

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION

IN RE: )  
 ) Chapter 7  
HOPEMAN BROTHERS, INC., )  
 ) Case No. 24-32428 (KLP)  
Debtor. )  
 )

**STATEMENT OF THE UNITED STATES TRUSTEE REGARDING APPLICATIONS  
FOR FEES AND EXPENSES SCHEDULED TO BE HEARD ON NOVEMBER 18, 2025**

COMES NOW Matthew W. Cheney, Acting United States Trustee for Region 4, by  
counsel, and states as follows regarding the interim applications for fees and expenses scheduled  
to be heard on November 18, 2025:

1. There are currently pending seven interim applications for fees and expenses of  
professionals for their work in connection with these cases, as follows:

<b><u>Docket No.</u></b>	<b><u>Professional Name</u></b>	<b><u>Role in Case</u></b>
1234	Hunton Andrews Kurth LLP	Lead counsel to the Debtor
1235	Blank Rome LLP	Special insurance counsel to the Debtor
1236	Stout Risius Ross, LLC	Financial advisor to the Debtor
1238	Caplin & Drysdale, Chartered	Counsel to the Official Committee of Unsecured Creditors
1239	FTI Consulting, Inc.	Financial advisor to the Official

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		Committee of Unsecured Creditors
1245	Morgan, Lewis & Bockius LLP	Special insurance counsel to the Official Committee of Unsecured Creditors
1247	Kutak Rock LLP	Special conflicts counsel to the Debtor

(These seven applications are referred to herein as the “Pending Fee Applications.”)

2. The deadline for the United States Trustee to object to the Pending Fee Applications is November 11, 2025. *See* Docket Nos. 1237, 1240, 1246 & 1248. The Pending Fee Applications are all scheduled to be heard on November 18, 2025.

3. At the end of the day on September 30, 2025, the appropriations act that had been funding the Department of Justice (the “Department”) expired and appropriations to the Department lapsed. The Department does not know when funding will be restored by Congress.

4. Absent an appropriation or continuing resolution, Department attorneys and employees, including the United States Trustee and his staff, are prohibited from working, even on a voluntary basis, except in very limited circumstances, including “emergencies involving the safety of human life or the protection of property.” 31 U.S.C. § 1342.

5. This case is governed by the “Procedures for Complex Chapter 11 Cases in the Eastern District of Virginia” pursuant to Local Rule of Bankruptcy Procedure 1075-1 (the “Complex Case Procedures”), which are incorporated into this Court’s Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and (II) Granting Related Relief (“Order”). Docket No. 162. The Complex Case Procedures are attached to the Local Rules as Exhibit 15.

6. The Order and Complex Case Procedures provide as follows (in part) regarding interim fee applications:

x. **Neither** (i) the payment of, or the failure to pay, in whole or in part, any interim compensation and reimbursement to a Retained Professional nor (ii) the service of an Objection or **the filing of, or failure to file, an Objection will bind any party in interest or the Court with respect to the final allowance of any compensation of fees for services rendered or reimbursement of expenses incurred by a Retained Professional. All fees and expenses paid to Retained Professionals under these compensation procedures are subject to disgorgement until final allowance by the Court.**

Docket No 162; Complex Case Procedures, Article VI.F.5.b.x (emphasis added).

7. This provision of the Order and Complex Case Procedures merely gives voice to and establishes guidelines regarding the general rule that interim fee applications under Section 331 of the Bankruptcy Code are, as Section 331 states, “interim” and subject to reconsideration by the Court. *See In re Taxman Clothing Co.*, 49 F.3d 310, 312 (7<sup>th</sup> Cir. 1995) (“The law is clear, however, that all interim awards of attorney's fees in bankruptcy cases are tentative.”); *In re Nettel Corp.*, 2020 WL 2047965 at \*27 (Bankr. D.D.C. April 28, 2020) (“The payments to [the Chapter 7 Trustee] and his law firm were pursuant to interim orders under § 331. Such interim payments are always subject to review at the end of the case.”). *See generally Collier on Bankruptcy*, 16<sup>th</sup> ed., ¶ 331.04[3].

8. Due to the limitations put upon him by the lapse of appropriations, and given Section 331, the Order, and the Complex Case Procedures, the United States Trustee does not intend to object to the Pending Fee Applications. Nor does the United States Trustee intend to conduct his typical review of the Pending Fee Applications and informal discussions with the professionals involved that typically result in agreed deductions to the amounts of fees and expenses sought.

9. The United States Trustee reserves his rights to review and object to the fees and expenses sought in the Pending Fee Applications (and indeed all prior interim applications) in connection with the final professional fee applications or some other later date in the case.

## **CONCLUSION**

WHEREFORE the United States Trustee submits this Comment regarding the Pending Fee Applications.

November 7, 2025

MATTHEW W. CHENEY  
ACTING U.S. TRUSTEE, REGION 4

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## **CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing was served via CM/ECF on November 7, 2025, on the Counsel for the Debtor, Counsel for the Unsecured Creditors Committee, and all parties receiving notice in the above-captioned case, constituting all necessary parties.

/s/ Kathryn R. Montgomery  
Kathryn R. Montgomery