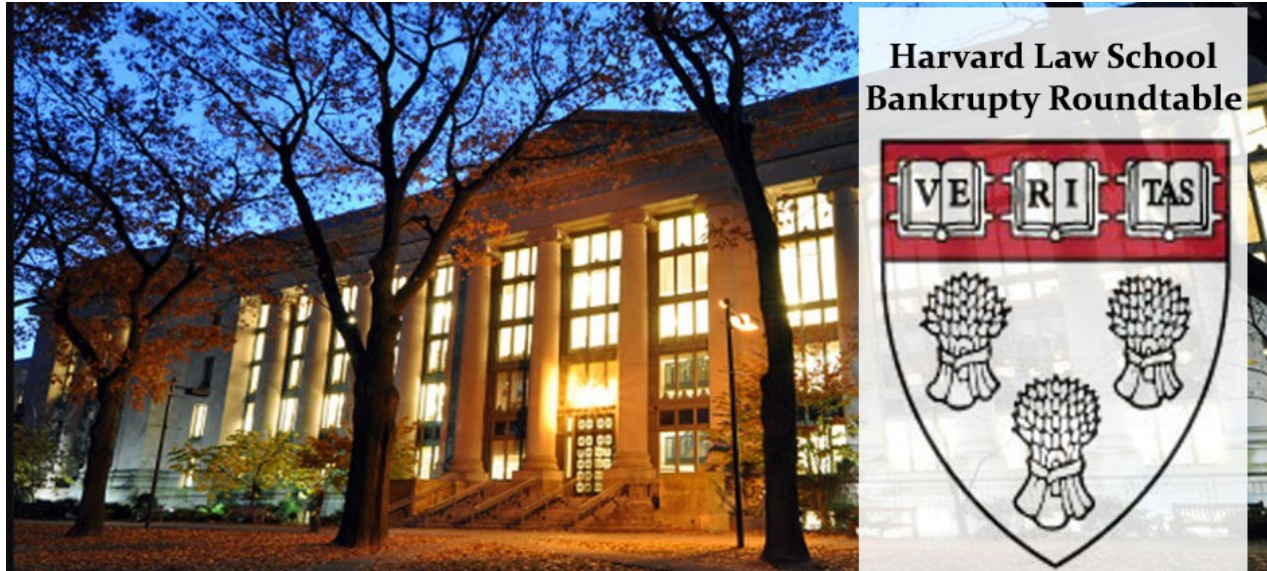


Harvard Law School Bankruptcy Roundtable

Promoting discussion between academics and practitioners



Supreme Court Permits Bankruptcy Courts to Issue Final Judgments with Parties' Consent

Posted on [June 9, 2015](#) by [Editor](#)

By Harold S. Novikoff, Douglas K. Mayer, Ian Boczko, Emil A. Kleinhaus, and Alexander B. Lees of Wachtell, Lipton, Rosen & Katz

The Supreme Court's latest decision regarding the power of bankruptcy judges to resolve claims between bankruptcy estates and their creditors is *Wellness International Network, Ltd. v. Sharif*, handed down on May 26, 2015. In its landmark 2011 ruling in *Stern v. Marshall*, the Court held that bankruptcy judges have limited authority under Article III of the Constitution to determine claims asserted by an estate against creditors. However, *Stern* left open the question, which has split lower courts, whether parties can nonetheless consent to bankruptcy court adjudication. In *Wellness*, the Supreme Court held that bankruptcy litigants may waive Article III rights, and

suggested that parties may forfeit untimely objections to a bankruptcy court's lack of authority.

For a fuller analysis and summary, click [here](#) for our memo on *Wellness*.