

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF VERMONT**

In re:

**MODIFICATION OF
LOCAL RULES OF PRACTICE AND
PROCEDURE IN BANKRUPTCY COURT,
DISTRICT OF VERMONT**

STANDING ORDER # 16-01

**TO CLARIFY THAT ENTRY OF A
DISCHARGE WILL NOT BE DEFERRED
UNTIL THE CONCLUSION
OF LOSS MITIGATION MORTGAGE
MEDIATION AND
TO REVISE LOCAL RULE 4001-7(C).**


Prior to the enactment of the Court's current Local Rules in October of 2012, the Court's practice had been to defer entry of the discharge until a debtor's loss mitigation mortgage mediation process, if any, was concluded. See Standing Order # 10-01. The current Local Rules are silent on this issue and their enactment superseded all of the previously entered Standing Orders. This has caused some confusion.

After considering the legal question of whether entry of discharge needs to be deferred until a debtor completes the pending loss mitigation mortgage mediation process, and giving the bankruptcy bar an opportunity to consider and express its position on this issue, **THE COURT FINDS** there is no legal, statutory, or procedural basis for delaying entry of the discharge in a case in which the debtor is engaged in loss mitigation mortgage mediation.

Therefore, **IT IS HEREBY ORDERED** that, effective immediately, Vermont Local Bankruptcy Rule 4001-7(c) is revised to include the following new subparagraph (8):

- (8) Unless, after motion and a hearing (or a stipulation of the parties) the Court enters an order providing otherwise, the fact that the debtor is engaged in mediation shall not delay the entry of discharge.

May 4, 2016
Burlington, Vermont



Colleen A. Brown
United States Bankruptcy Judge