

### **Local Rule 2016-1. Professional Fees.**

- (a) Each judge's web page contains fee application procedures.
- (b) In chapter 11 cases, retainers may be deposited with attorneys or accountants only (i) prior to the filing of the petition; or (ii) pursuant to a Court order, if paid after the filing of the petition.
- (c) In chapter 11 cases, attorneys and accountants must deposit retainer funds in trust accounts, whether the retainer is received from the debtor or from anyone else. A retainer may be applied to fees and expenses only if no objection has been filed and 21 days have elapsed from the filing and service of a notice for the distribution of a retainer. The notice must describe the services rendered, time spent, hourly rates charged, and the name of the professional or paraprofessional doing the work. A notice of distribution may not be filed more frequently than once a month. Compensation withdrawn under this rule is interim until a final fee application is approved.
- (d) Chapter 13 debtor's attorneys may seek attorneys' fees on a fixed fee basis or a lodestar basis as follows:
  - (1) Fixed fee agreements must be filed within 21 days of the petition date and be in the form promulgated from time-to-time by the Bankruptcy Court.
  - (2) Lodestar applications must include (A) a cover sheet in the form promulgated from time-to-time by the Bankruptcy Court, (B) attached, detailed, contemporaneous time records; (C) a statement setting forth the basis of the retention (i.e., whether the retention was on a fixed or hourly fee basis and any other pertinent details); and (D) a narrative description setting forth any unique, unusual or time consuming issues particular to the chapter 13 case. A copy of the lodestar fee application, with required attachments, must be sent to the court's case manager.
- (e) A chapter 7 trustee is authorized to pay, without prior Court approval, administrative expenses from funds of the estate for:
  - (1) filing fees for adversary proceedings;
  - (2) bond premiums as authorized by the United States Trustee;
  - (3) reasonable and necessary bank charges;

- (4) additional routine administrative expenses incurred in the administration of the estate for the preservation of estate assets, such as locksmith charges and storage rental expenses payable to unrelated third party vendors, in amounts not exceeding an aggregate of \$2,000.00 to any single entity.

Payments made pursuant to subsection 2016-1(e)(4) must be itemized and described in the Trustee's Request for Fees and Expenses and are subject to Court approval after notice and hearing. This Rule does not (x) apply to payments advanced by professionals retained by the estate; or (y) limit amounts that may be paid by a chapter 7 trustee who is authorized to operate the business of a debtor pursuant to § 721 of the Code.