

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

In Re:

**NEW JERSEY JUDICIARY
FORECLOSURE MEDIATION
PROGRAM**

**GENERAL ORDER CLARIFYING THAT PARTICIPATION IN
THE NEW JERSEY JUDICIARY FORECLOSURE MEDIATION PROGRAM
DOES NOT VIOLATE THE AUTOMATIC STAY**

UPON RECOGNITION of a need to facilitate expanded access to the New Jersey Judiciary Foreclosure Mediation Program for individual debtors with pending bankruptcy cases, the Court adopts this general order to clarify that participation by debtors and mortgagees in the Foreclosure Mediation Program does not violate the automatic stay of actions or proceedings against the debtor under 11 U.S.C. § 362(a) in any way. By resolution of the Board of Judges of the United States Bankruptcy Court for the District of New Jersey,

IT IS ORDERED, that participation in the New Jersey Judiciary Foreclosure Mediation Program (“Program”) by mortgagees and by debtors with pending bankruptcy cases who meet the qualifying conditions of the Program shall not be deemed to be violative of the automatic stay. The parties are not required to obtain relief from the automatic stay in order to participate in the Foreclosure Mediation Program.

IT IS FURTHER ORDERED, that for a pending case under Chapter 13, the debtor must continue to comply with all obligations in the bankruptcy case, including the obligation to continue to make regular monthly mortgage payments to the mortgagee(s) and to make any required payments to the Chapter 13 trustee during the time that the mediation process is pending.

IT IS FURTHER ORDERED, that in all cases, if the automatic stay is in place during the participation of the parties in the Program, the automatic stay will remain in place. The mortgagee(s) will not have the right to continue with the foreclosure process otherwise permitted in connection with the Program, unless a separate motion for relief from the stay is granted by the Bankruptcy Court.

IT IS FURTHER ORDERED, that mortgagees shall retain all rights under the Bankruptcy Code, including the right to move for full relief from the automatic stay under 11 U.S.C. § 362(d), and the right to commence or continue foreclosure proceedings following the termination of the automatic stay by operation of law under 11 U.S.C. § 362(c).

IT IS FURTHER ORDERED, that if the mediation process results in a settlement or other consensual arrangement, including modification of the mortgage, the parties must seek Bankruptcy Court approval of the resolution of the matter by motion on notice to the mortgagee, trustee and all other interested parties.

IT IS FURTHER ORDERED, that if a settlement or other consensual arrangement approved by the Court impacts on the provisions of a Chapter 13 plan, a modified plan must be filed.

IT IS FURTHER ORDERED, that notice to the Bar of this Order shall be provided on the Court's website at www.njb.uscourts.gov.

Date: May 18, 2009

/S/Hon. JUDITH H. WIZMUR
Hon. Judith H. Wismur, Chief Judge
United States Bankruptcy Court
District of New Jersey