

### **Rule 9020-3 LOSS MITIGATION PROGRAM PARTICIPATION & DUTIES**

(a) The debtor and Creditor are the primary LMP participants. Any interested party may request by motion, or the Court may on its own direct, that a co-obligor, additional creditors or other third parties participate in the LMP in furtherance of pursuing a global resolution.

(b) The Chapter 13 Trustee may participate in the LMP to the extent that such participation would be consistent with the Chapter 13 Trustee's duties under the Bankruptcy Code.

(c) LMP participants shall act in good faith. A party failing to participate in good faith may be subject to sanctions after notice and a hearing.

(d) During the LMP all material communications between the debtor and Creditor shall be conducted exclusively through the Portal.

(e) On behalf of each participating party, a person with complete knowledge of the file so as to be reasonably capable of answering questions posed by the Court related to the LMP shall attend all LMP-related hearings and conferences before the Court. Attendance at all hearings and conferences related to the LMP shall be in person unless participation by telephone or videoconference is expressly authorized by the Court.

(f) A debtor who files a Motion for Loss Mitigation immediately shall make (or cause to be made) adequate protection payments to the Creditor in an amount that is at least sixty percent (60%) of the monthly principal and interest payment that is contractually due, plus one hundred percent (100%) of any required monthly escrow payment. If the Creditor objects to the amount of the adequate protection payment, then after adequate notice, the Court shall hold a hearing to consider the objection.

(g) If the debtor is required to direct adequate protection payments to a different address than the debtor utilized prior to the filing of the bankruptcy case, the Creditor shall promptly advise the debtor of the correct address and any other requirements to ensure the proper posting and processing of the payments. In Chapter 13 cases, the debtor immediately shall file a motion and proposed order requesting the Court to authorize the Chapter 13 Trustee to make payments to the specified payee at the specified address.

(h) In the event that the Eligible Loan is transferred or the service rights are assigned to a new servicer, then immediately on notice of the same the debtor shall file a proposed Order Substituting LMP Servicer (substantially in the form of Local Bankruptcy Form 46) and initiate the change of Creditor in the Portal.

(i) If a relief from stay motion pursuant to section 362(d) is pending when a Loss Mitigation Order is entered or if such a motion is filed during the LMP period, the Court may condition the stay upon fulfillment of the debtor's obligations under the Loss Mitigation Order. If the debtor fails to comply with the debtor's LMP duties or the Loss Mitigation Order, the Creditor may apply to terminate the LMP pursuant to W.PA.LBR 9020-5. Additionally, unless the Creditor specifically objects in writing, it is deemed to consent to a waiver of the deadlines set forth in section 362(e) of the Bankruptcy Code until thirty (30) days after the conclusion of the LMP.