UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF OHIO

In re:) Chapter 13 Proceedings
WILLIAM PRICE) Case No. 04-13411
and SANDRA PRICE, Debtors.) Judge Arthur I. Harris
WILLIAM PRICE) Adversary Proceeding
and SANDRA PRICE, Plaintiffs,) No. 06-1226)
v.)
AMERICAN GENERAL)
FINANCE, INC., et al., Defendants)
AMERICAN GENERAL))))

ORDER

This adversary proceeding is currently before the Court on motion for partial dismissal (Docket #12) of defendant American General Finance, Inc. (American General). For the reasons that follow, the Court will defer ruling on the motion until the parties have had an opportunity to address whether the claims at issue in this motion for partial dismissal are subject to binding arbitration, as noted in American General's answer (Docket #11 at ¶¶ 48-49) and proof of claim filed on April 6, 2004 (Court Claim #2). Accordingly, on or before September 28, 2006, American General shall file complete, more legible copies of its mortgage and note at issue in this proceeding, so that the Court and the parties can analyze the

arbitration provisions more closely. The Court will then conduct a status conference at 1:30 P.M. on October 3, 2006, at which time counsel shall be prepared to address the effect of the arbitration provisions and the Federal Arbitration Act, 9 U.S.C. § 1 et seq., on this bankruptcy proceeding. See, e.g., MBNA American Bank, N.A. v. Hill, 436 F.3d 104 (2d Cir. 2006) (bankruptcy court erred in failing to stay debtor's claim under former subsection 362(h) in favor of arbitration, even though 362(h) claim was a core proceeding); In re Mintze, 434 F.3d 222 (3d Cir. 2006) (bankruptcy court erred when it determined it had discretion to deny enforcement of arbitration provision in contract at issue in Chapter 13 case). For example, under the Second Circuit's analysis set forth in MBNA v. Hill, see 436 F.3d at 108, it may be that the amount of American General's claim is subject to arbitration, while the question of whether the claim is secured in fact by property of the debtor's estate should be resolved by the bankruptcy court, since the latter question involves valuation of real property and determining the amount(s) owed to more senior lienholders.

IT IS SO ORDERED.

/s/ Arthur I. Harris 9/11/2006
Arthur I. Harris
United States Bankruptcy Judge