

§ 1-507.31. Employment and compensation of professionals.

(a) Employment. – To represent or assist the receiver in carrying out the receiver's duties, the receiver may employ attorneys, accountants, appraisers, brokers, agents, auctioneers, or other professionals that do not hold or represent an interest adverse to the receivership.

A person is not disqualified for employment under this subsection solely because of the person's employment by, representation of, or other relationship with the receiver, the debtor, a creditor, or other party in interest. Nothing in this Article shall prevent the receiver from serving in the receivership as a professional to the receiver, whether as attorney, accountant, broker, agent, auctioneer, or otherwise, if the receiver has the necessary licenses to lawfully perform such professional services.

Nothing in this subsection shall require prior court approval of the receiver's retention of professionals; provided, however, promptly after the receiver's engagement of any professional, the receiver shall file with the court and give notice to all parties in interest of a notice of the retention and of the proposed compensation. Any party in interest may file a motion for disapproval of any retention within 14 days after the receiver's filing of the notice on the sole grounds that the proposed professional holds or represents an interest adverse to the receivership. Upon the filing of a motion for disapproval, the court shall promptly schedule a hearing and determine the issue.

(b) Compensation. – The receiver and any professional retained by the receiver shall be paid reasonable compensation for their services rendered from the receivership property in the same manner as other expenses of administration and without the necessity of separate orders, but shall be subject to any procedures, safeguards, and reporting that the court may order.

Except to the extent compensation to the receiver or the receiver's professionals has been approved by the court, or as to parties in interest that are deemed to have waived the right to object, any interim payments of compensation to the receiver or the receiver's professionals are subject to approval in connection with the receiver's final report pursuant to G.S. 1-507.37.

In determining reasonable compensation to be paid to the receiver under this subsection, the court shall not be limited to considering any fixed percentage of the receiver's receipts or disbursements, but may consider all relevant facts and circumstances, including the following:

- (1) The amount or basis of compensation to which the receiver or the receiver's professional agree, as set forth in the order appointing the receiver or the receiver's professional.
- (2) The value of the debtor's assets.
- (3) The number and amount of the debtor's creditors.
- (4) The time and labor expended, and the billing rates charged, by the receiver or the receiver's professional.
- (5) The novelty and complexity of the receivership.
- (6) The skill and time required to perform properly the duties and responsibilities of the receiver or the receiver's professionals.
- (7) The amount of the receiver's receipts and disbursements.
- (8) The amount of any distributions made to creditors on unsecured claims.
- (9) The compensation awarded to the receivers and receivers' professionals in other receiverships. (2020-75, s. 1.)