

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF ILLINOIS

217 U.S. COURTHOUSE
600 EAST MONROE STREET
SPRINGFIELD, ILLINOIS 62701

CHAMBERS OF
MARY P. GORMAN
CHIEF JUDGE

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July 20, 2017

To: Chapter 7 Trustees

From: Mary P. Gorman, Chief Judge



Re: Change in Procedures for Filing Applications for Compensation of Professionals -
Springfield and Urbana Chapter 7 cases

For the last several years, I have allowed and, in fact, encouraged trustees to seek compensation of professionals such as auctioneers and brokers hired on a commission basis for the sale of estate assets in reports of sale, without requiring separate applications for compensation. The goal in allowing trustees to seek compensation for certain professionals through reports of sale was to avoid unnecessary filings and to streamline the sale and compensation procedures. Unfortunately, these procedures have led to confusion, and, as such, may no longer be followed.

Effective immediately, compensation and expense reimbursement for all professionals may only be sought and will only be approved through the filing of a separate application for compensation. **Trustees may no longer combine applications for compensation with reports of sale.** The procedures for debtor sales of estate assets in reorganization cases posted on the website will also be changed to prohibit combining reports of sale with applications for compensation. All other procedures remain unchanged.

Reports of sale must still be filed for all sales, and, as a reminder, do not need to be separately noticed or approved by the Court. The separately filed applications for compensation, however, must be served on the United States Trustee ("UST") and the debtor's attorney, if represented, or the debtor, if pro se. In addition, if the total compensation, meaning the fees and costs combined, requested for the professional is \$1000 or less, the Objection Date Notice must be served on the UST and the debtor's attorney, if represented, or the debtor, if pro se. If the total compensation, again meaning fees and costs combined, exceed \$1000, the Objection Date Notice must be served on the entire matrix with the exception that if a claims bar date has run, notice does not need to go to unsecured creditors who did not file claims.

Again, other than the change described here, all other previously published sale procedures remain in effect.