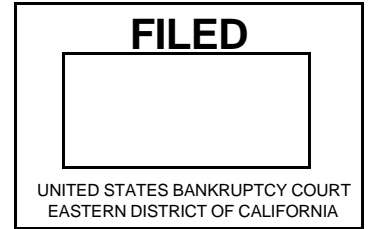


UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA



In re:)
)
ORDER ADOPTING PROCEDURE UNDER) GENERAL ORDER 02-01
FEDERAL RULE OF BANKRUPTCY)
PROCEDURE 9014(d)AND LOCAL)
BANKRUPTCY RULE 9014-1)
_____)

Under LBR 9014-1, an opposition and/or reply to a motion (as defined in LBR 9014-1(a)) shall state whether a party consents to the use of affidavits in accordance with Fed.R.Civ.P. 43(e). See Fed.R.Bankr.P. 9014(d) and 9017. Any party that fails to file the separate statement of disputed material facts as required by LBR 9014-1 will thereby consent to proceed on the basis of the written record without live testimony.

If a party does not consent to proceed on the basis of the written record without live testimony, the court will ordinarily determine in advance of the scheduled hearing date on the motion whether an evidentiary hearing is required to resolve disputed material factual issues. The disposition of these motions will be available on the court day prior to the scheduled hearing, according to the practice of the assigned judge, on the court's website at <http://www.caeb.uscourts.gov/calendar/tentative.asp>. The disposition will ordinarily consist of one of the following:

1. The court may determine that no evidentiary hearing is required because no material factual dispute exists. The motion will then proceed on the scheduled hearing date on the basis of the written record.
2. If the court determines that an evidentiary hearing is required, the court will either:
 - (a) treat the motion as a "short cause" matter (expected to last no more than 30 minutes) and set the matter for hearing on a short cause calendar with other short cause matters. Witnesses on short cause matters will be limited to those individuals whose declarations were filed in connection with the motion. Unless the court orders otherwise, the direct testimony of a witness will not be admitted into evidence unless the witness is present at the hearing for

interrogation by the court under Federal Rule of Evidence 614(b) and for cross-examination. Matters set on a short cause calendar will not be continued except by order of the court; OR

- (b) treat the motion as a "long cause" matter. The scheduled hearing date will be used as a scheduling conference, during which the court will establish deadlines for, inter alia, discovery and the presentation of evidence.
3. No telephonic appearances are allowed at evidentiary hearings, whether on a short cause matter or a long cause matter. See Policies and Procedures Governing Telephonic Appearances (Revised January 7, 2002), which is available on the court's website under Court Calendars - Procedural Information - Telephonic Appearance Through Court Conference Center.

IT IS THE RESPONSIBILITY OF EACH PARTY TO REVIEW THE COURT'S WEBSITE FOR THE DISPOSITION OF PENDING MOTIONS THE DAY PRIOR TO THE ORIGINALLY SCHEDULED HEARING DATE.

THIS PROCEDURE WILL BECOME EFFECTIVE SIMULTANEOUSLY WITH THE ADOPTION OF THE CHANGES TO THE LOCAL BANKRUPTCY RULES PROPOSED ON NOVEMBER 13, 2002.

SPECIFIC COURT NOTES:

MODESTO:

The court's tentative rulings are ordinarily available no later than 4:00 p.m. on the court day preceding the scheduled hearing date. The availability of rulings is independent of counsel's duty to schedule a telephonic appearance according to the rules governing telephonic appearances.

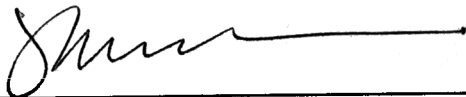
For each matter, the court issues a "Disposition Without Oral Argument" or a "Tentative Ruling," as appropriate for the matter.

No hearing will be held on a matter where the court issued a "Disposition Without Oral Argument." This designation is the equivalent of a removal from the calendar, except that the court posts the disposition. Assignment of matters to a short cause calendar for evidentiary hearing will ordinarily occur by "Disposition Without Oral Argument."

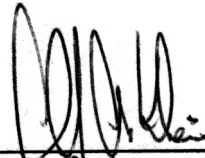
The court will call for hearing any matter that has a "Tentative Ruling." The "Tentative Ruling" is subject to change, either as a result of argument presented at the hearing or as a result of further consideration by the court. Therefore, parties should appear on any matter that has a "Tentative Ruling."

IT IS SO ORDERED.

DATED: December 9, 2002



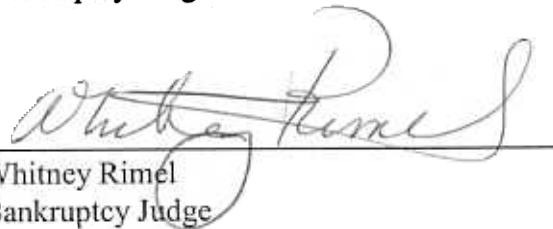
Michael S. McManus
Chief Bankruptcy Judge



Christopher M. Klein
Bankruptcy Judge



Jane Dickson McKeag
Bankruptcy Judge



Whitney Rimel
Bankruptcy Judge



Thomas C. Holman
Bankruptcy Judge



W. Richard Lee
Bankruptcy Judge