

**NICK C. THOMPSON ATTORNEY
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 bankruptcy. If the Debtor determines at a later date that the Debtor desires to file or convert to a different Chapter such as from a Chapter 13 to a Chapter 7, 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, this agreement is executed this ____ day of _____, 2010, by and between The Nick C. Thompson Law Office (hereinafter the "Attorney" and

- _____ (hereinafter "Debtor",
- whether one or more) whose address is _____ and _____
- whose phone number is _____, hereafter designated "Client", and Nick C. Thompson, Attorney at Law, 800 Stone Creek Parkway Suite 6, Louisville, KY 40223, phone number (502) 429-0057, hereafter designated as "Attorney". At the client you have a right to:
 - 1 have a contract,
 - 2 the different chapters explained to you and
 - 3 that you understand that it is the duty of a client to provide accurate information to the Attorney and Court and to co-operate to obtain a Discharge in Bankruptcy.

I. UNCONTESTED CONTRACT

Client hereby employs Attorney to represent Client as an attorney and authorizes the Attorney to institute such actions as may be advisable, in the judgment of Attorney, in representing Client in such matters. Attorney may handle the matters as Attorney's experience and knowledge dictate and to the best interests 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 bankruptcy

- **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 have been performed and if the bankruptcy has not been filed by that date a new contract and fee will be due.
- There may be other causes of action or additional 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
 - I. Appeals
 - II. Fair Debt collection practices act litigation
 - III. Domestic or Criminal Matters
 - IV. 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, Fraud and more fully set out in IX (F).

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

II. MINIMUM ATTORNEY FEES

Client agrees to pay to Attorney for all services required under this contract the following:

○ \$750.00 as a minimum retainer fee for an individual bankruptcy petition, payable before any work begins on your case of the case is a joint case the minimum retainer is 950.00. This retainer helps to pay the clerical costs setting up the file, entering data, analyzing the case and taking all initial information, preparing the petition, and therefore any used portion of the retainer is not refundable. This minimum fee shall be credited against the hourly per diem fee hereafter provided unless a flat fee is mandated or provided for by a Court such as the US Bankruptcy Court. If such a fee is mandated or provided for by a Court it is understood that such fees may be regulated by the Court but they are not limited to the retainer or an estimated fee for an uncontested bankruptcy or uncontested divorce and that additional work beyond the labor needed for an uncontested matter will cost additional charges.

The attorney shall charge \$200.00 per hour as an hourly per diem fee for all time expended by Attorney out of court and 250 in Court, all subject to credit from the minimum nonrefundable retainer set forth in sub-paragraph A, supra, and said per diem fee may be modified by written agreement of the parties;

Any fee awarded 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.

Client hereby agrees and consents to the foregoing Attorney's fees and the payment of costs as set forth in this contract, and acknowledges that all initial retainer fees are earned by the attorney when paid and are non-refundable. 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.

NOTE: Client must pay all court costs in advance, in addition to above fees.

Client hereby agrees and consents to the foregoing attorney's fee 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.

NOTE: The client agrees to the minimum attorney retainer of 750.00 for an individual petition and 950.00 for a joint petition and shall file any Chapter 7 within 6 months and complete the case within one year of this contract. Initial here _____ that you have read and agree to this.

III. COSTS

Client shall be responsible for any and all costs of litigation in advance, promptly upon request. Client authorizes attorney to advance funds for any such costs and expenses as they are incurred. Expenses include but are not limited to: Xerox and duplication fees at \$0.25 per page for office duplication and actual cost for non-office duplication, long distance telephone calls, disposition fees, expert witness fees, travel expenses at actual cost or \$0.50 per mile for private vehicle use plus the per diem cost for the time spent in travel, court costs, exhibit fees, witness fees, exhibit charges, medical records, reports, pictures, deposition costs and all other out-of-pocket expenses shall be paid by Client pursuant to the terms of this contract.

Client agrees that should there be a returned check and/or stop-payment made on a check, the client will pay an additional \$50.00 for bad service charges, plus any bank charges (which in 2008 was (35+10) 45 dollars which makes the fees at least 95.00 per check) and 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. Initial here _____ that you have read and agree to this.

IV. DISCLAIMER OF SPECIFIC OUTCOME OR WARRANTIES

Attorney has made no warranties or guarantees as to the results of Client's matters, and Client does not rely upon any warranties or guarantees 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.

V. ATTORNEY'S WITHDRAWAL

If after reasonable investigation of Client's matters, Attorney determines that it is not feasible to handle the case as 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 an agreed upon bi-weekly payment required by this contract, attorney may immediately withdraw, 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 attorneys fees, court costs and collection fees, at a 12% per annum interest rate.

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 debtor is not complying with the debtor'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

The following shall be billed to the client, this is including but 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, is billed as well.

VI. CLIENT'S PROMISE TO REMAIN IN CONTACT

Client and Attorney agree to keep each other informed as to their respective current addresses and phone numbers and all notices or correspondence shall be sent to the last known address of each. Initial here _____ that you have read and agree to remaining in contact with your attorney.

VII. MISCELLANEOUS

Hiring other professionals

Attorney is authorized to discuss and consult with members of attorney's firm and such other persons and agencies as attorney may deem necessary to prepare client's matter, and to delegate secretarial duties to secretaries employed by attorney's firm, unless client specifically requests in writing that attorney not so delegate, contact a specific individual, agency, or company, or for limited contact under specific guidelines. The attorney may hire other professionals such as other attorneys; expert witnesses etc and shall be reimbursed for such expenses.

APPOINTMENTS AND PHONE CALLS.

Client agrees to keep all scheduled appointments and to notify attorney at least one (1) hour in advance if an appointment is expected to be missed or the client is delayed. Any appointment not kept or called in shall be assessed a missed fee of \$75.00. All office meetings and consultations are by appointment only. Client shall not telephone Attorney's cell phone after 7:00 p.m. on weekdays except in case of emergency, and client agrees that client shall not contact the attorney on weekends, except in case of emergency, and Client agrees to pay the Attorney the sum of \$50.00 plus, the attorney's normal hourly rate for such phone calls for each such call made to Attorney's cell phone for any reason; said \$50.00 fee to be paid immediately. Client agrees to perform all tasks and functions requested by Attorney to fulfill the goal of this contract including supplying documentation or by taking classes that are required by the Court. It is the responsibility of the client to obtain documents and to insure that certification that the client has completed any educational classes is filed with the court. Client is to contact and ask questions of attorney should client not understand any aspect of representation contemplated by this contract, understand the content of this contract, have any questions concerning any issue of representation or the status of the retained employment for this case. Client acknowledges that the attorney-client relationship exists and that the attorney has informed the client of the relationship and the fundamentals of this relationship.

RUSH WORK

It is understood that client wishes Attorney to proceed with this matter as rapidly as possible, however, it is understood and acknowledged that Attorney shall not be obligated to ignore or subordinate other matters currently being handled by him for any reason, nor shall Attorney be required to act unreasonably or with unreasonable speed or haste for any reason. Within these limits, Attorney shall attempt to meet the time requirements of client. If the client wishes work to be expedited it may be done but at a greatly increased rate often doubling the hourly rate for evening weekend or overtime work at 1.5 times the hourly rate if it is available at all. It is the responsibility of the client to not wait to the last minute to file a bankruptcy, criminal or divorce matter. . Initial here _____ that you have read and agree to paying an increased fee for rushed and overtime work.

IIX. PHOTOCOPIES OF CLIENT'S FILE

Client has a right to have a copy of the attorney's file, however, client is liable for the photocopy expenses in advance. In the event the client wishes to obtain a photocopy of the attorney's file, client shall give the attorney a deposit in advance, which shall equal the number of pages estimated by the attorney, multiplied by \$0.25 per page

Should the file be closed and in archives, the client shall pay the attorney's regular hourly rate of \$200.00 per hour and \$0.25 per page for copies of the client's file. The client is advised that any documents filed with the court can be obtained from the Court Clerk's Office at \$0.25 per page. Cases are archived after one year. Initial here _____ that you have read and agree to paying for photocopies of the file or court records.

IX. USED PORTION OF RETAINER IS NON-REFUNDABLE

There are costs associated with setting up a bankruptcy and client agrees that the retainer fee paid helps to pay the clerical and miscellaneous costs of setting up the file, inputting information into the computer, and taking all initial information, and therefore any used portion of the retainer is not refundable. Client agrees that the retainer fee is potentially not refundable, even if client cancels the action before it is filed. _____ I hereby AGREE that 750 which is the retainer for an individual bankruptcy and 950 as the retainer for a joint bankruptcy is not refundable. .

UN-SCHEDULED OFFICE VISITS

Cancelling or un-scheduled office visits create difficulties in our office due to the fact that we are then required to stop all other work in order to deal with your case at that very moment or cant work on other cases due to a cancelled appointment. This causes us to put other matters aside, and this results in other of our clients not receiving their papers or other work as quickly as they need them. Our office needs to operate at a high level of efficiency, and this simply is not possible if we are interrupted with un-scheduled or cancelled office visits. In order to protect our clients against long delays in their cases, we need to insist that there be no cancelled or un-scheduled office visits. In the event you feel that you can not schedule an appointment for an office visit, and in the event you come to our office without an appointment or fail to attend an appointment without calling to cancel within 24 hours of that appointment, you will be charged an additional \$75.00 due at that time. Your matter will not be examined or pursued later until this is paid. Initial here _____ that you have read and agree to paying for cancelled unscheduled office visits.

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 bankruptcy and attendance at the 341 meeting. Attending other hearings are rarely within the uncontested fee.

B Fees

The minimum base fee for preparation of the documents and filing of a Chapter 7 bankruptcy is 750 for an individual or 950 for a joint. The fee is based on the following assumptions

- a) Debtor has provided attorney with complete and accurate information and will reasonably cooperate with the attorney with the court's rules.
- b) Client will complete paying the fee in a reasonable amount of time, but no later than 90 days from the date of filing.

If either of the assumptions set forth above are inaccurate, and as a result, the amount of legal service to be provided by the Attorney and/or his staff is increased, the fee shall be increased accordingly to compensate the Attorney for the additional time and expense in providing the legal services including attorney fees and or court costs for collecting the debt if it remains unpaid or checks are returned unpaid. This shall include billing and time spent in house in attempting to collect any charges over and above the standard fee for an uncontested matter if the client fails to pay. **THIS FEE IS DUE WHETHER OR NOT THE BANKRUPTCY OR PLAN IS COMPLETED AND A DISCHARGE IS OBTAINED.**

D Terms of Payment

- a) The fees or funds shall be tendered or paid in full prior to the filing of the bankruptcy.
- b) Preparing a Bankruptcy requires several hours of paperwork prior to filing the case. Prior to the filing the Client shall owe and pay 750.00 for an individual petition and 950 for a joint petition as a retainer fee after filing the remainder of the amount charged is due and owed for either a Chapter 7 or Chapter 13. Normally 1000 shall be charged for filing of an individual Chapter 7 bankruptcy however if the case is a joint case involving husband and wife an additional 200 will be charged. After filing the entire fee has been earned.
- c) If the debtor decides not to file bankruptcy, any payment of fees shall be refundable as follows: No retainer will be refunded if earned. If the client decides not to file a retainer of up to 750 for an individual petition and 950 for a joint petition shall be kept for document preparation shall be retained plus any funds spent on due diligence or paid to the court as filing fees or paid to 3rd parties shall not be refunded. If the client decides to file within 6 months this shall be applied to any other bankruptcy.

E 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 Bankruptcy. This does not include defending objections to exceptions, discharge litigation, and other non base fee matters which are extra. The court shall approve all fees charged and all charges shall be disclosed to the court.

F 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 continue your case due to your missing your hearing, based upon the hours worked at 200.000 per hour if such services are requested normally a motion will involve a 250 dollar fee but if a hearing is required the earned fee may be higher.

Non-routine services include at least:

Discharge and Fraud litigation,
Exemption issues,

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.

G Compensation for Services Not Covered Under Base Fee

I) The court shall approve any and all additional services and fees. The base fee due in 2010 was 2750 for a Chapter 13 and 1000 for a single Chapter 7 and 1200 for a joint Chapter 7. Fees for an Attorney in a Chapter 13 are approved by the court

II) Fees for Chapter 7 cases shall be paid in advance.

III) The Debtor understands that if the Debtor does not pay the fees as set out above, the Attorney has no obligation to provide the services, and has the right to file a motion to withdraw as the attorney for the Debtor in this case or in an adversary proceeding.

H Debtor's Obligations

I) The Debtor's obligations are as follows:

- a. In the case of a Chapter 13: **THE PLAN PAYMENTS START THE MONTH THE CASE WAS FILED AND IN NO CASE SHALL THEY START OVER 30 DAYS AFTER FILING.**
- b. **PAYMENTS WHICH ARE MADE OUTSIDE THE PLAN ALSO START THE MONTH THE CASE WAS FILED.** In other words if you plan to keep a car or home and plan to pay any arrearage in the plan you will still make monthly payments on the car or home starting the month you file. Your home or car payments are not normally made by paying your plan payments. Fail to make such payments and your home may be foreclosed or car repossessed.
- c. **AN ANNUAL BUDGET IS REQUIRED TO BE FILED BY THE CLIENT AND TAX REFUNDS SHALL BE TURNED OVER TO THE CHAPTER 13 TRUSTEE.** The failure to file a budget or turn over the tax refund is the basis for dismissing the case by the court.

Client hereby certifies that these 3 duties were specifically explained to the client.
Clients Initials _____

- II) To pay attorney fees and Chapter 13 plan payments on time beginning with the filing of the case. Failure to pay child support or Alimony may cause the case to be dismissed and property that is otherwise exempt may be sold to pay these debts
- III) To provide accurately and honestly all the information necessary to prepare and file the Chapter 7 bankruptcy. Further the Debtor must disclose to the attorney any lien and obtain an appraisal to avoid any lien or to redeem property.
- III) To take any required Debtors training and to deliver proof of any required training to the Attorney for filing and to keep the Attorney advised at all times of the Debtor's address and telephone numbers.
- IV) To attend the 341 Creditor's Meeting and any other hearings set in the case. The 341 meeting shall occur about 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 their identity.

To provide any information requested of the Debtor by the Chapter 7 Trustee, the U.S. Trustee, or any other party in the case, unless the Court rules that the Debtor is not required to provide the information.

You must timely file any redemption or reaffirmation agreement in any Chapter 7. The Debtor must file this within 45 days of filing or the stay shall be terminated and a car may be repossessed or home foreclosed.

THE DEBTOR must complete all counseling after filing as well as before. If the second half of your counseling is not completed within 45 days after the 341 meeting your case may be closed but you will still owe all of your debts and you will not get an order discharging your debts. you will not be refunded any fees. It is your responsibility to finish your classes and get the certification to us for filing.

You may wish to file a Chapter 7 or Chapter 13 even though you may not get a discharge. Getting a discharge means that you will not owe for any debt covered by your bankruptcy. The failure to get a discharge means that while your Chapter 13 is being paid that interest will accrue and that after paying the Chapter 13 that you will still owe the principal. You will not obtain a discharge if you file a Chapter 7 or 13 within certain time limits which will be calculated below. You may however wish to file a second bankruptcy just to obtain a stay to stop a foreclosure, garnishment or repossession or temporarily suspend paying child support to the state. Please finish the below calculation to see if you will get a discharge or obtain a stay. Time from Chapter 7 to Chapter 7=8 years; Chapter 7 to 13 4 years; Chapter 13 to 13 2 years unless last 13 paid less than 70% then 6 years.

Date last case dismissed	No stay if dismissed within 1 year	Date Last Case discharged	No discharge if 7 filed within 8 years of prior 7 discharge or 4 of prior 13

You must tell us about any judicial liens on your property and if there is a judicial lien you must obtain an appraisal, and pay us if you wish us to do the additional work to remove it,

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. Te failure to accurately disclose income, expenses, property, debt or Transfers may result in an investigation and dismissal, additional fees, loss of property or prosecution. 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 last 910 days you will probably have to pay the retail value for that claim or surrender the auto in any 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. THERE IS NO GUARANTEE THAT I WILL BE ABLE TO KEEP ANY PROPERTY IF I FILE A BANKRUPTCY.

Date _____

By _____
Nick C. Thompson

Date _____

Debtor

Date _____

Debtor

I understand that the outcome of my bankruptcy depends on the truthfulness, completeness and accuracy of my records. I must list all of my assets that I have owned and **that have been 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. Property may be lost if the deed, car title, lien or mortgage was not properly recorded. I must also 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.

Debtor