

United States Bankruptcy Court
Southern District of Mississippi
Post Office Box 2448
Jackson, Mississippi 39225-2448

Edward Ellington
U. S. Bankruptcy Judge

100 East Capitol Street
(601) 965-5303

MEMORANDUM

To: Chapter 13 Trustees, Southern District of Mississippi

Re: Till Rate

Date: February 13, 2009

Judge Houston, Judge Olack and I have conferred about reducing the presumptive interest rate used in 13 plans because of the significant lower Prime Rate as published each week in the Wall Street Journal. This week it is at 3.25%.

Effective with cases filed on or after March 1, 2009, the presumptive rate will be 7%.

Please convey this to the affected lawyers and any other interested parties.

Attached is a notice that Terre Vardaman sent out last year. All of you might want to confer and draft a form notice that all, or at least some, of you might want to use.



OFFICE OF THE TRUSTEE
 CHAPTER 13 PROCEEDINGS
 109 OFFICE PARK DRIVE
 BRANDON, MISSISSIPPI 39042
 PHONE (601) 825-7663

TRUSTEE
 TERRE M. VARDAMAN

Mailing Address:
 P.O. BOX 1326
 BRANDON, MS 39043-1326

TO: ALL CHAPTER 13 ATTORNEYS
 FROM: TERRE M. VARDAMAN
 RE: CHANGE IN TILL RATE FOR CHAPTER 13 CASES
 DATE: May 9, 2008

As many of you may already be aware, on May 7, 2008, Judge Houston entered an Order in Case No. 07-14617 which reduces the *Till* prime-plus interest rate from 12% to 9.5%.

Please be advised that my office WILL NOT automatically change or reduce the confirmed and/or proposed interest rate on any claims from 12% to 9.5%, either on plans already filed or to be filed. It will be the attorney's responsibility to file and properly notice amended plans or motions to modify to reflect the reduction in interest rate proposed. I am assuming that the new interest rate takes effect for all cases or plans filed on or after the entry date of the aforesaid Order--I do not know if or how far back the Court might retroactively approve a reduction, or whether any reduction would be allowed on cases that have already been confirmed.

In the interest of assisting your offices in calculating the correct amounts, here are the multiplying factors for 9.5% interest on the most frequently used plan periods:

INTEREST FACTORS FOR 9.5%

<u>PLAN PERIOD</u>	<u>MULTIPLY PRINCIPAL BY:</u>
36 MONTHS	1.1532
48 MONTHS	1.2059
55 MONTHS	1.2373
60 MONTHS	1.2601

EXAMPLES:

36 MONTH PLAN	PRINCIPAL \$500.00 X 1.1532 = \$576.60 / 36 MOS = \$16.02/MO
48 MONTH PLAN	PRINCIPAL \$500.00 X 1.2059 = \$602.95 / 48 MOS = \$12.56/MO
60 MONTH PLAN	PRINCIPAL \$500.00 X 1.2601 = \$630.05 / 60 MOS = \$10.50/MO