

Application for Compensation—Chapter 7

Docketing Event

Bankruptcy> Motions/Applications/Objections> Application for Compensation (incl. Quantum Meruit)

Negative Notice: N/A

Accompanying Orders: For appraisers, auctioneers, and accountants, simultaneous and separate submission of proposed order allowed with application.

Code and Rule References:

[11 U.S.C. § 326](#)

[11 U.S.C. § 327](#)

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[11 U.S.C. § 329](#)

[11 U.S.C. § 330](#)

[11 U.S.C. § 331](#)

[Fed. R. Bankr. P. 2002\(a\)\(6\)](#)

[Fed. R. Bankr. P. 2016](#)

[Fed. R. Bankr. P. 6005](#)

[Local Rule 2016-1](#)

[Expense Reimbursement Guidelines](#)

[Rule 2016\(b\) Disclosure Form](#)

Fee: N/A

Applicable Chapters: 7

Implemented: 10/26/17

Last Revision: 12/8/2021 2:34:26 PM

Description

Local Rule 2016-1 provides professionals employed by a Chapter 7 trustee shall file final applications for fees and expenses incurred during a Chapter 7 case upon completion of services or upon notification by the trustee that the case is ready to close. Often applications for compensation related to professionals hired for a one time need are filed before the end of the case. Other professionals, including the trustee and the trustee's attorney often file their applications for compensation near the end of the case. In longer cases, it is common to see the Chapter 7 trustee or the attorney for the trustee file interim applications for compensation.

As in other chapters, special counsel may be employed to address matters outside of the bankruptcy case and may file applications for compensation.

When applications for compensation are filed at the end of the case, a Notice of Final Report will be submitted. The Notice includes a response period to the proposed asset distribution and applications for compensation.

There is a separate procedure for Chapter 7 trustees on Notice of Final Report processing.

Note for debtor attorneys: Debtor attorneys must file a Disclosure of Compensation under Bankruptcy Rule 2016(b) using the official form posted on the uscourts.gov website ([Form](#)).

Debtor attorneys must file the disclosure as a separate stand-alone document and report all compensation received “within one year before the filing of the petition in bankruptcy” and any additional compensation after a bankruptcy is filed. **Debtor attorneys promptly must file supplemental disclosures if any payments are received after the initial disclosure is made.**

Filing Checklist

Review the application to determine if it:

- Is signed;
- Has the applicant’s name and address complete and consistent with the applicant’s name and address in CM/ECF;
- Includes a verification stating that the fees and costs for which reimbursement is sought are reasonable for the work performed, and that the application is true and accurate;
 - ❖ Note: Verification language should comply with 28 U.S.C. § 1746, e.g., “I declare (or certify, verify, or state) under penalty of perjury [if executed outside the U.S., include ‘under the laws of the United States of America’] that the foregoing is true and correct. Executed on (date).
- Is properly served and includes a proper certificate of service (or alternatively is included in the Chapter 7 Trustee’s Notice of Final Report);
- Is filed by or on behalf of an appraiser, auctioneer, or accountant (and not included in the trustee’s Notice of Final Report). If so, submit a proposed order with the application.