

2/10/05

**United States Bankruptcy Court
Central District of California
Roybal Federal Building & Courthouse
255 East Temple Street, Suite 1360
Los Angeles, California 90012**

04-BK-F

**Vincent P. Zurzolo
Bankruptcy Judge**

September 15, 2004

Honorable Thomas S. Zilly
United States District Judge
United States District Court
Chair, Advisory Committee on Bankruptcy Rules
700 Stewart Street, Suite 15229
Seattle, WA 98101

Re: Proposed Amendments: Sales of Property
Federal Rules of Bankruptcy Procedure 6004(a), 2002(c)(1), 2002(p)

Dear Judge Zilly:

I request that the Advisory Committee on Bankruptcy Rules (the "Committee") consider amending Federal Rules of Bankruptcy 6004(a) and 2002(c)(1), and adding subdivision 2002(p), regarding sales of property under 11 U.S.C. 363. Specifically, I propose that notice of all sales of property valued above \$2,500.00 be published on a website maintained by the Administrative Office of U.S. Courts, and that parties requesting approval of a sale be required to electronically submit a form notice for such publication. The internet provides an excellent opportunity for widespread notice of sales, which may then lead to an increase in overbids and proceeds available to bankruptcy estates. In the Central District of California, our clerk maintains a website which provides notice of sales proposed in bankruptcy cases pending in our court. Parties outside of our district may not be aware of our site or of the published sales notices. Thus, having a federal rule will not only improve publicity and estate gain from sales, but also create a national awareness that there is one location containing information about all bankruptcy sales.

In the Central District of California, our Local Bankruptcy Rule 6004-2, a copy of which is attached, requires that a movant requesting an order approving a sale of property of the estate prepare, serve and file a form notice (F 6004-2, enclosed), and submit an additional copy for publication. Public Notice 01-003 (enclosed) clarifies the purpose, providing that a copy of the F 6004-2 Notice will be posted on the website for the Central District of California at www.cacb.uscourts.gov. Posting of an image of the additional copy is accomplished by the Communications Department of our Bankruptcy Court Clerk's Office.

I propose an amendment to Bankruptcy Rule 6004 as follows:

6004(a) “ ... shall be given pursuant to Rule 2002(a)(2), (c)(1), (i), ~~(k)~~
and (p) and, if applicable ...”

I propose adding a new subdivision to Bankruptcy Rule 2002 titled “2002(p)” and a sentence to the end of subdivision (c)(1) as follows:

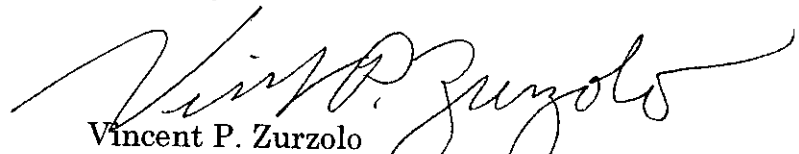
2002(p) *Website Publication of Sale Notice*
“At the same time that notice is required to other parties under this Rule, whether as an initial or subsequent notice, notice of a proposed sale pursuant to Rule 6004(a) shall also be prepared in a form acceptable under this Rule, shall contain the content required by subdivision (c)(1) of this Rule, and shall be electronically submitted for publication on a website maintained by the Administrative Office of United States Courts.”

2002(c)(1) At the end of the current language, add the following sentence.

“For purposes of publication under subdivision (p) of this Rule, if there is no date certain for the proposed sale, the notice shall so state, and shall include a closing date on the notice, no longer than six months from the initial date of publication.”

Thank you for your consideration of this matter. Please do not hesitate to contact me to discuss this further.

Sincerely,


Vincent P. Zurzolo
United States Bankruptcy Judge

Enclosure
VPZ/jrc



UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
OFFICE OF THE CLERK

JON D. CERETTO
Executive Officer
Clerk of Court

PUBLIC NOTICE

RE: NOTICE OF SALE OF ESTATE PROPERTY

Pursuant to Local Bankruptcy Rule 6004-2, whenever the debtor in possession or the trustee is required to give notice of a sale or of a motion to sell property of the estate, an additional copy of such notice and a document entitled "Notice of Sale of Estate Property," in the form of F 6004-2, must be submitted to the Clerk at the time of filing for purposes of publication.

This rule and form are effective January 2, 2001. The Court will post Notices of Sale of Estate Property to its web site at www.cacb.uscourts.gov.

JON D. CERETTO
CLERK OF COURT

01-003 (1/2/01)