

FILED & JUDGMENT ENTERED
Christine F. Winchester
January 22 2026
Clerk, U.S. Bankruptcy Court
Western District of North Carolina



George R. Hodges

George R. Hodges
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

In re:)
)
CHRISTOPHER RYAN GRIMWOOD,) Chapter 7
) Case No. 25-10087
)
Debtor.)
_____)

ORDER DENYING MOTION TO REVISE ORDER

THIS MATTER is before the Court upon the Debtor’s Motion to Revise Order filed on November 14, 2025 (the “Motion to Revise”). [Docket Entry No. (hereinafter, “D.E.”) 28]. In the Motion to Revise, the Debtor requests that the Court revise the Order entered on September 10, 2025 (the “Order”). [D.E. 19]. The Court held a hearing on the Motion to Revise on December 16, 2025, at which the Debtor, Chapter 7 Trustee, and counsel for creditor Seth Solesbee appeared. At the conclusion of the hearing, the Court took the matter under advisement. For the reasons that follow, the Court denies the Motion to Revise.

BACKGROUND

On May 8, 2025, the Debtor filed a voluntary Chapter 7 Petition. [D.E. 1]. The first date set for the § 341(a) meeting of creditors in the case was June 20, 2025, thus

establishing August 19, 2025 as the deadline to object to discharge or to challenge the dischargeability of certain debts (the “bar date”).¹ [D.E. 4]. On August 19, 2025, the Chapter 7 Trustee, Robert Mays, filed a Motion to Extend Time to Object to Discharge and/or Dischargeability, which sought to extend the bar date to September 18, 2025 (the “Motion to Extend”). [D.E. 18]. The Motion to Extend sought relief on behalf of the Chapter 7 Trustee as well as “other interested parties.” There were no responses filed to the Motion to Extend, and the Order granting the Motion to Extend was entered on a no-protest basis pursuant to Local Rule 9013-1(e). The Order provided that the bar date is extended as to the Chapter 7 Trustee “or any other party in interest.”

On September 11, 2025, creditor Seth Solesbee (the “Creditor”) initiated an adversary proceeding against the Debtor by filing a complaint pursuant to 11 U.S.C. § 523(a)(2) (the “Complaint”), premised on the Debtor’s alleged fraud in connection with the sale of purported gold bars to the Creditor. See A.P. No. 25-01005. The Debtor filed a Motion to Dismiss the adversary proceeding on October 12, 2025, arguing that Debtor could not rely on the extended bar date set out in the Order because the Chapter 7 Trustee is not a party in interest that can extend the deadline pursuant to Bankruptcy Rule 4007(b).² Accordingly, the Debtor contends that the adversary proceeding should be dismissed as untimely.

¹ Bankruptcy Rule 4004(a)(1) and 4007(c) provide that complaints pursuant to 11 U.S.C. §§ 727(a) and 523(c) must be filed within 60 days after the first date set for the § 341(a) meeting of creditors.

² The Debtor filed an Amended Motion to Dismiss in the adversary proceeding on December 16, 2025. The Amended Motion to Dismiss is nearly identical to the original Motion to Dismiss, with the additional contention that the Order is void because the Court lacked subject matter jurisdiction to enter the Order.

In addition to challenging the Creditor's reliance on the Order in the adversary proceeding, the Debtor, by his Motion to Revise, requests that the Order be revised to exclude the language extending the bar date to file dischargeability actions pursuant to 11 U.S.C. § 523(c). The Debtor relies on the same premise as his Motion to Dismiss, that the Chapter 7 Trustee lacked the authority to extend the bar date and therefore the Order is improper. The Debtor also reasons that because the Order is not a final order, it can be revised at any time pursuant to Federal Rule of Civil Procedure 54(b). This revision would render the Complaint untimely and ultimately result in the dismissal of the adversary proceeding.

DISCUSSION

The issue before the Court is whether, on a motion by the Chapter 7 Trustee, the Court had authority to extend the deadline for objecting to dischargeability on behalf of a nonmoving creditor.³ Bankruptcy Rule 4007(c) governs the procedure and time limits for filing objections to the dischargeability of a debt under 11 U.S.C. § 523(c). Pursuant to Bankruptcy Rule 4007(c):

"[a] complaint to determine whether a debt is dischargeable under §523(c) must be filed within 60 days after the first date set for the §341(a) meeting of creditors. . . . On a party in interest's motion filed before the time expires, the court may, after notice and a hearing and for cause, extend the time to file."

Fed. R. Bankr. P. 4007(c). Here, the Chapter 7 Trustee moved to extend the bar date on August 19, 2025, making his Motion to Extend timely for the purposes of

³ The Motion to Extend also sought an extension of the deadline to object to discharge under 11 U.S.C. § 727. However, the Trustee did not file an objection to discharge within the extended deadline. Accordingly, the Court need not address any issue concerning the Court's authority to extend the 11 U.S.C. § 727 bar date.

Bankruptcy Rule 4007. Thus, the Creditor's Complaint was timely filed unless there is some reason that the Creditor could not rely upon the Order.

The Bankruptcy Rules do not expressly limit an extension of the bar date to only the specific parties who filed the motion. Wijewickrama v. Edgefield Holdings, LLC (In re Wijewickrama), No. 1:16-cv-00347-MR, 2018 U.S. Dist. LEXIS 42717, at *11 (W.D.N.C. Mar. 15, 2018) (citing Burger King Corp. v. B-K of Kan., Inc., 73 B.R. 671, 673 (D. Kan. 1987)). In holding that an extension of the bar date can extend to nonmoving creditors, courts have looked for the presence of the following factors: “(1) ‘the surrounding circumstances provided notice to the court and the debtor that a general extension was requested’; (2) the surrounding circumstances ‘demonstrated that cause existed for a general extension’; and (3) ‘the subsequent order indicated that a general extension was granted.’” Id. at *11-12 (citations omitted).

As to the first and the third factors, both the Motion to Extend and the Order provided ample notice to the Debtor that the Chapter 7 Trustee sought, and was ultimately awarded, a general extension of the bar date extending to nonmoving creditors. The Motion to Extend moved the Court for extension of the bar date as to “the Trustee and *other interested parties* to a file a complaint objection to discharge and/or dischargeability...” The subsequent Order provided that the bar date was extended as to “the Trustee or *any other party in interest* to file a complaint objecting to discharge and/or dischargeability...” The Court finds that this language expressly indicated that a general extension was requested and granted.

The Debtor notes in his Motion to Revise that the Motion to Extend and Order do not explicitly reference § 523(c), perhaps to explain why the Debtor did not timely oppose the relief sought and granted. However, a citation to the statute is not required, and the inclusion of the language “objecting to discharge and/or dischargeability” sufficiently references the authority of § 523(c). See Brady v. McAllister (In re Brady), 101 F.3d 1165, 1169 (6th Cir. 1996) (finding that a trustee’s reference to “non-discharge complaints” in a motion to extend the bar date encompassed § 523(c) actions).

As to the second factor, the Court must determine whether cause exists to extend the bar date generally. In Wijewickrama, the court held that cause did not exist to extend the bar date to a nonmoving creditor because the moving creditor’s investigation was wholly unrelated to the nonmoving creditor’s claim. 2018 U.S. Dist. LEXIS 42717, at *12-13. Here, the Motion to Extend explains that the Chapter 7 Trustee “requires additional time to investigate the assets available to the estate, Debtor’s financial affairs, and his entitlement to discharge.” At the hearing, the Chapter 7 Trustee and Creditor represented that their respective investigations related to discharge and dischargeability concerned the same debt, which arises from a prepetition judgment relating to the sale of purported gold bars and constitutes the largest claim filed in the case. See Complaint; Schedule D [D.E. 1].

The Creditor further represented at the hearing that he was in communication with the Trustee during the pendency of the Trustee’s investigation and that the

Trustee advised him that a general extension would be sought.⁴ Although the Creditor had prepared materials relating to a potential adversary proceeding, he refrained from filing them in reliance on the Motion to Extend and subsequently the Order.

The issues relating to discharge and dischargeability arise from the same underlying facts, the prepetition judgment and the transaction giving rise to that judgment. These circumstances establish sufficient commonality between the Chapter 7 Trustee's and the Creditor's investigations to constitute a "community of interest" supporting a general extension of the bar date. See Wijewickrama, 2018 U.S. Dist. LEXIS 42717, at *12-13 (citing Burger King, 73 B.R. at 674). Although the Chapter 7 Trustee ultimately did not object to discharge under 11 U.S.C. § 727, the record demonstrates that the information sought by the Chapter 7 Trustee's investigation could inure to the benefit of the Creditor. Accordingly, the Court finds that the surrounding circumstances demonstrate that cause exists for a general extension of the bar date.

Having concluded that cause exists for a general extension of the bar date, the Court turns to the Debtor's argument that the Chapter 7 Trustee is not a "party in interest" entitled to seek such relief under Bankruptcy Rule 4007(c). The Debtor primarily relies on In re Farmer, 786 F.2d 618 (4th Cir. 1986). In Farmer, a Chapter 7 trustee sought and obtained an initial extension of the deadlines to object to discharge and the dischargeability of debts. Id. at 619. The trustee later sought a

⁴ The Chapter 7 Trustee also represented at the hearing that it is his routine practice to file motions to extend the bar date on behalf of nonmoving creditors.

second extension, which the debtor opposed. Id. The bankruptcy court granted the trustee's motion, and the district court affirmed. On appeal, the Fourth Circuit reversed, holding that Chapter 7 trustee is not a party in interest for purposes of Bankruptcy Rule 4007(c) because the trustee had "neither financial interest in [the] matter nor duties imposed by statute." Id. at 621.

Although Farmer does cast doubt on a Chapter 7 trustee's authority to seek an extension under Bankruptcy Rule 4007(c),⁵ Farmer was adjudicated in the posture of a debtor's timely objection to a trustee's motion to extend the bar date. Here, by contrast, no party, including the Debtor, objected to the Motion to Extend, and the Order was entered on a no-protest basis. Farmer does not contemplate a scenario in which a creditor has already relied, seemingly in good faith, on a properly entered court order extending the bar date.

The Court finds Harper instructive, as it addresses parallel facts in light of Farmer's precedent. Ruben v. Harper (In re Harper), 194 B.R. 388 (Bankr. D.S.C. 1996). In Harper, the trustee moved to extend the deadline under § 523(c) for the benefit of "any party." Id. at 390. The debtor did not object, and the court entered an order extending the deadline. Id. When a creditor later filed a complaint in reliance on that order, the court held it would be unjust and inequitable to allow the debtor to defeat the complaint based on an alleged defect in the trustee's standing. Id. at 394. Notably, the debtor in Harper neither opposed the motion to extend nor otherwise

⁵ Courts have questioned Farmer's conclusion. See In re Myers, 168 B.R. at 860-61 (Bankr. D. Md. 1994) (acknowledging Farmer as binding precedent but noting that its rationale relies on a "fundamental error of law") (citations omitted); Brady, 101 F.3d at 1170 (characterizing Farmer's "crucial assumption" that a trustee lacks an economic interest in extending the bar date to nonmoving creditors as incorrect and concluding that depriving the trustee of such standing "could undermine the efficient administration of bankruptcy proceedings").

timely raised the perceived error before the creditor relied on the order. Id. The court reasoned that even if the extension order had been entered in error, equity required that it be enforced to prevent injustice to a creditor who reasonably relied upon it. Id. The Court agrees with this analysis.

§ 105(a) of the Bankruptcy Code provides that “the court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” Consistent with that authority, the Court may extend the bar date as to a creditor where such relief is appropriate. To the extent the Court erred in entering the Order due to the Chapter 7 Trustee’s lack of standing, § 105(a) permits the exercise of equitable powers to prevent manifest injustice. See Marshall v. Demos (In re Demos), 57 F.3d 1037, 1040 (11th Cir. 1995) (noting that if the bankruptcy court’s entry of an order extending the deadline was made in error, it should have exercised its equitable power under § 105 to allow the creditor’s complaint to stand).

The equities here strongly favor allowing the Creditors’ Complaint to proceed and not be defeated by a procedural defect, particularly where those claims constitute the majority of the Debtor’s case and arise from a prepetition judgment sounding in fraud. The Court is further persuaded on by the Creditor’s statements at the hearing indicating that the Creditor and Chapter 7 Trustee’s investigations concerned the same debt, and that the Creditor refrained from initiating the adversary proceeding in reliance on the Motion to Extend and the Order.

The appropriate time to challenge the Chapter 7 Trustee’s standing to seek an extension of the bar date was during the response period to the Motion to Extend,

which, as discussed *infra*, clearly put the Debtor on notice that a general extension was being sought. At this stage of the proceeding, where the Creditor has relied on a facially valid court order, revising the Order to retroactively undo the extension of the bar date would be inequitable. Any other result would “permit parties the option of deciding which orders to obey, or conversely condemn parties to the instability of guessing which orders to abide and which to ignore.” Demos, 57 F.3d at 1039. Under these particular circumstances, the Court finds that the most equitable result for both parties would be to proceed to substantive adjudication of the Creditor’s Complaint.

Accordingly, the Court **DENIES** the Motion to Revise.

SO ORDERED.

This Order has been signed electronically. The Judge’s signature and Court’s seal appear at the top of the Order.

United States Bankruptcy Court