

## **Guide for Lawsuit Attorneys Appearing in the Bankruptcy Court for the Middle District of Alabama**

The Bankruptcy Code and the [Local Rules](#) provide specific requirements for attorneys representing a client with a pending bankruptcy case. This guide is designed to assist attorneys with navigating these requirements and filing the proper paperwork with the Court through ECF.

If you represent a client with a pending bankruptcy case, you must file these documents (all of which may be filed by negative notice pursuant to [Local Rule 9007-1](#)):

1. Application to Employ Professional Persons<sup>1</sup>
  - Should be filed when you are initially retained by the client or as soon as you discover your client has an active bankruptcy
  - You must be employed before your fees and expenses will be awarded and the settlement approved.
2. Motion to Approve Compromise or Settlement and Fees and Expenses of Professional Persons

Filing the application and motion pursuant to Rule 9007-1 means that if no written response<sup>2</sup> or objection is filed within 21 days, the motion/application is due to be granted/approved without a hearing. If there is a written response or objection, then the matter will be set for hearing in accordance with the Court's schedule.

Review Local Rule 9007-1 in advance of filing the motion/application on negative notice. Any motion/application filed pursuant to 9007-1 must be filed according to Local Rule 9007-1. The Court's [Local Forms](#) page also has a general LBR 9007-1 template with the necessary negative notice language. In addition, the Court created a [step-by-guide](#) with screenshots.

**NOTE:** For each amendment filed that includes the negative notice language, the 21-day time period is extended an additional 21 days from the date of the latest filing. However, if a hearing is already set, then do not include the negative notice language when filing an amended Rule 9007-1 motion/application.

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<sup>1</sup> If there is an attorney from another firm representing the debtor and expecting a fee from representation (such as a referring attorney), that attorney must also be employed by the Bankruptcy Court. This can be done in one employment application that explains the fee arrangement and includes an affidavit from each attorney.

<sup>2</sup> The Bankruptcy Administrator's response recommending your employment or fees and expenses is not considered a written response or objection to your motion.

At the conclusion of the response period, if no party in interest files a written response or objection to the negative notice filing, the Court will electronically prompt the moving party using a "Declaration and Order Due" event on CM/ECF. Within 7 days of this prompt, the moving party must submit a Declaration in Support of Entry of Order (docket text entry) and submit an order in CM/ECF pursuant to [Local Rule 9072-1](#). The Court created a [step-by-guide](#) with screenshots for submitting the Declaration. In addition, template orders are available in the Draft Orders section at the bottom of the [Local Forms page](#). The Court's [E-Orders guide](#) provides formatting and filing instructions for submitting orders. If, within those seven (7) days, the Declaration is not submitted, or the order not uploaded, the matter will be set for a status hearing.

#### **CHECKLIST:**

- Check PACER for recent bankruptcy filings or updates in the case; **always check PACER again prior to any disbursements**
- Communicate with debtor's bankruptcy counsel, Trustee, and Bankruptcy Administrator
- File 9007-Application to Employ
  - After 21 days, submit Declaration (docket text entry) and submit an order in CM/ECF if no response or objection is received to Application.
- File 9007-Motion to Approve Compromise or Settlement and Fees and Expenses of Professional Persons
  - After 21 days, submit a Declaration (docket text entry) and submit an order in CM/ECF if no response or objection is received to Motion.