

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION

In re:)	
)	
MISSISSIPPI PHOSPHATES)	
CORPORATION, <i>et al.</i> ¹)	CASE NO. 14-51667-KMS
)	Chapter 11
)	
Debtors)	Jointly Administered
)	

**STIPULATION REGARDING UNIFORM PROCEDURES
FOR ATTORNEY TIMEKEEPING, BILLING, AND BUDGETING**

THIS STIPULATION is entered into by and between Henry G. Hobbs, the Acting United States Trustee for Region 5 (the “*United States Trustee*”), and Mississippi Phosphates Corporation, *et al.* (the “*Debtors*”), to establish uniform procedures for the preparation and submission of billing records, staffing plans, and budgets, applicable to all attorneys retained in this case under Sections 327 or 1103 of the Bankruptcy Code.

NOW, IT IS HEREBY STIPULATED AND AGREED TO by the undersigned parties as follows:

- I. Except as otherwise ordered by the Court, the procedures in **Exhibit “A”** (the “*Procedures*”) to this Stipulation shall govern all attorneys who file Applications for Compensation and Reimbursement of Expenses (“*Fee Applications*”) pursuant to sections 330 and 331 of the Bankruptcy Code who (a) are retained under section 327 or 1103 of the Bankruptcy Code, or (b) are ordered by the Court to follow the procedures (“*Retained*”

¹ The chapter 11 cases of the following affiliated Debtors have been administratively consolidated for joint administration pursuant to that certain *Order Granting Motion of the Debtor for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b)*, dated October 29, 2014 [Dkt. # 62]: Mississippi Phosphates Corporation (“*MPC*”), Case No. 14-51667, Ammonia Tank Subsidiary, Inc. (“*ATS*”), Case No. 14-51668 and Sulfuric Acid Tanks Subsidiary, Inc. (“*SATS*”), Case No. 14-51671. These chapter 11 cases are sometimes referred to herein as the “*Bankruptcy Cases*.”

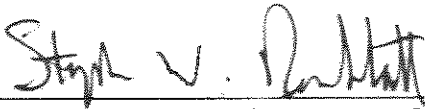
Attorneys”) but not Ordinary Course Professionals or Special Counsel who are not subject to this Stipulation.²

2. The Debtors will serve a copy of this Stipulation (including **Exhibit “A”**) on any Retained Attorney who is or hereafter will be subject to the Procedures within 15 days of an Order either approving the retention of any Retained Attorney or making the Procedures applicable to such Retained Attorney.

Dated: March 18, 2015.

Respectfully submitted,

MISSISSIPPI PHOSPHATES CORPORATION, *et al.*

By:  _____

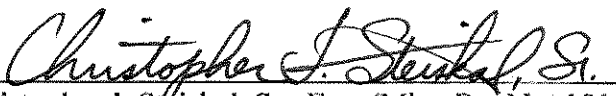
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ATTORNEYS FOR THE DEBTORS

² The Debtors may file a Motion to Retain Other Professionals in the Ordinary Course of Business (the “*Ordinary Course of Business Motion*”) so that the professionals covered under that Ordinary Course of Business Motion (“*Ordinary Course Professionals*”) will be compensated pursuant to the terms of an Order with respect to the Ordinary Course of Business Motion rather than being within the scope of the present Order. Further, the Debtors have also filed motions to retain special counsel for special purposes (“*Special Counsel*”), and those Special Counsel should not be subject to these Procedures either.

OFFICE OF THE UNITED STATES TRUSTEE

Henry G. Hobbs
United States Trustee
Region 5, Judicial Districts of Louisiana and Mississippi

By: 
Christopher J. Steiskal, Sr., Esq. (Miss. Bar No. 101654)

TRIAL
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FOR THE

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EXHIBIT "A"

ATTORNEY TIMEKEEPING, BILLING, AND BUDGETING PROCEDURES

The following uniform procedures (collectively, the "*Billing Procedures*") with respect to the preparation and submission of billing records, budgets, and staffing plans shall be followed by all attorneys who: (i) have been or are hereafter retained pursuant to Sections 327 or 1103 of the Bankruptcy Code; or (ii) are authorized to receive compensation from the estate and who are designated by order of the Court as being subject to these Billing Procedures ("*Retained Attorneys*"):

1. Electronic Billing Records. Billing records (detailed time and service entries) substantiating an interim and/or final fee application will be provided in an open and searchable electronic data format, and will be provided with the interim and/or final fee application: (i) to the court, the debtors-in-possession or trustee, any official committee, the United States Trustee, and any fee review committee, fee examiner, or fee auditor; and (ii) upon request, to any other party in interest.

2. The Retained Attorneys may provide the electronic data in the manner in which it maintains it, but if possible, the data should be provided in the LEDES format.

3. A Retained Attorney that does not maintain billing data electronically shall consult with the United States Trustee about how it maintains its billing data and what alternatives exist for providing the billing records, including paper copies and searchable PDFs of the paper copies.

4. A Retained Attorney's submission of electronic data does not relieve the Retained Attorney of its obligations under the Bankruptcy Code, Bankruptcy Rules, and Local Rules, including any obligation to provide paper copies.

5. Project Categories for Billing Records. All time and service entries will be coded by project categories. Timekeepers for Retained Attorneys should be consistent in their use of categories, both within their firm and with different firms working on the same matter. Retained Attorneys should discuss the categories in advance and agree generally on how activities will be categorized. Only one category should be used per time entry.

6. The project categories below will be used as applicable, but the list of project categories is not exclusive. All Retained Attorneys will consult with the United States Trustee as appropriate regarding the need to formulate case-specific project billing:

- (a) Asset Analysis and Recovery: Identification and review of potential assets including causes of action and non-litigation recoveries.
- (b) Asset Disposition: Sales, leases (Section 365 of the Bankruptcy Code matters), abandonment, and related transaction work related to asset disposition.
- (c) Assumption and Rejection of Leases and Contracts: Analysis of leases and executory contracts and preparation of motions specifically to assume or reject.
- (d) Avoidance Action Analysis: Review of potential avoiding actions under Sections 544-549 of the Bankruptcy Code to determine whether adversary proceedings are warranted.
- (e) Budgeting (Case): Preparation, negotiation, and amendment to budgets for applicant.
- (f) Business Operations: Issues related to debtors-in-possession operating in chapter 11 such as employee, vendor, tenant issues, and other similar problems.
- (g) Case Administration: Coordination and compliance activities not specifically covered by another category.
- (h) Claims Administration and Objections: Specific claim inquiries; bar date motions; analyses, objections and allowances of claims.
- (i) Corporate Governance and Board Matters: Preparation for and attendance at Board of Directors meetings; analysis and advice regarding corporate governance issues, including trustee, examiner, and

CRO issues; review and preparation of corporate documents (e.g., articles and bylaws, etc.).

- (j) Employee Benefits and Pensions: Review and preparation related to employee and retiree benefit issues, including compensation, bonuses, severance, insurance benefits, and 401K, pensions, or other retirement plans.
- (k) Employment Applications: Preparation of employment applications for self or others.
- (l) Fee Applications: Preparation of fee applications for self or others; motions to establish interim.
- (m) Fee Application Objections: Review of and objections to the fee applications of others.
- (n) Financing and Cash Collateral: Matters under Sections 361, 363 and 364 of the Bankruptcy Code including cash collateral and secured claims; loan document analysis.
- (o) Litigation: Contested Matters and Adversary Proceedings (not otherwise within a specific project category), each identified separately by caption and adversary number, or title of motion or application and docket number, and using the Uniform Task Based Management System (“*UTBMS*”) Litigation Task Code Set.
- (p) Meetings and Communications with Creditors: Preparation for and attendance at Section 341(a) of the Bankruptcy Code meeting and any other meetings with creditors and creditors’ committees.
- (q) Non-Working Travel: Non-working travel where the court reimburses at less than full hourly rates.
- (r) Plan and Disclosure Statement: Formulation, presentation and confirmation; compliance with the plan confirmation order, related orders and rules; disbursement and case closing activities, except those related to the allowance and objections to allowance of claims.
- (s) Real Estate: Review and analysis of real estate-related matters, including purchase agreements and lease provisions (e.g., common area maintenance clauses).
- (t) Relief from Stay and Adequate Protection: Matters relating to termination or continuation of automatic stay under 11 U.S.C. § 362 and motions for adequate protection under 11 U.S.C. § 361.

- (u) Reporting: Statement of financial affairs, schedules, monthly operating reports, and any other accounting or reporting activities; contacts with the United States Trustee not included in other categories.
- (v) Tax: Analysis of tax issues and preparation of federal and state tax returns.
- (w) Valuation: Appraise or review appraisals of assets.

7. Expense Categories for Billing Records. All expense entries should be coded by expense categories. The expense categories set forth below will be used, as applicable:

- (x) Copies
- (y) Outside Printing
- (z) Telephone
- (aa) Facsimile
- (bb) Online Research
- (cc) Delivery Services/Couriers.
- (dd) Postage
- (ee) Local Travel
- (ff) Out-of-town Travel:
 - (i) Transportation
 - (ii) Hotel
 - (iii) Meals
 - (iv) Ground transportation
 - (v) Other (please specify)
- (gg) Meals (local)
- (hh) Court Fees
- (ii) Subpoena Fees
- (jj) Witness Fees
- (kk) Deposition Transcripts

- (ll) Trial Transcripts
- (mm) Trial Exhibits
- (nn) Litigation Support Vendors
- (oo) Experts
- (pp) Investigator
- (qq) Arbitrators/Mediators
- (rr) Other (please specify).

8. Unusual expense items shall be explained in detail and should be allocated, where practicable, to specific projects.

9. Billing Increments; Prohibition of Block Billing and Lumping: All time entries shall be recorded in increments of .1 of an hour.

10. All discrete tasks shall be recorded separately. Each timekeeper, however, may record one daily entry that combines tasks for a particular project that total a *de minimis* amount of time if those tasks do not exceed .5 hours on that day.

11. Budget and Staffing Plans: Retained Attorneys shall formulate budgets and staffing plans as soon as feasible after being retained or becoming subject to the Procedures by Court order. A sample budget and a sample staffing plan can be found at Exhibit C-1 and Exhibit C-2 to the UST Larger Case Guidelines. The UST Larger Case Guidelines and fillable form exhibits are available at http://www.justice.gov/ust/eo/rules_regulations/guidelines/index.htm.

12. Budgets and staffing plans shall be agreed to between the Retained Attorney and its client.

13. Budgets can and should be amended as necessary to reflect changed circumstances or unanticipated developments.

14. The appropriate budget period should be decided between the Retained Attorney and its client. The staffing plan must use the same time period as the budget.

15. The staffing plan will disclose both the number of timekeepers expected to work on the matter during the budget period and either the category of timekeeper (e.g., 25 associates) or the number of years of experience (e.g., 15 lawyers with 8-14 years of experience).

16. Fee Applications: The budget and staffing plan for a fee period, interim or final, shall be filed with the fee application. Forward-looking budgets and staffing plans should not be filed with the fee application or provided to the United States Trustee.

17. To the extent feasible, Retained Attorneys are encouraged to share their budgets on a prospective basis. All other budget and staffing plans will be disclosed retrospectively with a fee application.