

**Monthly Compensation of Professionals in Chapter 11 and 12 Cases  
Pending Before The Honorable Janice Miller Karlin,  
United States Bankruptcy Judge**

A. The following guidelines interpret and supplement LBR 2016.1, Monthly Compensation of Professionals. The terms of LBR 2016.1 are incorporated herein.

B. The motion to be paid on a monthly basis shall be separate from the motion for employment. The motion shall be served on those persons identified in LBR 2016.1(c) and shall be accompanied by a notice of objection deadline and hearing date. The Court reserves the right to conduct a hearing to determine the extent of counsel's need to be compensated monthly and to determine the terms of such payment, even if there are no objections.

C. The motion for monthly compensation of professionals shall include the following information:

1. The motion shall state the percentage amount of fees incurred and expenses advanced during the applicable billing period which the professional will seek to collect on a monthly basis. The motion may request payment of 100% of fees and expenses.

2. The motion shall state the percentage of fees collected to be held in trust. Generally, the Court will require that all fees paid in excess of 80% of the total charges for fees during the billing period be held in trust, pending further order of the Court.

D. Each application for monthly payment of fees and expenses shall comply with the following requirements:

1. The monthly application for payment shall include the following information: The professional seeking payment; the person or entity on whose behalf the fees and expenses were incurred; that such person or entity approves payment as requested; the billing period; the identity of the person, entity, or fund (such as a retainer) making payment; the total fees and expenses incurred by the debtor during the period; the fees and expenses for which payment is requested; and the amount of the fees paid to be held in trust, if any. The application shall include a clear statement of what payments have been received by the applicant to the date of the present application, the source of those payments, the dates of payment and what payments and reimbursements have previously been approved by the Court. From the application's terms, the Court should be able to ascertain, without further research in the file, how much the conduct of the case has cost in attorneys fees and expense at any given application date.

2. The monthly application shall be supported by copies of invoices sent to the person or entity making payment, but not detailed billing statements.

3. The monthly application shall be served on the United States Trustee, the case trustee, the debtor, debtor's counsel, counsel for any official committees, any creditor providing post-petition financing, any creditor whose cash collateral is being used by the

debtor, and any party requesting such notice.

4. The monthly application shall be filed of record, but no hearing shall be scheduled. Except in the most unusual circumstances, objections to the monthly application will not be considered, as it is expected that all objections to the compensation requested shall be addressed at the time of the interim application for compensation.

E. In accord with LBR 2016.1, counsel must submit with the motion a proposed order in accordance with this guideline, the local rule, the Bankruptcy Rules, and the Code. The motion shall expressly state that the monthly application does not constitute an interim or final application for fees and expenses and that until a final fee application is approved, the Court retains the power to enhance or reduce fees and expenses previously paid and/or approved, as well as the power to order the disgorgement of some or all of such fees.

F. Within 120 days of the initial monthly application and each 120 days thereafter, if one or more applications for monthly payment were submitted within such period, an application for interim compensation pursuant to 11 U.S.C. § 331 shall be filed seeking compensation for all the fees and expenses included in the monthly applications for the 120 period prior to the application.

G. The Court will entertain a motion to monthly compensate professionals other than attorneys pursuant to the procedures of LBR 2016.1 and these guidelines.

/s/ Janice Miller Karlin  
UNITED STATES BANKRUPTCY JUDGE  
November 1, 2007