

§ 342(b) Disclosure

UNITED STATES BANKRUPTCY COURT - District of Utah

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.

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 (\$220 filing fee, \$39 administrative fee, \$15 trustee surcharge: Total fee \$274)

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 (\$150 filing fee, \$39 administrative fee: Total fee \$189)

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.

DATE

DATE

Client

Client

§527(a)(2) Disclosure

I have agreed to retain Brent J. Jensen to represent me in connection with a bankruptcy case that may be filed on my behalf. I understand the following:

(A) All information that I am required to provide to with a Petition and thereafter during a case under Title 11 of the US Code must be *complete, accurate* and *truthful*.

(B) All of my property, whether I possess it or not, and all of my assets and all of my liabilities must be completely and accurately disclosed I the documents filed to comment the case, and I must disclose the replacement value of each asset as defined in 506 of the Bankruptcy Code in the documents I file where requested, after I have made a reasonable inquiry to establish such values. “Replacement Value” means the price a retail merchant would charge for property of that kind considering the age and condition of the property at the time its value is determined (11 USC §506(a)(2)).

(C) My current monthly income, my actual living expenses (the amounts specified in §707(b)(2), and, in a case under Chapter 13, all of my disposable income (which will be determined in accordance with §707(b)(2)) must be fully and accurately stated after I have made reasonable inquiry.

(D) I understand that information I provide during my case may be audited pursuant to the Bankruptcy Code and that failure to provide such information may result in dismissal of my case, or other sanctions, including criminal sanctions.

I acknowledge that my Attorney has fully explained these obligations to me.

DATE

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§527(b) Disclosure

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 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. If you do not feel that you understand, please ask questions.

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.

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C R E D I T I N F O N E T
 www.creditinfonet.com.

4540 Honeywell Court Dayton, OH 45424
 866.218.1003 / Facsimile 866.307.1003

Consumer Request & Agreement for Consumer Liability Report (CLR)

Name _____ SS# _____ - _____ - _____
 Spouse's Name (if joint) _____ SS# _____ - _____ - _____
 Address _____ City _____ State _____ Zip _____

This writing constitutes my written instructions to Credit Infonet to obtain my credit files and compile a list of all accounts with a balance owing. The completed results in the form of a creditor liability report is to be delivered on-line or via Fax to the CIN Referral Agent. Data elements from this request may also be utilized for downloading into the Agents automated bankruptcy filing system.

TERMS OF SALE

The undersigned (hereinafter referred to as Consumer(s)) contracts with Credit Infonet for the use of its services under the terms, conditions, and agreements outlined below. The Fair Credit Reporting Act "FCRA" (Public Law 91-508) provides in section (Sec. 604) Permissible purposes of reports: that any consumer reporting agency may provide a report (Sec. 604) (2) In accordance with the written instructions of the consumer to whom it relates The FCRA also provides (Sec. 619) that anyone who knowingly and willfully obtains information under false pretenses shall be fined under Title 18, or imprisoned not more than one year, or both. Having been made aware of these provisions of the law, the Consumer(s) agree to the following. They are the person(s) on whom they are requesting the report be prepared, and they have presented positive identifying information to prove so. They are requesting this report under the right granted them in (Sec. 604) (2) of the FCRA as disclosed above.

The Consumer(s) agree that the sole purpose and obligation of Credit Infonet in this transaction is to provide a means by which they may obtain a report consisting of the data from national credit files at their written instructions. The FCRA places no restrictions on how Consumer(s) may utilize or share a report that is ordered at their written instructions. Consumer(s) acknowledges and agree that after a report is delivered to their possession Credit Infonet and its sources of information can in no way be held responsible or liable for its use.

Credit Infonet agrees that it will provide the Consumer with a report in a Creditor liability summary or schedule format showing all Creditors listed with balances owing. Credit Infonet shall provide, when available the names, address, and direct phone numbers of information furnishers (Credit Grantors or Public Records sources) within the file. No additional information from the files shall be included in this report. Consumer(s) agree to pay in advance the fee for this report to the participating referral agent.

Signature _____ Spouse's (if Joint) _____

Date _____ Product Requested: CLR (2) Repository _____ Individual _____ Joint
 CLR (3) Repository _____ Individual _____ Joint

Referral Agent Code <u> A 4909 </u> Name <u> Brent J. Jensen </u> Phone: <u> (801) 224-2119 </u> Fax: <u> (801) 224-6345 </u> E-mail: <u> bjensen853@hotmail.com </u>

Prior to accessing the CLR Report this Consumer request and a photocopy of proper picture identification must be faxed to: 800-803-3307. Alternatively it may be scanned and up-loaded to the CIN On-Line transaction.

Picture ID may be copied on lower portion of this order or as a separate attachment. May also be printed on legal for additional space.

Filing Bankruptcy with or without Your Spouse

If you are married, before you file bankruptcy you will need to decide whether to file jointly with your spouse or separately as an individual. In most cases it will be advisable to file jointly.

Utah Code Annotated §30-2-9 reads as follows:

30-2-9. Family expenses -- Joint and several liability.

The expenses of the family and the education of the children are chargeable upon the property of both husband and wife or of either of them, and in relation thereto they may be sued jointly or separately.

This section means, among other things, that both you and your spouse are equally liable for all family debts. A family debt is any debt incurred for the benefit of your family rather than for one individual. It is not required that both spouses sign for the debt, or that both spouses even have knowledge of the debt, for both of them to be equally liable for a family debt in the law. Therefore, if you file bankruptcy separately (without your spouse) and any of your debts are later determined to be family debts, then your spouse will remain liable on those debts after you file bankruptcy, even if your spouse did not sign on the debt and was not aware that the debt existed.

Furthermore, if you and your spouse are equally liable on the same debt and you file a bankruptcy without your spouse, your spouse will remain liable on that debt, even though the bankruptcy will discharge your personal liability on that debt. Your separate filing will not discharge your spouse's liability on any debt.

If you and your spouse are contemplating divorce, it may be advisable to file the bankruptcy before the divorce becomes final. If you discharge your debts before getting a divorce, when you file for divorce there will not be any debts to divide and the divorce will proceed more smoothly. On the other hand, if you divorce before you file bankruptcy, then the debts discharged by the one of you who filed bankruptcy will become the responsibility of the one who did not file. That person may also file a bankruptcy, but this will double the fees over what would have been paid if you had filed together.

Finally, if you are ordered in a divorce to pay certain debts and then you file bankruptcy, as between you and your creditors those debts are discharged, but as between your ex-spouse and those same creditors the debts are not discharged. In addition, your ex-spouse has a divorce order that requires you to pay these debts. That divorce order may still require you to pay those debts, even though you filed bankruptcy. The only way to know whether you must pay those debts is by taking the matter before a Bankruptcy Judge. This can be expensive and take a lot of time, and you may not win, meaning the Bankruptcy Judge may order you to pay those debts even though you filed bankruptcy.

For the above reasons, if you are married, you will want to consider filing jointly with your spouse, or before your divorce becomes final.

If you are married and have decided to file bankruptcy without including your spouse, please sign below.

DATE

Client

Tax Returns and Tax Refunds in Bankruptcy

When you file Bankruptcy, you will be required to provide the Trustee with copies of your most recently filed State and Federal tax returns. Generally this means only the first two pages of each return.

Tax Refunds that have not been received and spent on the date of filing are property of the Bankruptcy Estate and must be turned over to the Trustee for distribution to your creditors.

Refunds for Prior Years

If you have not filed your tax returns for any prior years, you should prepare and file those returns before you file bankruptcy. Any tax refund for those prior years which you have not received and spent before you file bankruptcy can be taken by the Trustee. Therefore, you may not want to file bankruptcy until after you receive and spend those refunds.

Current Year's Return

Prior to filing. If you improperly dispose of a tax refund prior to filing bankruptcy, the Trustee may be entitled to get the money back. Please follow these instructions regarding those tax refunds:

1. If your federal and state tax refunds total over \$1,000, you should keep a record of how you spend the refunds. Record the person or business paid, the amount paid, the date of the payment and the purpose of the payment. You may not be required to give this to the Trustee, but if you are, it is good to have it ready.
2. If you give more than \$600 from your refund to any person or company, the Trustee can make that person or company give the money to him, so keep all payments under \$600.
3. NEVER give any part of your refunds to relatives or friends. The Trustee can also get back any amount you have given to them.
4. Do not pay bills that are not yet due. Do not prepay any other expenses.
5. You may use your tax refund to pay for current living expenses such as your regular monthly bills.
6. You may use your tax refund to pay your bankruptcy fees and costs.
7. You may use your tax refund to make "contemporaneous exchanges of value." In other words, you may pay for current services (such as doctor, dentist, legal or repairs) at the time the services is rendered.
8. You may use your tax refund to purchase "exempt" items. Under the Bankruptcy Code you are allowed to keep certain items of property. If you do not now possess an exempt item, you may purchase that item with your refund. For example: washer, dryer, refrigerator, freezer, stove, clothing, beds and bedding, microwave, car under \$2500, or years supply of food. If you do not now have an exempt item, you may purchase it with your tax refund before you file.

After Filing. In Chapter 7, NEVER spend any tax refund you receive after you file for bankruptcy. That refund belongs to the Trustee and you will be denied a discharge of your bankruptcy debts if you spend that refund. **In Chapter 13,** you can keep \$1000 of your refund, less the cost of preparation of your taxes. The remainder must be turned over to the Trustee. *No, you cannot keep any of your refund over the \$1000.*

Next Year's Refund

In Chapter 7, the Trustee may also take your next year's State and Federal tax refunds, proportionate to the month in which you file your bankruptcy this year. For example, if you file in July, the Trustee will require you to turn over 7/12 of both refunds. The Trustee may let you keep the other 5/12 of those refunds. If you owe any taxes, you will **NOT** be allowed to use the other refund to pay those taxes.

In Chapter 13, you will be required to give the Trustee the amount of your refunds over \$1000 for each of the 3 years you file. The \$1000 you keep must also include the cost for preparation of your taxes. If you owe any taxes, you will **NOT** be allowed to use the other refund to pay those taxes.

DATE

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Rev 01-26-12

Reaffirmation Agreements

A reaffirmation agreement is a voluntary agreement in which a debtor chooses to become legally obligated again to pay a debt which would otherwise be discharged in the bankruptcy. A reaffirmation agreement must be filed with the Court within 60 days after the meeting of creditors or it is not enforceable. If a reaffirmation agreement is not both signed and filed with the Court on time, it is not enforceable and the creditor may be able to repossess the property you bought.

Reaffirmation agreements are not required by the Bankruptcy Code or other state or federal law. Because they are entirely voluntary, this also means the creditor may choose NOT to reaffirm. If that happens, the Attorney cannot force the creditor to reaffirm and you will probably lose the property you bought. If the property is repossessed, you will not have to make any more payments. Fortunately, if you are current at the time of filing your bankruptcy, most creditors are willing to reaffirm with you. A debtor can also voluntarily repay any debt rather than sign a reaffirmation agreement. However, this will NOT stop the creditor from repossessing the property if it chooses.

After a reaffirmation has been signed and filed with the Court, you have 60 days after that date, or after the date of discharge (whichever is later), to rescind the agreement. A rescission requires you to send a formal letter to the creditor, so contact your Attorney if you need to rescind.

To reaffirm a debt in bankruptcy you must ask your creditor to send the reaffirmation to your Attorney. The Attorney's office will also request that the creditor send a reaffirmation to him, but it is important that you personally also make such a request because some creditors will not respond to your Attorney's request. If the creditor is willing to reaffirm, the creditor will send the reaffirmation to the Attorney. If the creditor is NOT willing to reaffirm, it will Not send the reaffirmation agreement. Because reaffirmations are voluntary, the Attorney cannot force a creditor to reaffirm with you.

When the Attorney receives the reaffirmation, his office will send the original and one copy to you. There are two things you must do when you get the reaffirmation.

#1. After you receive the reaffirmation agreement, the first and most important step is to read it from start to finish. Make sure the **property is accurately described**, whether it is real estate (house or land) or personally property (everything else). Look at the **account balance** – that is the amount of debt you are agreeing to pay. Look at the **interest rate**, the **monthly payment amount** and the **length of the payment agreement**. If you do NOT agree with any of the above terms, call the Attorney and tell him what is wrong with the agreement. Your Attorne can try to get the terms corrected, but the creditor may not agree to the requested corrections.

#2. When you are satisfied with ALL the terms of the agreement, you should sign it on the page indicated (often page 4) and return the original signed agreement to the Attorney. You should put the copy with your other bankruptcy papers. Remember you only have 60 days after the meeting of creditors to sign the agreement and have it filed with the Court, so do not take more than a couple of days to return the signed agreement to the Attorney so he can send it to the creditor for signature and filing. If you do not return the agreement on time, it may not be possible to get it filed on time, or it may cost you extra fees.

DATE

DATE

Client

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341 Meeting with the Trustee

Approximately 30 days after your case has been filed you will be requested to attend a meeting with the Trustee. Your creditors can also be there, although they seldom come. You will be sent a letter about 2 weeks before that meeting telling you what to do. That letter will contain the following information.

Children. Do not bring children to the Meeting. If you have children, please arrange now for a sitter.

341 Meeting Documents. At the meeting you will be required to provide the Trustee with a number of documents:

- (1) An official picture identification card. This means your driver's license or state issued ID card.
- (2) Proof of your social security number. Bring your social security card or another official document with your social security number on it.
- (3) A copy of the official statement for each financial account you have (checking, savings, IRA, stock, etc.) that includes the date of filing (highlight the balance for the date of filing),
- (4) A copy of the pay stub you receive closest to the date of the 341 Meeting,
- (5) The Domestic Support Obligation Information sheet, corrected and signed.

To help us prepare for this meeting, please bring to us the above documents before the meeting. If you forget to bring these documents to our office or to your meeting, your case could be dismissed.

Meeting the Trustee. Your part of the 341 meeting should require only 5-6 minutes. If, after your part of the meeting, you have questions for Mr. Jensen, please remain out in the waiting area until he is available.

Bankruptcy Information Sheet. The Trustee will ask if you have read and understood the "Bankruptcy Information Sheet" included with this letter. Please read that document carefully. Call the office if you have any questions about it.

Bankruptcy Papers. The Trustee will ask if you have carefully reviewed your papers and if they are complete and accurate. Therefore, let us know immediately if you find any errors. Double check all creditor names and addresses! You can correct information and add omitted creditors up to one week before the date of your discharge.

Financial Education Class. You should complete the mandatory **Financial Education Class** before your 341 Meeting. This is in addition to the class you have already taken. **Log on to www.hbccc.org** and take the After Bankruptcy Financial Education class. When you are done, do not forget to call 1-800-645-4959 to confirm that you took the class. Then call and tell us. If you have any questions about the class, please contact our office. Do this just as soon as possible! **If you do not complete this class, call Hummingbird, and file the appropriate documents with the Court within the 45 days after your 341 Meeting, the Court will not issue a discharge in your case!!**

Creditors. If any creditor telephones you after today, you should refer them to this office, or call us. If any creditor contacts you by mail, please make a photocopy of the 341 Notice sent to you by the Court and mail it back to that creditor.

Change of Address or Telephone Number. You are required to keep your Attorney, the Clerk of the Court and the Trustee informed of your current address and telephone number at all times until your case is closed. Therefore, if you move or change telephone numbers, please immediately contact our office with your new address and phone number.

Tax refund. If you receive any tax refund after the date of your filing but before the discharge, **do not spend that money.** You are required by law to give that refund to the Trustee. If you receive such a refund check, do not sign it. Instead, just send it to the office unsigned and we will forward it to the Trustee. **Failure to turn over a refund can result in the dismissal of your case and possibly criminal prosecution.**

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 file.

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 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.

Financial Agreement

All fees quoted in this agreement are good only for the 30 days following the date of the initial consultation. Unless otherwise specifically stated, all fees are for the cash discount. Fees in parenthesis are the full, regular price.

A. Payment Terms for Chapter 7 - Fresh Start Bankruptcy.

The total fee with cash discount is \$1180. This is a 2.75% discount from the full regular fee (see Part F below). This fee includes the court filing fee and the attorney's fee. Because you will also pay \$20 for the two online "briefings" (\$9.95 each) the total cost for a Chapter 7 with cash discount is \$1200.

The Attorney's services in a typical Chapter 7 include: The initial consultation, a second consultation to review the completed Questionnaire, preparation of the Bankruptcy Petition and all Statements & Schedules and other required documents, a third consultation to review and sign the papers, a copy of all your bankruptcy papers, attendance at the Meeting of Creditors, signing reaffirmation agreements, notices of address change, notices of bankruptcy as appropriate, and basic and reasonable Trustee and Creditor contacts. Additional fees may apply as explained below.

Consumer Bankruptcy Total Base Fee with cash discount:

- \$1180 (\$1215) - Hearing held in Utah County \$1380 (\$1420) - **Quick File** with hearing held in Utah County
 \$1380 (\$1420) - Hearing held in Any Other County \$1580 (\$1625) - **Quick File** w/hearing held in Any Other County

The following services have additional charges as set forth:

- Adding omitted Creditors - \$50 (\$52) per set Adversary Proceedings - \$3,500 (\$3,600)
 Request for Abandonment - \$50 (\$52) Motions - \$500 (\$515) Notices filed in Utah State Courts - \$25 (\$26)

Any necessary Attorney services not listed here must be paid at the rate of \$250 (\$260)/hour plus any required Court fees.

B. Payment Terms for Chapter 13 - Debt Reorganization Bankruptcy.

The total Attorney's fee in a typical Chapter 13 is governed by the Court, and usually \$3,200.00. Typical costs are \$281.00 for the filing fee plus \$20.00 for the two online classes. **Before your case can be filed you must pay the Attorney a retainer fee of \$1180** (with cash discount), or \$1215 regular fee, **plus you must pay for the first online class.** The remaining Attorney's fees will be paid to the Attorney by the Trustee out of your regular monthly Chapter 13 plan payments. **NOTE: YOUR FIRST CHAPTER 13 PAYMENT TO THE TRUSTEE IS DUE WITHIN 30 DAYS AFTER FILING.**

The Attorney's services in a typical Chapter 13 include: The initial consultation, preparation of the Petition, Statements, Schedules and Plan, attendance at the Meeting of Creditors, review of the Proof of Claims, and attendance at the Confirmation Hearing, if necessary.

If your case is dismissed for any reason before you have made all your required monthly payments, you will still owe the Attorney the difference between any amount the Trustee may have paid the Attorney and the actual amount you owe the Attorney. This amount is calculated as the total number of hours the Attorney expended on your case at the rate of \$250 (\$260)/hour. This amount may be more or less than the flat fee stated here.

Consumer Bankruptcy Initial Chapter 13 Base Fee with cash discount:

- \$1180 (\$1215) - Chapter 13 \$1380 (\$1420) - Quick File (emergency filing) Chapter 13

The following services have additional charges as set forth:

- Adding previously omitted Creditors - \$50 (\$52) per set Adversary Proceedings - \$3,500 (\$3601)
 Motions - \$500 (\$515) Notices filed in Utah State Courts - \$25 (\$26)

Any necessary Attorney services not listed here must be paid at the rate of \$250 (\$260)/hour plus any required Court fees.

C. Refiling.

If it becomes necessary to refile your case due to your failure to complete a required action on time, such as making monthly payments to the Chapter 13 Trustee, you will be required to (1) pay a new filing fee, (2) pay for a new online course (if required) and (3) pay the Attorney an additional fee of \$800 (\$825) in full **before** your case can be filed again. These terms apply to EACH refiling of your case.

D. Conversion of Your Case to a Different Chapter.

The total fee to convert your case from a **Chapter 13 to a Chapter 7** is \$800 with cash discount (\$825). This includes the \$25 Court filing fee. These fees are in addition to any amounts you may still owe for the Chapter 13 filing.

Conversion of a **Chapter 7 to a Chapter 13** is not automatic. It requires the filing of a motion and full payment of the \$500 (\$515) motion fee. This motion may be denied by the Judge. The Attorney's fee is the Chapter 13 Attorney's fee as set forth above in section B.

E. Retainers and Refunds.

The first \$800 (\$825) you pay is a non-refundable retainer. If, after making any payment toward your case, you should decide for any reason not to file, or not to continue after your case has been filed, you will receive a maximum refund consisting of the amount you have paid **LESS** any expended costs and **LESS** an Attorney's fee at the rate of \$250 (\$260)/hour with a minimum fee of \$800 (\$825).

F. Payments - cash, checks, credit cards.

All payments made by cash, cashier's check or money order receive a 2.75% discount from the full Attorney's fees. **We CANNOT accept credit card or debit payments for an account that will be discharged in the bankruptcy.** Payment by personal check will delay the filing of your case up to 15 days because Utah Bar rules prevent us from filing your case until the check clears.

G. Acknowledgments and Certification of Accuracy.

I/we hereby acknowledge that I/we are not a Client of Mr Jensen and no work will be done on my/our case until I/we have returned to his office the completed Bankruptcy Questionnaire with all the required documents, paid at least the minimum required retainer, and have signed all the applicable disclosures, including this Financial Agreement with any supplements. I/we further acknowledge that all the information I/we have provided in connection with this Bankruptcy is true, complete and accurate to the best of my/our information, knowledge and belief, that I/we have read and understood all instructions provided by Mr Jensen, and that I/we have fully disclosed all my/our property, debts and sources of income as requested. I/we also have read, understood and received a copy of both this Financial Agreement and all the Disclosures, and agree to all the conditions and terms set forth therein.

DATE _____

Attorney

Receipt #

Client

Joint Client

Rev 03-12-13