

## Bankruptcy Consultation Agreement

1. **Bankruptcy Telephone Consultation Agreement** (signature required)
2. Notice Pursuant to 11 USC Section 342(b) (*information only*)
3. **Notice Pursuant to 11 USC Section 342(b)(1)** (signature required)
4. **Notice Pursuant to 11 USC Section 527(a)** (signature required)
5. Notice Pursuant to 11 USC Section 527(b) (*information only*)
6. Notice Pursuant to 11 USC Section 527(c) (*information only*)

Please sign and return the Agreement, Notice Pursuant 11 USC Section 342(b)(1) and Notice Pursuant to 11 USC Section 527(a) along with a list of your creditors. Please keep all other documents for your permanent records. When we receive the Bankruptcy Telephone Consultation Agreement, one of our attorneys will call you to provide your consultation as specified in your membership agreement with LegalShield<sup>SM</sup>.

Please note that the above notices only show the Bankruptcy Court's required filing fees, additional Attorney fees may apply.

We are sorry to impose these requirements on you but we are required by the Bankruptcy Act to make sure that these items are provided to you prior to any Bankruptcy consultation.

- **Please remember that you must return all (3) signed forms to us before we can consult with you.**
- **Please make sure to return the list on the last page with anyone or any entity to whom you do or could owe money.**
- **If you and your spouse/domestic partner are considering filing separate or a joint bankruptcy petition(s), both you and your spouse/domestic partner must complete the forms.**

**BANKRUPTCY TELEPHONE CONSULTATION AGREEMENT**

This is to confirm our understanding that Friedman, Framme & Thrush, P.A. will provide only telephone consultation and advice concerning Bankruptcy at no charge to you. These are the only legal services that we are to provide for you at this time.

Should you require additional legal services, it may be necessary for you to execute a written retainer agreement with an attorney who may not be an employee of Friedman, Framme & Thrush, P.A. There would, of course, be a charge for those additional legal services as provided by the terms of your membership agreement with LegalShield<sup>SM</sup>.

If this agreement is acceptable to you, please sign and return all forms that require a signature, to Friedman, Framme & Thrush, P.A. You can send it to us by fax, email, or regular mail.

**Fax:** (804) 649-2172 / **Email:** [mail@fftlaw.com](mailto:mail@fftlaw.com)

**Mail:** Friedman, Framme & Thrush, P.A., 6800 Paragon Place, Suite 233, Richmond, VA 23230

**Once we have received this agreement, the other forms that require a signature and your list of creditors, one of our attorneys will call you for your telephone consultation.**

By signing below, you acknowledge that you have received a Notice Pursuant to 11 USC Section 342(b); a Notice Pursuant to 11 USC Section 342(b)(1); a Notice Pursuant to 11 USC Section 527(a); a Notice Pursuant to 11 USC Section 527(b); and a Notice Pursuant to 11 USC Section 527(c).

\_\_\_\_\_  
Primary Member Signature

\_\_\_\_\_  
Primary Member Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Spouse/Secondary Member Signature

\_\_\_\_\_  
Secondary Member Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
LegalShield Membership Number

\_\_\_\_\_  
State

\_\_\_\_\_  
LegalShield Intake/Case Number (if known)

**COURT FILING FEES (Attorney Fees are Additional)**  
**INFORMATION WHICH WILL BE CONTAINED IN CLERK'S**  
**NOTICE MANDATED BY SECTION 342(b)**

**Chapter 7 (\$335 court filing fee)**

Chapter 7 is a proceeding for the liquidation of a debtor's estate. Under Chapter 7, a trustee is appointed to liquidate all of Debtor's non-exempt assets. The trustee then distributes the assets in accordance with priorities established by law to the creditors. The debtor ordinarily obtains a discharge. Debtors may file for relief under chapter 7 only if they are eligible therefore. Circumstances which may preclude a debtor from seeking relief under chapter 7 include earning of current monthly income in excess of the applicable median amount, current monthly income such that disposable income is in excess of an amount necessary to pay \$10,000 to unsecured creditors over a 5 year period or \$6,000 over a 5 year period if that amount is equal to 25% or more of the debtor's unsecured debt. These tests apply to debtors whose debt is principally consumer debt.

**Chapter 11 (\$1,717 court filing fee)**

Chapter 11 is a proceeding for the reorganization of a debtor engaged in business. Under some circumstances, it is available to consumers as well. Under chapter 11, a debtor may propose a plan which modifies the rights of one or more classes of creditors. The rights of the creditors may be impaired either by consent of a majority in number or 2/3 in amount of the class affected. A liquidation plan results in creditors being "deemed" impaired.

**Chapter 12: Family Farmer (\$275 court filing fee)**

Chapter 12 is designed to permit family farmers to repay their debts over a period of time and is in many ways similar to chapter 13. The eligibility requirements are restrictive, limiting its use to those whose income arises primarily from a family-owned farm.

## **Chapter 13 Repayment of All or Part of the Debts of an Individual with Regular Income (\$310 court filing fee)**

1. Chapter 13 is designed for individuals with regular income who are temporarily unable to pay their debts but would like to pay them in installments over a period of time. You are only eligible for chapter 13 if your debts do not exceed certain dollar amounts set forth in the **Bankruptcy Code**. You are required to seek relief under chapter 13, rather than Chapter 7 if your filing under Chapter 7 would constitute “abuse” within the meaning of the Bankruptcy Code.

2. Under chapter 13 you must file a plan with the court to repay your creditors all or part of the money that you owe them, using your future earnings. Usually, the period allowed by the court to repay your debts is five years, but no less than three years. Your plan must be approved by the court before it can take effect.

3. Under chapter 13, unlike chapter 7, you may keep all your property, both exempt and non-exempt, as long as you continue to make payments under the plan.

4. After completion of payments under your plan, your debts are discharged except debts for trust fund taxes, taxes for which returns were never filed or filed late (within two years of the petition date), taxes for which you made a fraudulent return or evaded taxes; fraud and false statements under §523(a)(2), unscheduled debt under §523(a)(3), defalcation by a fiduciary under §523(a)(4), domestic support payments, student loans, drunk driving injuries, criminal restitution and fines and civil restitutions or damages rewarded for willful or malicious personal actions causing personal injury or death.

# NOTICE REQUIRED BY SECTION 342(b)(1) OF THE BANKRUPTCY CODE

## B) Services Provided by Credit Counseling Agencies:

### Credit Counseling - Section 109(h).

Individuals are ineligible for relief under any chapter of the Bankruptcy Code unless, within 180 days of the bankruptcy filing, they receive "an individual or group briefing" from a non-profit budget and credit counseling agency approved by the United States trustee. The agency must provide its services without regard to the debtor's ability to pay any fee. The service may be provided personally, telephonically or on the Internet and must outline opportunities for credit counseling and assist in performing a related budget analysis. Services provided by credit counseling may include evaluation of alternatives to bankruptcy, including, but not limited to debt management plans. Such plans require concurrence by creditors and this might not be possible in all cases. The Credit Counseling requirement under 11 USC § 109 must be met prior to filing the petition (unless petition is accompanied by a motion for extension for exigent circumstances or a declaration/certification of waiver).

### PLEASE NOTE THIS IMPORTANT INFORMATION:

*(A) a person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury in connection with a bankruptcy case shall be subject to fine, imprisonment, or both; and (B) All information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General.*

Persons Assisted shall sign and date this disclosure statement below to acknowledge having read and understood the foregoing disclosures:

\_\_\_\_\_  
Primary Member Signature

\_\_\_\_\_  
Primary Member Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Spouse/Secondary Member Signature

\_\_\_\_\_  
Secondary Member Printed Name

\_\_\_\_\_  
Date

**NOTICE TO “PERSONS ASSISTED” REQUIRED BY SECTION 527(A) OF THE BANKRUPTCY CODE**

**AS A DEBT RELIEF AGENCY, WE ARE REQUIRED TO INFORM YOU, THE “ASSISTED PERSON” AS TO THE FOLLOWING MATTERS PURSUANT TO SECTION 527(a) OF THE BANKRUPTCY CODE:**

- (A) all information that the assisted person is required to provide with a petition and thereafter during a case under this title is required to be complete, accurate, and truthful;
- (B) all assets and all liabilities are required to be completely and accurately disclosed in the documents filed to commence the case, and the replacement value of each asset as defined in section 506 must be stated in those documents where requested after reasonable inquiry to establish such value;
- (C) current monthly income, the amounts specified in section 707(b)(2), and, in a case under chapter 13 of this title, disposable income (determined in accordance with section 707(b)(2)), are required to be stated after reasonable inquiry; and
- (D) information that an assisted person provides during their case may be audited pursuant to this title, and that failure to provide such information may result in dismissal of the case under this title or other sanction, including a criminal sanction.

The undersigned “Person(s) Assisted” acknowledge receipt and understanding of the matters set forth in the above “**Notice to “Persons Assisted” Required By Section 527(a) of the Bankruptcy Code**”

\_\_\_\_\_  
Primary Member Signature

\_\_\_\_\_  
Primary Member Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Spouse/Secondary Member Signature

\_\_\_\_\_  
Secondary Member Printed Name

\_\_\_\_\_  
Date

## **NOTICE REQUIRED BY SECTION 527(B) OF THE BANKRUPTCY CODE**

### **IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY OR BANKRUPTCY PETITION PREPARER.**

If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. **THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST.**

Ask to see the contract before you hire anyone.

The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief made available by the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a 'trustee' and by creditors.

If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so and a creditor is not permitted to coerce you into reaffirming your debts.

If you choose to file a chapter 13 case in which you repay your creditors what you can afford over 3 to 5 years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on your plan which will be before a bankruptcy judge. If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what needs to be done from someone familiar with that type of relief.

Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice.

**NOTICE TO BE PROVIDED IN ACCORDANCE WITH  
SECTION 527(c) OF THE BANKRUPTCY CODE**

Except to the extent the (“Debt Relief Agency”) provides the required information itself after reasonably diligent inquiry of the CLIENT (“Person Assisted”) or others so as to obtain such information reasonably accurately for inclusion on the petition, schedules or statement of financial affairs, we hereby, by this CLEAR AND CONSPICUOUS WRITING desires to inform you how to provide the information required in your Bankruptcy Petition, Schedules and Statements of Financial Affairs:

**(1) HOW TO VALUE ASSETS AT REPLACEMENT VALUE:**

You must determine how much your personal property is worth as it is today. Do not value your property based upon what you can sell it for. Instead, value it at what you would have to pay to replace it. If your property is new or close to new, consider retail value adjusted to whatever extent appropriate for the amount the property has been used. If there is a market for your property as used, you may use that market to determine value. For example, you may consider using thrift store prices or prices at house or garage sales or at a secondary marketplace such as eBay to determine what it would cost you to replace your personal property.

**(2) HOW TO DETERMINE CURRENT MONTHLY INCOME:**

In order to determine current monthly income, you must consider your income for the six months immediately prior to the commencement of your Bankruptcy Petition. If you provide us with accurate payment advices for the six months immediately prior to the commencement of the Bankruptcy Petition, we will assist you in determining your “Current Monthly Income”.

**(3) HOW TO DETERMINE THE AMOUNTS SPECIFIED IN SECTION 707(b)(2)  
AND IN A CHAPTER 13 CASE, HOW TO DETERMINE DISPOSABLE INCOME IN  
ACCORDANCE WITH SECTION 707(b)(2) AND RELATED CALCULATIONS.**

In order to determine these amounts, you should provide us with actual expenditures you make in each of the pertinent categories. We will compare them to the allowed amounts pursuant to current Internal Revenue Standards in order to determine your “Disposable Income” in accordance with Section 707(b)(2).

**(4) HOW TO COMPLETE THE LIST OF CREDITORS, INCLUDING HOW TO  
DETERMINE WHAT AMOUNT IS OWED AND WHAT ADDRESS FOR THE  
CREDITOR SHOULD BE SHOWN**

In order to determine your list of creditors, the amount owed and what address should be shown, we will need to see your bills for each creditor for a period of 90 days immediately prior to the commencement of your case. We may utilize a National list of creditors’ addresses for



additional information. IT IS VITAL TO HAVE THE PROPER ADDRESS FOR EACH CREDITOR, AS WELL AS THE ACCOUNT NUMBER FOR EACH CREDITOR. FAILURE TO PROVIDE THIS INFORMATION MAY RESULT IN ANY NOTICE BEING GIVEN TO THAT CREDITOR BEING TREATED AS INVALID, RESULTING IN THAT DEBT NOT BEING DISCHARGED IN YOUR BANKRUPTCY CASE.

(5) HOW TO DETERMINE WHAT PROPERTY IS EXEMPT AND HOW TO VALUE EXEMPT PROPERTY AT REPLACEMENT VALUE AS DEFINED IN SECTION 506 OF THIS TITLE.

When you provide us the complete list of your property, we will evaluate with you the applicable law of the states in which you have lived in recent years to determine which exemption applies. We don't think that it will be very easy or appropriate for you to determine exemptions without appropriate and competent "Bankruptcy Assistance".

**PLEASE PROVIDE A LIST OF YOUR CREDITORS BELOW:  
(Attach additional paper if necessary)**

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Primary Member Printed Name

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Secondary Member Printed Name