

negative notice procedures do not apply and an order granting the motion will be entered without a hearing. If the stay has terminated as a result of the treatment of the movant's claim under the plan and the Court's administrative order prescribing procedures for Chapter 13 cases, the movant may use this procedure to file a motion for an order confirming that the automatic stay is not in effect. No filing fee is required for a motion filed under this subsection.

(C) ***Motions for Relief from Codebtor Stay.*** Motions for relief from the codebtor stay imposed by 11 U.S.C. §§ 1201(a) or 1301(a) ~~shall~~must establish that the debtor's Chapter 13 plan does not provide for payment in full of the movant's claim or that the movant's interest will be irreparably harmed by the continuation of the codebtor stay. ~~A~~The moving party may combine a request for relief from the codebtor stay may be combined with a request for relief from stay as to the debtor in a single motion. However, if a motion for relief from the automatic codebtor stay is combined with a motion for relief from stay as to the debtor using the negative notice procedures of Local Rule 2002-4, the moving party waives the right to enforce the 20-day deadline contained in 11 U.S.C. §§ 1201(d) or 1301(d) and the stay remains in effect until the Court's ruling on the requested relief.

(3) ***Requests for Waiver of the 14-Day Stay Under Fed. R. Bankr. P. 4001(a)(3).*** Generally, the Court will grant a request for waiver of the 14-day stay under Fed. R. Bankr. P. 4001(a)(3) if the request is included in a motion for relief from stay as to real property. Absent compelling circumstances, the Court will deny a request for waiver of the 14-day stay with respect to motor vehicles.

(4) ***Standing.*** Unless the issue of standing is actually litigated and determined by the Court, the Court's order granting or denying a motion for relief from stay will not make a determination that the movant has standing to seek the relief requested in the motion or any related action pending in another court.

(5) ***Effect of Conversion on Pending Motion.*** If a case is converted from one chapter to another while a motion for relief from stay is pending, the Court's order of conversion will provide for the abatement of the motion until the movant files an amended motion and serves the amended motion upon all appropriate parties, including the trustee appointed in the converted case. No filing fee will be assessed for the amended motion.

(6) ***Effect of Dismissal on Pending Motion.*** If a case is dismissed while a motion for relief from stay is pending, the Court's dismissal order will confirm that the stay is terminated by operation of law upon the effective date of the dismissal order and will deny all pending motions for relief from stay. However, the Court will retain jurisdiction to consider motions for relief from stay that request an order binding upon the debtor in subsequently filed cases and to consider any pending order to show cause for dismissal with prejudice. If the motion is served using the negative notice provisions of Local Rule 2002-4, and the negative notice period expires prior to the date on which the dismissal order becomes final, the Court will process an order granting the motion in the usual course.

(7) ***Inspection of Property.*** Upon reasonable notice, the moving party shall be entitled to inspect the property that is the subject of a motion for relief from the automatic stay. The notice shall provide for inspection not less than seven days from the date of service of such notice unless the time is shortened by the Court.

(8) ***Discovery Response Time.*** For the purpose of this rule, the time for responding to discovery requests under Fed. R. Bankr. P. 7030, 7034, and 7036 is reduced to 21 days, unless otherwise directed by the Court.

(9) ***Expert Witness Testimony.*** A party who intends to introduce the testimony of an expert witness at trial shall make such witness available for deposition upon reasonable notice.

(10) ***Deemed Waiver of Time Limits Under 11 U.S.C. § 362(e)(1) and (2).*** A party seeking relief from the automatic stay using the negative notice procedures set forth in Local Rule 2002-4 waives the right to enforce the 30- or 60-day hearing requirements contained in 11 U.S.C. § 362(e), and the 30- or 60-day hearing requirements shall be deemed extended until the Court's ruling on the relief requested by such party.

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*Notes of Advisory Committee*

2023 Amendment

This amendment revises section (c)(2)(C) to conform with the Court's current procedures that a request for relief by negative notice also waives the deadlines for relief from the codebtor stay in 11 U.S.C. §§ 1201(d) and 1301(d). This amendment to the rule is effective August 1, 2023.

## Rule 1074-1

### CORPORATIONS AND OTHER NON-INDIVIDUAL PERSONS

(a) *Representation by Counsel.* Corporations, partnerships, trusts, and other persons who are not individuals may appear and be heard only through counsel permitted to practice in the Court under Local Rule 2090-1. Subject to this general rule, agents of non-individual persons may attend meetings of creditors under 11 U.S.C. § 341(a) and may, with the Court's permission, appear in connection with objections to claims and other limited matters.

(b) *Voluntary Petition – Non-Individual Debtor.* An attorney signing a voluntary bankruptcy petition for any non-individual debtor must file with the petition a certificate, resolution, or other applicable documentation demonstrating that the filing is authorized by the debtor.

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#### *Notes of Advisory Committee*

#### *2023 Amendment*

This amendment adds new section (b) requiring the filing of documentation stating that a non-individual debtor authorizes the filing of a bankruptcy petition. This amendment to the rule is effective August 1, 2023.

Rule 2081-1

CHAPTER 11 – GENERAL

(a) **Operations.** The trustee or debtor-in-possession in a Chapter 11 case may operate the business of the debtor pursuant to 11 U.S.C. § 1108 and any order of the Court specifying terms and conditions of the operation of the debtor's business.

(b) **Case Management Summary.** Within the earlier of three business days following the petition date, or the date that the debtor-in-possession first files a motion requesting affirmative relief, the debtor-in-possession shall file a Chapter 11 Case Management Summary providing the following information:

- (1) description of the debtor's business;
- (2) locations of the debtor's operations and whether leased or owned;
- (3) reasons for filing Chapter 11;
- (4) list of officers, directors and insiders (including relatives of insiders), if applicable, and their salaries and who receive salaries or benefits from the debtor and their respective salaries or benefits at the time of filing and during the one year prior to filing;
- (5) the debtor's annual gross revenues;
- (6) amounts owed to various creditors, including current year to date and prior fiscal year:
  - (A) priority creditors such as governmental creditors for taxes,
  - (B) secured creditors and their respective collateral, and
  - (C) unsecured creditors;
- (7) general description and approximate value of the debtor's current and fixed assets;
- (8) number of employees and gross amounts of wages owed as of petition date;
- (9) status of the debtor's payroll and sales tax obligation, if applicable;
- (10) anticipated emergency relief to be requested within the first 14 days after the petition date; and

(11) the debtor's strategic objectives, i.e., refinancing, cram down, surrender/sale of assets or business.

(c) **Initial Status Conference.** The Court may schedule an initial status conference at which debtor's counsel should be prepared to address the following: status of the case and reason for the bankruptcy case, deadlines for filing a plan and disclosure statement, special noticing issues, the need for scheduling regular status conferences, and the scheduling of pending motions.

(d) **Monthly Operating Reports in Small Business Cases.** Each month, Small Business Debtors as defined in 11 U.S.C. § 101(51D) shall file and Subchapter V Debtors as defined in 11 U.S.C. § 1182 shall complete and file the Schedule of Receipts and Disbursements (also required of Chapter 11 Business Debtors), following as Appendix A. The Schedule may be filed without the referenced attachments. ~~This requirement is in addition to~~ In addition to filing the Schedule included herein as Appendix A, Small Business Debtors and Subchapter V Debtors shall also file a Check Register in the form following as Appendix B, which shall identify all checks issued by the debtor during the reporting month and all outstanding checks issued before the commencement of the debtor's bankruptcy case which were permitted to clear during the applicable reporting period. Small Business Debtors and Subchapter V Debtors shall complete and file a separate Check Register for each bank account from which checks are drawn. These requirements are in addition to the completion and filing of the Small Business Monthly Operating Report prescribed or promulgated by the Judicial Conference.

(e) **Employee Salaries.** Upon the filing of a Chapter 11 petition, all employees (including managers, agents, or officers who are not affiliates, within the meaning of 11 U.S.C. § 101(2)(A)), may be paid a salary and receive benefits accruing post-petition in the ordinary course of business. The Court may review, and grant appropriate relief, if such salaries are later determined to be unreasonable.

An officer, manager, or employee who also qualifies as an affiliate (collectively, "Affiliate Officer") must file a motion to have his or her salary and benefits approved by the Court in advance of payment. Court authority for payment of any salary or benefits shall not constitute the assumption of any existing employment agreement. A motion for authority for the payment of any prepetition wages or Affiliate Officer's salary may be filed pursuant to the expedited procedures set forth in ~~section~~ subsection (g)(6) of this rule. Authorization for payment may be retroactive to the petition date if the motion so requests.

(f) **Bank Accounts.** The debtor-in-possession, consistent with 11 U.S.C. § 345, is authorized to open and maintain bank accounts for the deposit, investment, and disbursement of monies of the estate; provided, however, that the debtor-in-possession shall segregate all monies withheld from employees or collected for taxes in a separate bank account(s) and shall pay these funds to the proper authority when due.

(g) **Expedited Motions.** The following motions shall be scheduled for hearing within three business days, if reasonably possible and if the motions are served electronically or by facsimile transmission. Expedited motions must be served by facsimile or hand delivery on the

Office of United States Trustee, with telephonic notice of the hearing date and time, unless service by another means is agreed to by the Office of the United States Trustee.

(1) ***Motion Seeking Authority to Use Cash Collateral.*** A motion seeking authority to use cash collateral pursuant to 11 U.S.C. § 363 shall comply with Fed. R. Bankr. P. 4001(b) or (d) and include the following information:

(A) ***Required Terms.*** The motion to use cash collateral shall include the following provisions:

(i) a budget setting forth the projected cash flow of the debtor for the period of time for which the use of cash collateral is sought;

(ii) the amounts and types of cash collateral on the petition date;

(iii) the name of each secured creditor having a security interest in the cash collateral, the basis upon which the secured creditor is entitled to assert a security interest in the cash collateral, and the amount owed to the secured creditor;

(iv) the debtor's proposed adequate protection for each secured creditor (*e.g.*, replacement lien, insurance);

(v) reasonable reporting requirements; and

(vi) proposed consequences of default.

(B) ***Extraordinary Terms.*** The following provisions will generally not be approved absent compelling circumstances:

(i) any cross-collateralization provision that would secure the repayment of prepetition debt with postpetition assets;

(ii) a waiver of any claims to include avoidance actions against any secured creditor;

(iii) a waiver of any rights the estate may have under 11 U.S.C. § 506(c);

(iv) any factual stipulations or findings that bind the estate or parties in interest with respect to the validity, priority, and extent of secured creditor's liens;

(v) immediate relief from stay under the order approving use of cash collateral or automatic relief from stay upon default;

(vi) granting of liens on avoidance action recoveries;

(vii) validation of any secured creditor's security interest in its collateral or within a limited period of time after the appointment of a committee pursuant to 11 U.S.C. § 1102; or

(viii) any subordination of administrative priority claims arising under 11 U.S.C. § 726(c).

(2) ***Motion for Approval of Postpetition Financing.*** A motion seeking approval of postpetition financing pursuant to 11 U.S.C. § 364 shall comply with Fed. R. Bankr. P. 4001(c) and (d) and must include:

(A) the identity of the proposed lender and its relationship to any of the parties;

(B) a copy of the DIP loan agreement, together with a summary of the terms of the debt to be incurred ("DIP Loan") including:

(i) the collateral in which the lender is seeking to obtain a security interest and whether the lender is seeking to prime existing liens;

(ii) the amount of the loan proposed to be extended by the lender;

(iii) the applicable interest rate and all other charges to be made in connection with the DIP Loan; and

(iv) the payment terms and duration of the DIP Loan.

(C) the amount of credit that the debtor seeks authority to obtain from the date of the preliminary hearing on the motion through and until the final hearing on the motion, if the debtor seeks authority to obtain credit sooner than 14 days after service of the motion. (The debtor shall attach a budget setting forth the projected cash flow of the debtor for the period of time for which the credit is sought.);

(D) the efforts made to obtain financing from other lenders;

(E) the debtor's ability to repay the DIP Loan; and

(F) the inclusion of any of the terms listed in section (g)(1)(B) above.

(3) ***Motion for Authority to Pay Prepetition Wages.*** A motion seeking authority to pay employees of the debtor prepetition wages outstanding as of the petition date shall include a schedule setting forth:

(A) the name of each employee to whom such wages are sought to be paid;

- (B) the amount due such employee(s) as of the petition date;
- (C) the amounts to be withheld from such wages, including all applicable payroll taxes and related benefits;
- (D) the period of time for which prepetition wages are due;
- (E) whether the employee is presently employed by the debtor;
- (F) the irreparable harm that will result if the relief is not granted; and
- (G) whether any of the employees are insiders as defined in 11 U.S.C. § 101(31).

The motion shall also include a representation by the debtor that all applicable payroll taxes and related benefits due to the debtor's employees will be paid concurrently with payment of the wages.

(4) ***Motion for Authority to Maintain Prepetition Bank Accounts.*** A motion seeking authority to maintain prepetition bank accounts shall include:

- (A) a schedule listing each prepetition bank account that the debtor seeks to maintain postpetition;
- (B) the reason for seeking such authority;
- (C) the amount on deposit in each such account as of the petition date;
- (D) whether the depository is an authorized depository pursuant to 11 U.S.C. § 345(b); and
- (E) a representation that the debtor has consulted with the Office of the United States Trustee regarding the continued maintenance of prepetition bank accounts and the United States Trustee has not consented to the proposed maintenance of use of such accounts.

If the debtor is unable to provide the foregoing information, the motion shall set forth the reason why such information is not available and provide an estimate as to when the debtor will supplement its motion with such information.

(5) ***Motion for Authority to Pay Critical Vendors.*** A motion seeking authority to pay prepetition claims deemed critical by the debtor will generally not be approved absent compelling circumstances supported by evidentiary findings. Any such motion shall include:

- (A) a schedule of the names of each claimant;



- (B) the amount due each claimant;
- (C) a description of the goods or services provided to the debtor by each claimant;
- (D) facts and law supporting payment of the prepetition debt under the doctrine of necessity;
- (E) the irreparable harm that will result if the relief is not granted; and
- (F) whether the claimant has made any concession or other agreement in consideration for the proposed payment, including the extension of postpetition trade credit.

(6) ***Motion for Authority to Pay Affiliate Officer Salaries.*** A motion to pay, on an interim basis, the salary of any officer, manager, or employee, who also qualifies as an affiliate under 11 U.S.C. § 101(2)(A) shall include:

- (A) the name of the Affiliate Officer, the officer's position and job responsibilities;
- (B) the nature of the Affiliate Officer's relationship to the debtor;
- (C) the salary received by the Affiliate Officer during the 12 months prior to the filing of the debtor's Chapter 11 petition, including a description of any prepetition employment agreement;
- (D) a description of any services performed for any third party or compensation received or that will be received by the Affiliate Officer from any source other than the debtor-in-possession after the date of the petition;
- (E) the salary proposed to be paid to the Affiliate Officer, including all benefits; and
- (F) the amounts to be withheld from such salary of the Affiliate Officer, including all applicable payroll taxes and related benefits.

An interim order to authorize the payment of salaries to Affiliate Officers is subject to review or reconsideration at any time upon the motion of a party in interest or by the Court *sua sponte*.

(7) ***Motion to Determine Adequate Assurance for Payment of Utility Services or, in the Alternative, Establishing the Procedure for Determining Adequate Assurance.*** The Court may consider this motion without a hearing.

- (A) ***Content of the Motion.*** A motion to determine adequate assurance of payment of the debtor's utility services shall include:

(i) a schedule of the names and addresses of the utilities;

(ii) whether the debtor is current in the payment of its utility;

(iii) an estimate of average monthly utility expense;

(iv) the amount owed to each utility; and

(v) the method by which the debtor will provide adequate assurance of timely payment.

(B) ***Proposed Order Conditionally Approving Motion.*** The motion shall be accompanied by a proposed order that provides for conditional approval of the motion subject to a 30-day objection period, which shall be set forth in the order by including above the preamble and below the title of the order the following bulletin in print either highlighted or bold so as to make it more prominent than the remainder of the text:

**Any interested party who fails to file and serve a written objection to the motion (as conditionally approved by this Order) within 30 days after entry of the Order, shall be deemed to have consented to the provisions of this Order.**

(C) ***Objections.*** Timely objections will be scheduled for hearing. If no timely objection is filed the order shall be deemed final, and no further notice, hearing, or order shall be required.

(h) ***Use of Property.*** Subject to the provisions of 11 U.S.C. §§ 363 and 365, the debtor-in-possession may use, sell, or lease property of the estate. The debtor-in-possession is authorized to pay all necessary and current expenses of operating its business, including tax and lease payments, to the extent that such payments are necessary to preserve the assets or operate the business and provided that the payments are for only the postpetition period.

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*Notes of Advisory Committee*

2021 Amendment

This amendment revises section (b)(4) to require a list of only those officers, directors, and insiders receiving salaries or benefits from the debtor. This amendment further revises section (d) to require Small Business Debtors and Subchapter V Debtors to file a Check Register in the form of Appendix B with the Small Business Monthly Operating Report and clarifies that both Small Business Debtors and Subchapter V Debtors are required to file a Schedule of

Receipts and Disbursements with their monthly operating reports. This amendment to the rule is effective August 1, 2021.

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS**  
**FOR THE PERIOD BEGINNING \_\_\_\_\_ AND ENDING \_\_\_\_\_**

Name of Debtor: \_\_\_\_\_  
 Date of Petition: \_\_\_\_\_

Case Number \_\_\_\_\_

	CURRENT MONTH	CUMULATIVE PETITION TO DATE
<b>1. FUNDS AT BEGINNING OF PERIOD</b>	_____ (a)	_____ (b)
<b>2. RECEIPTS:</b>		
A. Cash Sales	_____	_____
Minus: Cash Refunds	_____ (-)	_____
Net Cash Sales	_____	_____
B. Accounts Receivable	_____	_____
C. Other Receipts (See MOR-3)	_____	_____
(If you receive rental income, you must attach a rent roll.)		
<b>3. TOTAL RECEIPTS (Lines 2A+2B+2C)</b>	_____	_____
<b>4. TOTAL FUNDS AVAILABLE FOR OPERATIONS (Line 1 + Line 3)</b>	_____	_____
<b>5. DISBURSEMENTS</b>		
A. Advertising	_____	_____
B. Bank Charges	_____	_____
C. Contract Labor	_____	_____
D. Fixed Asset Payments (not incl. in "N")	_____	_____
E. Insurance	_____	_____
F. Inventory Payments	_____	_____
G. Leases	_____	_____
H. Manufacturing Supplies	_____	_____
I. Office Supplies	_____	_____
J. Payroll - Net	_____	_____
K. Professional Fees (Accounting & Legal)	_____	_____
L. Rent	_____	_____
M. Repairs & Maintenance	_____	_____
N. Secured Creditor Payments	_____	_____
O. Taxes Paid - Payroll	_____	_____
P. Taxes Paid - Sales & Use	_____	_____
Q. Taxes Paid - Other	_____	_____
R. Telephone	_____	_____
S. Travel & Entertainment	_____	_____
Y. U.S. Trustee Quarterly Fees	_____	_____
U. Utilities	_____	_____
V. Vehicle Expenses	_____	_____
W. Other Operating Expenses (See MOR-3)	_____	_____
<b>6. TOTAL DISBURSEMENTS (Sum of 5A thru W)</b>	_____	_____
<b>7. ENDING BALANCE (Line 4 Minus Line 6)</b>	_____ (c)	_____ (c)

I declare under penalty of perjury that this statement and the accompanying documents and reports are true and correct to the best of my knowledge and belief.

This \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Signature)

- (a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.
- (b) This figure will not change from month to month. It is always the amount of funds on hand as of the date of the petition.
- (c) These two amounts will always be the same if form is completed correctly.

MOR-2

**APPENDIX A**

**MONTHLY SCHEDULE OF RECEIPTS AND DISBURSEMENTS (cont'd)**

**Detail of Other Receipts and Other Disbursements**

**OTHER RECEIPTS:**

Describe Each Item of Other Receipt and List Amount of Receipt. Write totals on Page MOR-2, Line 2C.

<u>Description</u>	<u>Current Month</u>	<u>Cumulative Petition to Date</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
TOTAL OTHER RECEIPTS	_____	_____

“Other Receipts” includes Loans from Insiders and other sources (i.e., Officer/Owner, related parties, directors, related corporations, etc.). Please describe below:

<u>Loan Amount</u>	<u>Source of Funds</u>	<u>Purpose</u>	<u>Repayment Schedule</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**OTHER DISBURSEMENTS:**

Describe Each Item of Other Disbursement and List Amount of Disbursement. Write totals on Page MOR-2, Line 5W.

<u>Description</u>	<u>Current Month</u>	<u>Cumulative Petition to Date</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
TOTAL OTHER DISBURSEMENTS	_____	_____



Rule 3022-1

FINAL REPORT/DECREE (CHAPTER 11)

(a) Chapter 11 Subchapter V Proceedings. Unless extended by the Court, on or before the later of 30 days after the granting of a discharge in a case under Chapter 11 Subchapter V (Small Business Debtor Reorganization), or 30 days after the disposition of all adversary proceedings or contested matters, whichever is later, the debtor's attorney shall file a motion for final decree. This deadline shall apply in both individual and non-individual debtors under Subchapter V.

(b) Chapter 11 Non-Subchapter V Proceedings.

(1) *Non-Individual Debtors.* Unless extended by the Court, on or before the later of 30 days after the order of confirmation in a case under Chapter 11, or 30 days after the disposition of all adversary proceedings, contested matters, and objections to claims, the debtor's attorney shall file a certificate of substantial consummation together with a motion for final decree.

(b) (2) *Individual Debtors.*

(1) (A) *Administrative Closing.* After the entry of an order of confirmation and the disposition of all adversary proceedings, contested matters, and objections to claims, individual debtors may file a motion to administratively close the Chapter 11 case. The debtor, any creditor, or any other party in interest may file a motion to reopen an administratively closed case at any time without the necessity of paying a filing fee.

(2) (B) *Motion to Reopen for Purpose of Obtaining Discharge and Final Decree.* The debtor may move to reopen the case for the purpose of obtaining a discharge and entry of a final decree after the completion of all payments under the plan, or for the purpose of seeking a hardship discharge. The motion to reopen shall include the total amount of payments made to each creditor under the plan, shall be verified by the debtor, and shall be served upon each creditor.

(C) Required Statement Prior to Entry of a Discharge. Not later than 60 days after completion of all payments under the confirmed plan, or if applicable, upon the filing of a motion seeking entry of a discharge prior to completion of payments under the plan under 11 U.S.C. § 1141(d)(5), the debtor shall file a statement under the penalty of perjury certifying: (i) whether or not 11 U.S.C. § 522(q)(1) is applicable to the debtor; and (ii) whether there is any proceeding in which the debtor may be found guilty of a felony of the kind described in 11 U.S.C. § 522(q)(1)(A) or liable for a debt of the kind described in 11 U.S.C. § 522(q)(1)(B). Within 14 days of the filing of the certified statement required under this section, any interested party may file and serve a written objection to the statement. Any party who fails to file and serve a written objection in accordance with this section shall be deemed to have consented to entry of the certifying debtor's discharge.

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*Notes of Advisory Committee*

*2021 Amendment*

This amendment adds new section (a) establishing the deadline for filing a motion for final decree in Subchapter V cases. New section (b)(2)(C) requires individual Chapter 11 debtors seeking a discharge to file a statement certifying under penalty of perjury whether the provisions of 11 U.S.C. § 522(q)(1) are applicable to their case. This amendment also includes an objection procedure pursuant to which any interested party may object to the statement required by section (b)(2)(C) prior to the entry of an order of discharge. This amendment to the rule is effective August 1, 2021.



**Rule 8002-1**

**DISMISSAL OF UNTIMELY APPEALS**

Under the District Court's General Order Establishing Protocol for Processing Untimely Bankruptcy Appeals, Administrative Order 96-118-MISC-T, the Bankruptcy Court is authorized to dismiss appeals that are not filed within the time period specified in Fed. R. Bankr. P. 8002.

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*Notes of Advisory Committee*

*2023*

This rule establishes procedures for dismissal of appeals that are filed after the time period specified in Fed. R. Bankr. P. 8002. This new rule is effective August 1, 2023.

## Rule 8007-1

### STAY PENDING APPEAL; POSTING BONDS

(a) **Posting a Bond; Court Order Required.** The bankruptcy court, district court, or court of appeals may condition a stay pending appeal on the posting of a bond with the bankruptcy court under Fed. R. Bankr. P. 8007(c). Bonds must be delivered to the Clerk of the United States Bankruptcy Court for the Middle District of Florida. A copy of the Court order directing the posting of a bond must accompany all bonds. The Clerk will not accept a bond without a Court order.

(b) **Release of Bond.** The Clerk will maintain all bonds posted under this rule in the Clerk's safe until receipt of a Court order directing release. A Court order is required for the Clerk to release a bond.

(c) **Docket Entry.** The Clerk will file a docket entry reflecting the posting of a bond in the case or adversary proceeding.

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*Notes of Advisory Committee*

2023

This rule establishes the procedure for implementing Fed. R. Bankr. P. 8007(c) that requires the posting of a bond pending appeal if ordered by the bankruptcy court, district court, or circuit court of appeals. This new rule is effective August 1, 2023.

## Rule 2016-1

### COMPENSATION OF PROFESSIONALS

(a) **General.** Requests for compensation for professional services and reimbursement of expenses are governed by Fed. R. Bankr. P. 2016 and this rule.

(b) **Retainers.** Professionals may apply prepetition and approved postpetition retainers in the ordinary course towards compensation for professional services and reimbursement of expenses without a separate order; however, professionals must fully disclose and account for all retainers in their Rule 2016 Disclosure Statement and in all subsequent applications for compensation. This rule does not relieve professionals from the obligation to file interim and/or final fee applications. The Court may order disgorgement of applied fees and costs at any time. This rule does not preclude any challenge to the entitlement or the reasonableness of any retainer.

(c) **Applications for Compensation for Professional Services and Reimbursement of Expenses.** Applications, whether interim or final, may be filed by negative notice in accordance with Local Rule 2002-4, except that the fee application does not need to be served with the notice, and the negative notice legend shall be in the following form:

NOTICE OF APPLICATION FOR COMPENSATION  
AND REIMBURSEMENT OF EXPENSES AND  
OPPORTUNITY TO OBJECT AND REQUEST FOR HEARING

[Applicant], [role in case, e.g., counsel, accountant, broker] for [client, e.g., debtor, trustee, Official Committee of Unsecured Creditors] ("Applicant") has filed an application for compensation in the amount of \$ \_\_\_\_\_ and reimbursement of expenses in the amount of \$ \_\_\_\_\_ (the "Application"). A copy of the Application may be viewed on the case docket or may be obtained by request to Applicant at [telephone number] or [email address].

If you object to the Application, you must file an objection with the Clerk of Court at [address] within 21 days from the date of the proof of service below, plus an additional three days if this notice was served on any party by U.S. Mail.

If you file and serve an objection within the time permitted, the Court will either (1) notify you of a hearing date, or (2) consider the Application and approve or disapprove the Application without a hearing. If you do not file an objection within the time permitted, the Court will consider that you do not oppose the Application, and the Court will consider the Application without further notice or hearing.

(1) **Chapter 7 Cases.**

(A) Except as provided for in Local Rule 2015-1, professionals employed by a Chapter 7 trustee shall file final applications for fees and expenses incurred during a Chapter 7 case upon completion of services or upon notification by the trustee that the case is ready to close.

(B) In cases that have been converted to Chapter 7, all final applications of professionals for fees and expenses incurred in the case prior to conversion shall be filed within 90 days after the date of the order converting the case.

(C) All applications, whether interim or final, shall contain the amounts requested and a detailed itemization of the work performed including:

- (i) the name of the individual performing the work;
- (ii) the amount of time expended for each item of work;
- (iii) the hourly rate requested;
- (iv) the date of employment;
- (v) a discussion of the criteria that are relevant in determining the compensation to be awarded;
- (vi) a detail of reimbursable costs; and
- (vii) a verification stating that the fees and costs for which reimbursement is sought are reasonable for the work performed, and that the application is true and accurate.

(2) **Chapter 11 Cases.**

(A) **General Information Requirements.** Applications for interim or final compensation of less than \$5,000 shall conform to the requirements of section (c)(1)(C) of this rule. Applications for compensation that exceed \$5,000 in the aggregate shall also contain the information set forth below unless ordered otherwise.

(i) The first page of the application shall be the Chapter 11 Fee Application Summary available on the Court's website. However, if the application is served using the negative notice procedures of Local Rule 2002-4, the negative notice legend and the title of the application shall be located on the first page of the application and the Summary shall be the second page of the application.

(ii) Time shall be itemized by project category. Examples of project categories include General Case Administration, Asset Sales, Claims Administration and Objections, Fee Applications and Objections, Cash Collateral, Relief from Stay Proceedings, Avoidance Actions, Plan and Disclosure Statement, and Valuation.

(iii) The narrative portion of the application shall provide information by project category as to the types of services performed, the necessity for performing the services, the results obtained, the benefit to the estate, and other information that is not apparent from the activity descriptions or that the applicant wishes to bring to the attention of the Court. In addition, the narrative portion of the application may describe special employment terms, billing policies, expense policies, voluntary reductions, reasons for the use of multiple professionals for a particular activity, or reasons for substantial time billed relating to a specific activity.

(iv) All applications shall include complete and detailed activity descriptions billed in tenths of an hour (six minutes). Each activity description shall include the type of activity (*e.g.*, phone call, research) and the subject matter (*e.g.*, cash collateral motion, § 341 meeting, etc.). Activity descriptions shall not be lumped – each activity shall have a separate description and a time allotment.

(B) ***Applications to Permit Monthly Payment of Interim Fee Applications.*** In larger Chapter 11 cases, upon motion and after notice and hearing, the Court may consider the approval of procedures for monthly payment of interim fee applications for professionals.

(C) ***Final Applications.*** To be considered at the confirmation hearing, a professional fee application shall be filed 14 days prior to the confirmation hearing unless ordered otherwise. The Court will not consider any application for compensation unless all creditors receive at least ~~seven~~ seven days' notice of the hearing. The notice of hearing shall at a minimum identify the applicant and the amounts requested. A final application may include an estimate of the amount of additional fees and costs to be incurred through confirmation. ~~The final~~ If the actual fees for services rendered and costs incurred during the estimated period exceed the estimate, the application may be supplemented at, or prior to, the confirmation hearing, so long as the amount sought is within the estimate. Final applications may be supplemented up to 14 days after entry of the confirmation order for work performed beyond the amount estimated and allowed at confirmation. Supplements to final applications shall be subject to Court. If the actual fees for services rendered and costs incurred during this estimated period are less than the estimated amount, approval after notice and hearing of such application authorizes payment of the actual fees and costs not to exceed the estimated amounts.

(D) ***Post-Confirmation Professional Fees.*** Unless otherwise ordered by the Court, professional fees and costs incurred after confirmation in connection with actions against third parties are subject to Court approval.

(3) ***Chapter 13 Cases.*** Compensation for professional services or reimbursement of expenses by attorneys for Chapter 13 debtors shall be governed by the prevailing practice in the Division in which the case is pending.

(d) ***Creditors' Attorney's Fees.*** Applications for attorney's fees made on behalf of a creditor, other than requests under 11 U.S.C. § 503(b)(2), (3), and (4), are not governed by this rule. Nevertheless, any party in interest may seek a judicial determination of such fees.

(e) ***Expense Reimbursement Guidelines.*** The Court may establish expense reimbursement guidelines to address expenses such as photocopying, facsimile transmissions, computerized research, and meals and travel. Such guidelines will be posted on the Court's ~~web~~ website.

(f) ***Waiver Procedure.*** An application to employ a professional within the scope of this rule may include a request that the Court waive, for cause, one or more of the information requirements of this rule. Such waivers may be appropriate for ordinary course professionals and professionals seeking *de minimus* payments and may be granted at the Court's discretion.

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*Notes of Advisory Committee*

2022 Amendment

This amendment modifies the rule to clarify that all fee applications may be served on negative notice in accordance with Local Rule 2002-4. Section (c)(2)(C) is also amended to clarify the procedure for final fee applications to be approved at confirmation in Chapter 11 cases. This amendment to the rule is effective July 1, 2022.

## Rule 2016-1

### COMPENSATION OF PROFESSIONALS

(a) **General.** Requests for compensation for professional services and reimbursement of expenses are governed by Fed. R. Bankr. P. 2016 and this rule.

(b) **Retainers.** Professionals may apply prepetition and approved postpetition retainers in the ordinary course towards compensation for professional services and reimbursement of expenses without a separate order; however, professionals must fully disclose and account for all retainers in their Rule 2016 Disclosure Statement and in all subsequent applications for compensation. This rule does not relieve professionals from the obligation to file interim and/or final fee applications. The Court may order disgorgement of applied fees and costs at any time. This rule does not preclude any challenge to the entitlement or the reasonableness of any retainer.

(c) **Applications for Compensation for Professional Services and Reimbursement of Expenses.** Applications, whether interim or final, may be filed by negative notice in accordance with Local Rule 2002-4, except that the fee application does not need to be served with the notice, and the negative notice legend shall must be in the following form:

NOTICE OF APPLICATION FOR COMPENSATION  
AND REIMBURSEMENT OF EXPENSES AND  
OPPORTUNITY TO OBJECT AND REQUEST FOR HEARING

[Applicant], [role in case, e.g., counsel, accountant, broker] for [client, e.g., debtor, trustee, Official Committee of Unsecured Creditors] ("Applicant") has filed an application for compensation in the amount of \$\_\_\_\_\_ and reimbursement of expenses in the amount of \$\_\_\_\_\_ (the "Application"). A copy of the Application may be viewed on the case docket or may be obtained by request to Applicant at [telephone number] or [email address].

If you object to the Application, you must file an objection with the Clerk of Court at [address] within 21 days from the date of the proof of service below, plus an additional three days if this notice was served on any party by U.S. Mail.

If you file and serve an objection within the time permitted, the Court will either (1) notify you of a hearing date, or (2) consider the Application and objection and approve or disapprove the Application without a hearing. If you do not file an objection within the time permitted, the Court will consider that you do not oppose the Application, and the Court will consider the Application without further notice or hearing.

(1) **Chapter 7 Cases.**

(A) Except as provided for in Local Rule 2015-1, professionals employed by a Chapter 7 trustee shall file final applications for fees and expenses incurred during a Chapter 7 case upon completion of services or upon notification by the trustee that the case is ready to close.

(B) In cases that have been converted to Chapter 7, all final applications of professionals for fees and expenses incurred in the case prior to conversion shall be filed within 90 days after the order converting the case.

(C) All applications, whether interim or final, shall contain the amounts requested and a detailed itemization of the work performed including:

- (i) the name of the individual performing the work;
- (ii) the amount of time expended for each item of work;
- (iii) the hourly rate requested;
- (iv) the date of employment;
- (v) a discussion of the criteria that are relevant in determining the compensation to be awarded;
- (vi) a detail of reimbursable costs; and
- (vii) a verification stating that the fees and costs for which reimbursement is sought are reasonable for the work performed, and that the application is true and accurate.

(2) **Chapter 11 Cases.**

(A) **General Information Requirements.** Applications for interim or final compensation of less than \$5,000 shall conform to the requirements of section (c)(1)(C) of this rule. Applications for compensation that exceed \$5,000 in the aggregate shall also contain the information set forth below unless ordered otherwise.

(i) The first page of the application shall be the Chapter 11 Fee Application Summary available on the Court's website. However, if the application is served using the negative notice procedures of Local Rule 2002-4, the negative notice legend and the title of the application shall be located on the first page of the application and the Summary shall be the second page of the application.



(ii) Time ~~shall~~must be itemized by project category. Examples of project categories include General Case Administration, Asset Sales, Claims Administration and Objections, Fee Applications and Objections, Cash Collateral, Relief from Stay Proceedings, Avoidance Actions, Plan and Disclosure Statement, and Valuation.

(iii) The narrative portion of the application ~~shall~~must provide information by project category as to the types of services performed, the necessity for performing the services, the results obtained, the benefit to the estate, and other information that is not apparent from the activity descriptions or that the applicant wishes to bring to the attention of the Court. In addition, the narrative portion of the application may describe special employment terms, billing policies, expense policies, voluntary reductions, reasons for the use of multiple professionals for a particular activity, or reasons for substantial time billed relating to a specific activity.

(iv) All applications ~~shall~~must include complete and detailed activity descriptions billed in tenths of an hour (six minutes). Each activity description ~~shall~~must include the type of activity (*e.g.*, phone call, research) and the subject matter (*e.g.*, cash collateral motion, § 341 meeting, etc.). Activity descriptions ~~shall~~may not be lumped – each activity ~~shall~~must have a separate description and a time allotment.

(B) *Applications to Permit Monthly Payment of Interim Fee Applications.* In ~~larger~~ Chapter 11 cases, upon motion and after notice and hearing, the Court may consider the approval of procedures for monthly payment of interim fee applications for professionals based on the needs of the case.

(C) *Final Applications.* To be considered at the confirmation hearing, a professional fee application ~~shall~~must be filed 14 days prior to the confirmation hearing unless ordered otherwise. The Court will not consider any application for compensation unless all creditors receive at least seven days' notice of the hearing. The notice of hearing ~~shall~~must, at a minimum, identify the applicant and the amounts requested. A final application may include an estimate of the amount of additional fees and costs to be incurred through confirmation. If the actual fees for services rendered and costs incurred during the estimated period exceed the estimate, the application may be supplemented up to 14 days after entry of the confirmation order. If the actual fees for services rendered and costs incurred during this estimated period are less than the estimated amount, approval of such application authorizes payment of the actual fees and costs not to exceed the estimated amounts.

(D) *Post-Confirmation Professional Fees.* Unless otherwise ordered by the Court, professional fees and costs incurred after confirmation in connection with actions against third parties are subject to Court approval.

(3) *Chapter 13 Cases.* Compensation for professional services or reimbursement of expenses by attorneys for Chapter 13 debtors ~~shall~~will be governed by the prevailing practice in the Division in which the case is pending.