**Chapter 7 Bankruptcy Pre-Petition Services Agreement**

This agreement confirms our understanding of 1) the legal representation to be provided me by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter "Law Firm") and its attorneys, contractors and employees, 2) the scope of representation, and 3) the agreed upon terms of engagement:

1. Payment and Filing Options. I have been given two options:

a) pay the entire cost of the legal fees and costs relating to my bankruptcy prior to the filing of my case, which would involve a total legal fee of $\_\_\_\_\_\_\_\_\_\_, or

b) have my legal services split into two contracts for pre-petition and post-petition services which will allow me to have my case filed for $\_0\_\_ paid before it is filed and make payments for post-petition services after my case is filed. I have elected to split my case because I cannot or do not want to pay such fees and costs prior to having my case filed. I understand there are risks if I do not retain counsel for the post-petition services which are described below.

I acknowledge and agree that bifurcating my case creates additional work, costs and risks for the Law Firm and that this results in the Law Firm charging me an additional fee of $\_\_\_\_\_\_\_\_\_ that I would not have had to pay if I paid the attorney’s fees and costs of my Bankruptcy prior to the case being filed.

2. Pre-Petition Services. I understand that under this first pre-petition agreement, the Law Firm will only perform the following pre-petition bankruptcy services: (1) meeting and consulting with me as needed prior to filing the case; (2) analyzing the information from my client questionnaire and other documents; (3) performing such due diligence, legal analysis and legal advisement as is typically provided pre-petition and as necessary to comply with applicable bankruptcy and ethical rules; and (4) preparing and filing of a Chapter 7 Voluntary Petition, Statement About Social Security Numbers, Pre-filing Credit Counseling Certificate and List of Creditors. I understand that once my bankruptcy is filed, I will not be legally obligated to pay any fees for pre-petition services to the Law Firm. If any pre-petition fees are owed to the Law Firm and not paid as of the filing of the bankruptcy case, they will be discharged in the bankruptcy and may not be collected by the Law Firm or its assignees.

3. Bankruptcy Filing Fee Options. The Bankruptcy Court requires that I pay $335 to the Bankruptcy Court as a filing fee. If the fee is not paid my bankruptcy case will be dismissed and my debts will not be discharged. I have been presented two options regarding the filing fee, and I elect to (select one):

\_\_\_\_\_ Pay this cost prior to the filing of my case; OR

\_\_\_\_\_ After the case is filed, I may enter into the post-petition services agreement described below in which case the Law Firm will advance the $335 filing fee and I will repay the Law Firm in accordance with the agreement.

4. Post-Petition Options. This contract contemplates that the Law Firm will provide only the services described above and that the Law Firm’s contractual responsibilities under this agreement will end upon completion of the filing of my bankruptcy case. Nevertheless, the Law Firm will remain professionally obligated to serve as counsel for me in the case until and unless the Bankruptcy Court allows the Law Firm to formally withdraw. I understand that there remains important post-petition legal work necessary to finish my bankruptcy case and receive a discharge, that much of the work must be completed within 14 days from the filing of the petition, and that if the work is not completed my case will be dismissed and I will not receive a discharge of my debts. After my bankruptcy case is filed, I have three options regarding post-petition work necessary to complete my case:

(a) I may retain the Law Firm to represent me in the post-petition proceedings in my case. A copy of the proposed post-petition agreement has been made available for me to review, and my payment obligation in the post-petition agreement will not be discharged. If I enter into the post-petition agreement I will be required to pay attorney fees and costs in the amount of $\_\_\_\_\_\_\_\_\_.00 which will be paid in \_\_\_ weekly, \_\_\_ bi-weekly, \_\_\_monthly, or \_\_\_ semi-monthly installments of $\_\_\_\_\_\_\_\_\_\_\_\_\_ until paid in full for the Law Firm to represent me in the post-petition proceedings in my bankruptcy case. The post-petition services the Law Firm will perform include:

• Preparing and filing of my Statement of Financial Affairs and Schedules;

• Preparing and filing of my Means Test calculations and disclosures;

• Conducting a second signing appointment to review and sign the statements and schedules;

• Noticing my employer with a [Stop Notice Action] to stop any garnishment;

• Preparing for and attending my Section 341 Meeting of Creditors;

• Attending any continued Section 341 Meeting of Creditors;

• Reviewing and advising for any motions for stay relief;

• Reviewing and advising for any redemption agreements;

• Reviewing and advising for any reaffirmation agreements and attending any hearings;

• Representing in connection with any 2004 exams;

• Drafting and filing motions to reinstate the case;

• Administrating and monitoring the case;

• Reviewing and responding to Trustee requests;

• Forwarding the Trustee Questionnaire and debtor documents to the Trustee;

• Preparing and filing motions to reopen (if necessary); and

• Reviewing and advising regarding any creditor violations.

**[NOTE: REVISE THE FOREGOING SERVICES TO MATCH YOUR PRACTICE AND INCLUDE THE FOLLOWING EXCLUSION IF ALLOWED IN YOUR DISTRICT] • Post-Petition services will not include adversaries, dischargeability actions or other contested matters.**

(b) I may seek to retain other legal counsel; OR

(c) I may proceed without legal representation (pro se). Although I am not prohibited from proceeding pro se, I recognize that choosing this option will result in me proceeding without any legal representation for important and complicated portions of my bankruptcy case. I acknowledge that if I proceed pro se, there may be complicated legal issues that if not handled properly could risk dismissal of my case which means my debts will not be discharged.

I have ten (10) days from the date my bankruptcy case is filed to retain the Law Firm for the post-petition services in this case, and I understand that the Law Firm is committed to entering into the second contract if I decide to do so. If I do not formally retain the Law Firm within that period, then the Law Firm may file a motion to withdraw as my attorney but will continue to represent me until such time when the Court enters an order authorizing the Law Firm to withdraw as my attorney in the bankruptcy case.

I understand that the Law Firm entered into a financing arrangement and utilizes a line of credit from Fresh Start Funding LLC (the “Lender”) and that no lawyers in the Law Firm have a financial interest in Lender. As part of the Law Firm’s financing arrangement, the Law Firm may collaterally assign the account receivable associated with any post-petition engagement to the Lender. I acknowledge and agree that in the event of any such collateral assignment, (1) the services provided by Lender include the management and collection of any post-petition payments and reporting of my payments to one or more credit reporting agencies, (2) I will allow the Lender to collect my payments on behalf of the Law Firm pursuant to a mutually agreeable payment authorization form, (3) I authorize the Law Firm to provide to the Lender copies of this retainer, the payment authorization, pay stubs, bank account statements and my personal information reasonably necessary for the underwriting, collateral assignment, management and collection of such payments, (4) in no event will the Law Firm share my entire file or any attorney-client privileged information with the Lender, (5) the Law Firm will remain responsible for all aspects of the attorney-client relationship including resolving fee disputes and providing all legal services, (6) the Lender will not direct the legal representation of me by the Law Firm, and (7) even if my expenses exceed my income as shown in the bankruptcy statements and schedules, I believe that I am able to make the payments contemplated by this agreement.

5. Conflict of Interest. Because the Law Firm is filing your case in hopes that you will sign a post-petition agreement, it may create a conflict of interest between you and the Law Firm since executing the post-petition agreement may not be in your best interest. For example, if you enter into the post-petition fee agreement you will be contractually obligated to make post-petition payments that will not be discharged in your bankruptcy. Furthermore, if the Law Firm obtains financing from the Lender and collaterally assigns your payment obligations to the Lender, the Lender will advance funds under its line of credit to the Law Firm based on the amount of the payments you owe the Law Firm, which may place the Law Firm in conflict with you since the Firm expects to receive payments from you in order to pay the Lender. If you do not enter into the post-petition agreement the Law Firm may file a motion to withdraw from the case which creates a conflict of interest if you do not want the Law Firm to withdraw. In addition, because of the complexity of $0 or low-down bankruptcy filings, the proposed financing through the Lender, the collateral assignment of payments to the Lender and the numerous bankruptcy and ethical rules applicable to the situation, there could be additional conflicts of interests that are not disclosed in this Agreement. Furthermore, if in our opinion a non-waivable conflict should arise during our representation of you, we will be required to withdraw from your case and you would need to retain separate legal counsel and incur additional legal fees. To confirm your understanding and agreement to give your informed consent to waive these actual or potential conflicts of interest, we request that you execute this Agreement below. We suggest that you have the terms of this waiver of conflict of interest reviewed by separate counsel. By your signature, you (1) acknowledge our disclosure and your understanding of the conflict, (2) represent that you have had an opportunity to obtain independent legal counsel to advise you with respect to the above-referenced matter, and (3) are giving your informed consent to waive the conflicts described above.

**[Add such other provisions as are commonly used in your district. Many state and local bars offer form fee agreements that contain recommended provisions on such topics as fee arbitration, document retention, whether a flat fee is fully earned upon receipt and whether a flat fee must be deposited in your trust account. You should also consider the following provisions for your fee agreements:]**

6. Excluded Services. We do not represent you in any municipal, criminal, state court, or department of motor vehicle matters, or any adversaries or dischargeability actions. We also have not undertaken to advise you regarding tax or accounting matters, including whether your tax debts are dischargeable or whether you should delay your Bankruptcy in order to discharge tax debts, and we recommend you consult with a tax specialist about any tax matters such as whether tax debts are dischargeable in your Bankruptcy. We also will not to take any actions to try and discharge any student loans. If any of the matters not covered by our agreements should arise, you will have to represent yourself pro se or find a new attorney to represent you in such matters which will cause you to have to pay additional attorney fees.

7. Chapter 13. After further analysis and review of your financial situation, it may be determined that you do not qualify for a Chapter 7 or that a Chapter 13 Bankruptcy will be more appropriate. It is understood that a Chapter 13 Bankruptcy is more involved and will necessitate additional costs and fees not covered by this agreement. If a Chapter 13 filing is decided upon or your case must be converted to a Chapter 13, costs and fees will be readdressed at that time.

8. Your Responsibilities. It is understood and agreed upon that I will: (1) provide the Law Firm with such factual information and documents as are required to perform its legal services, (2) complete two mandatory credit counseling courses, (3) pay a $335.00 filing fee directly to the Court (unless I make arrangements in advance to pay the filing fee to the Law Firm prior to filing the case or enter into a post-petition agreement providing that the Law Firm will pay the filing fee), (4) provide to the Trustee all requested documents (including documents requested at the 341 hearing), information and non-exempt assets, and comply with any Trustee demands or Court orders, (5) attend the required 341 creditor hearing on the scheduled date with my social security card and photo ID, and (6) attend any subsequent hearings and 2004 examinations.

I acknowledge and understand by signing this agreement that (1) debts will not be discharged if a creditor proves that I lied about assets or concealed, destroyed, or transferred any property in violation of Bankruptcy Code Section 523 and/or 727, and (2) all bankruptcy papers, pleadings and petitions are signed under penalty of perjury and a false oath, concealment of assets or other allegation under Bankruptcy Code Section 727 by a creditor, trustee or Court may result in the denial of discharge of debt, dismissal of the case and other sanctions and penalties either monetary or non-monetary.

Please note, the fees are agreed upon based on the assumption and necessity that you will provide detailed financial information needed by the Law Firm to prepare your bankruptcy schedules. The Law Firm is not responsible for collecting such information from your files or directly from your creditors. Complete, accurate and reliable information from you is absolutely necessary (including complete and accurate addresses for your creditors). Not all creditors are listed in your credit reports and you are responsible for making sure all your creditors are listed in the petition with the correct address. If you wish to add creditors after we file your case, you must notify us in writing no later than 45 days after your 341 meeting of creditors with the Trustee.

9. Credit Reports. In order to ensure that all of my creditors are listed in my Bankruptcy schedules, the Law Firm must obtain a credit report covering all three major credit reporting bureaus. By signing this agreement, I authorize the Law Firm to obtain such credit reports.

10. Credit Cards and Non-Dischargeable Debts. It is understood and agreed that from this point forward, nothing is to be charged to any of your credit cards and no additional debt is to be incurred by you without consultation with the Law Firm. Incurring further debt by use of credit cards or other means will result in significant problems in your bankruptcy. Any debt incurred 90 days prior to the filing of the bankruptcy may not be dischargeable. Also, obligations you owe to a creditor or ex-spouse pursuant to a divorce decree, student loans, most tax debts, debts not listed in the Bankruptcy petition, debts for spousal or child support or alimony, debts for willful and malicious injuries to person or property, debts to governmental units for fines and penalties, benefit overpayments, debts for personal injury caused by the debtor's operation of a motor vehicle while intoxicated, debts owed to certain tax-advantaged retirement plans, and debts for certain HOA, condominium or cooperative housing fees are not dischargeable. The government can also offset future tax refunds and government benefits if you discharge overpayment of benefits, military credit cards, or certain governmental loans such as SBA and USDA loans.

11. Reliance Upon Information Provided. Because the Law Firm depends on your candor regarding your assets, debts and financial history, you must agree that you have disclosed all pertinent information concerning property in which you have an ownership interest, and outstanding liabilities (secured or unsecured) and any other information regarding your financial affairs.

12. No Right of Dismissal of My Case. Undersigned agrees and understands that once a chapter 7 has been filed with the federal bankruptcy court, you may not be able to voluntarily dismiss your case.

13. Arbitration of Fee Disputes. If a dispute arises between you and us regarding our fees, the parties agree to resolve that dispute through the State Bar’s Fee Arbitration Program. Either party may initiate fee arbitration by contacting the State Bar.

14. Electronic Data. I authorize the Law Firm to communicate with me via facsimile, mobile telephone, text message and e-mail, including leaving voice mail messages with details about my case. No form of communication is completely secure, and these forms of communication have some risk of improper interception. The Law Firm retains many file documents in electronic format only and these may be stored on a separate third-party server. I agree to check my e-mail regularly for important communications relating to my case. I agree that third parties (e.g., employers or family members) do not have access to my e-mail, voicemail and text messages, and that I can receive confidential correspondence from the Law Firm in this manner. The Law Firm may assume that I am receiving and reviewing my e-mails at that email address unless I alert the Law Firm to an issue or a new email address. I will check my junk and spam folders to make sure my e-mail filters do not block e-mails from the Law Firm and confirm that the allowable size of incoming e-mails is sufficient to accept e-mails from the Law Firm with attachments.

15. File Retention. I understand that the Law Firm will retain my client file for \_\_\_\_\_\_\_\_ years. Following such time period, copies of my bankruptcy papers and discharge order may be obtained through the clerk of the bankruptcy court.

16. Trustee. I acknowledge and understand that (1) the court will appoint a chapter 7 trustee for my case that will have various duties and rights including the duty to investigate my financial affairs including the value of my assets, and the right to liquidate non-exempt assets for the payment of my creditors, and (2) I have a duty to cooperate with the chapter 7 trustee.

17. No Advice Regarding This Fee Agreement. The Law Firm is not acting as my counsel with respect to this agreement. The Law Firm has recommended that I consult with independent legal counsel of my choice to be advised on whether I should enter into this agreement.

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

I/WE ACKNOWLEDGE THAT I/WE HAVE READ THE ABOVE AGREEMENT BEFORE SIGNING IT. I/WE FURTHER ACKNOWLEDGE THAT THE LAW FIRM HAS ANSWERED ANY QUESTIONS I/WE HAVE ABOUT THE TWO CONTRACTS, LIMITED SERVICE REPRESENTATION ARRANGEMENT OF THE FIRST CONTRACT, FINANCING AND COLLATERAL ASSIGNMENT ARRANGEMENT AND THE CONFLICT OF INTEREST MATTERS DESCRIBED ABOVE.

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