



U.S. Bankruptcy Court, District of Minnesota

Rule 6004-1. [ABROGATED]

[Effective April 15, 1997. Amended effective January 1, 2002; January 9, 2006; December 1, 2009; December 1, 2015; October 1, 2019. Abrogated effective September 4, 2024.]

2024 Advisory Committee Notes

Local Rule 6004-1 was abrogated, along with Local Forms 6004-1(a), 6004-1(d), and 6004-1(f). Subsections (a) and (c) were removed to ensure consistency with 11 U.S.C. § 363(b)(1) and Fed. R. Bankr. P. 2002(a)(2) and (c)(1) and 6004(a), (b), (d), and (e). Section 363(b)(1) generally allows the trustee, after notice and a hearing, to use, sell, or lease property of the estate outside the ordinary course of business. See 11 U.S.C. § 102(1)(A) (defining “after notice and a hearing”). Rule 6004(a), (b), (d), and (e) describe the procedures for doing so. For example, Fed. R. Bankr. P. 6004(a) requires that notice of a proposed use, sale, or lease of property, other than cash collateral, outside the ordinary course of business be given under Fed. R. Bankr. P. 2002(a)(2), which requires 21-days’ notice of such use, sale, or lease to all creditors. Rule 2002(c)(1) governs the content of the notice. Rule 6004(b) requires any objection to “be filed and served not less than seven days before the date set for the proposed action or within the time fixed by the court.” The objection is governed by Fed. R. Bankr. P. 9014. Under Fed. R. Bankr. P. 6004(d), if the nonexempt property of the estate has an aggregate gross value less than \$2,500.00, the trustee can give a general notice of intent to sell such property other than in the ordinary course of business. Any objection to such sale must be filed and served within 14 days of the mailing of the notice. Again, the objection is governed by Fed. R. Bankr. P. 9014. Notably, Fed. R. Bankr. P. 9014(a) states “relief shall be requested by motion.”

Subsection (b) was removed to ensure consistency with Fed. R. Bankr. P. 2002(a)(2). Rule 2002(a)(2) allows the court, not the United States trustee, to shorten the time for giving notice of a proposed use, sale, or lease or direct that notice not be sent. See also Fed. R. Bankr. P. 2002(h) and (i) (other notice limiting provisions).

Subsection (d) was removed as unnecessary, and with that, Local Form 6004-1(d) was abrogated. If the trustee seeks proof of authority to sell property, the trustee may file a motion and seek an order from the court.

Subsection (e) was removed for many of the same reasons as subsections (a) and (c) described above. Section 363(b)(1) and Fed. R. Bankr. P. 6004(a), (b), (d), and (e) do not require that the trustee’s proposed use, sale, or lease of property of the estate outside the ordinary course of business be approved by the court. If a trustee in a chapter 7 case needs a court order, the trustee should include a request for an order in the notice and attach a proposed order to the same.

Subsection (f) was removed as unnecessary, and with that, Local Form 6004-1(f) was abrogated. There is no need for a standard conveyance form. The language of each conveyance may differ depending on the circumstances.