

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA

IN RE:)

Chapter 13 Attorney's Fees)

) Administrative Order No. 2019-3
)

ORDER REGARDING CHAPTER 13 ATTORNEY'S FEES

In all chapter 13 cases filed after May 31, 2017, the "no look" compensation for the debtor's counsel in confirmed cases shall not exceed the lesser of \$4,000 or the amount proposed to be paid (including trustee's commission) to creditors through the plan, with a floor of \$2,400. The "no look" compensation in chapter 13 cases dismissed prior to confirmation shall not exceed \$1,000. In addition, the court will generally allow a "no look" fee of \$500 or 10% of the net settlement (whichever is less) to the debtor's counsel for substantial legal work associated with approval of tort claims and of \$500 for substantial legal work associated with sale of the debtor's real property. When practicable, the court will order that these add-on fees be paid from the settlement proceeds or real estate sale proceeds rather than through the plan. No other fees or costs shall be paid to the debtor's counsel without prior court approval except costs related to the filing of a petition. Said costs shall be disclosed in the petition and are subject to review by the court.

The debtor's counsel shall obtain the signature of the debtor on all initial fee applications in chapter 13 proceedings and shall indicate the amount of the fee and the method of payment. Any retained fee collected by an attorney prior to the filing of the chapter 13 petition shall be disclosed in the fee petition and the retainer shall be deducted from the fee awarded by the court. The fee petition shall further disclose any fees and expenses charged or collected for any prepetition legal work performed by the counsel for the debtor within 1 year prior to filing bankruptcy. Unless said prepetition legal work is clearly delineated as unrelated to the chapter 13, the chapter 13 trustee shall deduct any such disclosed prepetition fees and expenses from the fees awarded in chapter 13. Although up to \$3,000 of the "no look" attorney's fees shall be due and payable in full at the date of confirmation, payment of attorney's fees shall be made in accordance with the plan and to the extent funds are available. After payment of the initial \$3,000, the remaining amount of the "no look" fee will be paid at \$50 a month at the secured Bankruptcy Code § 1325 level as funds are available. Any add-on fees being paid through the plan shall be treated as administrative expense claims.

Dated: April 3, 2019


Henry A. Callaway
Chief U.S. Bankruptcy Judge


Jerry Q. Oldshue
U.S. Bankruptcy Judge