

NOTICE

Bankruptcy Rule 7007.1 requires most corporate parties in adversary proceedings to disclose corporate entities that own 10% or more of the stock of the party. (Although the rule states that the party must file two copies of the statement with its first pleading in an adversary case, the copy requirement is irrelevant when documents are filed electronically.) In addition, the statement must be promptly supplemented upon a change in circumstances. The statement must be provided even if there are no entities that meet the 10% threshold.

Bankruptcy Rule 1007(a)(1) adds an obligation for most corporate debtors in voluntary cases to include the same information described in Rule 7007.1 and to file a supplemental statement upon a change of circumstances. If the statement was filed at the commencement of a voluntary case, the same disclosure does not have to be made each time that party is involved in an adversary proceeding related to that case.

The purpose of these requirements is to provide the Court with some of the information necessary to make judicial disqualification decisions. Counsel are advised that a deficiency notice will be issued if the corporate statements under Bankruptcy Rules 7007.1 and 1007(a)(1) are not timely filed, and that failure to remedy the deficiency may result in further action by the court.

In docketing the statement, attorneys should select Adversary or Bankruptcy, then Other and *Corporate Ownership Statement*.

Kenneth J. Hirz
Clerk of Court

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