

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

In Re:

**INDIVIDUAL CASES UNDER CHAPTER 7,
CHAPTER 13 AND CHAPTER 11
OF THE BANKRUPTCY CODE**

**ORDER PERMITTING SECURED CREDITORS IN INDIVIDUAL
CASES UNDER THE BANKRUPTCY CODE TO PROVIDE DEBTORS
WITH MONTHLY STATEMENTS, PAYMENT COUPONS AND
RELATED NOTICES WITHOUT VIOLATING THE AUTOMATIC
STAY AND DISCHARGE INJUNCTION OF
11 USC SECTIONS 362 AND 524 RESPECTIVELY**

A proposal for an Order of the Court setting forth a procedural mechanism by which secured creditors may provide debtors with monthly statements, payment coupons and related notices in individual cases under Chapter 7, Chapter 13, and Chapter 11 of the Bankruptcy Code without violating the automatic stay and discharge injunction of Sections 362 and 524 of the Bankruptcy Code respectively, having been reviewed by the Court, and the Court having considered the benefit to both debtors and secured creditors of authorizing secured creditors to so proceed, and good cause having been shown;

IT IS ORDERED that:

1. It shall not be a violation of the automatic stay or the discharge injunction for secured creditors to send regular monthly statements and payment coupons to individual debtors in cases under Chapter 7, Chapter 13, and Chapter 11 of the Bankruptcy Code;

2. In the event that debtors fail to make timely payments, it shall not be a violation of the automatic stay or the discharge injunction for secured creditors to send reminder statements, provided that the statements are informational only, and do not demand payment;

3. If mortgage payments include an escrow for property taxes and/or insurance, it shall not be a violation of the automatic stay or the discharge injunction for secured creditors to send any and all notices regarding the status of the escrow account(s), including notices regarding calculations of new monthly payments based on changes in property taxes or insurance premiums; and

4. If any mortgage obligation is a variable rate mortgage, it shall not be a violation of the automatic stay or the discharge injunction for secured creditors to send notices regarding adjustments in monthly payments resulting from interest rate changes;

5. This General Order becomes effective January 17, 2005 upon which date, the above referenced procedural transitions are to be implemented.

6. Notice to the Bar of this Order shall be provided on the Court's website:

www.njb.uscourts.gov.

Dated: January 3rd, 2005

/s/ Rosemary Gambardella
Hon. Rosemary Gambardella, Chief Judge
United States Bankruptcy Court
District of New Jersey