

Proposed change to the local rules for the United States Bankruptcy Court for the Northern District of Indiana. New material is indicated by redline, and deleted material is indicated by ~~strikeout~~.

B-2014-1

Employment of Professionals by Debtor-in-Possession

1 (a) (1) Except when employed for a special purpose under 11 U.S.C. § 327(e), to be eligible
2 to be employed as counsel for the debtor-in-possession, an attorney must be a registered ECF
3 user and shall make all filings in the case, including the application to employ, electronically.

4 (2) All applications for employment of professionals by a debtor-in-possession, together
5 with the accompanying affidavits and disclosures, including the disclosure of compensation
6 required by Fed. R. Bankr. P. 2016, shall be served upon the United States trustee, any committee
7 and/or the entities included on any list required by Fed. R. Bankr. P. 1007(d), and all secured
8 creditors.

9 (b) In addition to the other disclosures and affidavits required by the Bankruptcy Code and
10 applicable Federal Rules of Bankruptcy Procedure, where the debtor-in-possession is not a
11 natural person, the affidavit of the proposed professional shall specifically state:

12 (1) whether or not the debtor has any affiliates, as defined by 11 U.S.C. § 101(2), and, if
13 so, (a) whether the professional or a member of the professional's firm or business represented or
14 was employed by any such affiliate during the twelve months prior to the petition, and (b) any
15 position, other than legal counsel, the professional or a member of the professional's firm or
16 business holds or held in any such affiliate during the two years prior to the petition;

17 (2) if the professional or a member of the professional's firm or business has represented
18 or been employed by any affiliate of the debtor during the twelve months prior to the petition, the
19 circumstances of such representation or employment, all payments received on account of such

20 representation or employment during the twelve months prior to the petition, and any amount
21 owed on account of such representation or employment on the date of the petition;

22 (3) whether or not the professional or a member of the professional's firm or business
23 represented or was employed by the debtor during the twelve months prior to the petition and, if
24 so, the circumstances of such representation or employment, all payments received on account of
25 such representation or employment during the twelve months prior to the petition, and any
26 amount owed on account of such representation or employment on the date of the petition;

27 (4) any position, other than legal counsel, the professional or a member of the
28 professional's firm or business holds or held in the debtor during the two years prior to the
29 petition;

30 (5) whether or not the professional or a member of the professional's firm or business
31 represented or was employed by an officer, director, shareholder, partner or limited partner of the
32 debtor, or any entity that has guaranteed an obligation of the debtor or is liable on any obligation
33 of the debtor or pledged property to secure an obligation of the debtor and, if so, the
34 circumstances of such representation or employment; and

35 (6) whether or not the professional or a member of the professional's firm or business has
36 represented any scheduled creditor within the year prior to the date of the petition and, if so, the
37 circumstances of such representation or employment.

38 (c) Unless objections to the application are filed seven (7) days prior to the date first set for
39 the § 341 meeting or within twenty-one (21) days following service of the application, whichever
40 is later, the court may approve the application without further notice or hearing. Unless the court
41 orders otherwise for good cause shown, the failure to file an objection to the application within
42 the time required will be deemed a waiver of any objection to the professional's employment by

43 the debtor-in-possession and to the allowance or payment of fees on account of such employment
44 based upon the disclosures made pursuant to paragraph (b).

45 (d) In the event the court approves the application, unless otherwise requested following
46 notice to all creditors, the approval will relate back to the date the application was filed.