

**Notice to Clients Who Contemplate Filing Bankruptcy  
Required Notice under Section 527(b)(2)**

The purposes of this Notice and The Statement Mandated by Section 527(b) of the Bankruptcy Code, which you have been provided as a separate document are to make you aware of some of your obligation should you file bankruptcy.

You are notified as follows:

1. All information that you are required to provide with your bankruptcy petition and thereafter in your case is required to be complete, accurate, and truthful.
2. All your assets and all your liabilities are required to be completely and accurately disclosed in the documents filed to commence your case.
3. The value of each asset, which is secured by a lien on such asset, must be stated as the replacement value of such asset after reasonable inquiry to establish such value. The replacement value means the replacement value of the date of the filing of the bankruptcy petition without deduction for costs of sale or marketing. With respect to property acquired for personal, family, or 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 value is determined.
4. After reasonable inquiry you are required to state your current monthly income. Current monthly income is described on the attached Terms and Definitions Addendum.
5. After reasonable inquiry you are required to state the amounts set out in Section 707(b)(2) of the Bankruptcy Code. Those amounts are explained in the attached Terms and Definitions Addendum.
6. In a case under Chapter 13, after reasonable inquiry, you are required to state your disposable income determined in accordance with Section 1325(b)(2) of the Bankruptcy Code. Disposable income is explained on the attached addendum of Terms and Definitions.
7. Information that you provide during your case may be audited pursuant to the provisions of the Bankruptcy Code. Your failure to provide information may result in dismissal of your case or other sanctions, including criminal sanctions.

## **TERMS AND DEFINITIONS ADDENDUM**

### **Current Monthly Income**

### **Amounts Set Out Pursuant to Sections 707(b)**

### **Disposable Income**

#### **Instructions On Providing Information Required By Bankruptcy Law**

You are required to provide certain information to the court when you file bankruptcy. It is our obligation to make diligent inquiry of you so as to obtain information to include in your bankruptcy petition. Attached are forms designed to obtain the necessary information. Please carefully read and follow these instructions. Put your initials next to each instruction.

- \_\_\_\_\_ 1. READ AND FILL OUT THE FORMS COMPLETELY, ACCURATELY, AND NEATLY.
- \_\_\_\_\_ 2. DO NOT LEAVE BLANKS. If a particular blank does not apply to you, put "N/A" in the blank. By doing so we will know that you did not mistakenly overlook it.
- \_\_\_\_\_ 3. List ALL your property.
- \_\_\_\_\_ 4. List all your debts.
  - a) You must list debts that will not be discharged, such as student loans and child support.
  - b) You must list debts that you intend to pay.
  - c) You must list debts that you cosigned for someone else or that someone else cosigned for you.
  - d) You must list debts to family members.
5. Attach additional sheets if you do not have sufficient space to include all the information.
6. In determining the amount you owe each creditor, list the amount on your most current statement or correspondence from the creditor. In rare cases your ability to file Chapter 7 may depend on how much debt you owe. In those cases we will assist you in determining how much you owe each creditor.

7. If a creditor is still communicating with you, use the address supplied by the creditor in at least 2 (two) communications over the last ninety (90) days. Do not use the address to which you send payments. Use the correspondence address. Keep all mailings from your creditor, so we can keep up with any changes in the creditors' addresses and prove, if necessary, we used the appropriate addresses.
8. List the account number, if any, for each debt.

**Debt Counseling Requirement.** You are not eligible to file a bankruptcy unless you receive an individual or group briefing from an approved nonprofit budget and counseling agency. That briefing must outline your opportunities for available credit counseling and assist you in performing a related budget analysis. It must occur within one hundred eighty (180) days prior to filing the bankruptcy. It can take place on the Internet or by telephone. If you have not yet received the counseling and you want our assistance, we will help you make the arrangements for it.

In addition to the information set out in these forms, you must file the following documents of information with your petition, or when specified, while your case is pending.

1. Copies of all pay stubs, payment advances, or other evidence of payment received within sixty (60) days before the date of filing of the petition by you from any employer.
2. A statement of the amount of monthly net income itemized to show how the amount is calculated.
3. A statement disclosing any reasonably anticipated increase in income or expenditures over the twelve (12) month period following the date of the filing of the petition.
4.
  - a. A certificate from an approved nonprofit budget and credit counseling agency describing the individual or group briefing received by you.
  - b. If you developed a debt repayment plan as a result of the briefing, a copy of the plan.
5. A record of any interest you have in an educational individual retirement account or under a qualified state tuition program.
6. A copy of your federal income tax return, or a transcript of the return, for the most recent year ending immediately before we file your case and for which you filed the return.

7. If the Court, the United States Trustee, or any other party to your case requests it, you must file with the court:
  - a. A copy of each federal income tax return, or transcript of the return, required for each year while your case is pending at the same time filed with the IRS.
  - b. A copy of each required federal income tax return that had not been filed with the IRS when your case is filed and that you subsequently file for any tax year for the three (3) years preceding the date we file your case.
  - c. A copy of each amendment to any federal income tax return or a transcript of each amendment filed with the court pursuant to Paragraphs (a) and (b).
  
8.
  - a. In a Chapter 13 case at certain intervals in your case, you must provide a statement, under penalty of paying, of your income and expenditures during the previous tax year, and of your monthly income, the statement must show how income, expenditures, and monthly income are calculated.
  - b. The statement set out above must disclose the amount and services of your income, the identity of any person responsible with you for the support of your dependents, and the identity of any person who contributes to the household in which you reside.
  
9. A document that establishes your identity, including a driver's license, passport, or such other document containing your photograph, or such other personal identification establishing your identity.

**The Law Office of Shannon L. Foster**

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

**By:** \_\_\_\_\_  
Shannon L. Foster, Esquire

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

\_\_\_\_\_  
Client