

### **D.N.J. LBR 9019-3. Compromise or Settlement of Controversy**

**(a) Motion required.** A party seeking an order of the court approving a proposed compromise or settlement of a controversy must file a motion and, except where the motion is heard on shortened time, must file Local Form *Notice of Proposed Compromise or Settlement of Controversy*.

**(b) Adversary Proceeding.** If the settlement is of an adversary proceeding, the motion should be filed in the adversary case and the *Notice of Proposed Compromise or Settlement of Controversy* filed simultaneously in both the adversary and the main case.

#### 2024 Comment

This Rule is amended to clarify the procedures set forth in Bankruptcy Rule 9019 for approval of a proposed compromise or settlement. Where a motion under Bankruptcy Rule 9019 is not required, parties are directed to D.N.J. LBR [9019-4](#).

When the motion will be heard on shortened time, the motion should be served as directed by the Order Shortening Time and Local Form *Notice of Proposed Compromise or Settlement of Controversy* is not needed.

#### 2015 Comment

This Rule is new. In addition to the motion required under Bankruptcy Rule 9019, it provides the procedure for a party seeking approval of a proposed compromise or settlement of controversy to supply information to the court to satisfy the clerk's responsibility to send notice under Bankruptcy Rule 2002(a)(3).

Local Bankruptcy Rule [6004-1](#) addresses the notice requirements under Bankruptcy Rule 2002(a)(2) for a motion to sell property.