

NOTICE TO ATTORNEYS EFFECTIVE APRIL 10, 1995

**IN RE: ALLOWANCE OF COMPENSATION TO PROFESSIONALS FOR
PROVIDING "ADD-ON SERVICES"**

Please be advised that on April 10, 1995, the following procedures will be implemented and will represent a significant portion of the Court's professional compensation system which will result in the more efficient handling of bankruptcy matters. These procedures are discussed in detail below:

1. For services in representing a Chapter 13 debtor in making a motion to modify a confirmed Chapter 13 plan, an award to the Chapter 13 debtor's attorney will be taken up at the return date of the motion. To facilitate this, the moving papers should contain a request for such an award. If at the return date of the motion the modification is granted, the order will contain a provision for the payment of attorney's fees as determined by the Court after considering all relevant facts and circumstances and the input of the Chapter 13 Trustee. This will eliminate the need for the attorney to prepare a detailed application with supporting time records unless, because of the nature and extent of the request, the Court requires such an application with time records.

2. For services in representing a Chapter 13 debtor in connection with a post-confirmation motion to lift the stay, for example, because of the debtor's failure to pay post-petition mortgage payments, where the debtor and the attorney have otherwise previously agreed that such services are to be separately compensated, the Court proposes the following three alternatives:

a. If the compensation is to be paid directly by the debtor and not by the Chapter 13 Trustee from plan payments, the attorney can simply file a letter with the Court indicating that the debtor will be paying the amount directly to the attorney and that such letter should be deemed to be an amendment of that attorney's Rule 2016(b) Statement previously filed with the Court;

b. If the attorney is requesting compensation from the estate and the compensation requested is \$300.00 or less, the attorney should prepare an order for the payment of such compensation from the estate, which order shall contain a provision that the distribution to creditors is not to be affected by the award and payment, have the order initialled by the Chapter 13 Trustee and present it to the Court ex parte (this will eliminate the need for the attorney to prepare a detailed application with supporting time records); and