

Local Rule of Bankruptcy Procedure 4003. EXEMPTIONS.

(a) Claim of Exemptions

The exemption list in Schedule C must itemize, describe and separately value each item claimed as exempt, except that household supplies, linens, cooking utensils, clothing and other items with an aggregate value of less than \$500 may be placed in generic categories.

(b) Notice of Amendment to Exemptions

Any amendment to Schedule C must be accompanied by a certificate of service which evidences service of the amended schedule upon the master mailing list (matrix) as constituted by the Court on the date of service or it will be stricken.

(c) Objection to Claim of Exemptions

An objection to a debtor's claim of exemption is a "contested matter" governed by Fed. R. Bankr. P. 9014 and LBR 9014. It must contain the following 21-day negative notice language:

NO HEARING WILL BE CONDUCTED ON THIS OBJECTION TO EXEMPTION UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AND SERVED UPON THE PARTY FILING THIS OBJECTION WITHIN TWENTY-ONE (21) DAYS FROM DATE OF SERVICE UNLESS THE COURT SHORTENS OR EXTENDS THE TIME FOR FILING SUCH RESPONSE. IF NO RESPONSE IS TIMELY SERVED AND FILED, THIS PLEADING SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT. IF A RESPONSE IS FILED AND SERVED IN A TIMELY MANNER, THE COURT WILL THEREAFTER SET A HEARING. IF YOU FAIL TO APPEAR AT THE HEARING, YOUR RESPONSE MAY BE STRICKEN. THE COURT RESERVES THE RIGHT TO SET A HEARING ON ANY MATTER.

The negative notice language must be in boldface and large font; and it must be located in the motion text — preferably in the first paragraph. An objection must otherwise comply with the requirements of LBR 9013, including the submission of a certificate of service and be accompanied by a proposed order. The proposed order must specify the basis for disallowance and must not generically recite that the objection is sustained.

(d) Responsive Pleading

Any debtor who opposes the relief sought by an objection to a claim of exemption must file a *response* within the designated negative notice period. Any response must

conform to the requirements of Fed. R. Civ. P. 8(b).

(e) **Lien Avoidance**

A motion to avoid lien impairing a claim of exemption must:

- (1) delineate the extent to which the debtor seeks to avoid a lien;
- (2) confirm that the lien is non-possessory and non-purchase money;
- (3) either specifically describe the property subject to the lien or attach the security documentation which describes the property;
- (4) state whether the debtor claimed federal or state exemptions and state that the exemption objection period has expired;
- (5) attach sufficient information regarding the formation of the allegedly avoidable lien to validate the sufficiency of service of the motion (e.g., copy of abstract of judgment, etc.); and
- (6) cite to § 522(f).

As explained in Fed. R. Bankr. P. 4003 and the Advisory Committee notes, only a §522(f) lien avoidance action may be sought by motion. Lien avoidance under the Texas Constitution or by statutory authority other than §522(f) must be sought by an adversary complaint.