occurred prior to the Confirmation date, except as otherwise provided in the Plan, whether or not a proof of claim or interest was filed and whether or not such claim or interest is allowed under Section 502 of the Code.

## **6.5 Severability**

If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

## **6.6 Retention of Jurisdiction by the Bankruptcy Court**

The Bankruptcy Court shall retain jurisdiction of this case with regard to the following matters: (i) to make such orders as are necessary or appropriate to implement the provisions of this Plan and to resolve any disputes arising from implementation of this Plan; (ii) to rule on any modification of this Plan proposed under section 1193; (iii) to hear and allow all applications for compensation to professionals and other Administrative Expenses; (iv) to resolve all issues regarding Claims objections, and issues arising from the assumption/rejection of executory contracts or unexpired leases, and (v) to adjudicate any cause of action which may exist in favor of the Debtor, including preference and fraudulent transfer causes of action.

## **6.7 Captions**

The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

## **6.8 Modification of Plan**

The Debtor may modify this Plan at any time before confirmation of this Plan pursuant to § 1193(a). However, the Bankruptcy Court may require additional items including new votes on this Plan.

If this Plan is confirmed under Section 1191(a), the Debtor may also seek to modify this Plan at any time after confirmation only if (1) this Plan has not been substantially consummated *and* (2) the Bankruptcy Court authorizes the proposed modifications after notice and a hearing.

If this Plan is confirmed under Section 1191(b), the Debtor may seek to modify this Plan at any time only if (1) it is within 3 years of the Confirmation Date, or such longer time not to exceed 5 years, as fixed by the court *and* (2) the Bankruptcy Court authorizes the proposed modifications after notice and a hearing.

## **6.9 Final Decree**

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Debtor, or such other party as the Bankruptcy Court shall designate in the Plan Confirmation Order, shall file a motion with the Bankruptcy Court to obtain a final decree to close the case. Alternatively, the Bankruptcy Court may enter such a final decree on its own motion.

## **6.10 Professional Fees after Confirmation**

In the period after the date of Confirmation, but before closing of the case, the Reorganized Debtor may continue to avail itself of the services of professional persons whose employment was approved at or prior to the date of Confirmation in completing administration of the case and in the consummation and performance of the Plan and, if necessary, employ additional professional persons to render services in and in connection with the case. With respect to services rendered and expenses incurred in or in connection with the case by any professional person during such period, the professional person may render periodic billing thereafter to the disbursing agent

identified in §2.6 above, who shall promptly pay the same, but each such payment shall be subject to review and approval by the Court as to the reasonableness thereof, as set forth herein. In any *Motion for Final Decree*, the Reorganized Debtor shall detail all amounts paid during such period to professional persons as compensation for services rendered or reimbursement of expenses incurred, with respect to which no prior application for allowance thereof has been made to the Court. At any hearing upon the Reorganized Debtor's *Motion for Final Decree*, the Court shall consider and determine whether or not such payments shall be approved as reasonable.

#### **6.11 Closing of the Case**

After the Effective Date, upon the payment of all outstanding administrative claims and the commencement of payments to priority creditors and secured claimants, the Reorganized Debtor will seek an Order closing the case through the filing of a final accounting and a motion for a final decree as required under Bankruptcy Rule 3022.

#### **6.12 Continued Execution of the Plan after Closing**

After closing of the case, the Reorganized Debtor shall remit all Plan Payments to the appropriate holders of allowed claims provided for in the Plan. Upon all payments having been distributed, the Reorganized Debtor shall be authorized to reopen the case, satisfy any additional requirements under the Code and receive a discharge.

#### **6.13 Professional Fees after Closing**

After closing of the case, the Reorganized Debtor may continue to avail itself to the services of professional persons whose employment was approved at or prior to closing of the case in performance of the Plan. In the event such professional services are rendered, or expenses are incurred by any professional person therewith, an itemized bill shall be furnished by such professional person to the Reorganized Debtor, who shall promptly pay the same, subject to any objection being raised by the Reorganized Debtor, or the Trustee, in the event the Trustee remains in place to receive and distribute funds under the Plan. Pursuant to Section 8.06(j) of this Plan, the Court will retain jurisdiction to review the reasonableness of each such payment in the event of such an objection or dispute.

[Insert other provisions, as applicable]

### **ARTICLE 7 DEFINITIONS**

[Insert/omit definitions as appropriate]

**7.1** The definitions and rules of construction set forth in §§ 101 and 102 of the Bankruptcy Code shall apply when terms defined or construed in the Code are used in this Plan. Any definitions that follow that are found in the Code are for convenience of reference only, and are superseded by the definitions found in the Code.

- 7.2 Administrative Claimant:** Any person entitled to payment of an Administration Expense.
- 7.3 Administrative Convenience Class:** A class consisting of every unsecured claim that is less than or reduced to an amount that the Bankruptcy Court approves as reasonable and necessary for administrative convenience pursuant to § 1122(b).
- 7.4 Administrative Expense:** Any cost or expense of administration of the Chapter 11 case entitled to priority under § 507(a)(2) of the Code and allowed under § 503(b) of the Code, including without limitation, any actual and necessary expenses of preserving the Debtor's estate, any actual and necessary expenses incurred following the filing of the bankruptcy petition by the Debtor-in-Possession, allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under the Bankruptcy Code, the allowed claim of the Trustee for fees and/or reimbursements, and any fees or charges assessed against any of the Debtor's estates under Chapter 123, Title 28, United States Code.
- 7.5 Administrative Tax Claim:** Any tax incurred pursuant to § 503(b)(1)(B) of the Code.
- 7.6 Allowed Claim:** Any claim against the Debtor pursuant to § 502 of the Code to the extent that: (a) a Proof of Claim was either timely filed or was filed late with leave of the Bankruptcy Court or without objection by the Debtor, and (b) as to which either (i) a party in interest, including the Debtor, does not timely file an objection, or (ii) is allowed by a Final Order.
- 7.7 Allowed Priority Tax Claim:** A Priority Tax Claim to the extent that it is or has become an Allowed Claim, which in any event shall be reduced by the amount of any offsets, credits, or refunds to which the Debtor or Debtor-in-Possession shall be entitled on the Confirmation Date.
- 7.8 Allowed Secured Claim:** Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code.
- 7.9 Allowed Unsecured Claim:** An Unsecured Claim to the extent it is, or has become, an Allowed Claim, which in any event shall be reduced by the amount of any offsets, credits, or refunds to which the Debtor or Debtor-in-Possession shall be entitled on the Confirmation Date.
- 7.10 Bankruptcy Code or "Code":** The Bankruptcy Reform Act of 1978, as amended and codified as Title 11, United States Code.
- 7.11 Bankruptcy Court:** The United States Bankruptcy Court for the District of Idaho.
- 7.12 Bankruptcy Rules:** The Federal Rules of Bankruptcy Procedure.

- 7.13 Chapter 11 Case:** This case under chapter 11 of the Bankruptcy Code in which [DEBTOR] is the Debtor-in-Possession.
- 7.14 Claim:** Any “right to payment from the Debtor whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or any right to an equitable remedy for future performance if such breach gives rise to a right of payment from the Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, disputed, undisputed, secured or unsecured.” 11 U.S.C. § 101(5).
- 7.15 Class:** A category of holders of claims or interests which are substantially similar to the other claims or interests in such class.
- 7.16 Confirmation:** The entry by the Bankruptcy Court of an order confirming this Plan.
- 7.17 Confirmation Date:** The Date upon which the Bankruptcy Court shall enter the Confirmation Order; provided however, that if on motion the Confirmation Order or consummation of this Plan is stayed pending appeal, then the Confirmation Date shall be the entry of the Final Order vacating such stay or the date on which such stay expires and is no longer in effect.
- 7.18 Confirmation Hearing:** The hearing to be held on \_\_\_\_\_, 20\_\_\_\_ to consider confirmation of this Plan.
- 7.19 Confirmation Order:** An order of the Bankruptcy Court or any amendment thereto confirming this Plan in accordance with the provisions of chapter 11 of the Bankruptcy Code.
- 7.20 Creditor:** Any person who has a Claim against the Debtor that arose on or before the Petition Date.
- 7.21 Debtor and Debtor-in-Possession:** [Debtor], the debtor-in-possession in this Chapter 11 Case.
- 7.22 Disputed Claim:** Any claim against the Debtor pursuant to § 502 of the Code that the Debtor has in any way objected to, challenged or otherwise disputed.
- 7.23 Distributions:** The property required by this Plan to be distributed to the holders of Allowed Claims.
- 7.24 Effective Date:** shall mean the later of (i) the fourteenth calendar day of the first full month following entry of the Confirmation Order, or (ii) the first business day after an appeal of the Confirmation Order has become final and unappealable. However, the Debtor may at any time designate an earlier Effective Date by filing written notice thereof with the Court and serving such notice on all creditors and parties in interest.



- 7.25 Equity Security Holder:** A person or entity that has an ownership interest in the Debtor.
- 7.26 Executory Contracts:** All unexpired leases and executory contracts as described in Section 365 of the Bankruptcy Code.
- 7.27 Final Order:** An order or judgment of the Bankruptcy Court that has not been reversed, stayed, modified or amended and as to which (a) any appeal that has been taken has been finally determined or dismissed, or (b) the time for appeal has expired and no notice of appeal has been filed.
- 7.28 IRC:** The Internal Revenue Code
- 7.29 Petition Date:** [DATE], the date the chapter 11 petition for relief was filed.
- 7.30 Plan:** This Plan, either in its present form or as it may be altered, amended, or modified from time to time.
- 7.31 Priority Tax Claim:** Any Claim entitled to priority in payment under Section 507(a)(8) of the Bankruptcy Code.
- 7.32 Reorganized Debtor:** The Debtor after the Effective Date.
- 7.33 Schedules:** Schedules and Statement of Financial Affairs, as amended, filed by the Debtor with the Bankruptcy Court listing liabilities and assets.
- 7.34 Secured Creditor:** Any creditor that holds a Claim that is secured by property of the Debtor.
- 7.35 Trustee:** [NAME], the trustee appointed pursuant to 11 U.S.C. § 1183(a) and whose duties are prescribed under 11 U.S.C. § 1183(b), this Plan, or the order confirming this Plan.
- 7.36 Unsecured Creditor:** Any Creditor that holds a Claim in the Chapter 11 case which is not a secured Claim.

[DATE]

By: \_\_\_\_\_  
[DEBTOR]

[DATE]

By: \_\_\_\_\_  
[COUNSEL FOR DEBTOR]

[Example]

**EXHIBIT \_\_\_ – Cash on hand on the Effective Date**

Cash on hand on the Effective Date:	\$ ____
Less –	
Amount of Administrative Expenses payable on effective date of Plan	\$ ____
Amount of statutory costs and charges	\$ ____
Amount of cure payments for executory contracts	\$ ____
Other Plan Payments due on Effective Date	\$ ____
Balance after paying these amounts	\$ ____

The sources of the cash the Debtor will have on hand by the Effective Date are estimated as follows:

\$ ____	Cash in the Debtor’s bank account now
+ ____	Additional cash Debtor will accumulate from net earnings between now and Effective Date [state the basis for such projections]
+ ____	Borrowing [state separately terms of repayment]
+ ____	Capital Contributions
+ ____	Other
\$ ____	Total [This number should match “cash on hand” figure noted above]

