

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN

In re:

ADMINISTRATIVE ORDER AMENDING  
L.B.R. 7016-2 (E.D.M.)

No. **02-06**

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**ORDER AMENDING L.B.R. 7016-2 (E.D.M.)**

On the request of the Court's Mediation Panel, and after consultation with the Bankruptcy Advisory Group, Local Bankruptcy Rule 7016-2 is amended as follows:

(a) **The Mediation Process.** Upon its own initiative, or upon a filed stipulation of the parties, or upon a motion by any party in interest after notice and opportunity for hearing, the judge may order the parties to engage in mediation. If the Court orders mediation on its own initiative, the parties shall have 10 days to object, by motion filed under Rule 9014-1.

- (1) Upon the entry of a mediation order, one mediator shall be chosen by the parties from a panel of mediators chosen and maintained by the Court. If the mediator is not available or has a conflict that the parties do not waive, the parties shall designate another mediator. The parties may request the assistance of the judge in selecting a mediator if they cannot otherwise agree.
- (2) Mediation may be ordered at any time during the case, provided however, that upon entry of a mediation order the mediation shall be completed within two weeks or within such time as the judge may fix in the mediation order.
- (3) Unless otherwise ordered by the Court, each of the parties to the mediation process shall pay \$200.00 to the mediator before or at the commencement of the mediation session. The mediator, with the consent of the parties, may retain professionals to assist the mediator. The expenses of such professionals shall be equally paid by all parties to the mediation and shall not exceed \$2,000.00.
- (4) All proceedings and writings incident to the mediation shall be privileged and confidential, and shall not be reported or placed in evidence. No party shall be bound by mediation unless a settlement is reached. If a settlement is reached, the agreement shall be reduced to writing. If necessary, the parties shall file a motion for approval of the settlement under F.R.Bankr.P. 9019, and shall do so within 10 days after the agreement is fully executed.

- (5) The mediator shall have the duty and authority to establish the time schedule for mediation activities, including the submission of documents, the attendance of parties with authority to settle, the procedure governing the mediation and a schedule for the parties to act upon the mediator's recommendation. The mediator shall have no obligation to make any written recommendation, but may provide the attorneys for the parties or unrepresented parties with a written settlement memorandum. Such memorandum shall be governed by the first sentence of subparagraph (a)(4), and shall not be filed or made available to the Court. The mediator shall not be called as a witness by any party-in-interest.
- (6) The mediator shall promptly file a certificate with the mediation clerk demonstrating that there has been compliance with the mediation requirements of this Rule without referring to any substantive matters involved in the mediation.

**(b) The Mediation Panel**

- (1) The Court shall appoint mediators to the mediation panel as necessary from time to time. The Court may select chairperson(s) to assist the Court with the administration of the mediation panel.
- (2) Before serving as a mediator, a professional shall have participated in a court-approved training seminar in alternative dispute resolution, and shall provide to the Court a certificate of such training. The mediation clerk shall maintain a list of such seminars.
- (3) A list of the mediators on the panel shall be maintained by the clerk and shall be available for public review.
- (4) Individuals who wish to serve on the mediation panel shall inform the clerk in writing, and shall provide the clerk with information that the applicant or the Court deem pertinent.
- (5) The Court may meet periodically with the panel of mediators or its chairperson(s) as necessary to discuss improving the mediation process.

IT IS SO ORDERED.

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STEVEN W. RHODES  
Chief U. S. Bankruptcy Judge

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WALTER SHAPERO  
U. S. Bankruptcy Judge

Dated: \_\_\_\_\_