

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

Applicable Law and Rules

1. Section 329(a) of the Bankruptcy Code (11 U.S.C. § 329(a)) provides:

Any attorney representing a debtor in a case under this title, or in connection with such a case, whether or not such attorney applies for compensation under this title, shall file with the court a statement of the compensation paid or agreed to be paid, if such payment or agreement was made after one year before the date of the filing of the petition, for services rendered or to be rendered in contemplation of or in connection with the case by such attorney, and the source of such compensation."

2. Section 504 of the Code (11 U.S.C. § 504) prohibits the attorney for the debtor from sharing or agreeing to share with another person any compensation or reimbursement received by either the attorney for the debtor or the other person. Section 504 does, however, permit the sharing of compensation and reimbursement with a member, partner, or regular associate in a professional association, corporation, or partnership.

3. Fed. R. Bankr. P. 2016(b) states, in part:

Every attorney for a debtor, whether or not the attorney applies for compensation, shall file and transmit to the United States trustee. . . the statement required by § 329 of the Code including whether the attorney has shared or agreed to share the compensation with any other entity. The statement shall include the particulars of any such sharing or agreement to share by the attorney, but the details of any agreement for sharing the compensation with a member or regular associate of the attorney's law firm shall not be required.

4. Rule 2016(b) sets a deadline of 15 days after the order for relief for the filing of this statement. A supplement to the statement must be filed within 15 days after any payment or agreement not previously disclosed.
5. Rule 2016(b) provides that a supplemental statement shall be filed and transmitted do the United States trustee within 15 days after any payment or agreement not previously disclosed.
6. The purpose of these reporting requirements is to permit the court to determine whether the compensation exceeds the reasonable value of the services rendered (section 329) or whether the attorney has made an agreement to share compensation as forbidden by section 504.

Instructions

Caption

1. Identify the Judicial District in which the bankruptcy case was filed. Example: "Eastern District of California."
2. "In re": Insert the name of the debtor as it appears in the bankruptcy petition.
3. "Case No.": Insert the bankruptcy case number assigned by the court at the time of filing.

The instructions to the rest of the form are self-evident.

Be sure to cross out any services listed in question 5 which will not be provided. Special care should be taken to complete questions 5(e) and 6 in detail, specifying services to be rendered and not to be rendered.

Additional sheets should be attached to the form as needed. A copy of the retainer agreement, if any, should be attached to form.

General Information for the Clerk

This form should be filed by the attorney for the debtor in all bankruptcy cases, including involuntary cases, without regard to the chapter under which the case is proceeding.

Rule 2016(b) requires that the information requested in this form be filed with the court within 15 days after the order for relief is entered. The clerk should seek direction from the chief bankruptcy judge in advance as to the proper procedure to be followed if the attorney for the debtor fails to file this form within the proper period.