

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:)
)
General Order #2008-1) **Increase in Chapter 13**
) **Counsel Fee**
) **Effective January 1, 2008**
)

ORDER

WHEREAS, the maximum fee a debtor's attorney may charge a client without submission of a fee petition in a Chapter 13 case is \$2500; and

WHEREAS, the Court has determined that this fee should be increased from \$2500 to \$3100.

AND NOW, this 17th day of March, 2008, IT IS HEREBY ORDERED that the maximum fee a debtor's attorney may charge a client without submission of a fee petition in a Chapter 13 case is increased to \$3100 effective January 1, 2008.

IT IS FURTHER ORDERED that Chapter 13 Procedure #3, which is part of the Court Procedures Manual, shall be amended to reflect the maximum fee of \$3100. The paragraph regarding counsel fees paid under the Chapter 13 Plan in this procedure shall be amended to reflect that attorneys' fees paid from the Chapter 13 Plan shall be limited to a maximum of \$250 per month and that the phrase "or one-twelfth of the total fee, whichever is greater" has been deleted.

IT IS FURTHER ORDERED that the reference to "rule" in the last paragraph of Chapter 13 Procedure #3 shall be changed to "procedure."

IT IS FURTHER ORDERED that Chapter 13 Procedure #3 attached to this Order supercedes the current procedure and is hereby made part of the Court Procedures Manual.

_____/s/
M. Bruce McCullough, Chief Judge

_____/s/
Judith K. Fitzgerald, Bankruptcy Judge

_____/s/
Thomas P. Agresti, Bankruptcy Judge

_____/s/
Jeffery A. Deller, Bankruptcy Judge

_____/s/
Warren W. Bentz, Bankruptcy Judge

_____/s/
Bernard Markovitz, Bankruptcy Judge

PROCEDURE #3

FEE APPLICATIONS IN CHAPTER 13 CASES

For Chapter 13 cases filed from and after January 1, 2008, the maximum fee for Chapter 13 cases is presumed to be \$3100. In instances where the fee charged by counsel is equal to but not more than, or is less than, \$3100, no fee petition is required to be filed by counsel. The maximum fee may be adjusted by the Court periodically. Whenever debtor's counsel fees exceed the \$3100 limit (plus filing fees), the Court will require a fee application in accordance with the Court Procedures Manual. The \$3100 maximum fee includes any retainer received, and is exclusive of allowable and reasonable expenses incurred by counsel.

Counsel fees paid through the Chapter 13 plan shall be treated as professional fees to be paid in level two of the sequence of plan payments at a monthly rate of \$250, unless otherwise ordered by the Court.

The \$3100 limit contemplates that the attorney shall advise and represent the debtor(s) in a manner consistent with professional standards. The limit contemplates that the debtor(s) will be interviewed by an attorney, that accurate and complete schedules, statements of financial affairs, and related documents will be prepared, that the debtor(s) will be briefed on the Chapter 13 process, that all documents will be explained, and that the attorney will file a Chapter 13 plan that meets with the requirements of Local Form No. 10 and that is capable of confirmation.

The fee also contemplates that the counsel will attend the first Meeting of Creditors, all hearings, and will remain counsel of record until the case is either completed or dismissed, unless the Court has issued an order discharging the attorney as counsel of record.

Counsel is expected to file all motions and objections contemplated in the confirmed plan in a timely fashion. Counsel is also expected to complete representation without additional charge to the debtor(s) for the duration of the Chapter 13 case.

Counsel shall enter into a written fee agreement, which may provide for future fees in the event of future complications. To the extent those fees exceed \$3100 total, the attorney must still file a fee application.

Additional fees may be paid through the Chapter 13 plan if either (a) the Chapter 13 plan, as confirmed, contemplated such fees without decreasing the percentage or amount to be paid to other creditors through the plan and proper application for allowance and payment is filed and approved, or (b) in instances where the additional fees are not contemplated in the plan, the plan is amended within ~~ten (10)~~ fourteen (14)* days after the application for fees is allowed and such fees are paid from resources without decreasing the percentage or amount to be paid to other creditors through the plan.

Additional services provided by the debtor's counsel that serve as the basis of a supplemental fee petition may provide a benefit to the estate. In such cases the fee application must specify the benefit that the estate received and whether the unsecured creditors would receive a lower

* As amended in General Orders #2009-8 and #2009-10, effective December 1, 2009.

dividend under the existing plan if the fee application were granted and the fees were paid by the trustee from debtor's plan payments. Upon debtor's request, the Court may determine that the benefit to the estate warrants a diminution in the dividend paid to unsecured creditors and that an amendment to the plan is not necessary.

Nothing in this procedure shall preclude additional fees being awarded by the Court after the filing of a fee application.

NO LONGER IN EFFECT