

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
Judge John W. Kolwe, Presiding

IN RE:

Case No.

ORDER AUTHORIZING RETENTION OF ATTORNEY

Upon the annexed application of the Debtor-in-Possession (DIP), through its counsel, praying for authority to employ _____
“attorney” to represent the DIP in these proceedings under Chapter 11 of the Bankruptcy Code, no notice of the application being given and none being necessary, and no adverse interest being represented; it appearing that said attorney is duly admitted to practice before this Court, that said attorney represents no interest adverse to the DIP or its estate in the matters upon which he is to be engaged, that said attorney’s employment is necessary and would be in the best interest of the estate, that the case is one justifying a general retainer, that by accepting employment, said attorney as an officer of this Court enters into a special relationship of trust to the Court and to the creditors, and that such employment brings with it special responsibilities; therefore,

IT IS ORDERED that the DIP be and is hereby authorized to retain _____ as attorney generally in all matters, which in the performance of their duties, the DIP may properly require the services of an attorney under general retainer. The Court finds that granting the requested relief immediately is necessary to avoid immediate and irreparable harm, pursuant to Rule 6003(a); and

IT IS FURTHER ORDERED that said attorney be and is hereby charged with the following special duties and responsibilities which he is hereby ordered to perform:

1. He shall offer advice to the DIP and the officers, directors, employees, agents and partners thereof, as applicable, regarding the operation of the business of the DIP and the DIP's responsibility to comply with the orders of this Court, including the Order to Debtor in Possession, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, the Guide to Practice, and other applicable law.

2. He shall advise DIP of its obligations to file the reports required by the Order to Debtor in Possession filed in connection with this case and shall instruct the DIP to include therein any information material to the continued operation of the DIP and to the continuation of these proceedings.

3. He shall instruct the DIP of its responsibility to take all steps reasonably necessary to prevent any depletion of the assets of the estate during the pendency of these proceedings and its responsibility to notify the Court of any actual or threatened depletion of the assets.

4. If, at any time during the pendency of these proceedings, he concludes that the continued operation of DIP's business or the continuation of these proceedings is not in the best interest of the creditors and of the estate, he shall immediately advise the DIP of that conclusion and recommend that the DIP so advise the Court.

5. He shall inform the DIP that the DIP may not pay any indebtedness or obligation owed by the Debtor on the date of the filing of the Petition initiating this proceeding pending further orders of this Court.

6. He shall promptly advise the DIP not to make any sales of any assets outside the ordinary course of business except upon appropriate further orders of this Court.

7. He shall advise the DIP that the DIP must comply with the requirements of the Internal Revenue Code and in particular with the depository receipt requirements of the Internal Revenue Code and regulations, and that the DIP must comply with all applicable state tax laws and regulations. Further, he shall report to the Court any continued and intentional failure of the DIP to follow his advice.

8. He shall advise the DIP that all financial reports required to be filed by the Order to Debtor in Possession must be true, correct and accurate, and that the DIP must timely file such reports. In the event that the DIP continually and intentionally fails to follow his advice, the attorney shall so report to the Court.

9. He shall advise the DIP that all debts incurred by the DIP in the course of the operation of his business as DIP are to be paid in the ordinary course of business and in accordance with the terms of this Court's order authorizing the continued operation of the business.

IT IS FINALLY ORDERED, in regard to professional compensation, THAT:

1. The attorney will bill unproductive travel time, if any, at one-half the hourly rate for which compensation is sought.

2. The attorney may adjust its hourly rates periodically to reflect advancing professional capabilities as well as general economic facts. Any such adjustment shall be disclosed to the Debtor, United States Trustee, the Court, and is subject to approval of the Court after notice and a hearing.

3. More than one professional of the attorney may assist in the representation of the Debtor because of workload or other reasons. All such persons shall be utilized in a manner to promote efficiency and economy for the estate so that tasks will only be assigned to senior personnel when specialized expertise is needed. For example, senior attorneys shall not be compensated at their customary rate for supervising mailing or copying of disclosure statements.

4. In its representation of the Debtor, the attorney may also engage the assistance of paralegals. The court, however, will not allow compensation for paralegals where the services rendered are traditionally clerical in nature.

5. The attorney and its employees will account for their time in increments of 1/10 of an hour and in all other respects consistent with section 330 of the Bankruptcy Code, the applicable Federal Rules of Bankruptcy Procedure, the Local Rules of Bankruptcy Procedure, the Fee Guidelines of the United States Trustee issued January 30, 1996, and any applicable orders of this Court.

6. Applications for compensation shall comply in all respects with the Fee Guidelines of the United States Trustee issued January 30, 1996---**THE COURT WILL NOT CONSIDER APPLICATIONS FOR COMPENSATION WHICH DO NOT COMPLY WITH SAID GUIDELINES IN RESPECT TO PROJECT BILLING.**

7. Subject to Court approval, the attorney may also seek reimbursement from the estate for actual and necessary out-of-pocket expenses. The attorney shall actively exercise reasonable billing judgment when seeking reimbursement for such expenses and shall use the most economical and practicable method when incurring such expense. Detailed records of all such expenses shall be maintained.

###

I agree to accept, and agree to be bound in all particulars by the provisions of the foregoing order authorizing my employment.

/s/

Attorney for Debtor in Possession