

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF ALABAMA

LOCAL GENERAL ORDER NO. 19

SEPARATE PRE- AND POSTPETITION LEGAL SERVICES CONTRACTS
IN CHAPTER 7 CASES

A debtor and his or her counsel may agree to separate prepetition and postpetition contracts for legal services in a Chapter 7 bankruptcy case. The contracts shall comply with Alabama Rules of Professional Conduct 1.1 and 1.2, Bankruptcy Code §§ 526-28, and any other applicable standards. The prepetition agreement must allow the debtor at least ten days postpetition to decide whether to enter into a postpetition legal services contract and must provide that the attorney will remain as counsel of record until allowed to withdraw. The postpetition contract must cover all remaining aspects of the case except for adversary proceedings. All compensation paid or agreed to be paid must be disclosed pursuant to 11 U.S.C. § 329(a) and Bankruptcy Rule 2016(b). Pursuant to Bankruptcy Rule 1006(b)(3), no attorneys fees shall be paid or accepted postpetition until the filing fee has been paid in full.

If the debtor's counsel has not agreed to postpetition representation and the debtor fails to enter into an agreement for postpetition legal services, the court may allow the attorney to withdraw from the representation of the debtor upon the attorney's motion with service on the debtor, trustee, and bankruptcy administrator. Motions to withdraw may be considered on an expedited basis without being set for hearing.

This order is effective April 1, 2018.

Dated: 3/27/18


HENRY A. CALLAWAY
CHIEF U.S. BANKRUPTCY JUDGE


JERRY C. OLDSHUE
U.S. BANKRUPTCY JUDGE