

**Rule 2016-1 Application for Compensation and Reimbursement of Expenses.**

- (a) Scope of Rule. This Local Rule applies to:
  - (i) An application of a professional person employed under 11 U.S.C. § 327, 328, or 1103 requesting approval for compensation or reimbursement of expenses; and
  - (ii) A request for payment of an administrative expense under 11 U.S.C. § 503(b)(3) or 503(b)(4).
- (b) Effect of Rule. The application or request must comply with the information and certification requirements listed in Local Rule 2016-1(c)-(g) and the respective compensation procedures order entered in the case or it will not be considered by the Court.
- (c) General Information Requirements.
  - (i) The initial pages of the application must substantially conform to Local Form 101.
  - (ii) The application must explain any circumstances not apparent from the activity descriptions or that the applicant wishes to disclose, including special employment terms, billing policies, expense policies, voluntary reductions, reasons for using multiple professionals for a particular activity, or reasons for substantial time billed relating to a specific activity.
- (d) Information Requirements for Compensation Requests. The application must include activity descriptions with sufficient detail to allow the Court to determine whether the time is actual, reasonable, and necessary, including the following:
  - (i) Activity descriptions divided into general project categories;
  - (ii) Complete and detailed activity descriptions;
  - (iii) The time allotted to each activity;
  - (iv) Time records in tenth-of-an-hour increments;
  - (v) The total fees requested for all activities within a particular time entry;
  - (vi) The nature of the activity (e.g., phone call, research);
  - (vii) The subject matter of the activity (e.g., exclusivity motion, section 341 meeting);
  - (viii) A separate description and a time allotment for each activity (i.e., activity descriptions should not be lumped);
  - (ix) Non-working travel time separately described and billed at no more than half of regular hourly rates;

- (x) Activity descriptions that individually identify meetings and hearings, along with each participant, the subject of the meeting or hearing, and the participant's role; and
  - (xi) Activity descriptions in chronological order.
- (e) Information Requirements Relating to Expense Reimbursement Requests.
- (i) The application must include an expense summary by category for the period of the request, including, for example, computer-assisted legal research, photocopying, airfare, meals and lodging.
  - (ii) The application must also itemize each expense within each category, including the date the expense was incurred, the charge, and the individual incurring the expense, if available. Meal expense itemization must identify the meal (breakfast, lunch, etc.) and the number of persons attending. Travel expense itemization must identify the origin and destination, mode of transit, class of fare, and the name of the traveler.
  - (iii) The application must state the requested rate for copying charges (not to exceed \$.10 per page for black and white copies and \$.80 for color copies) and computer-assisted legal research charges (not to exceed actual cost).
  - (iv) The applicant must retain and make available upon request receipts or other support for each expense.
- (f) Reimbursement of Payments Made to Other Professionals. If the application seeks reimbursement for payment the applicant made to another professional, then the applicant must provide the information required by subsections (c), (d), and (e) of this Local Rule for the services and expenses of the other professional.
- (g) Certification Requirement. The application must contain a statement that the application complies with this Local Rule.
- (h) Waiver Procedure. An applicant may request that the Court, for cause shown, waive one or more of this Local Rule's information requirements. The request should be made in the applicant's retention application, or as soon as possible thereafter, and must be served on debtor's counsel, counsel to any official committee, and the U.S. Trustee. The caption of the application or motion must explicitly state that a waiver of one or more of this Local Rule's information requirements is sought.
- (i) Form of Order. A proposed order submitted in connection with an application must specify the amount of fees and expenses requested. In a case converted from chapter 11 to chapter 7, a proposed final fee order must provide that debtor's counsel is required to file—within 14 days of entry of the final fee order—a notice identifying the amounts of the approved fees and expenses paid and then outstanding for all chapter 11 professionals. The chapter 11 professionals must timely provide debtor's counsel with the information necessary to complete the notice.

- (j) Fee Examiners. The Court, on motion of a party in interest or on its own motion, may appoint a fee examiner to review fee applications and make recommendations for approval. The fee examiner's authority terminates upon conversion of a chapter 11 case to chapter 7, unless retained by the chapter 7 trustee or otherwise ordered by the Court.
- (k) Final Fee Applications in Chapter 7 Asset Cases. An estate professional must file a final fee application in a chapter 7 asset case but may not notice the application for hearing. Instead, the hearing must be stated as "TBD." The application need only be served on the chapter 7 trustee and the U.S. Trustee. After the Trustee Final Report is filed, the Court will (i) notice the hearing for the application and provide for the objection deadline and (ii) serve the notice of the application. If the estate professional inadvertently notices the application for hearing, it must include language in the proposed form of order that "fees are subject to disgorgement pending approval of TFR."
- (l) Hearings on Fee Applications in Chapter 11 Cases. Interim fee applications in a chapter 11 case will be considered in accordance with the interim compensation procedures order entered in the case. Unless the order provides otherwise, the hearing on interim fee applications will be scheduled on a quarterly omnibus hearing date. The hearing dates must be designated on the proposed order scheduling omnibus hearings. Fee applications and related CNOs and CoCs must only be submitted to the Court in advance of a fee hearing in accordance with Local Rule 9029-3.