EIGHTH CIRCUIT BANKRUPTCY CASE UPDATE

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UNITED STATES
BANKRUPTCY APPELLATE PANEL
for the Eighth Circuit

STATISTICAL REPORT

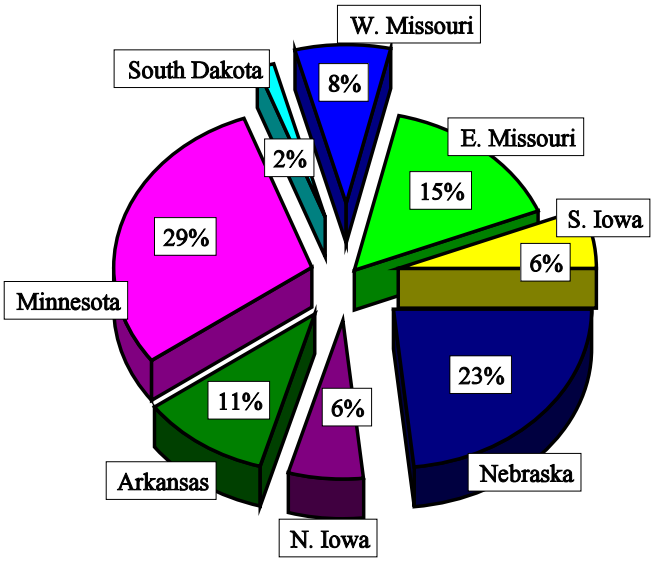
JANUARY 1, 2013 thru DECEMBER 31, 2013

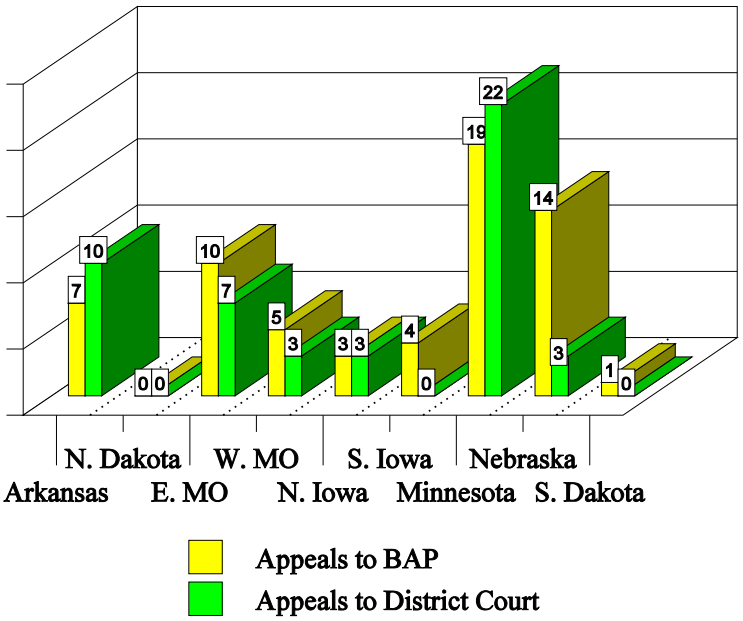
New Case Filings

Sixty-five new cases were docketed by the Bankruptcy Appellate Panel in 2013. Eighteen of those cases (28%) were filed by pro se litigants. Of the cases filed, thirty-six were appeals from contested matters and twenty-nine were appeals from adversary proceedings. The graphics below illustrate the breakdown of case origin by district.

New Cases

Arkansas	7
Northern Iowa	4
Southern Iowa	4
Minnesota	19
Eastern Missouri	10
Western Missouri	5
Nebraska	15
South Dakota	1
North Dakota	0
TOTAL	**65**





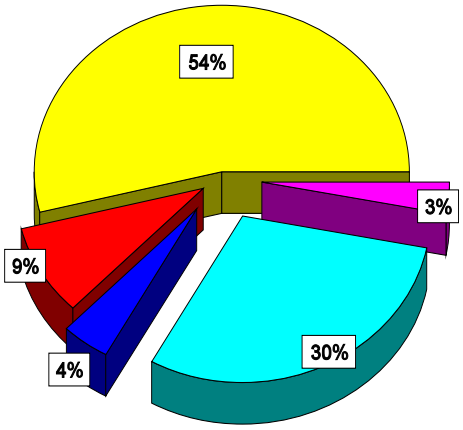
District Court Elections

The chart to the left compares the number of appeals taken to the Bankruptcy Appellate Panel with those taken to the District Courts. In 2013, one hundred eleven appeals were taken from the Bankruptcy Courts. Sixty-three of those cases (57%) were appealed to and remained with the Bankruptcy Appellate Panel; forty-eight of the cases (43%) were appealed directly to or were transferred to the District Courts.

Case Processing Time

In 2013, Administrative Panel matters were resolved, on average, in just under two days. Listed in the table below are average processing times calculated for cases which were briefed, submitted on the merits and subsequently closed in 2013.

Interval:	1	2	3	Total
From:	Docketing	Aplee's Brief	Submission	Processing
To:	Aplee's Brief	Submission	Disposition	Time
.Cases Submitted w/Arg.	70 days 2.3 months	63 days 2 months	35 days 1.1 months	168 days 5.4 months
Cases Submitted w/o Arg.	63 days 2 months	38 days 1.2 months	29 days .9 months	130 days 4.1 months
All Cases	66 days 2.2 months	50 days 1.6 months	32 days 1 month	148 days 4.8 months



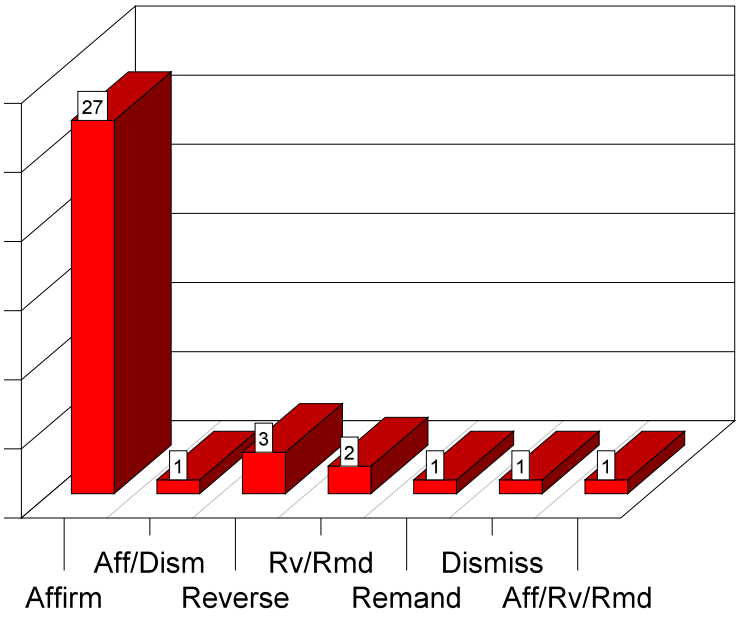
Opinion - 37 Cases
Voluntary Dismissal - 6 Cases
Default Jmt. - 3 Cases
Panel Disp. Order - 21 Cases
D.Ct. Election - 2 Cases

Case Dispositions

Sixty-nine cases were closed in 2013. The court wrote a total of thirty-six opinions which disposed of thirty-seven cases. To the left is a breakdown of the method by which each case was closed.

Opinion Breakdown

The chart to the right breaks down each opinion by its outcome. As shown in the chart, the majority of opinions (80%) either affirmed the Bankruptcy Court decision or dismissed the appeal.



Panel Referrals

In 2013, twenty-three referrals were made to Administrative Panels. Twenty-two cases were submitted on the merits without oral argument and nineteen cases were submitted on the merits after oral argument. Hearings were held in St. Paul (4), St. Louis, Omaha and Kansas City.

Appeals to the U.S. Court of Appeals

A total of twenty-nine bankruptcy appeals were taken to the U.S. Court of Appeals in 2013. Of those appeals, nine were from District Court decisions and twenty were from Bankruptcy Appellate Panel decisions.

In addition to the twenty notices of appeal taken from the Bankruptcy Appellate Panel to the Court of Appeals in 2013, twelve cases were pending before the Court of Appeals at the beginning of the year. Thirteen cases were closed by the Court of Appeals during the last year, leaving a total of nineteen pending cases. Following is a breakdown of the method by which BAP cases appealed to the Court of Appeals were closed:

Affirmed	9
Voluntarily Dismissed	1
Dismissed	3

The following are reported opinions of significance issued by the United States Supreme Court, the 8th Circuit Court of Appeals, the 8th Circuit Bankruptcy Appellate Panel and Bankruptcy Courts within the 8th Circuit for the period January 1, 2013 through June 30, 2014 (excluding opinions on avoidance actions).[1] This is not a comprehensive list of opinions issued by the courts during such period, but rather consists of those opinions that are, in the sole judgment of the authors, the opinions of greatest significance. The cases have been grouped according to their primary holdings.

Jurisdiction/Jury Trials

Executive Benefits Insurance Agency v. Arkinson, ___ U.S. ___, 2014 WL 2560461 (June 9, 2014) (bankruptcy courts may issue findings of fact and conclusions of law for de novo review by the district court in matters that are unconstitutionally designated as "core" under the reasoning of *Stern v. Marshall.*)

Hamilton v. Try Us, LLC, 491 B.R. 561 (USDC, W.D. Mo., May 1, 2013) (Article III permits bankruptcy judge to finally adjudicate legal and factual disputes related to claims filed against a bankruptcy estate.)

Calderon v. Bank of America Corp. (In re Calderon), 497 B.R. 558 (Bankr. E.D. Ark., July 1, 2013) (Creditor sued for violating the automatic stay had no Seventh Amendment right to jury trial; stay actions are so fundamental to the bankruptcy system that they must be regarded as public rights, which the debtor may enforce, even against a creditor that does not filed a proof of claim, without triggering the 7th Amendment right to jury trial.)

Property of the Estate

Kaler v. Bala (In re Racing Services, Inc)., 744 F. 3d 543 (8th Cir., Feb. 27, 2014) (Bankruptcy Appellate Panel judgment holding the bankruptcy estate of Bala's former employer was entitled to the liquidation proceeds of a cash-value life insurance policy the employer had purchased for her is reversed. In 2003, Bala and Racing Services were charged in a federal criminal indictment alleging gaming and money laundering violations. In 2004, Racing Services filed for bankruptcy. In February 2005, Bala and Racing Services were convicted of the federal criminal charges and Bala was sentenced to 27 months' imprisonment, ordered to forfeit over $19 million, and held jointly and severally liable for a forfeiture order against Racing Services of over $99 million. September 2006, the United States Attorney for the District of North Dakota filed a motion in Bala's criminal case to forfeit substitute assets identifying the life insurance policy as an asset to be substituted for forfeiture. Based on state contract law, the Eighth Circuit held that the terms of the agreement between Bala and the employer granted the employer only the limited right to receive a repayment of the policy premiums from the cash value upon surrender of the policy, and since Bala never surrendered the policy, the estate did not possess a right to control the policy or receive its liquidation proceeds. Chief Judge Riley, concurring in the judgment.)

In re Mehlhaff, 491 B.R. 898 (8th Cir. BAP, June 4, 2013) (Bankruptcy court did not err in determining debtor's prepetition claim against her former spouse for alimony was property of

[1] Recent opinions on avoidance actions are addressed in separate materials submitted for the session presented by Tom Ashby and Don Swanson entitled *Bankruptcy Fraudulent Transfers and Preferences: Leading Edge Considerations.*

the bankruptcy estate pursuant to 11 U.S.C. Sec. 541(a)(1), and the order directing her to turn that claim over to the trustee is affirmed. The Debtor relied on *Kelly v. Jeter* which, applying Nebraska law, held that alimony payments received within 180 days postpetition are not property of the estate under § 541(a)(5)(B). Here, the right to alimony did not vest after the bankruptcy, but before, when the judgment awarding alimony to the Debtor was entered.)

Seaver v. Klein-Swanson (In re Klein-Swanson), 488 B.R. 628 (8th Cir. BAP, Mar. 22, 2013) (The bankruptcy court erred in finding post-petition bonus payments were property of debtor's estate as she had no cognizable interest in the payments on the date the petition was filed; revocation of her discharge reversed; further, the bankruptcy court's avoidance of the transfer and its order entering judgment for recovery of the funds by the Chapter 7 trustee is also reversed; award of costs to the trustee reversed as he is no longer the prevailing party. In October 2007, the Debtor changed her position at IBM to become the Client Executive for Oracle Alliance. On the petition date, January 19, 2009, the Debtor was eligible to receive bonuses under two IBM programs. The BAP disagreed with the trustee's position finding that the Debtor had no interest (contingent or otherwise) in the payments from IBM because IBM had the absolute discretion to decide that it would not make an award to the Debtor under either of its programs.)

Olson v. Reuter (In re Reuter), 499 B.R. 655 (Bankr. W.D. Mo., September 12, 2013) (Debtor's powers as co-trustee of revocable trusts were estate property. The interest of a bankruptcy estate in a trust under § 541(a) is derivative of the debtor's property rights in the trust and in the trust property as determined by applicable state law as of the petition date. "Thus, what comes into the bankruptcy estate is not only the property in which debtor has an interest, but also, the powers the debtor can exercise for its benefit over property, regardless of the title debtor may be acting under.")

Exemptions

Clark, et ux. v. Rameker, ___ U.S. ___, 2014 WL 2608860 (June 12, 2014) (Inherited IRAs are not exempt as retirement funds under 11 U.S.C. § 522(b)(3)(C). More specifically, the U. S. Supreme Court held that funds that were held in individual retirement account (IRA) that Chapter 7 debtor had inherited from her late mother were not "retirement funds," as that term was used in bankruptcy exemption, § 522(b)(3)(C), for retirement funds held in an account exempt from taxation under enumerated provisions of the Internal Revenue Code, given that debtor could not invest additional money in account, was statutorily required to withdraw money from account no matter how many years she might be from retirement, and had ability to withdraw entire balance without penalty; these characteristics of inherited IRA prevented funds on deposit in account from qualifying as funds set aside for retirement, though debtor, by choosing to take only minimum annual distributions required by law, might be able to use them for retirement purpose. Under § 522, debtors may elect to claim exemptions either under federal law, see §522(b)(2), or state law, see § 522(b)(3). Both tracks permit debtors to exempt "retirement funds." See § 522(b)(3)(C) (retirement funds exemption for debtors proceeding under state law); § 522(d)(12) (identical exemption for debtors proceeding under federal law). Because the debtor elected to proceed under Wisconsin state law, § 522(b)(3)(C) is referenced throughout the case. This interpretation of the federal bankruptcy statutory provisions regarding "retirement fund" would not necessarily apply to exemption provisions regarding such property under state statutes.)

In re Paul, 739 F.3d 1132 (8th Cir., Jan. 13, 2014) (Debtor was not entitled to homestead exemption under South Dakota law for real property he had originally lived in but had rented for the previous 14 or 15 years, where debtor never asserted an intent to move back into the property or refuted his statement at creditors' meeting that he did not expect to live at the property at any point in the future. No constitutional violation as the forced sale of a homestead.)

In re Miller, 500 B.R. 578 (8th Cir. BAP, Nov. 4, 2013) (Bankruptcy Court did not err in holding that an annuity owned by debtor qualified as an "individual retirement annuity" under Section 408(b) of the Internal Revenue Code and was, therefore, exempt under Section 522(b)(3)(C) of the Bankruptcy Code. If the Debtor had simply purchased the Annuity with one lump sum payment from assets that were not being rolled over from a tax-exempt IRA, the annuity would not comply with § 408. That is so because the purchase price exceeded the annual limits imposed by the Internal Revenue Code. However, the Debtor purchased the annuity through a direct rollover from another tax-exempt IRA. The court found the mere fact that endorsement to annuity contract expressly prohibited any additional premium payments beyond the contract issue date, in connection with annuity that the debtor rolled over from another tax-qualified individual retirement account did not take the annuity out of compliance with provision of the Internal Revenue Code requiring that annuity premiums not be fixed and that annual premiums not exceed yearly limits on contributions out of pre-tax income.)

In re Leitch, 494 B.R. 918 (8th Cir. BAP, July, 16, 2013) (Bankruptcy court did not err in finding the funds in debtor's health saving account were not excluded from the bankruptcy estate pursuant to 11 U.S.C. Sec. 541(b)(7)(A)(ii) and are not exempt pursuant to 11 U.S.C. Sec. 522(d)(10)(C) and (11)(E). The debtor's HSA was simply a trust account, and was not in the nature of "health insurance plan regulated by state law," of a kind statutorily excluded from "property of the estate," and the debtor's HSA could not be exempted under bankruptcy exemption statute, as "right to receive a disability, illness, or unemployment benefit," or as "right to receive a payment on account of personal bodily injury.")

In re Abdul-Rahim, 720 F.3d 710 (8th Cir., July 12, 2013) (Bankruptcy Appellate Panel decision affirming the bankruptcy court's ruling that the holding of In re Benn, 491 F.3d 811 (8th Cir. 2007) compelled the conclusion that the debtors' unliquidated personal injury claim may not be exempted from the bankruptcy schedules is affirmed. Pursuant to In re Benn, Missouri's "opt out" statute, which bars debtors who file for bankruptcy in Missouri from claiming federal bankruptcy exemptions, but allows them to exempt, from the bankruptcy estate, property exempt from attachment and execution under other Missouri statutes, did not create any new exemptions under Missouri law, and so the statute could not be used by Chapter 13 debtors as basis to exempt unliquidated personal injury claim arising from automobile accident.)

In re Moore, 495 B.R. 1 (8th Cir. BAP, July 8, 2013) (Moore's claim of a $15,000 homestead exemption is allowed under Missouri's homestead exemption statute; creditor's judicial lien impaired her exemption and the bankruptcy court properly applied existing law in computing the extent to which the lien impaired the exemption. Missouri statutes say that a homestead shall be subject to attachment and levy of execution upon all causes of action existing at the time of the acquiring of the homestead. The creditor with a preexisting cause of action argued that the debtor was not entitled to the homestead exemption and, therefore, her avoidance request should fail. Citing *Owen v. Owen,* 500 U.S. 305 (1991), the BAP found that "defining"

exceptions to the homestead statute does not achieve a similar exclusion from the Bankruptcy Code's lien avoidance provision. To the extent the exception statute would except the debtor's homestead from exemption as to the lien creditor specifically, the court held that exception is preempted by the specific exceptions listed in § 522(c) of the Code. To the extent the exception statute would except the debtor's homestead from exemption from property of the estate, the court held that this result is at odds with the Code's exemption scheme—and is also preempted.)

In re Arends, 506 B.R. 516 (Bankr. N.D. Iowa, March 04, 2014) (Proceeds brief stay in debtors' account did not affect their exempt character. The trustee argued that the debtors' homestead exemption should be reduced by $28,000 because debtors converted non-exempt property into exempt property with the "intent to hinder, delay, or defraud a creditor" under 11 U.S.C. § 522(o)(4). The debtors transferred their exempt life insurance equity into their homestead before bankruptcy, but the proceeds went into a checking account for six days. While under Iowa law exempt funds lose their exempt status if their form is changed by investment in other property, the court distinguished the case where the property merely loses its status only temporarily in-between exempt forms. The court also found no fraudulent intent.)

Claims

In re Biovance Technologies, Inc., Case No. BK 10-82441 (Bankr. Neb., June 23, 2014) (creditor is entitled to assert a claim against the debtor for the full amount of its debt and need not deduct proceeds received from third-parties)

Liens

Shelton v. CitiMortgage (In re Shelton), 735 F.3d 747(8th Cir., Nov. 4, 2013) (joining the Fourth and Seventh Circuits, the Court holds that a secured creditor's lien is not void under 506(d) solely due to the fact that the secured creditor has filed an untimely proof of claim)

Bank of the West v. Damon Pursell Construction Co., et al. (In re Damon Pursell Construction Co.), 490 B.R. 367 (8th Cir. BAP, May 6, 2013) (Creditor whose collateral was sold and the proceeds mistakenly used to pay off a secured creditor with a lien on similar collateral was not entitled to an equitable lien on the other creditor's collateral; thus, when the other collateral was sold, the holder of a second priority lien was elevated to a first priority position and was entitled to the proceeds.)

Retiree Benefits

Patriot Coal Corp. v. Peabody Holding Co. (In re Patriot Coal Corp.), 497 B.R. 36 (8th Cir. BAP, Aug. 21, 2013) (While Heritage Coal's rejection of its collective bargaining agreement relieves it of its contractual obligation to pay benefits, it still has a statutory obligation to pay those benefits, at least until all of the steps of Section 1114 are complied with; upon rejection of a "me too" agreement under Section 1113, absent modification under Section 1114, Heritage was required to comply with the terms of the individual employer plan and provide its retirees those plan defined benefits; here, neither Heritage nor the United Mine Workers requested a modification under Section 1114; Peabody Holding's obligation for benefits is also undisturbed.)

Chapter 13 Plans/Confirmation

In re McIntosh, 491 B.R. 905 (8th Cir. BAP, June 10, 2013) (model Chapter 13 plan form used in the Eastern District of Missouri does not infringe upon a debtor's substantive rights under the Bankruptcy Code; the Debtor's proposed additions to the model form in her original plan were inconsistent, confusing and contrary to the Bankruptcy Code and, where the Debtor proceeded with the filing of an amended plan, the amended plan was appropriately confirmed despite her objection.)

Discharge/Dischargeability

Hathorn v. Petty (In re Petty), 491 B.R. 554 (8th Cir. BAP, May 8, 2013) (The discharge exception for unlisted or unscheduled debts, under § 523(a)(3), protects creditors who missed the deadline for filing nondischargeability complaints because they were not properly scheduled. There is no bankruptcy-created time limitation on filing a complaint under the discharge exception for unlisted or unscheduled debts, and so such a complaint may be filed at any time. Unlisted creditors have the right to proceed with their complaint to try and prove that they hold a debt of the kind described in Sec. 523(a)(6), so the order dismissing plaintiff's complaint as untimely is reversed, and the matter remanded for further proceedings.)

Community Finance Group, Inc. v. Fields (In re Fields), 510 B.R. 227 (8th Cir. BAP, May 15, 2014) (affirming bankruptcy court's exception of debt from discharge under 11 U.S.C. § 523(a)(2)(A). The focus of the court was on a misrepresentation by the Debtor as to the nature of company's need for a loan from the lender and the uses to which the Debtor would put the proceeds to satisfy that need. The case analyzes misrepresentation, knowledge and intent, and justifiable reliance.)

In re Martin, 505 B.R. 517 (Bankr. S.D. Iowa, Feb. 14, 2014) (Student loans were not "special circumstance," of kind sufficient to rebut "means test" presumption of abuse.)

Sheridan Properties, LLC v. Phillips (In re Phillips), 500 B.R. 570 (8th Cir. BAP, Oct. 30, 2013) (Debtor's alleged "non-party" status did not preclude state court judgment from having collateral estoppel effect. State-court judgment, which was entered post-bankruptcy in litigation against debtor and others that was begun prepetition but was stayed as to debtor when he filed his bankruptcy petition, was not entered against debtor, but against the other nondebtor defendants. State court found that two entities were owned and controlled by Defendant/Debtor, either directly or through ownership interests held by his wife, and that those entities, acting through Defendant/Debtor, converted assets belonging to Plaintiffs. Bankruptcy court was correct that it's pretrial ruling that the state court's findings as to ownership of the assets was binding on the bankruptcy court.)

Conversion

In re Schlehuber, 489 B.R. 570 (8th Cir. BAP, Apr. 9, 2013) (Bankruptcy court did not abuse its discretion when, without the consent of the Debtor, it converted his Chapter 7 to a Chapter 11 pursuant to Bankruptcy Code Sec. 706(b). The Debtor's schedules revealed that the Debtor and his wife had a significant income each year, mostly from Debtor's earnings, plus that a substantial monthly surplus existed. An unsecured creditor filed a motion to convert the Debtor's and his wife's Chapter 7 case to a case under Chapter 11 under Bankruptcy Code §

706(b), which the court granted. The decision whether to convert a Chapter 7 case to one under Chapter 11 is left in the sound discretion of the court, based on what will most inure to the benefit of all parties in interest upon consideration of anything relevant that would further the goals of the Bankruptcy Code.)

Secured Claims / Adequate Protection

In re WEB2B Payment Solutions, Inc., 488 B.R. 570 (8th Cir. BAP, Mar. 25, 2013) (Creditor relinquished its possessory lien in account funds when it turned the funds over to the Trustee without first requesting adequate protection of its possessory lien in the funds.)

In re Vander Vegt, 499 B.R. 631 (Bankr. N.D. Iowa, October 16, 2013) (Court approves post-petition loan to finance improvements to the debtor's dairy farm secured by a priming lien where the debtor's existing lender would be adequately protected by an increase in the value of the debtor's property as a result of such improvements and where the priming lien financing would be of short duration and would be fully paid by a grants to be awarded upon completion of the improvements).

Chapter 11 (Healthcare Ombudsman)

In re Flagship Franchises of Minnesota, LLC, 484 B.R. 759 (Bankr. D. Minn., January 04, 2013) (Based on a nine factor test first articulated in *In re Alternate Family Care*, 377 B.R. 754 (Bankr. S.D. Fla. 2007), the Court finds that the appointment of a patient care ombudsman is not necessary to protect patients in Chapter 11 case of healthcare provider.)

Chapter 11 Plans/Confirmation

In re O'Neal, 490 B.R. 837 (Bankr. W.D. Ark., April 12, 2013) (By its plain terms, "absolute priority" rule does not apply in Chapter 11 case filed by individual debtors, so that debtors' retention of property of the estate, which would revest in them on confirmation, would not prevent them from "cramming down" plan that would result in less than a 100% distribution on unsecured claims.)

In re Woodward, 2014 WL 1682847 (Bankr. D. Neb., April 29, 2014) (Absolute priority rule does not apply in Chapter 11 case filed by an individual debtor. The court stated that it agreed with the recent opinion of the late James G. Mixon, Bankruptcy Judge for the Western District of Arkansas, stating:

> The weakness of the narrow view is illustrated if one were to ask the question: "If Congress was not attempting to write out of individual Chapter 11 cases the absolute priority rule, what was the purpose of all of the BAPCPA amendments to Chapter 11, including section 1115, which were obviously borrowed from Chapter 13?" Chapter 13 has no absolute priority rule and would not be of much use if it did. The means test for Chapter 7 debtors created by BAPCPA was designed to move debtors who could pay something to their creditors to reorganization chapters. Here, these Debtors have no recourse to either Chapter 13 or Chapter 12 because of the debt limits imposed by Congress.

Citing In re O'Neal, 490 B.R. 837, 850-51 (Bankr.W.D.Ark.2013) (footnote omitted).)

Substantive Consolidation

In re Petters Co., Inc., 506 B.R. 784 (Bankr. D. Minn., Nov. 22, 2013) (substantive consolidation ordered for Chapter 11 estates of holding company and special purpose entities which were vehicles for a massive Ponzi scheme)

Executory Contracts

Lewis Brothers Bakeries Inc., et al. v. Interstate Brands Corp. (In re Interstate Bakeries Corp.), 2014 WL 2535294 (8th Cir. *en banc*, June 6, 2014) (license agreement may not be rejected because it is part of a larger, integrated agreement which the Debtor has substantially performed and is, therefore, no longer executory)

Sanctions

In re Cruz, Case No. 13-6054 (8th Cir. BAP, Mar. 12, 2014) (In an appeal from orders imposing sanctions on an attorney, the bankruptcy court acted within its discretion when it found a Rule 9011 violation and imposed sanctions, including a fine, legal education requirements and referral to the Arkansas Office of the Committee on Professional Conduct, on Cruz for her conduct throughout the debtor's case; bankruptcy court acted within its discretion under Local Rule 2090-2 when it suspended Cruz from practicing law in the Arkansas bankruptcy court for six months; however, the bankruptcy court's imposition of sanctions under 11 U.S.C. Sec. 105 and its inherent authority was improper because Cruz did not receive separate prior notice and an opportunity to be heard regarding such sanctions. The Court suspended debtor's attorney from practice in the Arkansas bankruptcy court for six months, imposing a $1,000 fine, payable to the Clerk of the court, and requiring her, within six months, to attend twelve hours of continuing legal education on Chapter 13 bankruptcy. The court also sanctioned the attorney, under 11 U.S.C. § 105 and the court's inherent power, for alleged misrepresentations made by the attorney in her testimony to the court at the hearing on the order to show cause, imposing a concurrent six month suspension on her practice before the Arkansas bankruptcy court, and fining her an additional $1,000 payable to the Clerk of the court. In addition, the court referred and provided a copy of the sanctions order to the Office of the Committee on Professional Conduct.)

In re Carter, 502 B.R. 333 (8th Cir. BAP, Dec. 5, 2013) (Bankruptcy court did not abuse its discretion or clearly err in finding there was no willful violation of the automatic stay. The replevin action filed by the Bank sought to repossess equipment owned by the LLC to which it had a perfected security interest. The evidence did not establish that the Bank had knowledge that the collateral had been transferred from the LLC to Carter personally and its refusal to return the equipment until ordered to do so was neither unreasonable nor willful. The notice the Bank sent to Carter advising him of his rights under the UCC was a technical violation and was not willful. Absent a finding of a willful violation, it is unnecessary to address issue of damages.)

Isaacson v. Manty, 721 F.3d 533 (8th Cir., July 19,2013) (In an appeal of an order imposing sanctions against Isaacson for making factually unsupported and harassing statements in documents filed with the bankruptcy court, the bankruptcy court erred in imposing monetary sanctions under Rule 9011 because that rule only authorizes sanctions upon attorneys, law

firms or parties and does not extend to officers of a corporate party like Isaacson; however, the court had inherent power to punish contempt, and it did not err in exercising that power to impose monetary sanctions against Isaacson for her contumacious conduct; the bankruptcy judge did not err in denying Isaacson's recusal motion; the court adequately explained the basis for its decision to impose sanctions, and the amount of the sanctions satisfactorily reflected the seriousness of the behavior, the public interest and the importance of deterring such conduct. Isaacson made allegations that the bankruptcy judge was "black-robed bigot" and "Catholic Knight Witch Hunter," and that "the Bankruptcy Court in Minnesota [was] composed of a bunch of ignoramus, bigoted Catholic beasts" and court imposed a fine of $500 per scurrilous statement, for total sanction of $5,000.)

Standing

In re AFY, 734 F.3d 810, 733 F.3d 791 (8th Cir., Oct. 23, 2013) (shareholders lack standing to appeal orders converting case from Chapter 11 to Chapter 7 and denying objections to certain claims, even if the estate may possibly be solvent)

In re Peoples, 494 B.R. 385 (8th Cir. BAP, July 2, 2013) (Debtor failed to show a pecuniary interest to establish her standing to object to the trustee's motion to compromise a pre-petition cause of action where there was no evidence that there would be a surplus following the payment of all claims)

Miscellaneous

In re Price, 484 B.R. 870 (Bankr. E.D. Ark., Jan. 9, 2013) (Trustee was subject to writ of garnishment upon dismissal of Chapter 13 case without confirmation of plan.)