

UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF GEORGIA

In Re: Administrative Order on Attorney Fees in Chapter 13 Cases

ORDER

In recognition of the high volume of Chapter 13 cases filed in this district and acknowledging that many of these cases require similar legal services for each debtor, the court enters the following administrative order to promote the efficient management of compensation by debtors' attorneys, to provide fair and equitable treatment to debtors and their attorneys, and to avoid undue additional financial burdens on debtors. Accordingly, it is hereby

ORDERED that, effective as to cases filed on or after February 1, 2011, attorney fees in Chapter 13 cases will be awarded pursuant to the fee options allowed in this order and paid as set out below:

Fee Options:

This Order establishes procedures for approval of attorneys' fees at confirmation and for the duration of the case by authorizing fees without itemized fee applications and hearings in those cases where the attorney and the debtor agree on a single set fee. This Order also establishes the option of fees to be authorized based upon the attorney's itemized fee application. Unless the court orders otherwise, the attorney may select the method of setting the fee in each case by agreement with the debtor. This Order is not intended to set any minimum or maximum fee in any Chapter 13 case filed in this district. Attorneys are prohibited from advising clients or the public that the court mandates any set fee amount to be charged for a Chapter 13 case.

Fees Based on a Single Set Fee:

The Single Set Fee provided in this Order represents a fee that is agreed upon between the debtor and debtor's attorney and shall be a specific amount up to but not to exceed three thousand dollars (\$3,000.00). The fee is expected to provide for payment of costs and expenses (other than the filing fee) and for all services rendered to the debtor from the filing of the petition to the closing of the case. No supplemental fee application may be filed in cases receiving a Single Set Fee. An attorney for a Chapter 13 debtor receiving a Single Set Fee is excused from filing an initial fee application or reporting hours or listing of any expenses.

Attorneys representing debtors in Chapter 13 cases are required to represent the debtor in all matters relating to the case affecting the debtor's interests until the attorney is permitted to withdraw by order of the court. LBR 2091-1.

Fees Based on Itemized Applications:

The fee awarded pursuant to an itemized fee application is to provide for payment of

costs and expenses (other than the filing fee) and all services rendered to the debtor up to and including the hearing on confirmation of the plan. The award made at confirmation will be based solely on an itemized written application of time and expenses incurred up to the final hearing on confirmation of the plan, and must not include any future fees which may be earned later in the representation of the debtor. After confirmation, any additional fees requested must be presented to the court by way of supplemental itemized fee applications subject to the time limitations of 11 U.S.C. § 330. Attorneys at confirmation will not satisfy the requirement of this Order by simply reporting a total accumulation of hours. Each application must be itemized. Attorneys receiving fees through itemized applications are still expected to represent debtors in all matters relating to the case affecting the debtors until the attorney is permitted to withdraw by order of the court. LBR 2091-1.

Method of Disbursement of Fees:

Regardless of the fee amount awarded or the method of calculating the fee, disbursement of that fee to the attorney shall be as follows:

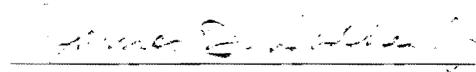
- (a) Upon confirmation of Debtor's Chapter 13 plan and in the first distribution thereunder, the Chapter 13 Trustee (hereinafter, "Trustee") shall be authorized to disburse to Debtor's attorney the lesser of \$1,500.00 or six (6) times the monthly plan payment, less any attorneys fees paid prior to confirmation. Disbursement of fees shall begin with the first distribution under the confirmed plan and shall continue monthly thereafter until the sum authorized by this paragraph is paid. Such disbursements shall be made from proceeds available or paid to the trustee by the Debtor, or on Debtor's behalf, after the deduction of any current house payment in the plan, any unpaid filing fees, and payment of Trustee's fees and expenses.
- (b) After completion of disbursements to the Debtor's attorney as authorized in (a) above, the Trustee is authorized to disburse the balance of any remaining attorneys fees under Debtor's plan in an amount not to exceed the lesser of \$100.00 or 40% (percent) of the monthly plan payment excluding any current house payment in the plan; and
- (c) If the attorney is awarded supplemental fees by itemized application, the fees so awarded will be paid in accordance with paragraph (b) above, and it is
- (d) If no plan is confirmed and the Chapter 13 case is dismissed or converted to Chapter 7, unless otherwise ordered, Trustee is authorized to disburse to Debtor's attorney compensation not to exceed the sum of \$800.00, less any sums previously received by Debtor's attorney, after deduction of any unpaid filing fees and payment of Trustee's fees and expenses, and

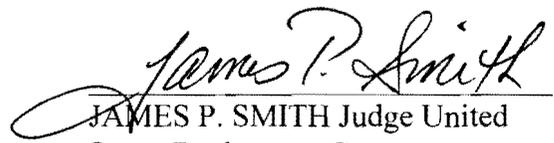
FURTHER ORDERED that after the filing of a Chapter 13 case, the attorney for Debtor shall collect no compensation other than that allowed by this Order without prior court approval based upon an appropriate application and order; and it is

FURTHER ORDERED that any fee allowed and paid in accordance with the procedures specified in this Order shall be interim in nature and, as such, subject to review, disallowance, and disgorgement, upon request of Trustee or on the Court's own motion.

IT IS SO ORDERED this 20<sup>th</sup> day of January, 2011.

  
JOHN T. LANEY, III Chief Judge  
United States Bankruptcy Court

  
JAMES D. WALKER, JR. Judge  
United States Bankruptcy Court

  
JAMES P. SMITH Judge United  
States Bankruptcy Court