

Motions for Moratorium:

Motions for Moratorium are modifications to a confirmed plan under 11 U.S.C. § 1329 requested through a motion practice in which a short pause in plan payments is approved when a debtor is facing a temporary financial hardship. While the payments are suspended for a period of time, they are not forgiven, and the debtor is still liable for the payments that became due during the moratorium period. The payments that become due during the moratorium period are generally added to the end of the term of the chapter 13 plan. For example, if a debtor was to originally finish a plan in September of 2025 and was then granted a 3-month moratorium, the debtor's plan would now end in December of 2025.

Prior to filing a Motion for a Moratorium, counsel should review and consider the Fourth Circuit's opinion in *West v. Costen (In re Costen)*, 826 F.2d 1376, 1378 (4th Cir. 1987) to determine if there is sufficient time remaining under 11 U.S.C. § 1329(c) to permit the moratorium period under the term of the plan.

The Trustee will generally consent to a Motion for Moratorium for period of two to three months. Second moratorium requests are considered on a case-by-case basis.

Motions for Moratoriums are passive, self-scheduled matters under SC LBR 9013-4 and require a 21-day objection notice served on the mailing matrix. The Motion for Moratorium should state the reason for the motion, the length of the moratorium, and the date that the debtor will resume payments to the Trustee.

In cases in which the mortgage claim is being paid through the conduit procedure, debtors should use the local form motion and proposed order adopted by the Court's Conduit Procedure Operating Order. Copies of the local forms may be found on the local forms page of the Court's website.

Upon the granting of a Motion for Moratorium, service of the Order granting that Motion is delegated to the moving party (typically the debtor) and is to be served on the debtor, debtor's counsel, the Trustee and any objecting party.

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