

AMENDMENTS TO
BANKRUPTCY RULES 5002 AND 5004

Rule 5002. Restrictions on appointments.

(a) *Appointment of relatives prohibited.*—No individual may be appointed as a trustee or examiner or be employed as an attorney, accountant, appraiser, auctioneer, or other professional person pursuant to § 327 or § 1103 of the Code if the individual is a relative of the bankruptcy judge making the appointment or approving the employment. Whenever under this subdivision an individual is ineligible for appointment or employment, the individual's firm, partnership, corporation, or any other form of business association or relationship, and all members, associates and professional employees thereof are also ineligible for appointment or employment.

(b) *Judicial determination that appointment or employment is improper.*—A bankruptcy judge may not appoint a person as a trustee or examiner or approve the employment of a person as an attorney, accountant, appraiser, auctioneer, or other professional person pursuant to § 327 or § 1103 of the Code if that person is or has been so connected with such judge as to render the appointment or employment improper.

Rule 5004. Disqualification.

(a) *Disqualification of judge.*—A bankruptcy judge shall be governed by 28 U. S. C. § 455, and when disqualified from acting thereunder, shall disqualify himself from presiding over the adversary proceeding or contested matter in which the disqualifying circumstance arises or, if appropriate, shall disqualify himself from presiding over the case.

(b) *Disqualification of judge from allowing compensation.*—A judge shall disqualify himself from allowing compensation to a person who is a relative or with whom he is so connected as to render it improper for him to authorize such compensation.

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(b) Judicial determination that appointment or employment is improper.—A bankruptcy judge may not appoint a person as a trustee or examiner or approve the employment of a person as an attorney, accountant, appraiser, auctioneer, or other professional person pursuant to § 527 or § 1103 of the Code if that person is or has been so connected with such judge as to render the appointment or employment improper.

Rule 5004. Disqualification.

(a) Disqualification of judge.—A bankruptcy judge shall be governed by 28 U. S. C. § 455, and when disqualified from acting thereunder, shall disqualify himself from presiding over the adversary proceeding or contested matter in which the disqualifying circumstance arises or, if appropriate, shall disqualify himself from presiding over the case.

(b) Disqualification of judge from allowing compensation.—A judge shall disqualify himself from allowing compensation to a person who is a relative or with whom he is so connected as to render it improper for him to authorize such compensation.