

NICK C. THOMPSON
CONTRACT FOR CHAPTER 7 OR 13 BANKRUPTCY SERVICES

TYPE OF BANKRUPTCY

Client retains attorney who is acting as a debt relief agency to file a Chapter 7 or Chapter 13. If Client desires to file or convert to a different Chapter at a later date, the parties shall execute a new fee contract setting forth the terms of such representation and an additional fee shall be due.

CONTRACT FOR ATTORNEY'S EMPLOYMENT

This contract for Attorney's fees, is executed on this _____ day of _____, 2010, between The Nick C. Thompson Law Office (hereinafter the "Attorney" and _____ (hereinafter "Client", whether one or more) whose address is _____

_____ and whose phone number is _____, hereinafter designated "Client", and Nick C. Thompson, Attorney at Law, 800 Stone Creek Parkway Suite 6, Louisville, KY 40223, phone number (502) 625-0905, hereinafter designated as "Attorney". As the client you have received an executed copy of this contract and a reasonable explanation for the different chapters of bankruptcy. It is the duty of the client to cooperate and provide accurate information to the Attorney and the U. S. Bankruptcy Court.

UNCONTESTED CONTRACT

Client hereby employs Attorney to represent Client as Attorney and authorizes the Attorney to institute such actions as may be advisable, in the judgment of Attorney, to represent Client in such matters. Attorney may handle the matters as Attorney's experience and knowledge dictate and to the best interest of Client. Attorney is authorized to investigate all claims, obtain exhibits, interview and subpoena interest in the aforesaid matters. This contract is for employment for an uncontested Chapter 7 or 13 bankruptcy.

TIME LIMITS

The client understands that the client must file the bankruptcy within 6 months and complete the bankruptcy within one year of the date of this contract. At the end of one year all services will be deemed to be performed. If the bankruptcy has not been filed by these dates, a new contract and fee will be due. In the case of a Chapter 13 the services will be deemed to be completed upon plan confirmation. Initial here _____ that you have read and agree to this.

ADDITIONAL FEES

There may be other litigation and if the attorney is required to litigate an adversary or other proceeding **an additional fee shall be charged.** These causes of action include but are not limited to:

- Fraud including incurring charges on accounts just prior to filing.
- Appeals
- Amendments (such adding debts) cost \$100 plus a \$26 filing fee and \$5 per added debt
- Fair Debt collection practices act litigation
- Domestic or Criminal Matters
- Contempt of the Bankruptcy Court, Audits, Matters related to the debts owed by or to the debtor and Transfers of property while the debtor was insolvent.

Initial here _____ that you have read and agree to this.

MINIMUM FEE

The filing fee for all bankruptcy cases will be \$300.00 which is paid to the U.S. Bankruptcy Court. Attorney Charges for an uncontested bankruptcy as follows:

Chapter 7 (single)	\$1,000.00
Chapter 7 (joint)	\$1,200.00
Chapter 13	Established and paid by the Bankruptcy Court and the Chapter 13 office as make payments to the court.

There are certain expenses incurred when starting a file (entering data, handling creditors, clerical costs, entering copying and reviewing documents, consultation and preparing a bankruptcy petition). We will charge a minimum attorney fee of \$750.00 to start a case and prepare a file. **This Original Retainer fee will be charged when this contract is signed and in NON-REFUNDABLE regardless of whether the case is filed or whether the case is completed.** Going to court for the 341 Meeting is a very small part of the case and most of our work is in counseling, reviewing, preparing and planning your bankruptcy. Our hourly rate is \$150.00 per hour (office) and \$200.00 per hour (court) in 2010 unless a flat charge is mandated by the court and charges are not limited to any original retainer amount. The \$300.00 filing fee for the U. S. Bankruptcy Court must be paid by cash or certified funds. If paid by check, the case will not be filed for 7 days until the funds clear the bank. Further, the Attorney has no obligation to file the bankruptcy case until the client:

1. signs this contract paying the minimum fees.
2. acknowledges the disclosure information and
3. reviews the accuracy of the petition with special attention to the income, debts and assets listed.

The Debtor is ultimately responsible for the accuracy of the petition particularly the completeness of including all of the names of all creditors, addresses, account numbers and amounts owed. Assets include inheritances, pending tax refunds, and lawsuits.

In the case of a business bankruptcy where the client owns a business or multiple homes the retainer and attorney fee is larger. Client hereby agrees and consents to an increased Attorney's Fee as agreed upon by the Client and the Attorney and the payment of costs in advance as set forth as in this contract. Should the Attorney be required to retain the services of another attorney, or is required to work to collect these fees the Attorney shall recover from client all reasonable attorney's fees incurred in collecting same. He shall also be allowed to charge and collect a 12 per cent annual interest on unpaid balances. All initial retainer fees become the sole property of the Attorney when paid to him, and shall not be held in escrow or trust fund.

If a lawsuit is filed to collect damages, any fee awarded to Client by the court or agreed upon in any settlement shall be paid to Attorney to apply on Attorney's fees as set forth in this contract, and the balance, if any, shall be refunded and assigned to client. This may include but is not limited to any lien for the attorney fee or additional services that are performed.

Client agrees to pay an additional \$50.00 service fee plus any bank charges for any Returned Check and/or stop-payment made on a check. The Client shall bring in cash and/or a money order before the Attorney will do any further work on the Client's case. Should the Client fail to pay the bank charges, the Attorney may forward said charges, to a collection attorney to collect the bank charges owed, along with interest on the principle sum, attorneys fees and costs of collecting.

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The Client shall pay all court costs and costs of litigation including deposition, travel, exhibit, hiring of other professional or witness fees and copying (25 cents per page or actual costs if greater). The following shall be billed to the Client. This includes, but is not limited to: all phone calls, all document preparation, court appearances, office visits, court costs, emails sent and received, letters sent and received, receipt of documents from other attorneys and the court, postage costs, and copy costs. Please note that talking to the Attorney's secretary and/or support staff, including other Attorneys in the office, will be considered billable time.

Initial here _____ that you have read and agree to this.

CLIENT RESPONSIBILITY

It is the clients responsibility to:

1. **Stay in contact with the attorney** and advise him of any change of address or contact information.
 2. **Supply documentation** to the attorney necessary to complete the bankruptcy. Documentation shall be complete and accurate. Client will be reasonable and cooperate with the attorney and the court's rules. **Client shall supply copies of documents. Attorney and support staff will not be responsible for original documents once the case is filed. All records will be destroyed 4 years after filing.**
 3. Client will properly **pay the attorney fee** in a reasonable amount of time, but no later than 90 days from the date of filing.
 4. **Failure to cancel and/or show for office visits.** Contact the office the day prior to an appointment if an appointment if you need to cancel or reschedule your appointment. If the Appointment is not cancelled within an hour prior it will be billed regardless.
 5. **Unscheduled Office Appointments.** Office meetings and conferences are by appointment only. **There are no consultations without a scheduled appointment.** Persons attempting to have an unscheduled appointment will be charged an additional \$75.00 which is due at that time. Your matter will not be examined or pursued later until this is paid.
 6. **RUSH WORK AND AFTER HOURS.** Clients will not contact the attorney after office hours at home or by cell phone unless there is an emergency. You will be charged 2 times the normal hourly rate for the attorney. Harassing phone calls will be the basis for attorney withdrawal. It is the Client's responsibility to file bankruptcy, criminal and divorce matters in a timely manner. Failure to do so will be considered RUSH work and rush work that must be completed after hours due to client delay will be charges and 1.5 times the normal attorney fee.
 7. The Debtor must **disclose to the attorney any lien**, pay fees and obtain an appraisal to avoid any lien or to redeem property.
 8. The Debtor must **take the required second training** and to deliver proof of any required training to the Attorney. If your case is dismissed without filing the required second training class, an additional filing fee and Attorney's fee will be charged to the Client.
 9. The Debtor must **attend the 341 Creditor's Meeting** and any other hearings set in the case. The 341 meeting occurs 4-6 weeks after the case is filed and the Debtor must attend with his or **her photo id and social security card** as proof of identity.
 10. You must **timely file any redemption or reaffirmation agreement** in a Chapter 7. The Debtor must file this within 45 days of filing or the stay shall be terminated which could result in home foreclosure and repossession of your vehicle. If your case is discharged without filing a Redemption or Reaffirmation Agreement, an additional filing fee and Attorney's fee will be charged to reopen the case to file these documents if they can be filed at all.
 11. **CHAPTER 13 PLAN PAYMENTS TO THE TRUSTEE START THE MONTH THE CASE IS FILED MORTGAGE PAYMENTS AND PAYMENTS MADE DIRECTLY TO CREDITORS START THE MONTH THE CASE IS FILED.** In other words if you plan to keep a car or home and plan to pay an arrearage in a Chapter 13 plan you will make monthly
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payments on the car or home starting the month you file. Sometimes car payments can be made through the plan. Mortgages payments are never paid through the plan and are paid directly by you to the mortgage company starting the month the case is filed.

12. **AN ANNUAL BUDGET IS REQUIRED TO BE FILED BY THE CLIENT AND TAX REFUNDS SHALL BE TURNED OVER TO THE CHAPTER 13 TRUSTEE.** Failure to file a budget or turn over the tax refund is the basis for dismissing the case by the court.
13. **THE FAILURE TO MAKE PAYMENTS** will allow a mortgage company to file a motion to terminate the stay and start a foreclosure. Attorney fees and filing fees for a motion to terminate the stay will be charged by the court.

Initial here _____ that you have read and agree to this.

DISCLAIMER OF SPECIFIC OUTCOME OR WARRANTIES

The results of any case largely depend upon the client testimony and the judge. Attorney has made no warranty or guaranty as to the results of Client's matters, and Client does not rely upon any warranty or guaranty made by Attorney or anyone on Attorney's behalf as to the results of Client's matters. Client hereby retains Attorney without any promise or guarantee of results. If a case is filed in bankruptcy court there is no warranty made by the attorney that any property can be retained by the client or that any specific debt will be discharged.

Initial here _____ that you have read and agree that no specific outcome or warranty has been made.

ATTORNEY'S WITHDRAWAL

If after reasonable investigation of Client's matters, Attorney determines that it is not feasible to handle the case as the Client wishes to prosecute Client's claim, or if Client does not reasonably cooperate with Attorney, then upon notification by regular mail, addressed to Client's last known address, Attorney may withdraw from this contract. In event of any such withdrawal, client agrees to pay to attorney the sums required by this contract through the date of withdrawal. In the event client fails to make payments, attorney may, and the client has a duty to sign an agreed order allowing said withdrawal. If client fails to pay or refuses to cooperate in attorney's withdrawal, client shall be liable for attorney fees, court costs and collection fees, and a 12% interest rate for the additional work of withdrawing by a hearing that could have been avoided.

If the client attempts to do his own legal work by filing motions or other documents with the court pro se then the attorney may immediately withdraw without actual notice to the client and the attempt by the client shall constitute notice to the attorney that the client wishes to dismiss his attorney and shall prosecute his own case pro se. Client acknowledges that should he/she fail to pay his/her bill, the attorney will send his/her file to collections, at which time, and the attorney will seek any and all remedies both civil and/or criminal in order to collect for services rendered. The attorney may immediately withdraw from the client's case.

Improper conduct by the debtor: If the attorney believes that the Client is not complying with the Client's responsibilities under this agreement, including but not limited to, fraud to the court or is otherwise not engaging in proper conduct, the attorney may apply for a court order allowing the attorney to withdraw from the case

ATTORNEY SERVICES

A Service Provided by Attorney

Contingent upon being paid for the services as specified, the Attorney shall provide the following legal services for the Debtor: Counseling, Preparation of the Documents for an uncontested Chapter 7 or Chapter 13 bankruptcy and attendance at the 341 meeting. An additional fee will be charged for attendance at any other hearing. Any other hearing is rare and not within scope of the uncontested fee.

B Services Provided Under the Base Fee

The following legal services are provided under the base fee: All work necessary to file the petition and schedules and attendance at the 341 Creditors Meeting for an uncontested Chapter 7 or Chapter 13 Bankruptcy. Additional Attorneys Fees will be charged for defending objections to exceptions, discharge litigation, and other non base fee matters. The court shall approve all fees charged and all charges shall be disclosed to the court.

C Services Not Provided Under the Base Fee

The services set out below are not provided under the base fee. Additional fees will be charged for any adversary proceeding, redemption, or motion to avoid a lien or to continue your case you miss your 341 Hearing. Fees will be based upon the hours worked if such services are requested, For example, normally preparing a Motion will cost \$250.00, but if a hearing is required the earned fee may be higher.

Non-routine services include at least:

Discharge and Fraud litigation,

- Exemption issues,
- Copy of prior bankruptcy case 20.00 document fee
- Garnishments including the return of funds previously take prior to filing the bankruptcy
- Motions for to avoid liens or to redeem property
- Responses to objections to the plan
- Amended plans or motions to modify the plan
- Motions to buy sell or refinance
- Additional work that has to be done to collect attorney fees
- Responses to invalid or improper claims.
- Motions for relief of the stay, convert or to dismiss.
- Later submission of profit and loss statements for businesses, tax returns or proof of income when not a part of the initial petition
- Non-routine services include discharge litigation, exemption issues, defending motions for relief from stay, and adversary proceedings.

The client also hereby certifies that he has reviewed the petition, its accuracy and that he has received a copy of a bankruptcy manual that explains what the client needs to do and his rights. It is the clients responsibility to review the manual, to list in his bankruptcy all of his assets and debts, and to co-operate with the trustee in delivering to the trustee any required documentation. The client states that he has disclosed herein all of his assets and or transfers of any assets within the last year including any inheritances and pending lawsuits. The failure to accurately disclose income, expenses, property, debt or Transfers may result in an investigation and dismissal, additional fees, loss of property or prosecution.

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Attorney fees are not refundable and any bankruptcy must be filed within one year or a new fee shall apply.

If you have changed residency from one state to another within 2 years you must use the lesser exemptions. If you have purchased a car within the prior 910 days you will probably have to pay the retail value for that claim or surrender the auto in a Chapter 13. I am aware that a defect in the title such as the failure to record a deed or mortgage may allow the Trustee to take any property including my home. The defect in the title may not be apparent from the face of the document such as a defective notary on a deed. THEREFORE THERE IS NO GUARANTEE THAT I WILL BE ABLE TO KEEP ANY PROPERTY IF I FILE A BANKRUPTCY but exemptions will normally allow me to keep property.

Date _____

By _____
Nick C. Thompson

Date _____

Client

Date _____

Client

I understand that the outcome of my bankruptcy depends on the truthfulness, completeness and accuracy of my petition and records. I must list all of my assets that I have owned and **titled in my name** for the prior 2 years. If I no longer own an item I must have received for that item what it was worth as it's fair market value and must not give property to family or close relationships just prior to filing. I understand that property may be lost if the deed, car title, lien or mortgage was not properly recorded. I must include all of my gross income for the 7 months prior to filing. The failure to do this may cause my bankruptcy to be dismissed or it may cause me to have to file a Bankruptcy under a different section of the code causing more expense and the amounts paid will not be refunded. **I have reviewed and received a copy of this contract, a copy of the schedules and a copy of disclosures at the initial meeting in a package.**

Client