



**SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SANTA CLARA**

**Loan Modification Settlement Conference (“LMSC”)  
Instructions for Litigants**

**ALL PARTIES SHOULD READ THE LMSC STIPULATION VERY CAREFULLY TO UNDERSTAND THE OBLIGATIONS THAT BOTH SIDES UNDERTAKE.**

**Loan Modification Settlement Conference procedures:**

1. For cases that may be eligible for the Loan Modification Settlement Conference program:
  - a. Plaintiff will receive information about the LMSC program.
  - b. Plaintiff is responsible for notifying Defendant of the LMSC program, if the Defendant is not present.
  - c. Both parties must agree and sign the LMSC stipulation.
  - d. Plaintiff must submit the LMSC stipulation to the judge for signature at least three days before any scheduled court hearing.
  - e. Plaintiff must file the LMSC stipulation and order form with the judge’s signature in the clerk’s office.
  - f. The pending court hearing will be taken off calendar.
  - g. New court dates will be set (see section 2).
2. When an LMSC stipulation is filed:
  - a. A 90-day stay is put into effect on all foreclosure activity, which temporarily stops a sale of the home.
  - b. Plaintiff must deliver all documents required for the LMSC hearing to Defendant within 21 days of the filing of the LMSC stipulation.
  - c. A Readiness Conference will be set for 30 days after the filing of the LMSC stipulation. This court date is to make sure all documents have been shared. You will receive a notice from the court with the date and time of the Readiness Conference.
  - d. The Loan Modification Settlement Conference hearing date will be set for 60 days after the filing of the stipulation. This is your date to try and work out a settlement. You will receive a notice from the court with the date and time of the LMSC hearing.
    - (1) The LMSC hearing date will be set on a Wednesday, either in the morning or afternoon.
    - (2) A trained LMSC neutral will be at the LMSC hearing to try and settle your case.
  - e. The upcoming Case Management Conference will be scheduled for 90 days after the filing of the LMSC stipulation, or will be left as originally set, whichever is later.
3. If a settlement is reached at the LMSC hearing:
  - a. Parties will create a written agreement explaining the settlement.
  - b. Plaintiff will notify the court of the settlement.
  - c. The court will set another date 90 days out on a Dismissal Calendar to allow parties to complete the settlement.
  - d. Once the settlement is completed, the plaintiff will dismiss the case.
4. If NO settlement is reached at the LMSC hearing:
  - a. Plaintiff will notify the court that the case has not settled.
  - b. The case will go back onto the regular litigation track.