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**FEE AGREEMENT FOR CHAPTER 7**

1. Initial filing. The filing fee for Chapter 7 is \$299.00. The attorney fee is \$801.00. **Total \$1100.00 to be paid up front.** You get credit for any consultation fees paid before filing. The fee of \$801.00 for Chapter 7 covers preparing the petition and schedules and appearing with you at one hearing. Any additional court appearances will require payment of additional fees. If you fail to appear for the initial hearing (referred to as a “first meeting of creditors” or “341 meeting”), you will generally (but not always) be entitled to one continuance. However, if I show up and you don’t, I will not appear a second time unless you pay an additional fee of \$100.00 for Indianapolis, \$125.00 for Terre Haute and \$200.00 for New Albany.

1.a. Credit Counseling and Credit Education. Under the Bankruptcy Reform Act which went into effect on October 17, 2005, all consumer debtors are required to receive a credit counseling from a qualified debt counselor prior to filing a petition for bankruptcy relief. The typical fee for the pre-bankruptcy credit counseling is \$55.00 and can be done over the phone or on the internet. You are also required to obtain credit education before you can receive a discharge of your debts. The credit education is also provided by an approved debt management counselor. The typical fee for the post-bankruptcy credit education course is \$49.00 over the phone and \$35.00 if done on the internet. In any event, the fees charged by the credit counselor for the pre-counseling and post credit education course are separate from my fees and the filing fee. The pre-filing counseling fee will have to be paid before your bankruptcy petition can be filed, so keep in mind to file a chapter 7 bankruptcy you need to take into account the \$55.00 counseling fee which would bring the total up front cost to \$1155.00. And, in order to get the discharge, you will have to pay the \$49.00 or \$35.00 post education course fee bringing your overall expense for the bankruptcy to \$1190.00 or \$1204.00 depend on what course you take.

2. Adversarial Proceedings. If your bankruptcy is challenged by a creditor or the trustee, you will have to pay an additional fee for representation regarding the challenge. The challenge can come in the form of a motion to dismiss and objection to discharge or a complaint to determine dischargeability of a particular debt. These challenges typically involve a separate proceeding within the bankruptcy case called an “Adversarial Proceeding”. In the event of such a challenge to your bankruptcy, you will be charged a fee of \$100.00 per hour with a \$200.00 retainer. In other words, a minimum of two hours attorney time is anticipated to be necessary to respond to the challenge of your bankruptcy. If the defense of your position requires more than 2

hours, you will be charged additional fees at the rate of \$100.00 per hour. If you cannot or do not pay this additional fee, then I will not be obligated to continue to represent you in the adversarial proceeding or other challenge to the bankruptcy.

3. Civil Matters. If you have a civil case pending in local court, the bankruptcy filing can be used to stop the pending case. However, I must file a notice of the bankruptcy with the local court in order for the stay to be recognized by the local court judge. There is no additional fee for filing this so-called "Motion for Stay of Proceedings" in the first two civil cases. After the first two such motions, there will be an additional fee of \$25.00 per case for each Motion for Stay of Proceedings filed.

4. Judgement liens. If you own real estate and a judgement has been entered and recorded against you, there is already a "judgement lien" against your property. This lien is a blanket lien against any real estate you own in the county where the judgment is recorded. The lien attached to the real estate even if you have not received a specific document identifying the judgment as a lien against any particular parcel of real estate. In order to obtain the full benefit of a fresh start following your bankruptcy, it will be necessary to file a motion to avoid the judgment lien. This is a separate motion which is filed with the bankruptcy judgment before your case is discharged. There is an extra fee of \$50.00 for each motion to avoid judgment lien which needs to be filed.

5. Other motions.

Reaffirmation. You may choose to reaffirm certain debts such as the mortgage on your home or a vehicle loan. In most instances, the creditor prepares what is known as a reaffirmation agreement for you to sign. If you reaffirm the debt, you will remain personally liable for the full amount of the debt despite having filed bankruptcy. There is no additional fee for the first two reaffirmations. Thereafter, I will charge an additional fee of \$50.00 per each debt reaffirmation.

Redemption. If you owe more on a secured debt than the collateral is worth, it will be in your best interest to "redeem" the collateral by paying the creditor the fair market value of the collateral. The redemption will need to be documented. Sometimes a simple letter suffices in which case I will charge \$25.00. If a more formal motion needs to be filed, the charge will be \$50.00. If a court appearance becomes necessary, the charge will be based on an hourly fee of \$100.00 per hour with a minimum of \$100.00.

Motion to avoid non-possessory, non-purchase money liens on household goods. Sometimes finance companies will have you give them a lien on your household goods to secure a loan. If these are items which you already own before you take out the loan (as opposed to items financed by the lender) then the lien is called a non-purchase money lien. Such liens can be avoided, but you need to file a separate motion to do so. The attorney fee is \$50.00 for filing such a motion.

6. Criminal matters. Sometimes a debt obligation can result in a related criminal proceeding. For example, if you write a bad check, you owe money to the payee of the check and

the prosecutor may also file a criminal charge of check deception against you. The fee you pay for the bankruptcy does not cover representation in any criminal matters. I do not typically handle criminal cases, so you will probably have to consult with an attorney who practices criminal law.

7. Amendments. You can amend your bankruptcy petitions to include a creditor you may have overlooked. This applies to creditors whose claims are based on charges or purchases made or event which occurred before you file your bankruptcy. Such debts are considered "prepetition". There is a filing fee of \$26.00 and my fee is \$25.00 for a total of \$51.00 which has to be paid if you file to amend your bankruptcy before the discharge is granted. This date would be 60 days after your 341 hearing is originally scheduled. If you find out about a prepetition debt after the bankruptcy is discharged, you can still file to reopen your bankruptcy and add in the creditor to your schedules. The cost of reopening is \$220.00 for the filing fee plus \$26.00 for the amendment fee and \$100.00 for my fee for preparing the paperwork. (An overall total of \$346.00). If a court appearance becomes necessary, there is an additional attorney fee of \$100.00 for Indianapolis cases; \$125.00 for Terre Haute cases and \$200.00 for New Albany cases.

8. Payments. My policy is to not file the petition with the bankruptcy court until my fees and the court filing fee have both been paid, a total of \$1074.00 for Chapter 7 as outlined above. In the meantime, once I have been retained with an initial payment of \$100.00, I will field inquiries from creditors, confirming that I have been retained and that you are in the process of filing bankruptcy. During that phase, you will not have a bankruptcy case number and creditors will be free to continue collection activities such as filing and maintaining litigation, repossession, foreclosures and garnishments. For an additional attorney fee, I can represent you in pending litigation, however, if the particular debt is undisputed, there would be little I could accomplish on your behalf.

#### 9. Summary fo Fees and Expenses for Chapter 7:

Basic Attorney fee:	\$801.00
Filing fee:	\$299.00
Pre-filing Credit Counseling	\$55.00
Post-Education Course-Phone	\$49.00
Or	
Post-Education Course-Internet	<u>\$35.00</u>
TOTAL BASIC FEES AND EXPENSES:	\$1204.00 OR \$1190.00

Some possible additional fees:

Reaffirmation of Debt (starting with the Third Reaffirmation)	\$50.00 per reaffirmation
Redemption of Collateral (informal)	\$25.00 if uncontested
Redemption of Collateral (formal motion)	\$50.00

Redemption of Collateral hearing	\$100.00-\$200.00
Lien Avoidance	\$50.00
Adversary Proceedings	\$100.00 per hour
341 Meeting now show	\$100.00-\$200.00

The undersigned client acknowledges receipt of the foregoing information and agrees to the fee arrangements described. The undersigned attorney agrees to provide the services described for the fees outlined in the foregoing statement.

Date: \_\_\_\_\_

\_\_\_\_\_  
Client

\_\_\_\_\_  
Spouse

\_\_\_\_\_  
Attorney

**Rudolph Wm. Savich**  
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**FEE AGREEMENT FOR CHAPTER 13**

The attorney fee for an individual or joint consumer Chapter 13 case is \$3000.00. In addition to the attorney fee, the client will be responsible for filing fees, cost and expenses. The filing fee to initiate a Chapter 13 case is \$274.00. The client will also have to obtain a certificate of completion of the pre-bankruptcy credit counseling( \$55.00) and the post-petition debtor education course (phone-\$49.00 and internet-\$35.00).

The retainer to be paid toward the attorney fee before the bankruptcy petition is filed will be \$500.00. The remaining attorney fee of \$2,500.00 will be paid to the attorney by the trustee from the monthly payments made by the client under the terms of the Chapter 13 plan.

The first payment to the trustee will be due 30 days after the plan is filed.

The services to be performed by the attorney on behalf of the client pursuant to this agreement are detailed in the attached Rights and Responsibilities form.

The undersigned client acknowledges receipt of the foregoing information and agrees to the fee arrangements described herein and in the attached Rights and Responsibilities form. The undersigned attorney agrees to provide the services described for the fees outlined in the attached Rights and Responsibilities from and as set forth above.

Date \_\_\_\_\_

\_\_\_\_\_  
Client

\_\_\_\_\_  
Spouse

\_\_\_\_\_  
Attorney

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA

Case Name:

Case No.

**RIGHTS AND RESPONSIBILITIES OF CHAPTER 13  
DEBTORS AND THEIR ATTORNEYS**

It is important for debtors who file a bankruptcy case under Chapter 13 to understand their rights and responsibilities. It is also important that debtors know what their attorney's responsibilities are and understand the importance of communicating with their attorney to make the case successful. Debtors should also know that they may expect certain services to be performed by their attorney. In order to assure that debtors and attorneys understand their rights and responsibilities in the bankruptcy process, the following guidelines provided by the Court are hereby agreed to by the debtors and their attorney.

**BEFORE THE CASE IS FILED**

**The debtor agrees to:**

1. Provide the attorney with complete, accurate and current financial information.
2. Discuss with the attorney the debtor's objectives in filing the case.
3. Disclose any previous bankruptcies filed in the previous 8 years.
4. Unless excused under 11 U.S.C. § 109(h), receive a briefing from an approved nonprofit budget and credit counseling agency and provide the attorney with a copy of the certificate from the agency showing such attendance, as well as a copy of the debt repayment plan, if any, developed through the agency.
5. Disclose to the attorney any and all domestic support obligations.

**The attorney agrees to:**

1. Meet with the debtor to review the debtor's debts, assets, liabilities, income and expenses.
2. Counsel the debtor regarding the advisability of filing either a Chapter 7 or Chapter 13 case, provide debtor with the notice required under 11 U.S.C. § 342(b) if applicable, discuss both procedures with the debtor and answer the debtor's questions.
3. Explain what payments will be made to creditors directly by the debtor and what payments will be made through the Chapter 13 plan, with particular attention to mortgage and vehicle loan payments, any other debts that accrue interest, domestic support obligations and leases.
4. Explain to the debtor how, when and where to make payments, pursuant to the plan, to

Case Name: \_\_\_\_\_

Case No. \_\_\_\_\_

the Chapter 13 trustee and of the necessity to include the debtor's case number, name and current address on each payment item.

5. Explain to the debtor how the attorney and trustee's fees are paid and provide an executed copy of this document to the debtor.

6. Explain to the debtor that the first payment due under Chapter 13 must be made to the trustee within 30 days of filing of the bankruptcy petition.

7. Advise the debtor of the requirement to attend the Section 341 Meeting of Creditors and instruct the debtor as to the date, time and place of the meeting and of the necessity to bring both picture identification and proof of the debtor's social security number to the meeting.

8. Advise the debtor of the necessity of maintaining liability, collision and comprehensive insurance on leased vehicles or those securing loans, and of the obligation to bring copies of the declaration page(s) documenting such insurance to the Meeting of Creditors.

9. Advise debtors engaged in business of the necessity to maintain liability insurance, workers compensation insurance, if required, and any other insurance coverage required by law.

10. Timely prepare and file the debtor's petition, plan, statements, schedules, and any other papers or documents required under the Bankruptcy Code.

#### **AFTER THE CASE IS FILED**

##### **The debtor agrees to:**

1. Timely make all required payments to the Chapter 13 trustee that first become due 30 days after the case is filed. Also, if required, turn over any tax refunds, personal injury settlement proceeds or any other property as requested by the trustee.

2. Timely make all post-petition payments due to mortgage lenders, holders of domestic support obligations, lessors, and any other creditor that debtor agreed or is obligated to pay directly.

3. Cooperate with the attorney in the preparation of all pleadings and attend all hearings as required.

4. Keep the trustee, attorney and Court informed of any changes to the debtor's address and telephone number.

5. Prepare and file any and all federal, state and local tax returns within 30 days of filing the petition.

6. Inform the attorney of any wage garnishments or attachments of assets which occur or continue to occur after the filing of the case.

Case Name: \_\_\_\_\_

Case No. \_\_\_\_\_

7. Contact the attorney promptly with any information regarding changes in employment, increases or decreases in income or other financial problems or changes.

8. Contact the attorney promptly if the debtor acquires any property after the petition is filed. Such property might include, but is not limited to, personal injury proceeds, inheritances, lottery winnings, etc.

9. Inform the attorney if the debtor is sued during the case.

10. Inform the attorney if any tax refunds to which the debtors are entitled are seized or not returned to the debtor by the IRS, the Indiana Department of Revenue or any other taxing authority.

11. Contact the attorney to determine whether court approval is required before buying, refinancing or selling real property or before entering into any long-term loan agreement.

12. Pay any filing fees and courts costs directly to the attorney.

13. If the requirements of 11 U.S.C. § 109(h) were waived by the Court when the case was first filed, the debtor must receive a briefing from an approved nonprofit budget and credit counseling agency within 30 days of the case being filed (unless the Court, for cause, extends such time) and provide counsel with the certificate from the agency stating that the debtor attended such briefing.

14. Unless such attendance is excused under 11 U.S.C. § 1328(f), the debtor shall complete an instructional course concerning personal financial management and shall promptly submit to the debtor's attorney a signed and completed Certification of Completion of Instruction Course Concerning Personal Financial Management.

15. Cooperate fully with any audit conducted pursuant to 28 U.S.C. § 586(a).

**The attorney agrees to provide the following legal services:**

1. Appear at the Section 341 Meeting of Creditors with the debtor.
2. Respond to objections to plan confirmation and, where necessary, prepare an amended plan.
3. Timely submit properly documented profit and loss statements, tax returns and proof of income when requested by the trustee.
4. Prepare, file and serve necessary modifications to the plan.
5. Prepare, file and serve necessary amended statements and schedules, in accordance with information provided by the debtor.
6. Prepare, file and serve necessary motions to buy, sell or refinance property when appropriate.

Case Name: \_\_\_\_\_

Case No. \_\_\_\_\_

7. Object to improper or invalid claims, if necessary, based upon documentation provided by the debtor or trustee.

8. Represent the debtor in motions for relief from stay and motions to dismiss and/or convert.

9. Where appropriate, prepare, file, serve and notice motions to avoid liens on real or personal property.

10. Be available to respond to debtor's questions throughout the life of the plan.

11. Negotiate with any creditor holding a claim against the debtor that is potentially nondischargeable to determine if the matter can be resolved prior to litigation. Discuss with debtor the cost and advisability of litigating the dischargeability of the claim. The attorney is not required, however, to represent the debtor in any adversary proceeding to determine the nondischargeability of any debt pursuant to these Rights and Responsibilities.

12. Represent the debtor with respect to any audit conducted pursuant to 28 U.S.C. § 586(a).

The total fee charged in this case is \$ 3,000.00. If this fee later proves to be insufficient to compensate the attorney for the legal service rendered in the case, the attorney has the right to apply to the court for any additional attorney fees. Fees shall be paid through the plan unless otherwise ordered. The attorney may not receive additional fees directly from the debtor other than the initial retainer. If an attorney has elected to be compensated pursuant to these guidelines, but the case is dismissed or converted prior to confirmation of the plan, absent contrary order, the trustee shall pay to the attorney, to the extent funds are available, an administrative claim equal to 50% of the unpaid fee balance if a properly documented fee claim (for the entire fee balance) has been filed by the attorney and served upon the trustee.

If the debtor disputes the legal services provided or the fees charged by the attorney, an objection must be filed with the Court.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Debtor

Dated: \_\_\_\_\_

\_\_\_\_\_  
Debtor

Dated: \_\_\_\_\_

\_\_\_\_\_  
Attorney for Debtor(s)

## BANKRUPTCY INFORMATION SHEET

**BANKRUPTCY LAW IS A FEDERAL LAW. THIS SHEET GIVES YOU SOME GENERAL INFORMATION ABOUT WHAT HAPPENS IN A BANKRUPTCY CASE. THE INFORMATION HERE IS NOT COMPLETE. YOU MAY NEED LEGAL ADVICE.**

### WHEN YOU FILE BANKRUPTCY:

You can choose the kind of bankruptcy that best meets your needs:

**Chapter 7** - A trustee is appointed to take over your property. Any property of value will be sold or turned into money to pay your creditors. You may be able to keep some personal items and possibly real estate depending on the law of the state where you live.

**Chapter 13** - You can usually keep your property, but you must earn wages or have some other source of regular income and you must agree to pay part of your income to your creditors. The Court must approve your repayment plan and your budget. A trustee is appointed and will collect the payments from you, pay your creditors, and make sure you live up to the terms of your repayment plan.

**Chapter 12** - Like chapter 13, but it is only for family farmers.

**Chapter 11** - This is used mostly by businesses. In chapter 11, you may continue to operate your business, but your creditors and the Court must approve a plan to repay your debts. There is no trustee unless the Judge decides that one is necessary; if a trustee is appointed, the trustee takes control of your business and property.

If you have already filed bankruptcy under chapter 7, you may be able to change your case to another chapter.

Your bankruptcy may be reported on your credit record for as long as ten years. It can affect your ability to receive credit in the future.

### WHAT IS A BANKRUPTCY DISCHARGE AND HOW DOES IT OPERATE?

One of the reasons people file bankruptcy is to get a "discharge." A discharge is a Court order which states that you do not have to pay most of your debts. Some debts cannot be discharged. For example, you cannot discharge debts for—

- most taxes;
- child support;
- alimony;
- most student loans;
- Court fines and criminal restitution; and
- personal injury caused by driving drunk or under the influence of drugs.

The discharge only applies to debts that arose before the date you filed.

Also, if the Judge finds that you received money or property by fraud, that debt may not be discharged.

It is important to list all your property and debts in your bankruptcy schedules. If you do not list a debt, for example, it is possible the debt will not be discharged.

The Judge can also deny your discharge if you do something dishonest in connection with your bankruptcy case, such as destroy or hide property, falsify records, or lie, or if you disobey a Court order.

You can only receive a chapter 7 discharge once every six years. No one can make you pay a debt that has been discharged, but you can voluntarily pay any debt you wish to pay. You do not have to sign a reaffirmation agreement or any other kind of document to do this.

Some creditors hold a secured claim (for example, the bank that holds the mortgage on your house or the loan company that has a lien on your car). You do not have to pay a secured claim if the debt is discharged, but the creditor can still take the property.

### **WHAT IS A REAFFIRMATION AGREEMENT?**

Even if a debt can be discharged, you may have special reasons why you want to promise to pay it. For example, you may want to work out a plan with the bank to keep your car. To promise to pay that debt, you must sign and file a reaffirmation agreement with the Court. Reaffirmation agreements are under special rules and are voluntary. They are not required by bankruptcy law or by any other law. Reaffirmation agreements—

- must be voluntary;
- must not place too heavy a burden on you or your family;
- must be in your best interest; and
- can be canceled anytime before the Court issues your discharge or within 60 days after the agreement is filed with the Court, whichever gives you the most time.

If you are an individual and you are not represented by an attorney, the Court must hold a hearing to decide whether to approve the reaffirmation agreement. The agreement will not be legally binding until the Court approves it.

If you reaffirm a debt and then fail to pay it, you owe the debt the same as though there was no bankruptcy. The debt will not be discharged and the creditor can take action to recover any property on which it has a lien or mortgage. The creditor can also take legal action to recover a judgment against you.

**IF YOU WANT MORE INFORMATION OR HAVE ANY QUESTIONS ABOUT HOW THE BANKRUPTCY LAWS AFFECT YOU, YOU MAY NEED LEGAL ADVICE.  
THE TRUSTEE IN YOUR CASE IS NOT RESPONSIBLE FOR GIVING YOU LEGAL ADVICE.**

Se dispone de una copia de este documento traducida al español.  
Một bản dịch của tài liệu này hiện có bằng tiếng Việt.  
Une copie de ce document est disponible en traduction française.  
本文件有繁體中文譯本。  
이 서류는 한국어로 된 사본도 있습니다.  
Daim nitawv no muaj bhaib tsis lus Hmoob.  
Ang isinalin na kopya ng dokumentong ito ay maaaring makuhá sa Tagalog.  
يمكن الحصول على نسخة مترجمة بالعربية لهذه الوثيقة.

# UNITED STATES BANKRUPTCY COURT

## NOTICE TO INDIVIDUAL CONSUMER DEBTOR UNDER § 342(b) OF THE BANKRUPTCY CODE

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In accordance with § 342(b) of the Bankruptcy Code, this notice: (1) Describes briefly the services available from credit counseling services; (2) Describes briefly the purposes, benefits and costs of the four types of bankruptcy proceedings you may commence; and (3) Informs you about bankruptcy crimes and notifies you that the Attorney General may examine all information you supply in connection with a bankruptcy case. You are cautioned that bankruptcy law is complicated and not easily described. Thus, you may wish to seek the advice of an attorney to learn of your rights and responsibilities should you decide to file a petition. Court employees cannot give you legal advice.

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### **1. Services Available from Credit Counseling Agencies**

**With limited exceptions, § 109(h) of the Bankruptcy Code requires that all individual debtors who file for bankruptcy relief on or after October 17, 2005, receive a briefing that outlines the available opportunities for credit counseling and provides assistance in performing a budget analysis.** The briefing must be given within 180 days **before** the bankruptcy filing. The briefing may be provided individually or in a group (including briefings conducted by telephone or on the Internet) and must be provided by a nonprofit budget and credit counseling agency approved by the United States trustee or bankruptcy administrator. The clerk of the bankruptcy court has a list that you may consult of the approved budget and credit counseling agencies.

**In addition, after filing a bankruptcy case, an individual debtor generally must complete a financial management instructional course before he or she can receive a discharge.** The clerk also has a list of approved financial management instructional courses.

### **2. The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debtors**

#### **Chapter 7: Liquidation (\$245 filing fee, \$39 administrative fee, \$15 trustee surcharge: Total fee \$299)**

1. Chapter 7 is designed for debtors in financial difficulty who do not have the ability to pay their existing debts. Debtors whose debts are primarily consumer debts are subject to a “means test” designed to determine whether the case should be permitted to proceed under chapter 7. If your income is greater than the median income for your state of residence and family size, in some cases, creditors have the right to file a motion requesting that the court dismiss your case under § 707(b) of the Code. It is up to the court to decide whether the case should be dismissed.
2. Under chapter 7, you may claim certain of your property as exempt under governing law. A trustee may have the right to take possession of and sell the remaining property that is not exempt and use the sale proceeds to pay your creditors.
3. The purpose of filing a chapter 7 case is to obtain a discharge of your existing debts. If, however, you are found to have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge and, if it does, the purpose for which you filed the bankruptcy petition will be defeated.
4. Even if you receive a general discharge, some particular debts are not discharged under the law. Therefore, you may still be responsible for most taxes and student loans; debts incurred to pay nondischargeable taxes; domestic support and property settlement obligations; most fines, penalties, forfeitures, and criminal restitution obligations; certain debts which are not properly listed in your bankruptcy papers; and debts for death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs. Also, if a creditor can prove that a debt arose from fraud, breach of fiduciary duty, or theft, or from a willful and malicious injury, the bankruptcy court may determine that the debt is not discharged.

#### **Chapter 13: Repayment of All or Part of the Debts of an Individual with Regular Income (\$235 filing fee, \$39 administrative fee: Total fee \$274)**

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in instalments 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.
2. Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them,

using your future earnings. The period allowed by the court to repay your debts may be three years or five years, depending upon your income and other factors. The court must approve your plan before it can take effect.

3. After completing the payments under your plan, your debts are generally discharged except for domestic support obligations; most student loans; certain taxes; most criminal fines and restitution obligations; certain debts which are not properly listed in your bankruptcy papers; certain debts for acts that caused death or personal injury; and certain long term secured obligations.

**Chapter 11: Reorganization (\$1000 filing fee, \$39 administrative fee: Total fee \$1039)**

Chapter 11 is designed for the reorganization of a business but is also available to consumer debtors. Its provisions are quite complicated, and any decision by an individual to file a chapter 11 petition should be reviewed with an attorney.

**Chapter 12: Family Farmer or Fisherman (\$200 filing fee, \$39 administrative fee: Total fee \$239)**

Chapter 12 is designed to permit family farmers and fishermen to repay their debts over a period of time from future earnings and is similar to chapter 13. The eligibility requirements are restrictive, limiting its use to those whose income arises primarily from a family-owned farm or commercial fishing operation.

**3. Bankruptcy Crimes and Availability of Bankruptcy Papers to Law Enforcement Officials**

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury, either orally or in writing, in connection with a bankruptcy case is subject to a fine, imprisonment, or both. All information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the United States Trustee, the Office of the United States Attorney, and other components and employees of the Department of Justice.

**WARNING:** Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information regarding your creditors, assets, liabilities, income, expenses and general financial condition. Your bankruptcy case may be dismissed if this information is not filed with the court within the time deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

**Certificate of [Non-Attorney] Bankruptcy Petition Preparer**

I, the [non-attorney] bankruptcy petition preparer signing the debtor's petition, hereby certify that I delivered to the debtor this notice required by § 342(b) of the Bankruptcy Code.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer  
Address:  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person, or partner of the bankruptcy petition preparer.)  
(Required by 11 U.S.C. § 110.)

**X** \_\_\_\_\_  
Signature of Bankruptcy Petition Preparer of officer, principal, responsible person, or partner whose Social Security number is provided above.

**Certificate of the Debtor**

I (We), the debtor(s), affirm that I (we) have received and read this notice.

\_\_\_\_\_  
Printed Name(s) of Debtor(s)

**X** \_\_\_\_\_  
Signature of Debtor Date

Case No. (if known) \_\_\_\_\_

**X** \_\_\_\_\_  
Signature of Joint Debtor (if any) Date

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Telephone: (812) 336-7293

Facsimile: (812) 336-7268

**NOTICE REQUIRED BY 11 U.S.C. §527**

"We are a debt relief agency. We help people filed for bankruptcy relief under the Bankruptcy Code."

**I. Notice required by 11 U.S.C. §527(a):**

(A) all information that the "assisted person" (i.e. the client) 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.

**II. Notice required by 11 U.S.C. §527(b):**

**"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 available under 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. 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 should 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."

**III. Notice required by 11 U.S.C. §527(c):** As a "debt relief agency", I am required by 11 U.S.C. §527(c) to provide you, the "assisted person", with instructions regarding the following:

- (1) how to value assets at replacement value, determine current monthly income, 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;
- (2) how to complete the list of creditors, including how to determine what amount is owed and what address for the creditor should be shown; and

The amounts of: (1) the median family income for various household sizes for the state of Indiana; (2) the IRS National Standards for Allowable Living Expenses and (3) the IRS Housing and Utilities Standards are available on the internet at [www.usdoj.gov/ust/](http://www.usdoj.gov/ust/) or from the Clerk of the United States Bankruptcy Court, 46 East Ohio Street, Rm 116, Indianapolis, IN 46204.

D. How to complete a list of creditors and determine the addresses for the creditors. You need to provide a complete list of every individual, business and governmental entity to whom you owe money. The information required to be provided regarding your creditors is:

- a. The correct name and address of the creditor. The creditor's correct address is determined by the address to which the creditor indicates you should send correspondence given by the creditor on the statements sent to you within the past three months. Often credit card statements include more than one address. The address where payment is to be sent is usually not the same as the correspondence address. We need to use the correspondence address.
- b. The account number
- c. The amount owed currently
- d. The date the debt was incurred. For revolving accounts such as credit and charge cards this includes the date of the last purchase or cash advance. For other debts, it would be the date the contract was signed or money borrowed or the date of the occurrence which resulted in you becoming in debt to the creditor (such as the date you were involved in a car accident which was your fault)

e. The consideration for the debt. In other words, why do you owe money to this person or business. Some examples: "medical bill"; "child support owed to ex-spouse"; "purchase of vehicle"; "personal signature loan"; "credit card account"; "purchase of goods"; "services rendered"; "charge account".

f. Whether the debt is contingent, disputed or of an uncertain ("unliquidated") amount. For example, someone may claim you owe them money for some reason you dispute. If you were in a car accident and it was not clear who was at fault, you might have a claim for damages against the other driver (which would be a "contingent" claim and should be listed as an asset under your list of property). The other driver might also have a contingent claim against you. This would need to be listed as a debt but we would want to indicate on your bankruptcy petition that the debt is disputed and contingent. A debt is considered "unliquidated" if the exact amount owed has not been determined. Maybe you would admit you were at fault in the car accident but the exact amount of the other driver's damages has not yet been determined. That would be an "unliquidated debt" owed by you to the other driver.

In order to make sure you have included all of your creditors, you should obtain a credit report from each of the three major credit reporting agencies. These are: Experian, Equifax and TransUnion. You can obtain a free credit report from each of the three major credit reporting agencies on the internet by visiting [www.annualcreditreport.com](http://www.annualcreditreport.com)

E. Exempt property. When you file Chapter 7 bankruptcy, a trustee is appointed to take your

property, sell it and use the proceeds to pay your creditors. However, you are entitled to keep some of your property. The property you keep is referred to as your "exempt" property.

Some exemptions available in Indiana are:

1. Homestead (your personal residence): Equity of \$15,000 per individual debtor and \$30,000 for a married couple filing jointly. In summary, under Indiana law each debtor is entitled to keep \$15,000 of equity in their home. For example, if you have a home worth \$100,000 and you have a mortgage on the house with a balance of \$80,000, you would have \$20,000 equity in your home. The trustee would be entitled to sell your home and pay off the mortgage of \$80,000 leaving \$20,000. The trustee would have to give you \$15,000 representing your exemption in the home. The trustee would still have \$5,000 left which would be used to pay your creditors. If your home was only worth \$95,000, and you owed \$80,000 on your mortgage, you would only have \$15,000 equity in your home. All of the equity in your home would be exempt and the trustee would have no right to sell your home. The exemption is doubled if husband and wife own the home together and are filing joint bankruptcy.
2. Real estate other than your home (such as rental property or farmland) and tangible personal property (things you can touch like cars and furniture as opposed to things that only have value on paper like bank accounts): \$8,000 for an individual and \$16,000 for a married couple filing jointly
3. Intangible property (like bank accounts, stocks, bonds, cash): \$300 (\$600 for a married couple filing jointly)
4. Retirement funds (if the money was tax deferred when it was contributed to the fund): unlimited
5. Social Security benefits: unlimited
6. Worker's compensation benefits: unlimited
7. Life insurance payable to dependents: unlimited
8. Tenancy by the entireties real estate (real estate held jointly by husband and wife): unlimited if only one spouse is filing bankruptcy

Exempt property has to be valued at replacement value. The definition of replacement value is explained on page 3 above.