

## **Notice Mandated by Section § 527(a)(2) of the Bankruptcy Code**

*This Notice and the Statement are required by law. You do not need to be intimidated by these Notices. As long as you are honest and meet the requirements set out under the law, you are entitled to relief. We can guide you through all the requirements of filing bankruptcy so long as you provide us accurate and complete information.*

You are notified as follows:

1. All information that you are required to provide with your bankruptcy petition and thereafter during your bankruptcy case is required to be complete, accurate, and truthful.
2. All your assets and your liabilities are required to be completely and accurately disclosed in the documents filed to commence your 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.
  - a. § 506: The replacement value means the replacement value on the date of filing of the bankruptcy petition without deduction for costs of household purposes; 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 the value is determined.
3. After reasonable inquiry you are required to state your current monthly income, and the amounts specified in Section § 707(b)(2) of the Bankruptcy Code, and in a case under Chapter 13, you are required to state your disposable income determined in accordance with Section § 707(b)(2) of the Bankruptcy Code.
4. Information that you provide during your case may be audited pursuant to the provisions of the Bankruptcy Code. Failure to provide information may result in dismissal of your case or other sanctions, including criminal sanctions.

## **Statement Mandated 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, 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 asked questions 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 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.

**Notice to Individual Consumer Debtor under Section § 342(b)(1) of the Bankruptcy Code**

**The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debts**

**Chapter 7** – A trustee is appointed to manage your assets. 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 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.

**CREDIT COUNSELING**

Reputable credit counselors can advise you on managing your money and your debts. They may also be able to develop a plan to repay your debts. Unfortunately, most credit counselors are not reputable and charge high fees and contributions that will cause you to fall deeper into debt. Furthermore, many misrepresent their non-profit status and/or their affiliations with religious or charitable organizations. Michael D. O'Brien & Associates, P.C. only recommends that a person seek the credit counseling services of a group that has been approved by the Office of the United States Trustee.

**HONESTY IS REQUIRED**

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury in connection with a case under the bankruptcy code shall be subject to fine, imprisonment, or both and all information supplied by a debtor in connection with a case under this title is subject to examination by the United States Attorney General. Without complete and accurate disclosure, we cannot and will not help you.

**ACKNOWLEDGEMENT OF RECEIPT**

I acknowledge that Michael D. O'Brien & Associates, P.C. has given to me and reviewed with me a copy of the types of Bankruptcy as required by Bankruptcy Code Section § 342(b)(1).

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Signature

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Date

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Print Name

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Signature

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Date

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