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Attorneys for Frederick A. Leaf, M.D.

COURTS  
The Honorable Terry L. Myers  
FILED  
CLERK  
COEUR D'ALENE, IDAHO  
MAY 10 AM 10:39

UNITED STATES BANKRUPTCY COURT FOR THE  
DISTRICT OF IDAHO

In Re: ) No. 02-20218  
)  
FRANK L. CHAPIN and SYDNEY L. ) RESPONSE OF FREDERICK A. LEAF, M.D.,  
GUTIERREZ-CHAPIN a/k/a SYDNEY ) TO IRS' MOTION AND U.S. TRUSTEE'S  
L. GUTIERREZ, ) MOTION TO CONVERT OR DISMISS  
)  
Debtors. )

Comes now, Frederick A. Leaf, M.D., a creditor ("Leaf"), by and through his bankruptcy  
counsel, John Rizzardi of Cairncross & Hempelmann, P.S. and Tamara Murock of Winston & Cashatt,  
and responds to the IRS' Motion in Support of the U.S. Trustee's Motion to Convert or Dismiss, and to  
the U.S. Trustee's Motion to Convert or Dismiss as follows:

RESPONSE OF LEAF TO U.S. TRUSTEE MOTION  
TO DISMISS AND REPOSENSE TO IRS MOTION - 1

LAW OFFICES OF  
*Winston & Cashatt*  
250 NORTHWEST BLVD., SUITE 107A  
COEUR D'ALENE, IDAHO 83814  
(208) 667-2103  
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1           1. Leaf has had the opportunity to review the Reply of the Debtor to the United States Trustee's  
2 Motion to Convert or Dismiss, and Reply to the IRS' Motion in Support of the United States Trustee's  
3 Motion.

4           2. Leaf confirms that active and productive negotiations have taken place between Debtor's  
5 counsel and Leaf's counsel. It is anticipated an agreed Disclosure Statement will be presented for  
6 approval to this Court on February 20, 2003. Assuming this Court approves the Disclosure Statement,  
7 Leaf will be asking this Court for the setting of a confirmation hearing date for approval of the Plan of  
8 Reorganization. Leaf's Plan provides an asset liquidating mechanism that is best for the creditors of this  
9 estate, and Leaf requests that this Court allow Leaf the opportunity to continue efforts to secure the  
10 confirmation of the Plan.

11           3. Leaf is of the opinion that his proactive involvement has assisted in furthering the  
12 administration of this proceeding. Leaf intends to remain proactively involved, seeking confirmation of  
13 Leaf's Creditor's Plan in a timely manner.

14           4. Leaf will be offering such expertise and assistance as may be necessary or helpful with regard  
15 to the Debtor's filing of IRS tax returns, including, if needed, legal assistance in negotiations with IRS  
16 District Counsel and discussions with the IRS as to treatment of the IRS in the proposed Plan. Without  
17 waiving his rights to assert a constructive trust or exclude certain property from this estate, it is in Leaf's  
18 best interest to reduce any and all claims of the IRS.

19           5. Leaf respectfully submits that the Debtor's proposal to bring his monthly reports current and  
20 make payment of all fees due and owing to the U.S. Trustee is reasonable. Leaf would ask that the Court  
21 deny the U.S. Trustee's motion. In the alternative, the Court could consider continuing the U.S.  
22 Trustee's Motion until the time of the Plan confirmation hearing. The Plan itself provides that all of the  
23 Debtor's U.S. Trustee pre-confirmation fees will be current as of the Effective Date of the Plan. Leaf  
24 will be required at that time to make a showing that this condition has been met.



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CERTIFICATE OF FAXING AND MAILING

I HEREBY CERTIFY that on this 18th day of February, 2003, I caused to be served a true and correct copy of the foregoing RESPONSE OF FREDERICK A. LEAF, M.D., to IRS' MOTION AND U. S. TRUSTEE'S MOTION TO CONVERT OR DISMISS by U.S. Mail and Facsimile, and addressed to the following:

U.S. Trustee  
POB 110  
Boise, ID 83701  
Fax: (208) 334- 9756

Warren S. Durbidge  
POB 32  
Boise, ID 83707  
Fax: (208) 334-1414

Bruce Anderson  
Attorney at Law  
1400 Northwood Center Court  
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Fax: (208) 667-2150

  
\_\_\_\_\_  
Grace Bingle