

BANKRUPTCY ^{UP}DATE

July 26, 2021

If someone else would like to receive these ^{UP}dates, please send an e-mail to Shan_Stroup@sdb.uscourts.gov.

CLN Decision

You can use the link in the "Links" section below to view the following decision:

In re Farmer

Issue: Whether a chapter 7 trustee may include in the trustee's reimbursable expenses the mailing costs for serving another estate professional's fee application and the notice of the application?

Ruling: Yes. Since the cost to the bankruptcy estate would have been the same whether the estate professional or the chapter 7 trustee made the service, the trustee was allowed to recover the mailing expenses. However, the Court requested chapter 7 trustees and debtors' attorneys in chapter 11, 12, and 13 cases to encourage estate professionals retained in multiple cases to follow Fed.Rs.Bankr.P. 2002(a)(6) and 2016(a) and Bankr. D.S.D. R. 2016-2 and Appendices 2G and 2O and prepare and serve their own fee applications and attendant notices. The United States Trustee should continue to bear the principal burden to review and object to fee applications.

When Your Client Signs a Document ...

When your debtor or creditor client needs to sign a bankruptcy-related document, please avoid having his or her signature on a page separate from the document itself. The Court (and likely your malpractice carrier) wants to ensure the signor has read the whole document before signing it; stand alone signature pages don't bolster the Court's confidence this has happened. We recognize this is more difficult to do when multiple parties need to sign an agreement of some sort, but it should be a practice *de rigueur* for any document signed only by your client.

Links

In re Farmer

Previous Bankruptcy ^{UP}dates

As always, should you have questions regarding this ^{UP}date or anything else concerning your dealings with the Court or the Clerk's office, please let us know.