

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

**IMPORTANT NOTICE TO THE BAR AND PUBLIC**

**THIRTY-DAY PUBLIC COMMENT PERIOD  
CONCERNING NEW AND AMENDED  
2024 LOCAL BANKRUPTCY RULES AND FORMS**

Please be advised that the Board of Judges of the United States Bankruptcy Court for the District of New Jersey has approved for publication for a thirty-day public comment period, a draft of proposed 2024 new and amended Local Bankruptcy Rules and local forms as highlighted below:

**PROPOSED LOCAL BANKRUPTCY RULES AND FORMS**

- 1) **D.N.J. LBR 1002-2. Chapter 11 Complex Case Eligibility and Procedures (new)**
- 2) **D.N.J. LBR 1016-1. Death or Finding of Incompetency of a Debtor (amended)**
  - *Notice of Death or Finding of Incompetency of a Debtor* (revised form)
- 3) **D.N.J. LBR 3011-1. Unclaimed Funds in Cases Under Chapter 7, Subchapter V of Chapter 11, Chapter 12, or Chapter 13 (amended)**
  - *Application for Payment of Unclaimed Funds* (revised form)
- 4) **D.N.J. LBR 9013-4. Motions: Proposed Order (amended)**
  - *Certification Concerning Proposed Order* (new form)
  - *Certification Concerning Order to Be Submitted* (form eliminated)
- 5) **D.N.J. LBR 9019-3. Compromise or Settlement of Controversy (amended)**
- 6) **D.N.J. LBR 9019-4. Consent Order (new)**
- 7) **D.N.J. LBR 9021-1. Consent Order (deleted in favor of new D.N.J. LBR 9019-4)**
  - *Certification of Consent Regarding Consent Order* (form eliminated)

The proposed Local Bankruptcy Rules and local forms are attached for ease of reference.

## **IMPORTANT DATES**

**Dates for public comment and implementation are set forth as follows:**

- April 22, 2024 - Publication of draft rules for public comment.
- May 22, 2024 - Close of public comment period.
- May 23 - June 5, 2024 - Consideration of comments received by the Board of Judges of the Bankruptcy Court for the District of New Jersey.
- June 6 - June 30, 2024 - Submission of draft rules for formal approval by the Board of Judges of the District Court for the District of New Jersey.
- August 1, 2024 - Effective date of 2024 Local Bankruptcy Rules.

By approving a publication draft, the Board of Judges solicits comments from bankruptcy professionals and members of the public.

**Comments may be submitted to the Court email address: [local\\_rules@njb.uscourts.gov](mailto:local_rules@njb.uscourts.gov).**

Dated: April 22, 2024

Jeanne A. Naughton, Clerk

## **D.N.J. LBR 1002-2. Chapter 11 Complex Case Eligibility and Procedures**

**(a) Eligibility.** A Chapter 11 debtor is eligible to file an application for designation as a Complex Case if the debtor has \$50 million or more in assets or \$50 million or more in liabilities, aggregated for jointly administered cases; 1,000 or more creditors or may be considered a case of high public interest.

**(b) Applicability of Procedures.** The General Order Governing Complex Case Procedures is incorporated by reference and applies in a Complex Case.

### 2024 Comment

This rule is new. Subdivision (a) introduces the eligibility requirements for treatment as a complex case under chapter 11.

## **D.N.J. LBR 1016-1. Death or Finding of Incompetency of a Debtor**

Within 30 days of learning of (i) the death, or (ii) a finding of incompetency of a debtor through appropriate legal process, debtor's counsel must file Local Form *Notice of Death or Finding of Incompetency of a Debtor*. Debtor's counsel must also separately file the certificate of death or the court order pertaining to incompetency or guardianship. The certificate of death or court order pertaining to incompetency or guardianship will be immediately restricted from public viewing by the clerk's office without the necessity of a motion under these Rules. In the case of a self-represented debtor, any person who becomes aware of a debtor's death or incompetency may also file said Local Form and the certificate of death or court order pertaining to incompetency or guardianship. Any relief related to the death or incompetency of a debtor must be requested by separate motion.

### 2024 Comment

This Rule is amended to include the requirements for filing a certificate of death or court order pertaining to incompetency or guardianship.

### 2023 Comment

This Rule is new. It is meant to facilitate notice to the court upon the death or finding of incompetency of a debtor.

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

In Re:

Case No.: \_\_\_\_\_

Chapter: \_\_\_\_\_

Judge: \_\_\_\_\_

**NOTICE OF DEATH OR  
FINDING OF INCOMPETENCY OF A DEBTOR**

I, \_\_\_\_\_, am the

Executor (select if appointed by a will)

Administrator (select if no will and appointed by a probate court)

of the estate of \_\_\_\_\_ (name of debtor),

Other (identify relationship to debtor) \_\_\_\_\_,

and hereby certify as follows:

1. Debtor, \_\_\_\_\_ (name of debtor),

died on \_\_\_\_\_ (date).

was declared legally incompetent on \_\_\_\_\_ (date) by \_\_\_\_\_  
\_\_\_\_\_ (insert appropriate court).

**IMPORTANT: PLEASE DO NOT INCLUDE CERTIFICATE OF DEATH OR COURT ORDER PERTAINING TO INCOMPETENCY OR GUARDIANSHIP WHEN E-FILEING THIS FORM. ENTER THE CERTIFICATE OF DEATH OR COURT ORDER PERTAINING TO INCOMPETENCY OR GUARDIANSHIP SEPARATELY, AS INSTRUCTED IN CM/ECF.**

2. The debtor's legal representative is \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (if known, include title and contact information).

3. I do  / do not  have knowledge of the debtor's assets and liabilities, and financial aspects of the debtor's estate.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, then I am subject to punishment.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Filed by: \_\_\_\_\_

Attorney/Other

**D.N.J. LBR 3011-1. Unclaimed Funds in Cases Under Chapter 7, Subchapter V of Chapter 11, Chapter 12, or Chapter 13**

**(a) Deposit.** A trustee must file Local Form *Notice Depositing Unclaimed Funds Pursuant to D.N.J. LBR 3011-1* to deposit unclaimed funds into the court's registry without court order.

**(b) Payment of unclaimed funds.**

(1) All claimants must use Local Form *Application for Payment of Unclaimed Funds*.

(2) A claimant must be:

(A) the Owner of Record (original payee) or its legal successor; or

(B) the Owner of Record's assignee or its legal successor.

(3) The application must include the supporting documentation identified in the Instructions for Filing an Application for Payment of Unclaimed Funds. The court may, in its discretion, request supplemental documentation or additional information from a claimant and conduct a hearing to verify entitlement to the funds.

(4) The application must be served on the United States Attorney for the District of New Jersey and Local Form *Certification of Service* must be filed.

(5) The application must include Local Form *Order Granting Application for Payment of Unclaimed Funds*.

**(c) Objection.** An objection to the application must be filed and served within 21 days after filing the application. The court may conduct a hearing on the objection in its discretion.

2024 Comment

This Rule is modified to assist the court in preventing fraud. The Rule now expressly permits the court to request additional information from a claimant and to require appearances at a hearing on any application.

2020 Comment

The title of this Rule is amended to include Subchapter V of Chapter 11 due to the enactment of the Small Business Reorganization Act of 2019.

This Rule is amended to conform with the adoption of Director's Form 1340 (to be effective December 1, 2019) by the Judicial Conference of the United States.

If an objection is timely filed in accordance with subsection (c) the court will schedule a hearing.

In a closed case, no motion to reopen is required and no reopening fee will be charged.

2015 Comment

Section 2041 of title 28 governs deposit of funds in pending or adjudicated cases, and section 2042 governs withdrawal of funds deposited in court.

This Rule applies only to unclaimed distributions deposited into court by a trustee under § 347(a) of the Code. All other funds deposited into court are governed by Local Bankruptcy Rule 7067-1. In a closed case, the chief bankruptcy judge will hear the motion for withdrawal.

**Fill in this information to identify the case:**

Debtor 1

\_\_\_\_\_

First Name Middle Name Last Name

Debtor 2

(Spouse, if filing)

\_\_\_\_\_

First Name Middle Name Last Name

United States Bankruptcy Court for the: \_\_\_\_\_ District of \_\_\_\_\_  
(State)

Case number:

**Form 1340 (8/24)**

**APPLICATION FOR PAYMENT OF UNCLAIMED FUNDS**

**1. Claim Information**

For the benefit of the Claimant(s)<sup>1</sup> named below, application is made for the payment of unclaimed funds on deposit with the court. I have no knowledge that any other party may be entitled to these funds, and I am not aware of any dispute regarding these funds.

Note: If there are joint Claimants, complete the fields below for both Claimants.

Amount:

Claimant's Name:

Claimant's Current Mailing Address, Telephone Number, and Email Address:

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

**2. Claimant Information**

Applicant<sup>2</sup> represents the following:

- The Claimant is the Owner of Record<sup>3</sup> entitled to the unclaimed funds appearing on the records of the court.
- The Claimant (Successor Claimant) is entitled to the unclaimed funds by transfer, assignment, purchase, merger, acquisition, or succession by other means, and below are the name(s) of the Owner of Record and all previous owner(s) of the claim:

\_\_\_\_\_  
\_\_\_\_\_

- If the Claimant is a Successor Claimant, Applicant has sent a copy of the application to the Owner of Record and all other previous owner(s) of the claim at their current address or Applicant has enclosed a statement explaining why Applicant was not able to do so or an explanation of why doing so is not necessary.

<sup>1</sup> The Claimant is the party entitled to the unclaimed funds.

<sup>2</sup> The Applicant is the party filing the application. The Applicant and Claimant may be the same.

<sup>3</sup> The Owner of Record is the original payee.



**3. Applicant Information**

Applicant represents the following:

- Applicant is the Claimant.
- Applicant is Claimant’s representative (e.g., attorney or unclaimed funds locator).
- Applicant is a representative of the deceased Claimant’s estate.

**4. Supporting Documentation**

- Applicant has read the court’s instructions for filing an Application for Unclaimed Funds and is providing the required supporting documentation with this application.

**5. Notice to United States Attorney**

- Applicant has sent a copy of this application and supporting documentation to the United States Attorney, pursuant to 28 U.S.C. § 2042, at the following address:

Office of the United States Attorney  
 District of New Jersey  
 Peter Rodino Federal Building  
 970 Broad Street, Suite 700  
 Newark, New Jersey 07102

**6. Applicant Declaration**

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and any fraud in the application or supplemental materials may result in criminal penalties, see, e.g, 18 U.S.C. § 152.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Printed Name of Applicant

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

**6. Co-Applicant Declaration (if applicable)**

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and any fraud in the application or supplemental materials may result in criminal penalties, see, e.g. 18 U.S.C. § 152.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Co-Applicant (if applicable)

\_\_\_\_\_  
Printed Name of Co-Applicant (if applicable)

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

## **D.N.J. LBR 9013-4. Motions: Proposed Order**

**(a) Separate document.** A proposed order must be a separate document.

**(b) Order Template.** A party submitting a proposed order must use Local Form *Order Template*.

**(c) Title.** The title of a proposed order must identify the relief sought.

**(d) Order to be submitted.** If the court instructs a party to submit a new proposed order to reflect its ruling during a hearing, the new proposed order must be submitted to the chambers's email address. The same procedure must be used if the parties resolve a pending motion prior to the hearing and the calendar is marked "order to be submitted." The proposed order will be held for a 7-day objection period. If the parties seek immediate entry of the proposed order, they must inform the court in their email that they have filed Local Form *Certification Concerning Proposed Order*.

**(e) Objection period.** An objection to an order submitted under subdivision (d) must be submitted to the chambers's email address and served on all interested parties not later than 7 days after submission of the order. The objection must include an alternative proposed order. The court may conduct a hearing on the objection in its discretion.

### 2024 Comment

Subdivision (d) of this Rule has been modified to coincide with new Local Form *Certification Concerning Proposed Order*. The form comports with new Local Bankruptcy Rule 9019-4.

### 2018 Comment

This Rule has been amended to reflect the prevailing practice of attorneys requesting that a calendar be marked "order to be submitted" and to clarify the procedure for seeking immediate entry of a proposed order. Local Form *Certification Concerning Order to be Submitted* is new and is intended to document the parties' consent to entry of the proposed order.

Consent orders resolving adversary proceedings and those filed in lieu of a motion are governed by Local Bankruptcy Rule 9021-1.

### 2015 Comment

This Rule is new. It is derived from former Local Bankruptcy Rules 9072-1 and 9072-2, which have been deleted.

The 7-day objection period in subdivision (e) does not apply if the parties inform the court that they agree to entry of the revised order.

Local Bankruptcy Rule 7058-1 addresses proposed judgments in adversary proceedings.

Local Bankruptcy Rule 9021-1 addresses consent orders.

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

In Re:

Case No.: \_\_\_\_\_

Chapter: \_\_\_\_\_

Hearing Date: \_\_\_\_\_

Judge: \_\_\_\_\_

**CERTIFICATION CONCERNING PROPOSED ORDER**

I, \_\_\_\_\_, certify that with respect to the proposed order submitted to the court, the following is true and correct to the best of my knowledge.

For the matter titled \_\_\_\_\_ filed on \_\_\_\_\_:

- 1.)  A hearing was held, and the matter was marked "Order to be submitted." The proposed order comports with the Court's ruling, and
- all interested parties have reviewed the proposed order and agree to its entry. *Note:* order may be entered immediately.

**OR**

- all interested parties were provided with a copy of the proposed order, but have not all agreed. *Note:* order will be held for 7 days. If an objection is filed, a hearing may be held at the court's discretion.
- 2.)  The parties reported to the court that the matter was resolved, and all interested parties have reviewed the proposed order and agree to its entry.
- 3.)  If the proposed order is in an adversary proceeding:
- the order resolves all outstanding issues, and the adversary case may be closed.
- this is only a partial settlement. The following counts of the complaint remain for trial: \_\_\_\_\_.

A copy of the proposed order has been provided to:

NAME	RELATIONSHIP TO CASE
	<input type="checkbox"/> Trustee
	<input type="checkbox"/> U.S. Trustee

I certify under penalty of perjury that the foregoing is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

### **D.N.J. LBR 9019-3. Compromise or Settlement of Controversy**

**(a) Motion required.** A party seeking approval of a proposed compromise or settlement of a controversy must file a motion and, except where the motion is heard on shortened time, must file Local Form *Notice of Proposed Compromise or Settlement of Controversy*.

**(b) Adversary Proceeding.** If the settlement is of an adversary proceeding, the motion should be filed in the adversary case and the *Notice of Proposed Compromise or Settlement of Controversy* filed simultaneously in both the adversary and the main case.

#### 2024 Comment

This Rule is amended to clarify the procedures set forth in Bankruptcy Rule 9019 for approval of a proposed compromise or settlement. Where a motion under Bankruptcy Rule 9019 is not required, parties are directed to D.N.J. LBR 9019-4.

When the motion will be heard on shortened time, the motion should be served as directed by the Order Shortening Time and Local Form *Notice of Proposed Compromise or Settlement of Controversy* is not needed.

#### 2015 Comment

This Rule is new. In addition to the motion required under Bankruptcy Rule 9019, it provides the procedure for a party seeking approval of a proposed compromise or settlement of controversy to supply information to the court to satisfy the clerk's responsibility to send notice under Bankruptcy Rule 2002(a)(3).

Local Bankruptcy Rule 6004-1 addresses the notice requirements under Bankruptcy Rule 2002(a)(2) for a motion to sell property.

## **D.N.J. LBR 9019-4. Consent Order**

**(a) Consent order resolving pending motion or adversary proceeding.** A proposed consent order resolving a motion or adversary proceeding must be submitted to the chambers's email address. It must attach a filed copy of Local Form *Certification Concerning Proposed Order*.

**(b) Consent order in lieu of motion or adversary proceeding.** In addition to the requirements set forth in subdivision (a), if a proposed consent order is not related to a pending matter, the proponent must file an application that includes the facts and law supporting entry of the proposed consent order. Objections must be filed not later than 7 days after the filing of the application.

### 2024 Comment

This Rule is new. It replaces former D.N.J. LBR 9021-1. It augments the procedures set forth in D.N.J. LBR 9013-4(d) and (e). This Rule is intended for use only where all impacted parties are signatories to the consent order. Nothing in this Rule is intended to override compliance with Bankruptcy Rule 9019 where appropriate.