

LBR 6004-1. Sale of Estate Property

(a) Sales Free and Clear of Liens.

(1) Motion Required. A party may obtain an order authorizing the sale of estate property free and clear of liens or other interests by filing and serving it on the trustee, the United States Trustee, any party claiming an interest in the subject property or directly affected by the proposed sale, and all parties entitled to notice under Bankruptcy Rule 2002 (Bankruptcy Rule 2002(h) applies to all chapter 7, 12, and 13 cases). Unless the court orders otherwise, the motion must provide that liens and other interests will attach to the proceeds of the sale. The motion must attach a cover sheet substantially conforming to the local form **(Cover Sheet - Motion to Sell Property)**, must identify the name and address of each lienholder and any other party whose property rights are affected by the proposed sale, and must identify on the cover sheet the basis for compliance with § 363(f). In addition to the information on the cover sheet, the motion must include, immediately below the caption, the statement: "THIS MOTION AFFECTS THE PROPERTY RIGHTS OF..." with the name of each holder of a lien or other interest whose property rights are affected.

(2) Supporting Documents.

- (A) Memorandum of Law.** The motion must be supported by a memorandum of law explaining compliance with § 363(f).
- (B) Declaration.** The motion must be accompanied by admissible evidence supporting the factual basis for the motion and showing satisfaction of one or more conditions under § 363(f). The evidence must include a copy of a current title report, a current Uniform Commercial Code financing statement, or other report on the status of the title to the real or personal property and identification of any security interests in the subject property.
- (C) Notice.** Unless the court orders otherwise, the moving party must obtain a hearing date and give notice to all creditors in accordance with LBR 9013-1(c). The notice of the hearing must contain a description of the property, identification of the purchasing party, and the material terms of the sale (including any provision for overbidding at the hearing).

(b) Sales Subject to Liens. A party seeking to sell estate property subject to one or more liens which will not be discharged from the proceeds of the sale at closing must obtain an order

approving the sale. Subdivision (c) of this rule applies to such a sale.

- (c) **Other Sales Outside the Ordinary Course of Business.** If the subject property is not being sold free and clear of liens or other interests, or is being sold subject to one or more liens which will not be discharged from the sale proceeds at closing, the trustee or debtor in possession may obtain an order approving the sale by filing a notice of the proposed sale substantially conforming to the local form (**Notice of Proposed Use, Sale, or Lease of Property**). The notice must be served on the debtor, any committee appointed in the case, the United States trustee, all creditors, and any parties with an interest in the property or directly affected by the proposed sale.
- (d) **Trustee's Sale of Property Under \$2,500.** When all of the nonexempt property of the estate has an aggregate gross value less than \$2,500, the clerk may give a general notice of intent to sell such property other than in the ordinary course by including such notice in the notice of need to file a proof of claim, or other notice, without further notice or a hearing. An objection to this procedure must be filed not later than 21 days after the date of filing of such notice.
- (e) **Trustee's Sale of Personal Property on Leased Premises.** A motion by a trustee or debtor in possession to sell personal property of the estate located on leased premises may be heard on 7 days' notice without an order shortening time.
- (f) **Special Provisions.**
 - (1) **Good Faith Finding.** A party seeking approval of a sale or lease of property as being made in good faith under § 363(m) must make the specific allegation of good faith in a motion governed by this rule and provide supporting evidence.
 - (2) **14-Day Stay After Entry of Order.** A party seeking a provision in the order approving sale which waives the stay provided for in Bankruptcy Rule 6004(h) must include a specific request for this provision in the motion and the notice.

LBR 6006-1. Executory Contracts and Unexpired Leases

- (a) **Notice of Motion Regarding Assumption, Rejection, Assignment, or Performance of Obligations.** In addition to the notice required by Bankruptcy Rule 6006(c), notice of a motion or stipulation to assume, reject, or assign an executory contract or unexpired lease, including an extension of time to do so, or to compel performance of an obligation under a contract or lease must be served upon:
- (1) those entities known to the movant to be entitled to receive notice of a default, termination, or assignment of the contract or lease under the terms of the contract or lease itself or under the terms of any related contract with the debtor; and
 - (2) in a chapter 9 or chapter 11 case, the chair and counsel of record of each committee of creditors and each committee of equity security holders appointed pursuant to § 1102 or, if no committee has been appointed, the creditors that hold the 20 largest unsecured claims.
- (b) **Expedited Rejection.** Notwithstanding subdivision (a) of this rule, a chapter 7 trustee may move to reject an unexpired lease of nonresidential real property where the debtor is the tenant on 24 hours' notice given only to the other party to the lease. Such motions generally will be considered by the court without a hearing.

LBR 6070-1. Tax Information Filed with Court

- (a) **In General.** An individual debtor's tax return may be filed with the court only if the filing is required under § 521(f). The term tax return includes a transcript of a tax return, if the debtor elects to file a transcript rather than the complete tax return. This rule only applies to tax information which is filed with the court. It does not affect the right of a trustee, the Office of the United States Trustee, or a party in interest to request that the debtor provide tax information directly to the requesting party.
- (b) **Confidentiality of Tax Information.** An individual debtor's tax return information that is filed with the court under § 521 is confidential. Persons other than judicial officers and court employees may not view such tax information without a court order. Public access to such tax information is limited to viewing a docket entry that may include the name of the taxpayer, the type of tax information (e.g., 2009 Form 1040), and the tax period.
- (c) **Docketing of Tax Information.** When electronically filing tax information provided under § 521, the filer must use the specific docketing event prescribed by the clerk to safeguard the confidentiality of the tax information. Failure to use the correct docketing event may result in the transmission and display of confidential tax information to persons who are not entitled to view such information and may result in sanctions imposed on the filing party.
- (d) **Redaction of Personal Identifiers.** Prior to filing any tax information with the court, the filing party must redact all personal identifiers as required under Bankruptcy Rule 9037. Court employees are not responsible for making any redactions of personal identifying information.
- (e) **Obtaining Access to Tax Information on File.** A party in interest other than a party identified in § 107(c)(3) may seek access to the tax information filed under § 521 by filing a motion. The motion must be served on the debtor and the debtor's attorney and must:
 - (1) describe the moving party's status in the case;
 - (2) describe the specific tax information sought;
 - (3) state that the information cannot be obtained by the moving party from any other sources; and
 - (4) show a need for the tax information.
- (f) **Order Granting Access to Tax Information.** For good cause, the court may enter an order

granting a party access to specific tax information. The order must include language advising the moving party that the tax information is confidential and that any disclosure, dissemination, or improper use of the information may result in sanctions.

LBR 6071-1. Property of the Estate

An entity exercising control over a financial account, safe deposit box, or other property which may be property of the estate may request instructions from the court by filing an application substantially conforming to the local form (**Application for Instructions Regarding Property; Notice of Deadline to Request Hearing; Certificate of Service**). The application must be served on the debtor, the trustee, and any other party known to claim an interest in the property. If the party seeking instructions under this rule is an artificial entity, the entity may file the request without being represented by counsel.