

Not For Publication

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
FORT WAYNE DIVISION

IN THE MATTER OF:)
)
FORT WAYNE TELSAT, INC.) CASE NO. 05-12177
)
)
Debtor)

DECISION AND ORDER

At Fort Wayne, Indiana, on October 16, 2009.

This matter is before the court on the trustee’s objection to six different secured claims and a proposed distribution of proceeds. With the exception of James Simon and JAS Partners, no one else responded to the trustee’s objection.

The essence of the response is that the objection does not comply with Rule 3007 of the Federal Rules of Bankruptcy Procedure and local rule B-3007-1 because it objects to multiple claims in a single filing. See, N.D. Ind. L.B.R. B-3007-1(a) (“Except as otherwise authorized by Federal Rule of Bankruptcy Procedure 3007 regarding omnibus claim objections, an objection to a proof of claim shall be limited to the claim or claims filed by a single creditor . . .”). Rule 3007 may allow omnibus objections to multiple claims but only in certain circumstances, none of which apply here. Fed. R. Bankr. P. Rule 3007(d). Furthermore, even if this is a proper situation for an omnibus objection, it does not, as JAS Partners and James Simon note, comply with Rule 3007(e) of the Federal Rules of Bankruptcy Procedure.

Finally, the court notes that this is not really an objection to the creditors’ claims – a challenge to the validity of the debt or amount due as of the date of the petition. See, 11 U.S.C. § 502(b); In re Taylor, 289 B.R. 379 (Bankr. N.D. Ind. 2003). Rather, it is a challenge to the

creditors' claim to a lien upon property of the bankruptcy estate. If the trustee wants to challenge the validity, priority or extent of a lien, that requires an adversary proceeding. See, Fed. R. Bankr. P. Rules 7001(2), 3007(b). See also, Matter of Perkins, 902 F.2d 1254, 1258 (7th Cir. 1990) (proceeding commenced by motion when an adversary proceeding is required should be dismissed).

The trustee's objection is therefore OVERRULED.

SO ORDERED.

/s/ Robert E. Grant
Judge, United States Bankruptcy Court