

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

IN RE:)
)
JOHN T. BLOOMFIELD, JR.,) CASE NO. 07-21412 JPK
) Chapter 7
Debtor.)

IN RE:)
)
JUAN MARTINEZ, JR.,) CASE NO. 07-22672 JPK
) Chapter 7
Debtor.)

IN RE:)
)
DIANE PERRY,) CASE NO. 07-23415 JPK
) Chapter 7
Debtor.)

ORDER REGARDING PROCEDURES CONCERNING
CLAIMS FOR ATTORNEYS' COMPENSATION

On April 30, 2008, pursuant to orders of the Court entered in each of the above-designated cases, a telephonic conference was held with interested parties in each of the three cases to discuss issues concerning allowance and payment of claims of counsel for the debtor in the pre-conversion Chapter 13 case of each debtor and in the post-conversion Chapter 7 case of each debtor. Lori D. Fisher as counsel for the debtor and Stacia L. Yoon as Chapter 7 Trustee appeared in case number 07-21412; David Dabertin as counsel for the debtor appeared in case number 07-22672; Rosalind G. Parr as counsel for the debtor and Kenneth A. Manning as Chapter 7 Trustee appeared in case number 07-23415; the Chapter 13 Trustee Paul R. Chael appeared with respect to all three cases.

The parties discussed issues outlined in the order utilized by the Court to schedule the hearings and arrived at agreement concerning those issues. The procedures to be employed with respect to matters addressed at the hearing will be the following:

1. Claims for attorney compensation allowed by the Court in a Chapter 13 case which is subsequently converted to a Chapter 7 case constitute claims under 11 U.S.C.

§ 507(a)(1)/11 U.S.C. § 503(b)(2), and are thus subject to treatment in the Chapter 7 case pursuant to the provisions of 11 U.S.C. § 726(b).

2. By operation of 11 U.S.C. § 548(f)(1)(A), little property is turned over by the Chapter 13 Trustee for administration in the Chapter 7 case, and thus to the extent property of the Chapter 13 case is not subject to turnover for administration in the Chapter 7 case, that property – particularly payments made by the debtors under terms of their plans to the Chapter 13 Trustee – is available for payment of claims for attorney compensation approved in the Chapter 13 case.

3. Fed.R.Bankr.P. 1019(3) provides that claims filed by a creditor before conversion of a case are deemed filed in the Chapter 7 case. However, for ease of administration by the Chapter 7 Trustee with respect to “carry over” claims for attorney compensation awarded in the Chapter 13 case, counsel for the debtor in the Chapter 13 case shall file a claim in the Chapter 7 case asserting the priority of that claim in the manner designated in paragraph 1 above and attaching as documentary evidence of the claim the order of the Court which granted attorney compensation in the Chapter 13 case.¹

IT IS ORDERED that further proceedings in relation to attorney compensation for counsel for the debtor in each of the above-designated cases shall be in accordance with those stated in the immediately preceding paragraphs.

Dated at Hammond, Indiana on May 23, 2008.

/s/ J. Philip Klingeberger
J. Philip Klingeberger, Judge
United States Bankruptcy Court

Distribution:

Debtor, Attorney for Debtor, Trustee, US Trustee, Paul R. Chael, Chapter 13 Trustee

¹ The Court also notes that the Schedule of Unpaid Debts provided for by Fed.R.Bankr.P. 1019(5)(B) should state the amount of attorney compensation awarded to counsel for the debtor in the Chapter 13 case which remains unpaid as of the date of conversion of that case to a case under Chapter 7.