

Announcement Regarding Federal Rule of Bankruptcy Procedure 3002.1

This is an announcement regarding Federal Rule of Bankruptcy Procedure 3002.1. Prior to December 1, 2016, it was unclear under Rule 3002.1 when the obligation to provide notice under that rule ceased in circumstances where a secured creditor obtained relief from stay. In light of that lack of clarity, the Court required that, if a stay relief order was to address that obligation, the order would have to contain a statement that the obligation terminated when the property was actually foreclosed on.

Rule 3002.1 was amended, effective December 1, 2016. Pursuant to the amended rule, the notice requirements under Rule 3002.1 terminate when an order terminating the stay becomes effective with regard to the property, unless the Court orders otherwise. Absent unusual circumstances, the Court will not require stay relief orders to contain a provision that the notice obligations of Rule 3002.1 continue until foreclosure. Consequently, in most stay relief orders it is no longer necessary to address the continued applicability of Rule 3002.1.