

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
_____ DIVISION

In re:

DEBTOR'S NAME, Case No. xx-xxxxx-xxx
Debtor. Chapter 11
_____ /

**ORDER ESTABLISHING PROCEDURES
TO PERMIT MONTHLY PAYMENT OF INTERIM
FEES APPLICATIONS OF CHAPTER 11 PROFESSIONALS**

This case came before the Court for hearing on [date] on the [movant]'s motion under Local Rule 2016-1(b)(1) and 11 U.S.C. § 331 to approve procedures for monthly payment of interim compensation to retained professionals.¹ Upon consideration of the motion, the argument of counsel, and the record in this case, and for the reasons stated on the record which constitute the decision of the Court, it is

ORDERED that:

1. The motion is **GRANTED**.
2. Unless otherwise provided in another order authorizing employment of a professional, any professional retained in this case under 11 U.S.C. §§ 327 or 1103 may receive payment of interim compensation and

¹ Dkt. No. ____.

reimbursement of expenses under the procedures set forth in paragraph 3 of this order.

3. **Monthly Interim Compensation Procedures:**

- a. On or before the 20th day of each month after the month for which compensation is sought, each professional seeking interim compensation under this order must serve a monthly statement by email on: (i) [name], the debtors' [title of designated officer], at [email address]; (ii) [name], counsel for the debtors, at [email address]; (iii) [name], counsel for the [name of committee], at [email address]; (iv) [name], counsel for the United States trustee, at [email address]; (v) [name] counsel for [name of postpetition lender], at [email address]; and (vi) [any other person the Court designates] (the "Service Parties").
- b. The monthly statement must not be filed with the Court or sent to the judge's chambers.
- c. Each monthly statement must contain a schedule of the reimbursable expenses incurred and the professional and paraprofessional time spent (in sufficient detail to allow review by the Service Parties), which ordinarily must be for services rendered through a particular calendar month.
- d. Time spent preparing, reviewing, or revising monthly statements, invoices, or related requests for information under this order is not compensable to the extent duplicative of time spent preparing, reviewing, or revising interim or final applications for compensation filed under 11 U.S.C. §§ 330 or 331 for the same periods.
- e. Each Service Party receiving a statement may object to the payment of the fees or the reimbursement of expenses set forth therein by serving a written objection (which must not be filed with the Court) upon the other Service Parties on the last day of the month in which the statement is received. The objection must state the nature of the objection and identify the amount of the fees or expenses to which objection is made. The objecting party must attempt in good faith to object only to the portion of the statement that is deemed to be objectionable.
- f. In the absence of any timely objection, the debtors are authorized to pay 80% of the fees and 100% of the expenses identified in each monthly statement to which no objection has been served.

- g. If the debtors receive an objection to a particular monthly statement, they must withhold payment of that portion of the monthly statement to which the objection is directed and promptly pay the remainder of the fees and expenses requested. All professionals subject to this order must establish a separate billing number for any time spent on resolution of fee disputes. No fees incurred in connection with fee disputes under this order may be included on monthly statements and instead may only be sought in an interim or final fee application for compensation filed under 11 U.S.C. §§ 330 or 331.
- h. If, after an objection, the objection is resolved, the professional whose monthly statement was objected to may serve on the Service Parties a supplemental statement indicating that the objection has been resolved and describing in detail the terms of the resolution. After service of that supplemental statement, the debtors are authorized to pay that portion of the monthly statement that is no longer subject to an objection.
- i. All objections that are not resolved by the parties are preserved and may be raised as an objection to the next interim or final compensation application filed with the Court under 11 U.S.C. §§ 330 or 331.
- j. Serving an objection under paragraph 3.e. does not prejudice the objecting party's right to object to any interim or final application for compensation under 11 U.S.C. §§ 330 or 331 on any ground, whether or not raised in an objection to a monthly statement. Furthermore, the decision by any party not to object to a monthly statement does not waive or otherwise prejudice any party's right to object to any interim or final application for compensation under 11 U.S.C. §§ 330 or 331.
- k. Unless the Court orders otherwise, every professional who seeks monthly compensation under this order must file every 120 days an interim application for compensation under 11 U.S.C. § 331 for the amount of fees and expenses sought, as follows:
 - (i). First interim applications must be filed by [date], seeking interim compensation for the period from [the petition date] through [date at least 120 days after the petition date].

- (ii). Second interim applications must be filed by [date], seeking interim compensation for the period from [date] through [date].
- (iii). Subsequent interim applications must continue to be filed every 120 days for the preceding four-month period.

- l. A professional who fails to file a timely interim application as required by paragraph 3.k. is not entitled to receive any further payments under these monthly interim compensation procedures unless and until the professional files the delinquent interim application and the Court has entered an order allowing the interim compensation sought.
- m. The Court's determination that a payment of compensation or reimbursement of expenses under this order was improper does not preclude a professional from future interim compensation and reimbursement of expenses under this order, unless the Court orders otherwise.
- n. Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement of expenses under this order will have any effect on this Court's allowance of interim or final compensation and reimbursement of expenses under 11 U.S.C. §§ 330 or 331.

- 4. The debtors must include all payments to professionals on their monthly operating reports, detailed to state the amount paid to each of the professionals.
- 5. Notwithstanding anything to the contrary in this order, the debtors may not make any payments under this order if the debtors have not timely filed their monthly operating reports or remained current with their administrative expenses and their obligations under 28 U.S.C. § 1930.
- 6. Any professional retained under 11 U.S.C. §§ 327 or 1103 after entry of this order may request – separately or in connection with an application to employ the professional – permission to participate in this order's monthly interim compensation procedures.
- 7. All professionals subject to this order must monitor their own compliance with its terms and must include the following certification on each monthly statement: "I hereby certify that this monthly statement complies with the terms of the *Order Establishing Procedures to Permit Monthly Payment of Interim Fee Applications of Chapter 11 Professionals* entered in this case."

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Submitted by:

[Submitting attorney name]
[Law firm name]
[Mailing address]
[Phone number]
[Email address]

[Submitting attorney] must serve a copy of this order on the Service Parties and file a certificate of service as required by Local Rule 9036-2.