

The relief described hereinbelow is SO ORDERED

Done this 28th day of June, 2012.



**William R. Sawyer**  
**United States Bankruptcy Judge**

**UNITED STATES BANKRUPTCY COURT**  
**MIDDLE DISTRICT OF ALABAMA, SOUTHERN DIVISION**

<b>In Re:</b>	)	<b>Case No: 11-12254-WRS-11</b>
	)	
<b>SMALL LOANS, INC., et al.</b>	)	<b>Chapter 11</b>
	)	
<b>Debtors.</b>	)	<b>Jointly Administered</b>

**ORDER GRANTING CHAPTER 11 TRUSTEE'S MOTION PURSUANT TO FED. R. BANKR. P. 2016(a) FOR ENTRY OF AN ORDER UNDER SECTIONS 105(a) AND 331 OF THE BANKRUPTCY CODE ESTABLISHING PROCEDURES FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND EXPENSES**

S. Gregory Hays, the chapter 11 bankruptcy trustee (the "Trustee") appointed in the above captioned case, filed a Chapter 11 Trustee's Motion Pursuant to Fed. R. Bankr. P. 2016(a) for Entry of an Order Under Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of Interim Compensation and Expenses [ECF Docket No. 394] (the "Motion") in this matter on June 20, 2012. In his Motion, the Trustee requests that the Court enter an order establishing certain procedures for the allowance and payment of compensation and expenses to professionals whose employment has been approved by the Court.

The Court scheduled a hearing on the Motion for June 26, 2012. At the hearing, appearances were made by the Bankruptcy Administrator, Teresa R. Jacobs, by counsel for the

Trustee, Daniel D. Sparks and Bradley R. Hightower, by counsel for the Omnibus Official Committee of Unsecured Creditors, R. Kyle Woods, and by counsel for HGH Associates, LLC, Henry A. Calloway. No objections were filed regarding the Motion and no objections were made at the hearing regarding the Motion either.

Based upon the Court's review of the Motion and the lack of any opposition to the Motion by any creditor or party in interest, the Court finds that the Motion is due to be granted; therefore, it is ORDERED that the Motion is GRANTED and the following compensation procedures (the "Compensation Procedures") are established regarding the allowance and payment of compensation and expenses to professionals in this matter:

- A. On or about the 25th day of each calendar month, each professional seeking interim compensation may file an application (a "Monthly Fee Application") pursuant to Section 331 of the Bankruptcy Code for interim approval and allowance of compensation for services rendered and reimbursement of expenses incurred during the immediately preceding month (the "Compensation Period") and serve a copy of such Monthly Fee Application on: (i) the Bankruptcy Administrator, Teresa R. Jacobs, (ii) counsel for the Debtors, (iii) counsel for the Trustee, (iv) counsel for the Omnibus Official Committee of Unsecured Creditors, (v) the Limited Service List described in the Order Limiting Notice, Establishing Additional Notice Procedures and Approving Alternative Form of Notice Via Website [ECF Docket No. 91], and (vi) those persons who have requested notice pursuant to Fed. R. Bankr. P. 2002. (collectively, the "Notice Parties").<sup>1</sup>

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<sup>1</sup> The procedures described herein are not applicable to the interim fee applications filed by professionals prior to the date that the Motion was filed; they are, however, applicable to all interim fee applications filed after the date that the Motion was filed.

B. Each Monthly Fee Application shall comply with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), applicable Eleventh Circuit law and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Middle District of Alabama (the "Local Rules"). Local Rule 9007-1, which specifies the negative notice procedure applicable to certain pleadings will be made applicable to each Monthly Fee Application, such that each Monthly Fee Application shall contain a negative notice legend prominently displayed on the first page of the Monthly Fee Application that is substantially in the form set out in Rule 9007-1. Each Notice Party will have twenty one (21) days after service (the "Objection Deadline") of a Monthly Fee Application to object thereto. Upon the expiration of the Objection Deadline, if no creditor or party in interest files a written objection stating specific grounds on which the objection is based, the Monthly Fee Application may be taken under advisement by the Court and may be granted without further notice or hearing, after which the Trustee shall be authorized to pay each such professional an amount (the "Actual Interim Payment") equal to the fees and expenses requested in the Monthly Interim Fee Application (the "Interim Payment").

C. If any Notice Party objects to a professional's Monthly Fee Application, the Notice Party must file with the Court and serve on the affected professional and each Notice Party a written objection, which must be filed with the Court and received by the affected professional and the Notice Parties on or before the Objection Deadline. The Court will then schedule a hearing to resolve any timely filed objections to a professional's Monthly Fee Application.

- D. The pendency of an objection to payment of compensation or reimbursement of expenses will not disqualify a professional from the future payment of compensation or reimbursement of expenses under the Compensation Procedures.
- E. After a professional's fees and expenses have been allowed by the Court and paid by the Trustee pursuant to a Monthly Fee Application, no fees and expenses shall be subject to disgorgement unless the basis for the disgorgement, including any objection to the professional's final fee application which seeks disgorgement of fee and expenses, could not have been made to any Monthly Fee Application previously filed by the professional. If the estates become administratively insolvent, interim fees and expenses paid to professionals shall be subject to disgorgement notwithstanding the procedures described herein.
- F. Each member of any statutorily appointed creditors' committee is permitted to submit statements of expenses (excluding committee member counsel expenses) and supporting vouchers to counsel to such creditors' committee, which counsel will collect and submit the creditors' committee members' requests for reimbursement in accordance with the Compensation Procedures.
- G. Notice of any hearing on a Monthly Fee Application and/or final fee application (the "Hearing Notice") shall be limited such that (a) the Notice Parties will be entitled to receive all Monthly Fee Applications and Hearing Notices and (b) all other parties entitled to notice will be entitled to receive only the Hearing Notices.
- H. Any monthly compensation and expenses allowed by the Court under the Compensation Procedures may be paid by the Trustee, in his sole discretion, from one or more of the estate bank accounts being operated by the Trustee without

regard to whether the professional receiving payment performed services specifically for the benefit of the estate from which some or all of the funds are paid.

- I. The Compensation Procedures described herein regarding Monthly Fee Applications and Hearing Notices shall further be applicable to any final fee application filed by a professional whose employment has been approved by the Court.

###END OF ORDER###

**This order prepared by:**

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