

SEP 01 2016

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA****STEPHANIE J. BUTLER, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF NC****IN RE:****FLAT FEE COMPENSATION OF ATTORNEYS
IN CHAPTER 11 CASES****GENERAL ORDER**

The procedure for approval of a flat fee for debtor's counsel in chapter 11 cases is set forth in *In re Pineloch Enterprises, Inc.*, 192 B.R. 675 (Bankr. E.D.N.C. 1996). This procedure is amended and updated as follows:

(1) Counsel for a chapter 11 debtor may apply to be employed on a flat-fee basis, with flat-fee compensation not to exceed \$20,000.

(2) Notice of an application to employ counsel for the debtor on a flat-fee basis shall be provided to all creditors and the bankruptcy administrator.

(3)(a) All retainer funds must be held in trust by counsel and may be withdrawn only according to the following schedule:

- (i) One-fifth (1/5) for pre-petition services (full and complete petition including schedules and statements) to be withdrawn only after filing complete schedules and statements with the court;
- (ii) One-fifth (1/5) after the completed 341 meeting of creditors;
- (iii) One-fifth (1/5) after the filing of the plan and disclosure statement;
- (iv) One-fifth (1/5) after the hearing on confirmation of the plan and disclosure statement or, if the plan is not confirmed, upon conversion or dismissal of the case; and
- (v) One-fifth (1/5) upon entry of the final decree.


(b) Upon proper application the court will consider the award of reasonable fees for services performed after confirmation if a final decree is not obtained, or the case is converted or dismissed, upon proper application.

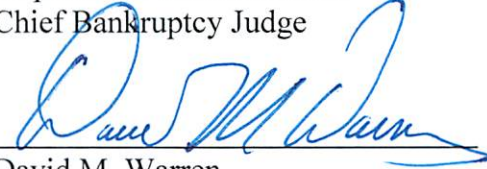
(4) Upon each withdrawal counsel shall file a Rule 2016 Disclosure Statement that includes a detailed list of the services rendered, time expended (if available), expenses incurred, and amount paid from trust.

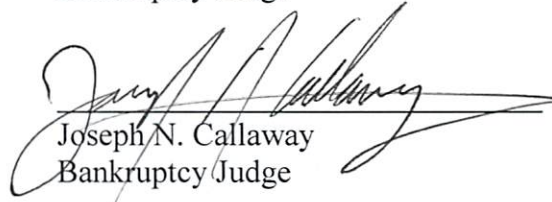
(5) Any party in interest, including the bankruptcy administrator, may review the fees upon completion of services or after the conclusion of such employment to determine whether the flat fee is reasonable in light of unanticipated developments at the time of the approval of the terms and conditions of employment pursuant to 11 U.S.C. § 328(a). If the flat fee exceeds the reasonable value of services, the court may require the attorney to return the fee to the extent that it is excessive pursuant to § 329(b). If the attorney does not properly represent the debtor after approval of the

flat fee, the approved fee would not be deemed reasonable under § 330(a)(3) and subject to adjustment.

Entered this 1ST day of September, 2016.


Stephani W. Humrickhouse
Chief Bankruptcy Judge


David M. Warren
Bankruptcy Judge


Joseph N. Callaway
Bankruptcy Judge