

**Local Rule of Bankruptcy Procedure 2014. EMPLOYMENT OF
PROFESSIONAL PERSONS.**

(a) Content of Application

In addition to the information required by Fed. R. Bankr. P. 2014, an application to employ a professional person shall:

- (1) contain the following 14-day negative notice language:

NO HEARING WILL BE CONDUCTED ON THIS APPLICATION UNLESS A WRITTEN OBJECTION IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AND SERVED UPON THE PARTY FILING THIS PLEADING WITHIN FOURTEEN (14) DAYS FROM THE DATE OF SERVICE UNLESS THE COURT SHORTENS OR EXTENDS THE TIME FOR FILING SUCH OBJECTION. IF NO OBJECTION IS TIMELY SERVED AND FILED, THIS APPLICATION SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT. IF AN OBJECTION IS FILED AND SERVED IN A TIMELY MANNER, THE COURT WILL THEREAFTER SET A HEARING UNLESS IT DETERMINES THAT AN EVIDENTIARY HEARING IS NOT REQUIRED AND THAT THE COURT'S DECISION WOULD NOT BE SIGNIFICANTLY AIDED BY ORAL ARGUMENT. IF YOU FAIL TO APPEAR AT ANY SCHEDULED HEARING, YOUR OBJECTION MAY BE STRICKEN. THE COURT RESERVES THE RIGHT TO SET A HEARING ON ANY MATTER.

- (2) identify the petition filing date;
- (3) identify the chapter under which the petition was filed;
- (4) identify the mailing address, state bar number (if an attorney), telephone number, and e-mail address of the professional to be employed;
- (5) identify the name(s) of any other professionals in the same profession employed pursuant to court order by the same applicant and, if there is any overlap in proposed services, provide an explanation of why additional professionals are needed;
- (6) provide a description or disclosure of any compensation or promise of

compensation already given to the professional, or of any security or pledge given; including a highlighted disclosure of any agreement to compensate the proposed professional under specified terms and conditions pursuant to §328 of the Bankruptcy Code rather than §330;

- (7) attach the statements required by Fed. R. Bankr. P. 2014(a) and 2016(b);
- (8) attach a certificate of service reflecting service as required by subsection (b) of this Local Rule;
- (9) attach, if there has been a waiver of conflicts in a Chapter 11 case, an adequate description of the waiver and a copy of any written waiver;
- (10) provide a description of any party in interest that has a connection with the applicant; and;
- (11) attach a proposed order approving the employment which substantially conforms to *TXEB Local Form 2014*.

(b) Service of Applications

An application made under subsection (a) or (c) of this Local Rule shall be served on the parties designated by LBR 9013(f), as well as any entity described in Fed. R. Bankr. P. 2016 with whom the applicant has agreed to share compensation for services rendered in the case.

(c) Substitute Court Approved Professional

If a court-approved professional withdraws, then the substitute professional must file a motion for substitution of professional person which also contains the elements of an application to employ under Fed. R. Bankr. P. 2014 and LBR 2014.

(d) Nunc Pro Tunc Approval

If a professional applies for approval more than 30 days after employment and the professional seeks retroactive approval to the employment date, then the professional seeks approval *nunc pro tunc*. In addition to the general application content requirements, the *nunc pro tunc* application must contain:

- (1) an explanation of why the application was not filed earlier;
- (2) an explanation of why the order authorizing employment is required *nunc pro tunc*;
- (3) an explanation -- to the best of the applicant's knowledge -- of how approval of

the application will or will not prejudice any parties-in-interest;

(4) the 21-day negative notice language described in LBR 9007(a); and

(5) a certificate of service reflecting service on the master mailing list (matrix) as constituted by the Court on the date of service.

(e) **Professionals Employable Without Application**

Professionals on the payroll of an operating business at the time of the order for relief are exempt from the provisions of this Local Rule of Bankruptcy Procedure except that the professionals' annual salary and other compensation must be disclosed. This information must be contained in a separate pleading filed with the Court. The debtor is responsible for filing this pleading at the same time schedules are filed. Service of this pleading shall be on the same parties entitled to notice of an order approving employment of professionals. When cash collateral issues are not implicated, a debtor-in-possession or trustee of an operating business may also apply for an order waiving the provisions of this rule as to professionals of a type who are regularly employed in the ordinary course of a debtor's business and who are to provide services not directly related to the reorganization proceedings (e.g., collection agents or attorneys, accountants, geologists, appraisers, realtors, eviction attorneys, etc.).