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SCOTUS Opinion: Denial Of Request For Relief From Automatic Bankruptcy Stay Is A Final, Appealable Order

14 Jan 2020

After Ritzen Group, Inc. sued Jackson Masonry, LLC over a contract, Jackson filed for Chapter 11 bankruptcy, which immediately halted Ritzen's litigation. Ritzen moved the bankruptcy court for relief from the automatic stay, which was denied. Ritzen then filed a proof of claim, which was eventually disallowed. Ritzen then opted to file a notice of appeal of the bankruptcy court's denial of relief from the automatic stay, well after the 14-day deadline provided under the Rules. The district court dismissed the appeal as untimely, and the Sixth Circuit affirmed, holding that the denial of relief from the automatic stay was a final appealable order, and thus Ritzen had to appeal that decision within 14 days to preserve its rights. The Court, in a unanimous opinion by Justice Ginsburg, affirmed. Using *Bullard v. Blue Hills Bank*, 575 U.S. 496 (2015) as a guide, the Court held that a denial of relief from the automatic bankruptcy stay was a discrete proceeding ancillary to the rest of the bankruptcy proceedings, and thus was a final order subject to appeal. Contrary to civil cases in which a final order generally comes only upon completion of the entire case, bankruptcy proceedings constitute an aggregation of individual controversies that can be individually addressed, as here.

A link to the opinion in Ritzen Group, Inc. v. Jackson Masonry, LLC is here.

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TAGGED: Final Appealable Order, automatic stay, Bullard v. Blue Hills Bank, Ritzen Group Inc. v. Jackson Masonry LLC