UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF OHIO

In Re:)
) CHIEF JUDGE RICHARD L. SPEER
Rosetta Thompson)
)
) Case No. 99-30191
Debtor(s)	

DECISION AND ORDER

This cause is before the Court after a Hearing on the Trustee's Motion for Authority to pay fees, amounting to One Thousand Two Hundred Twenty-five (\$1,225.00) Dollars, to Attorney Brian Judis on the basis of Quantum Meruit. In support of this Motion, Brian Judis avers that he conferred upon the Debtor's bankruptcy estate a benefit by obtaining a recovery of Ten Thousand (\$10,000.00) Dollars on a life insurance policy that was payable to the Debtor. The Debtor, however, objects to the Trustee's Motion on the basis that Brian Judis was not properly employed by the Trustee as a professional person under 11 U.S.C. § 327, and that Brian Judis held an interest adverse to the bankruptcy estate in violation of 11 U.S.C. §§ 327(a) and 328(c). In addition, the Debtor contends that Brian Judis' failure to disclose to Debtor's counsel the possible existence of the insurance funds until the last minute exhibits bad faith, and thus disqualifies Brian Judis from any type of equitable relief.

Quantum Meruit is based upon the concept that no one who benefits by the labor and materials of another should be unjustly enriched thereby. Black's Law Dictionary 1243 (6th ed. 1990). This doctrine has on more than one occasion been employed by this Court to award fees to a professional person who was not otherwise entitled to receive compensation under the express provisions of the Bankruptcy Code. *In re M-H Group, Inc.*, 139 B.R. 836, 841 (Bankr. N.D.Ohio 1991) (law firm awarded partial fees on quantum meruit theory where the record did not reflect any reprehensible conduct by the firm and where the firm provided valuable legal services to the debtor); *In re Faulhaber Co.*, Case No. 97-33192, decided 1999 (Chapter 11 Debtor's attorney permitted compensation after appointment of trustee); *In re Harris-Miles*, 187 B.R. 178, 181 (Bankr.N.D.Ohio

1995) (quantum meruit compensation permitted even where attorney's conduct involved a breach of

the standards of professionalism where attorney had performed a significant amount of beneficial legal

services). However, this Court has required that the professional seeking to be compensated under the

doctrine of Quantum Meruit must have, at a minimum, not engaged in any sort of reprehensible

conduct, and, in addition, the services provided by the professional must actually have conferred a

commensurate benefit upon the bankruptcy estate. Id.

With the above-mentioned principles in mind, the Court, after giving due consideration to the

facts of this case, finds that in accordance with this Court's authority under 11 U.S.C. § 105(a), Brian

Judis shall, on the basis of Quantum Meruit, be entitled to receive compensation for the legal services

he performed in connection with the Debtor's bankruptcy case. However, after reviewing the scope

of the services Brian Judis performed in connection with the recovery of the insurance proceeds, the

Court finds that Brian Judis shall be entitled to receive Six Hundred (\$600.00) Dollars in total

compensation. In reaching this conclusion found, the Court has considered all of the evidence, exhibits

and arguments of counsel, regardless of whether or not they are specifically referred to in this Order.

Accordingly, it is

ORDERED that the Trustee's Motion to Pay Brian Judis on the basis of Quantum Meruit be,

and is hereby, GRANTED; and that the Trustee pay to Brian Judis Six Hundred (\$600.00) Dollars in

compensation fees for all the legal services he performed on behalf of the Debtor's bankruptcy estate.

Dated:

Richard L. Speer

Chief Bankruptcy Judge

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