

Bankruptcy Court for the District of Puerto Rico Issues New Order

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PRACTICE AREAS

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On April 23, 2020, the Bankruptcy Court for the District of Puerto Rico issued General Order 20-07 adopting the following procedures in light of the COVID-19 health emergency:

1. The automatic stay provisions of Section 362(a) of the Bankruptcy Code **are modified solely for debtors to seek and/or commence a loss mitigation option**, such as loan modification, forbearance agreement, repayment plan, or moratorium, without the need of filing a motion and obtaining prior court's authorization.
2. Whether the forbearance agreement, repayment plan, moratorium and/or loss mitigation are obtained or not by the creditor, the debtor shall file a report with the court within twenty-one (21) days on the results of the effort.

You may access the full order **here**.

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