

Notice required under 11 U.S.C. Section 527(a)

If you do not follow these rules you could be subject to Criminal Sanctions including JAIL and FINES. If you do not follow these rules your case will be dismissed and you may not be able to re-file your case.

Rule #1 – The information you give to an attorney, a staff member of the law firm, the Bankruptcy Trustee, or the Bankruptcy Court that is provided with your petition and during the case must be complete, accurate, and truthful.

Rule #2 – Everything you own and every debt you owe must be completely and accurately disclosed in the documents filed to commence this case. Bankruptcy is not a “pick and choose” proceeding. You do not leave some debts in and leave some debts out. Everything must be included. You must value each item you own at the rate it would cost you to replace the item with one of the same condition, age, and usefulness.

Rule #3 – You will be required to complete a current monthly budget. This will be performed with your attorney. This budget will be based on your Current Monthly Income and your regular monthly expenses. This Current Monthly Income is more than just that paid to you by your employer and will include any income received in the past 6 months commencing with the first full month before your bankruptcy filing. This could include government assistance, social security, unemployment, or side jobs or any other sources. The regular expense should be as close as possible and should be based on a reasonable inquiry.

Rule #4 – The Bankruptcy Code requires you to perform certain tasks including filing certain documents with the Court. Your attorney will notify you of the need and time limits for performing these tasks. If you fail to meet these deadlines your case will automatically be dismissed and you may be barred from re-filing a case.

All of the information you provide will be subject to audit by the United States Department of Justice. If you fail to provide this information your case may be dismissed. If you act dishonestly you may be subject to criminal sanctions.

These rules are given as a warning and not as an attempt to scare you from filing bankruptcy. Bankruptcy is a right provided to you under Federal Law. These Rules are only given to prevent people from intentionally abusing this by cheating and being dishonest. This notice is required by law under the Bankruptcy Reform Act enacted by Congress under intense lobbying by the credit industry and should not intimidate you from filing bankruptcy. For many years our office has assisted people with filing bankruptcy. During that period of time, our office has observed that almost all of our clients are honest and hardworking people who, due to circumstances beyond their control, cannot repay their debts.

Notice Required by Section 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.”