

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

00 APR 26 PM 3:37

IN RE:

Trenton B. Ingram,

U.S. BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

C/A No. 98-05909-W

Adv. Pro. No. 98-80251-W

Debtor.

Ralph McCullough, II, as Trustee for the
Estate of Trenton B. Ingram,

Plaintiff,

v.

Allstate Insurance Company,

Defendant.

SUPPLEMENTAL ORDER

Chapter 7

ENTERED

APR 27 2000

S. R. P.

THIS MATTER came before the Court on January 18, 2000 upon several applications by the Chapter 7 Trustee to employ professionals to assist him in the litigation and settlement of the above-referenced adversary proceeding. Although it was not apparent in the Notice, the proposed professionals had rendered services to the estate prior to the filing of the applications; therefore, the Chapter 7 Trustee sought *nunc pro tunc* or retroactive approval of the applications. By Order entered January 20, 2000, the Court approved the applications. The Court approved the employments because it was satisfied that the request and provision of services in this highly contested and fast-paced adversary proceeding was necessary and beneficial in the settlement and because the only creditor remaining in the case as well as the United States Trustee ("UST") consented.

During the hearing on the applications, however, the UST advised the Court that its informal practice was not to raise *nunc pro tunc* concerns if services by professionals began no more than 30 days before employment and that, on occasions, no objection is raised if approval of employment is requested more than 30 or even 45 days after services begin. While the Court in this District relies upon the UST to review applications to employ pursuant to Local Rule

92

2016-1, the Court should be made aware when approval of the proposed employment is being sought after services by the professional have commenced or when applications for compensation include services rendered prior to the approval of employment. While the UST may have policies and procedures different than those allowed by the Court, "the longstanding rule is that professional services performed for a bankruptcy estate are compensable out of the assets of the estate only if such professional assistance has been authorized by the Court prior to the services being rendered." In re Morton Shoe Cos., 22 B.R. 449, 450 (Bankr. D. Mass. 1982).

Therefore, **effective June 1, 2000**, all applications and proposed orders authorizing payment of professionals in bankruptcy cases before this Judge shall state in **bold type** the applicable date on which employment of the professional was approved by the Court and the earliest date on which services were rendered for which compensation is requested. Failure to comply with this Order shall cause deficient proposed orders to be rejected without a hearing.

AND IT IS SO ORDERED.


UNITED STATES BANKRUPTCY JUDGE

Columbia, South Carolina
April 26, 2000.

CERTIFICATE OF MAILING

The undersigned deputy clerk of the United States Bankruptcy Court for the District of South Carolina hereby certifies that a copy of the document on which this stamp appears was mailed on the date listed below:

Sent to BNC for Service -

APR 27 2008

~~DEBTOR, DEBTOR'S ATTORNEY, TRUSTEE~~

CLIFFORD R. PHIPPS

Deputy Clerk

- ✓ Haigler
- ✓ Dore
- ✓ White
- ✓ Bradley
- ✓ Moore

RECEIVED

2008 APR 26 PM 3: 29

DEBTOR'S RECEIVING COURT
DISTRICT OF SOUTH CAROLINA

