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UNITED STATES BANKRUPTCY COURT

**NOTICE TO INDIVIDUAL CONSUMER DEBTOR UNDER § 342(b)  
OF THE BANKRUPTCY CODE**

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 (\$335 filing fee, \$39 administrative fee, \$15 trustee surcharge: Total fee \$389)**

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 (\$310 filing fee, \$39 administrative fee: Total fee \$349)**

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in installments 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.



**Notice to “Persons Assisted” Required By Section 527(a) of the Bankruptcy Code**

**AS A DEBT RELIEF AGENCY, WE ARE REQUIRED TO INFORM YOU, THE “ASSISTED PERSON” AS TO THE FOLLOWING MATTERS PURSUANT TO SECTION 527(a) OF THE BANKRUPTCY CODE:**

(A) all information that the assisted person is required to provide with a petition and thereafter during a case under this title is required to be complete, accurate, and truthful;

(B) all assets and all liabilities are required to be completely and accurately disclosed in the documents filed to commence the 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;

(C) current monthly income, the amounts specified in section 707(b)(2), and, in a case under chapter 13 of this title, disposable income (determined in accordance with section 707(b)(2)), are required to be stated after reasonable inquiry; and

(D) information that an assisted person provides during their case may be audited pursuant to this title, and that failure to provide such information may result in dismissal of the case under this title or other sanction, including a criminal sanction.

The undersigned “Person(s) Assisted” acknowledge receipt and understanding of the matters set forth in the above ”**Notice to “Persons Assisted” Required By Section 527(a) of the Bankruptcy Code**”

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Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

## 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 made available by 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 and 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 needs to 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 BE PROVIDED IN ACCORDANCE WITH  
SECTION 527(c) OF THE BANKRUPTCY CODE

Except to the extent LEIBOWITZ LAW CENTER (“Debt Relief Agency”) provides the required information itself after reasonably diligent inquiry of the CLIENT (“Person Assisted”) or others so as to obtain such information reasonably accurately for inclusion on the petition, schedules or statement of financial affairs, LEIBOWITZ LAW CENTER hereby, by this CLEAR AND CONSPICUOUS WRITING desires to inform you how to provide the information required in your Bankruptcy Petition, Schedules and Statements of Financial Affairs:

(1) HOW TO VALUE ASSETS AT REPLACEMENT VALUE:

You must determine how much your personal property is worth as it is today. Do not value your property based upon what you can sell it for. Instead, value it at what you would have to pay to replace it. If your property is new or close to new, consider retail value adjusted to whatever extent appropriate for the amount the property has been used. If there is a market for your property as used, you may use that market to determine value. For example, you may consider using thrift store prices or prices at house or garage sales or at a secondary marketplace such as eBay to determine what it would cost you to replace your personal property.

(2) HOW TO DETERMINE CURRENT MONTHLY INCOME:

In order to determine current monthly income, you must consider your income for the six months immediately prior to the commencement of your Bankruptcy Petition. If you provide us with accurate payment advices for the six months immediately prior to the commencement of the Bankruptcy Petition, we will assist you in determining your “Current Monthly Income”.

(3) HOW TO DETERMINE THE AMOUNTS SPECIFIED IN SECTION 707(b)(2) AND IN A CHAPTER 13 CASE, HOW TO DETERMINE DISPOSABLE INCOME IN ACCORDANCE WITH SECTION 707(b)(2) AND RELATED CALCULATIONS.

In order to determine these amounts, you should provide us with actual expenditures you make in each of the pertinent categories. We will compare them to the allowed amounts pursuant to current Internal Revenue Standards in order to determine your “Disposable Income” in accordance with Section 707(b)(2).

We provide a link on our website at [bankruptcy.lakelaw.com](http://bankruptcy.lakelaw.com) (Means Test”) in order to assist you with this evaluation.

(4) HOW TO COMPLETE THE LIST OF CREDITORS, INCLUDING HOW TO DETERMINE WHAT AMOUNT IS OWED AND WHAT ADDRESS FOR THE CREDITOR SHOULD BE SHOWN

In order to determine your list of creditors, the amount owed and what address should be shown, we will need to see your bills for each creditor for a period of 90 days immediately prior to the commencement of your case. We may utilize a National list of creditors' addresses for additional information. IT IS VITAL TO HAVE THE PROPER ADDRESS FOR EACH CREDITOR, AS WELL AS THE ACCOUNT NUMBER FOR EACH CREDITOR. FAILURE TO PROVIDE THIS INFORMATION MAY RESULT IN ANY NOTICE BEING GIVEN TO THAT CREDITOR BEING TREATED AS INVALID, RESULTING IN THAT DEBT NOT BEING DISCHARGED IN YOUR BANKRUPTCY CASE.

(5) HOW TO DETERMINE WHAT PROPERTY IS EXEMPT AND HOW TO VALUE EXEMPT PROPERTY AT REPLACEMENT VALUE AS DEFINED IN SECTION 506 OF THIS TITLE.

When you provide us the complete list of your property, we will evaluate with you the applicable law of Illinois as well as any other state in which you may have lived in recent years to determine which exemption applies. We don't think that it will be very easy or appropriate for you to determine exemptions without appropriate and competent "Bankruptcy Assistance".



# PLEASE READ BEFORE FILING



"Unless you comply your case will probably be dismissed"

## WARNING REGARDING CREDIT COUNSELING REQUIREMENT

If you have any questions please see the lawyer at the Bankruptcy Assistance Desk located in room 622

All individual debtors must be able to check truthfully one of the four statements listed below. If none of these statements applies to you, you are not eligible to file a bankruptcy case, and any case you do file can be dismissed by the court. If that happens, you will lose whatever filing fee you paid and your creditors will be able to resume collection activities against you. If your case is dismissed and you file another bankruptcy case later, you will be subject to paying a second filing fee, and you may have to take extra steps to stop creditors' collection activities.

**Pre-bankruptcy counseling with certificate.** Within the 180 days *before the filing of my bankruptcy case*, I received a briefing from a credit counseling agency approved by the United States trustee or bankruptcy administrator that outlined the opportunities for available credit counseling and assisted me in performing a related budget analysis, and I have a certificate from the agency describing the services provided to me. **Attach to your bankruptcy petition a copy of the certificate and a copy of any debt repayment plan developed through the agency.**

**Pre-bankruptcy counseling without certificate.** Within the 180 days *before the filing of my bankruptcy case*, I received a briefing from a credit counseling agency approved by the United States trustee or bankruptcy administrator that outlined the opportunities for available credit counseling and assisted me in performing a related budget analysis, but I do not have a certificate from the agency describing the services provided to me. **You must file a copy of a certificate from the agency describing the services provided to you no later than 15 days after your bankruptcy case is filed.**

**Attempted pre-bankruptcy counseling with an emergency requiring bankruptcy filing.** Before filing this bankruptcy case, I requested a credit counseling briefing from an approved agency but I was unable to obtain the briefing for five days from the time I made my request, and an emergency requires me to file a bankruptcy case now. **If the court is not satisfied with your reasons for filing the bankruptcy case now, without first receiving a credit counseling briefing, your case may still be dismissed. If the court is satisfied with your reasons, you must still obtain the credit counseling briefing within the first 30 days after you file your bankruptcy case, and must file a certificate from the agency that provided the briefing, together with any debt management plan developed through the agency.**

**Incapacity, disability, service in a war zone.** I am not required to receive a credit counseling briefing because one of the following applies.

- I am impaired by mental illness or mental deficiency such that I am incapable of realizing and making rational decisions with respect to my financial responsibilities.
- I am physically impaired to the extent that I am unable, after reasonable effort, to participate in a credit counseling briefing in person, by telephone, or through the Internet.
- I am on active military duty in a military combat zone.