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TO CLIENT: copies of the following documents are required to file bankruptcy:

- Filing a CHAPTER 7 requires all the documents a Chapter 13 requires plus prior bank statements**
- Bank Statements** for all open bank accounts (including any joint accounts) for the previous *six months*
- CHAPTER 7 and 13,**
  - Household income\*** The Court needs proof of your *prior six months* of income example, pay stubs, or any benefits letter stating your income (\*household income = husband & wife's income even if only one person is filing)
  - Federal & State Tax Returns for the prior two years. For 2021 this is 2020 & 2019; Tax transcripts are not returns. We can accept W-2s as proof of your Social Security Number for the Court**
  - Vehicle Titles for any** boats, cars, trailers, motorcycles titled in your name, including if your name is on mom's car.
  - Deed and Mortgage a recorded copy, showing the Book and Page numbers.** We can get it from the court website for Jefferson County. In most rural counties, go to the court clerk for that county.
  - Driver's License & Social Security Card (you must bring these to your hearing even after giving us a copy)**
  - Fill in the intake on our website Intake List the Name, Address, and amount of all debts** (free credit reports are available at [www.annualcreditreport.com](http://www.annualcreditreport.com) 1-877-322-8228 Credit reports are helpful to provide addresses and account numbers, but credit reports won't have all of your creditors.
  - List the name and address of any **Child Support or Alimony** You list the Recipient as a debt.*
  - Proof of Large or unusual expenses** (large medical expenses, charity, private school, etc.)
  - Credit Counseling Certificate** We can prepare your case without this, but your case cannot be filed without the Counseling certificate. We recommend [www.bkcert.com](http://www.bkcert.com) phones are answered 24 hours a day. Our attorney code is 91989. This is my sign-up page with them. BKcert is a little more expensive but extremely fast. 866-859-7323; The cheapest place is [www.Prebk.com](http://www.Prebk.com); my code is nt0905. You must take the Debtor Education second course immediately after filing your bankruptcy, or you will not receive a discharge.
  - To strip a 2<sup>nd</sup> mortgage or judgment lien – complete our form, get an appraisal and pay the additional fees for this motion or your judgment lien will not be stripped.**
  - It takes 3-4 hours to read our book. The average person who reads our book will get about 8,000-10,00 dollars more benefit from filing their bankruptcy than someone who doesn't.* To get a fantastic bankruptcy, follow our checklists for Chapter 7, 13, and foreclosure cases
  - The filing fee for Chapter 7 or 13 is - \$338.00. The actual fee for 13 is about 20 dollars less, but there are mailing costs. We often have to delay filing if you pay by check or credit card until a check or charge clears.**
  - In 2021 the Chapter 7 Attorney Fee is Single Filing \$1200.00 - Joint \$1400.00 We will have a 200 dollar price increase in 2021 or 22 because we have not raised prices in 5+ years. If you pay by check or card , we will wait until the check or debit charges clear due to the high amount of returned checks. It's best to bring cash.**
  - 2021 Chapter 13 Attorney Fee:** We often collect and hold your first 2-3 payments in our trust account at filing to show you have the ability and intent to make payments. We are paid through the bankruptcy court as you make the payments. The Court pays a \$4100 flat fee to every attorney whether you hire the best or worst attorney in town in Chapter 13. There is no need to price shop in Chapter 13.
  - If you run a small business, you can often file a Chapter 7 or 13 better than filing Chapter 11. Only individuals can file a Chapter 13, but business owners often file a Chapter 7 or 13 instead of a Chapter 11 and restructure the business. Chapter 11 has about a 96% failure rate, and Chapter 11 cases are often converted to a 7.**



A judge or trustee can require other documents. The documents listed above must be gathered before the bankruptcy can be filed. Reading our manual takes about 2-3 hours and will give you a general understanding.

Things to do after filing, other than attending the hearing with your id and social security card.

1. **Take your second class** as soon as you get your case number. A discharge is the permanent court order to prevent creditors from collecting. The bankruptcy code requires you to take the second class called a debtor education class. Debtor Ed is a two-hour class. Fail to take the class before the case closes, and you have to pay the filing fee again to reopen the case & the cost for motions to reopen the case and get the discharge.
2. **Reaffirmations.** If you want to keep a car or home, you may want to sign a reaffirmation agreement. Banks will only send a reaffirmation to your attorney if you request it. We complete this with you in our office and send it back to the lender. However, reaffirming a debt will not help your credit. Reaffirming an auto loan means you go back to being legally liable. You only want to reaffirm if your lender insists on it, which is often Toyota and Ford Motor Credit. Reaffirmations are only good for you if the auto is worth the debt on your car. Lenders will tend not to repossess until after the case is closed, and you can always buy a different car.  
**Surrender** You can always surrender a home or car if it is a lemon and don't want to pay the debt for the auto. There are other autos that can replace a bad deal. Most clients qualify for an auto within six months and home within two years after discharge at low rates. You can get a car at a higher rate shortly after the case is filed. 722 Redemption in Covington KY, Toyota of Louisville, and Budget finance cars for people in bankruptcy.  
**Redemption** You save money redeeming when you have negative equity. If the auto is in perfect condition and the amount you owe for the car is more than the NADA book value, you may want to redeem. You pay the lender the NADA retail value for the auto. 722 will lend you the money to redeem a car or they will sell you a different auto and finance the auto. These are normally 2-3 year old autos. Redemption rebuilds credit better than reaffirmation. You are no longer underwater on a car, and the bank suffers the loss, not you.
3. **Stripping a mortgage or judicial lien.** People often don't know they were sued. A judicial lien will be attached to your home if a lender obtains a judgment. When you refinance or sell a home, the judicial lien will still exist after the bankruptcy has been filed unless it is stripped during the bankruptcy. If you have been sued, it is almost certain any real property you own has been attached with a judicial lien. If this lien impairs your exemption in the property it can usually be removed. It is much cheaper to remove it while your bankruptcy is going on. If the lien is not removed while the bankruptcy is going on, you will have to file a motion to reopen the case and strip the lien later. This takes 20-30 days which means you may lose a sale of a property or refinancing if you have to wait to get this done later. First mortgages can only be stripped to the property's value if it is not your primary home. First mortgages for business, rental, and vacation property can be stripped.
4. **Save your bankruptcy documents.** If you need to buy a home later, you will need a copy of your bankruptcy.
5. **Be sure all of your debts are listed.** In a Chapter 7 case that has no assets, the debts are discharged whether you list the debts or not. However, not listing a debt may cause problems later. If you fail to list a debt in Chapter 13 or a case that repays debts, you will still owe the debt after the case is over. The case which governs this is In RE Madj, where kids did not list a debt to their parents in a no asset Chapter 7 case and discharged it.
6. **Pull your credit report.** Debts should show a zero balance and account closed after a discharge. You no longer owe these debts. Often your FICO score and net worth goes up, not down after a bankruptcy. Wealthy people file bankruptcy and increase their wealth even more. Poor people live with debt. Three different studies by the federal reserve prove this to be true.
7. **Check taxes and insurance.** If real property is being surrendered, there may be no need for you to continue paying for taxes and insurance. The lender will often pay taxes and insurance during a foreclosure. Be sure the title is out of your name, so you don't continue to pay taxes for an auto after your case is discharged. You can file an affidavit of incomplete transfer to get a repossessed auto out of your name and not pay taxes on it.
8. **Download & read our manual.** If you understand the process, you will get more from your bankruptcy and it is much easier. Most people who understand the process save thousands by taking 3-4 hours to read how to take advantage of all the different tools we have in bankruptcy. I know it is boring but you will understand it after reading about the issues which can come up.