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UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
SHREVEPORT DIVISION

IN RE: §
Debtor 1 § Case Number: XX-XXXXXX
Debtor 2 §
Debtor(s) § Chapter 13

Motion to Approve Compromise of Controversy Pursuant to Bankruptcy Rule 9019

NOW INTO COURT come(s) Debtor 1 and Debtor 2 who represent(s) as follows:

Jurisdiction, Venue and Predicates for Relief

1. This court has jurisdiction to consider this motion pursuant to 28 U.S.C. § 1334 and by virtue of the reference from the District Court for the Western District of Louisiana pursuant to Local District Court Rule 83.4.1. This is a core proceeding under section 28 U.S.C. § 157(b)(2)(A) and (O). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are 11 U.S.C. § 105 and Fed. R. Bankr. P. 9019.

Background

2. Debtor(s) seek(s) approval of a compromise or settlement of a controversy more particularly described as follows: _____ [*describe the claim or cause of action with such particularity as appropriate to fairly apprise others of the controversy at issue, including, if applicable, reference to a pending lawsuit, case number and venue*].

Basis for Relief

3. Bankruptcy Rule 9019(a) provides: "On motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement. Notice shall be given to creditors, the United States trustee, the debtor . . . and to any other entity as the court may direct." Fed. R. Bankr. P. 9019(a).

4. Bankruptcy courts have authority to approve compromises and settlements so long as the “debtor, the trustees, all creditors and indenture trustees [receive] at least 21 days’ notice by mail of the hearing on approval of a compromise or settlement of a controversy . . . unless the court for cause shown directs that notice not be sent.” Fed. R. Bankr. P. 2002(a)(3).

5. Bankruptcy courts should approve a settlement if it is fair, equitable, and in the best interest of the estate. To determine whether a settlement is fair and equitable, courts compare the terms of the compromise with the likely rewards of litigation, by evaluating:

- (1) the probability of success in litigating the claim subject to settlement, considering the attendant uncertainties in fact and law;
- (2) the complexity and likely duration of litigation and any attendant expense, inconvenience, and delay, if any, to be encountered in the matter of collection;
- (3) the best interests of the creditors, with proper deference to their reasonable views;
- (4) the extent to which the settlement is truly the product of arms-length bargaining, and not of fraud or collusion; and
- (5) all other factors bearing on the wisdom of the compromise.

Cajun Elec. Power Coop., Inc. v. Central La. Elec. Co., 119 F.3d 349, 356 (5th Cir. 1997).

6. Applying the above criteria to the facts of this case, this court should consider the following:

- a. *[Include a statement addressing factor (1) above]*
- b. *[Include a statement addressing factor (2) above]*
- c. *[Include a statement addressing factor (3) above]*
- d. *[Include a statement addressing factor (4) above]*
- e. *[Include a statement addressing factor (5) above]*

7. When considering whether to approve a settlement, the court need not conduct a “mini-trial” to determine the probable outcome of claims waived in the settlement. See *Cajun Elec.*, 119 F.3d at 356. Nor does the court have to conduct an evidentiary hearing as a prerequisite to approving a settlement. The court must, however, gather all of the relevant facts and law so that it can make an informed, intelligent, and objective decision with respect to approving the settlement. See *Cajun Elec.*, 119 F.3d at 356. Accordingly, this motion discloses the relevant

material facts related to the proposed settlement.

8. The terms of the proposed settlement are as follows:

Amount of settlement or recovery:	\$ _____
Less attorney's fees: (____%)	(\$ _____)
Less expenses (itemized attached Exhibit "1"):	(\$ _____)
Net amount:	\$ _____
Exempt portion, if any:	\$ _____
Net amount payable to Debtor: (____%)	\$ _____
Net amount payable to Trustee: (____%)	\$ _____

9. Upon information and belief, the proposed settlement is in the best interest of the estate.

WHEREFORE, Debtor(s) request(s) this court to approve the compromise or settlement of a controversy described herein.

Date: _____

Signature: /s/ [electronic signature]
Name: _____
Address: _____
Address: _____
Telephone: _____

EXHIBIT "1" EXPENSE ITEMIZATION

1.	Name	Expense Description	\$Amount
2.	Name	Expense Description	\$Amount
3.	Name	Expense Description	\$Amount
Expense Total			\$Amount

CERTIFICATE OF SERVICE

I certify that I filed this document using the court’s CM/ECF system which generated a “Notice of Electronic Filing” indicating that it was transmitted to the filing party and all registered users of the CM/ECF system having appeared in the case in which the filing is made. Pursuant to LBR 9013-1, transmission of the Notice of Electronic Filing to a registered user via the CM/ECF system constitutes service of the pleading or other document.

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Signature: /s/ [electronic signature]

Name: _____