

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF INDIANA  
HAMMOND DIVISION

IN RE: )  
)  
JAY G. PARLOR and ) CASE NO. 07-22134 JPK  
BEVERLY DAWN PARLOR, ) Chapter 13  
)  
Debtors. )

ORDER OF DEFAULT/ORDER SCHEDULING  
HEARING ON DAMAGES

On November 8, 2007, the debtors, by counsel, filed a Motion for Rule to Show Cause, by which a contested matter was initiated against Rent-A-Center pursuant to 11 U.S.C. § 362(k)(1). By order entered on November 28, 2007, the Court scheduled a preliminary pre-trial conference in the contested matter for December 17, 2007 at 3:00 p.m. At that hearing, the debtors appeared by counsel Kevin M. Schmidt; the Chapter 13 Trustee appeared by attorney Julia M. Hoham. No representative of Rent-A-Center appeared.

The record establishes proper service of the Motion for Rule to Show Cause on Rent-A-Center. The record also discloses that the Court's order of November 28, 2007 was sent to Rent-A-Center at the same address used by the debtors for service of the motion, and that the order scheduling the hearing was not returned as undeliverable.

Fed.R.Bankr.P. 9014(c) applies Fed.R.Bankr.P. 7055/Fed.R.Civ.P. 55 in contested matters. Having reviewed the Motion for Rule to Show Cause, the Court finds that the debtors are entitled to default with respect to the liability of Rent-A-Center for the actions stated in that motion. The Court also finds that by operation of N.D.Ind.L.B.R. B-9014-2(b), the provisions of Rule 16(f) of the Federal Rules of Civil Procedure apply in contested matters. As stated in that Rule, if a party fails to appear at a pre-trial conference, the Court may impose sanctions upon that party, including those provided by Fed.R.Civ.P. 37(b)(2)(C), i.e., entry of a judgment by default against the non-appearing party. The Court thus determines that the debtors have been

injured by a willful violation of 11 U.S.C. § 362(a) committed by Rent-A-Center. The damages to which the debtors are entitled require determination at a separate hearing pursuant to Fed.R.Bankr.P. 7055/Fed.R.Civ.P. 55(b)(2).

IT IS ORDERED, ADJUDGED AND DECREED that the actions of Rent-A-Center stated in the Motion for Rule to Show Cause constitute a willful violation of 11 U.S.C. § 362(a), thus subjecting Rent-A-Center to damages to be imposed pursuant to 11 U.S.C. § 362(k)(1).

IT IS FURTHER ORDERED that a hearing will be held on **January 31, 2008, at 1:30 P.M.** at which the debtors shall present evidence as to the damages to be imposed upon Rent-A-Center.

Dated at Hammond, Indiana on December 20, 2007.

/s/ J. Philip Klingeberger  
J. Philip Klingeberger, Judge  
United States Bankruptcy Court

Distribution:

Debtors, Attorney for Debtors  
Trustee, US Trustee

Rent-A-Center, c/o Highest Ranking Officer, 5974 West Ridge Road, Gary, IN 46408