

CONTRACT FOR LEGAL SERVICES

Chapter 13

The undersigned client(s) _____ agree to employ the law firm of Carol A. Lawson, PA to represent them in a Chapter 13 bankruptcy case. Some other attorney may assist the firm in representation of your case. Clients represent that they have read and understood the agreement as set forth below. The contract is to be interpreted under the laws of the State of Florida, and no oral modification of the contract shall be permitted if not incorporated by a written modification signed by all parties. Debtors agree that all information disclosed shall be accurate, and that they shall not withhold any information responsive to questions asked by the attorney either in person or on documents or letters from the firm. Any material misrepresentation or failure to disclose relevant information will be grounds for the firm to cancel the representation, and withdraw from the case, and may result in loss of all fees paid. Any misrepresentations or omissions on the documents filed with the court, or false statements at the hearing with the court or trustee may result in criminal charges against the client. Any legal questions must be referred to the attorney, as her staff may not give legal advice pursuant to Florida law. The jurisdiction for all state court actions on this contract is Hillsborough County.

Fee

The client agrees to pay a total **non-refundable retainer** of \$_____ for this firm's representation in a chapter 13 bankruptcy case. Of this amount \$_____ must be paid prior to the filing of the case, with the balance of \$_____ to be paid under the chapter 13 plan. You may make payments on the retainer amount, however, if a case goes **3 mo. without payment and/ or contact from the client the file will be closed.** The balance due from the total retainer must be paid in full by cash, money order or cashier's check when the questionnaire is returned. In addition to the retainer, the client agrees to pay an hourly rate of \$2500 per hour for the services of Carol A. Lawson and \$175/hour for any other

attorney in the case, and \$100/hour for work done by the senior paralegal at the office, \$55/hour for any junior paralegal. If the total of the fee calculated by multiplying the hourly rate by the time expended in the case exceeds the total retainer shown above, such additional fees, as allowed by the bankruptcy court after application, or by any appellate court if counsel appeals the initial decision of the bankruptcy court, will be paid through the chapter 13 plan. If attorneys join or leave the firm, or the firm closes its office, we will obtain qualified successive counsel who will still then be entitled to the fees and other rights contained herein. No portion of the retainer shall be refunded even if the hourly fee total is less than the total retainer agreed to under any circumstances. If the firm decides between the initial retainer and the date the case is filed that the case is likely to require more time than the firm can reasonably provide for it, irreconcilable differences arise, or the client lies to the attorney then the firm may withdraw from the case but will be required to return all documents provided by the client. The firm will not return any prepared bankruptcy documents, intake forms, file notes, credit reports, means tests, or other documents required to cover the firm regarding liability issues arising from client's actions. The above described retainer shall cover the following services: reasonable telephonic and office consultation not to exceed two (2) hours; communications with creditors; negotiations with creditors; review of client(s) questionnaire; preparation of schedules; bankruptcy petition; preparation of Chapter 13 Plan; Debt Management plan; attendance at §341 Meeting of Creditors; attendance at Confirmation Hearing; preparation of Chapter 13 confirmation Work Sheet, if applicable; review of Claims Register and Proofs of Claims; preparation of Suggestion of Bankruptcy in a law suit; preparation of certificate of service correcting address; Motions for Relief from Stay; Amendments to Schedules and Trustee's Motion to Dismiss.

If the case is converted or dismissed the client shall remain liable for the total fee due. Further, by signing this contract client directs the chapter 13 trustee to issue any refund upon dismissal or conversion directly to counsel for payment of the balance of any fees due. If the Plan is dismissed for

non-payment of Trustee fees the amount paid into the Trustee is to be release to the law firm for payment of Attorney fees, any amount over said attorney fees will then be released back to the client. Furthermore it is understood that the Firm will prosecute for any bounced checks, not corrected with Firm along with \$35.00 bounce check fee through the State Attorney, and if fees are unpaid post-confirmation, will withdraw and turn the client over to a collection agency. An additional fee will be required for the conversion of the case, which is not included in the services above.

The fee described above is in addition to the costs described below, and **both the initial retainer fee shown above and costs must be paid prior to the filing of the bankruptcy.** The client should always request a written receipt for all payments made to the office.

The representation is limited to representation in the general bankruptcy case only. The client should discuss any state court lawsuits with the attorney during the initial conference, and make written arrangements regarding the lawsuit at that time. The law office will not be responsible for taking any action regarding state court lawsuits absent a written retainer agreement to the contrary. If any dispute arises related to accounting (for example with the IRS or balance due on mortgages), or valuation, then the client shall be expected to retain a professional accountant or appraiser to provide these services. The attorney will not front costs, or obtain an expert on your behalf. If matters arise outside of bankruptcy expertise, or where there is extensive litigation regarding nonbankruptcy issues, the client may be required to employ counsel specializing in such other areas. This contract does not grant representation to the client for Adversary matters, Final Evidentiary hearings, or IRS litigation all of which are not part of the general bankruptcy case, and require a separate written contract and retainer if the law firm chooses to undertake the representation.

Costs

The client agrees to pay all court costs in this matter, including filing fees, court reporter bills, postage costs, or charges for federal express or similar services. The client shall pay the sum of **\$274.00***

as the filing fee in this matter prior to the bankruptcy being filed. All costs must be paid before the law office will make the related expenditure or order any transcript. Any costs for an appeal must be paid prior to the notice of appeal being filed. Counsel shall not be obligated to represent client in any appeal or adversary suit filed by the client if counsel does not believe the adversary or appeal is warranted.

The firm is now filing all cases electronically, which requires the law firm to pay the filing fee by debit or credit card. While the client will pay us the fee by money order or cashier's check, the client recognizes that there may be some minor 'premium', such as frequent flier miles, awarded to counsel or the law firm from the credit card company based on the total monthly charges, and consents to the firm retaining any such premium. This also applies to charges for ordering credit reports. The client is also responsible to the attorney for the **\$1.00** charge by the bank for debit card usage.

Additional fees

The client agrees to pay additional fees if the law office provides the following services to the client. This office will not file a case on your behalf without pulling your credit report and sending out a personal property appraiser.

I. Credit Reports

We are now able to order tri-merge credit reports from all three credit bureaus for clients, to insure that all creditors are listed on the bankruptcy case. The fee for this is **\$35.00*** which is not included in the retainer fee quoted above. This fee would need to be paid prior to ordering the credit reports, by signing this agreement you consent to Liberty Mortgage pulling your report for our office. Whether or not we pull your credit report, you are still required to list creditors you owe on our forms to help insure that everyone is listed. You should provide us with all addresses the creditor has provided to you within the last three months (90 days), or as many of such addresses as you have available. Additionally, complete addresses for all collection agencies must be listed as well as the address for the original creditor. This information should be available on the monthly statements from the creditors or from letters from

collection agencies. If the creditor has shown an address for correspondence (as opposed to a billing address), the correspondence address must also be listed. This office will not look up any addresses for any creditors on your behalf, you are responsible for providing the creditors addresses, failure to do so will result in your debt not being discharged.

II. Valuation of assets

The questionnaire provided will ask you to value your property. **Federal law requires you to value the property at replacement value.** If you would replace the property by purchasing other similar used property at a flea market, pawn shop, garage sale or from e-bay, then you should value the property at what you would expect to pay for items in a similar condition at a flea market, pawn shop, garage sale or from e-bay. If you would replace the item new, then you are required to list the price of what the item would cost when purchased new. The personal property appraiser The firm uses is Robert Bonnell. There is **\$175.00*** charge for this service which is due at the time of retention of the firm.. If we require you to use an appraiser, failure to do so will result in a breach of contract and forfeiture of all attorney's fees, and services. The firm will then determine which of your property is exempt from creditors and the estate. Failure to adequately list all of your property and the correct values could result in Federal Criminal Charges being filed by the Office of the Trustee, denial of your discharge, sanctions or other action.

III. Income and Expenses

The questionnaire will request that you provide information regarding your income and expenses. You are required to bring payroll records showing your income for the last six months (6), as your income will usually be considered to be an average of your income for the last six months. The attorney will adjust the income and expense figures as required under Federal Bankruptcy Law to show net available income and expenses for purposes of determining which bankruptcy you file and the money, if any, available for the chapter 13 repayment plan. The attorney will also prepare the Debt Management

Plan required by the Code with this information.

IV. Asset, lien check.

The court requires an asset check be run on you for 9011/707 compliance on behalf of the attorney. The fee for this is **\$355.00** which is included in the retainer fee quoted above. This fee would need to be paid prior to ordering the asset check, by signing this agreement you consent to Assets R Us/ and/or the Law Offices of Carol A. Lawson PA and/or Venture Investigations pulling your report for our office. Whether or not we pull your report, you are still required to list all liens, judgments, prior filings, bank accounts, real property, motor vehicles, boats, planes etc. you own on our forms.

V. Changes, additions or deletions.

If the client wishes to change information on the petition after it has been typed, if the item changed is different than listed on the questionnaire, then the charge for such changes shall be included in the hourly fee calculation described above. **The court's filing fee for changing the address of creditors or adding creditors still must be paid prior to the filing of such change.** Therefore, it is important that the client list all information on the questionnaire correctly, and list complete addresses for all potential creditors as well as any collection agencies or attorneys on the initial questionnaire.

The client should review the petition before it is filed, and make any corrections at that time. It is very important that all creditors and all assets be listed on the petition. This includes the address of the creditor, and separate addresses for any collection agents or attorneys. Any companies through which anything or any property is leased must be listed. If, for any reason, a creditor is not on the petition filed with the court, or if the address for the creditor is incorrect, that debt may not be eliminated by the bankruptcy.

V. Adversary and contested proceedings

If an adversary proceeding is filed in the bankruptcy court against the client, or if the client wishes this firm to file an adversary proceeding against someone else, any such additional fees shall be

included in the hourly fee calculation described above if the firm chooses to represent the client in the proceeding. The firm also has the option of withdrawing from the case and referring the client to other counsel for representation in the adversary proceeding, as our office does not generally handle FEH's. No retainer fee will be refunded in the event the firm withdraws from representation.

VI. Conversion

If the client wishes to convert the case to another chapter after it has been filed, there will be an additional fee required before the conversion can be filed. Fee arrangements for the conversion must be made at the time of the conversion. The client should discuss any conversion with counsel prior to filing, to determine whether there would be any advantage in converting the case. A written contract for the new chapter must be entered into prior to any conversion. The firm has the option to withdraw from the case, rather than convert it. Rules 9011 and 707 put additional liabilities against the attorney for the Debtor's actions in a Chapter 7. It is important to be honest with the attorney in all matters. If counsel thinks that there is a fraudulent reason for the transfer, counsel will withdraw from the case, for counsel's own protection, however, the Florida Bar Rules protect the client from counsel disclosing the fraud to the court.

VII. Lien Avoidance

If when you borrowed money from a creditor, you gave them a list of furniture in the house, they probably took a lien on that furniture. Unless they financed the furniture (PMSI), the law firm can file a motion with the court to eliminate this lien on the furniture. This motion should be filed during the first month of the bankruptcy. If you have a creditor that has such a lien, you need to mail a copy of the agreement with the creditor, and a list of the furniture given on the list to the creditor to the law firm, along with a copy of a bill or other document from the creditor showing the complete name of the creditor. It is your responsibility to obtain these documents and bring them to the law firm.

Alternatively, the client may either continue paying that debt to the creditor, or may take the risk

that the creditor will show up later to repossess the items.

If a creditor has a judgment against the client, and that judgment has been recorded in the county court public records, then the law firm may be able to file a motion to eliminate this lien from the property. If any suits were filed against the client that went to final judgment, the client should check the county court records to see if the judgment is recorded, and if so, should make a copy of it from the property records and set an appointment with the law firm to bring that copy to the attorney. This motion should be filed within the first month of the bankruptcy. It is your responsibility to obtain these documents and bring them to the law firm.

VIII. Valuation

If a creditor financed the purchase of furniture, appliances, jewelry or electronics (PMSI); or if a lien on a vehicle or mobile home was given to secured a debt to a creditor, then it is not possible to eliminate the creditor's lien without paying them anything. In this situation, the client has four choices: either keep making payments to the creditor; work out a deal directly with the creditor to keep the merchandise; take the risk that the creditor will repossess the items; or pay us to have the court value the items. A valuation is a proceeding where we have the court determine the value of the merchandise purchased from the creditor, and then this value would be paid to the creditor through the chapter 13 plan. This service is calculated at the hourly rate above and usually involves a FEH, and requires that you obtain an appraiser. Once this money is paid to the creditor, the creditor would no longer have the right to repossess the merchandise.

IX. Stay Litigation

If the client wishes to keep any items securing a loan (including real estate securing a mortgage or car loans), the client must either file a lien avoidance; or keep making the payments on the loan. If the client does not keep making the payments and does not file any other motion, the creditor may file a 'motion for relief from stay' with the court. This motion is requesting that the court allow the creditor to

repossess the items securing its loan. Unless the client is able to immediately catch up the payments on the loan, the court will allow the creditor to repossess the items.

X. Missed Hearing

There will be a meeting of creditors about one month after the bankruptcy is filed. The client will receive a notice from the court giving the time and date of this hearing. This notice should be received between one and two weeks after the case is filed. If the client does not receive such notice within three weeks after the case is filed, the client should call our office or the bankruptcy court to get the time and date of this meeting.

The client must attend the meeting of creditors (if the case is filed jointly by husband and wife, both must attend the meeting). The law office will arrange to have an attorney representing the clients at this meeting. If the client does not appear at the meeting, then the case may be dismissed. There is an additional charge of \$250.00 if you miss the hearing and we have to reschedule your hearing or 341 meeting.

XI. Reaffirmation

Some creditors may request that the client sign a Reaffirmation Agreement. This agreement allows the creditor to sue the client for the debt despite the bankruptcy. While creditors may orally promise to allow the client to keep a credit card or improve the credit report, unless these promises are in writing, they are no good. Our office almost always recommends against signing the agreements as to unsecured creditors in that they do more harm than good to the client. The firm will not sign any unsecured reaffirmation agreements, and if the Client does so, they will be required to go to a Court hearing for approval. The issue as to secured creditors seldom arises in chapter 13 cases. Unless noted to the contrary on this agreement, counsel will not notify the client when a creditor requests a reaffirmation of a debt. Our office will not sign a reaffirmation agreement on a credit card, unsecured

debt, car furniture, or a home in which you are upside down on, a hearing will be required.

XII. Appointments

Since appointments are set for 1/2 hour each, and potential clients may be turned away due to calendaring concerns, unless the appointment is cancelled 24 hours in advance, a 1/2 hour charge will still be made whether or not the client appears for the appointment. No charge will be made for the initial appointment with the client. While weekend appointments are usually available in the Dunedin office, if the client misses a weekend appointment without 24 hour advance notice, the client will not have any further weekend appointments set for them.

XIII. Lawsuits in state courts

If the client is suing someone, or anticipates suing someone in state court, it is necessary to get bankruptcy court approval to continue that suit, and to approve any settlement of that lawsuit. You generally may continue to use the same attorney as you had been using in the lawsuit before the bankruptcy was filed, but there must be an order from the bankruptcy court specifically authorizing that attorney to continue to represent you. Please discuss this matter with me if you have any such suits. Counsel for the state court suit is required to file certain documents with the court, we will not prepare or file them on their behalf. The client is required to list and disclose the potential or on going suit on their bankruptcy schedules.

Discuss any suits that are filed against you with the attorney. The bankruptcy must be filed prior to the foreclosure sale or tax deed sale in order to retain the house (this is only possible if this is your first (1) bankruptcy filing). Multiply filings will not protect you from foreclosure. Both the schedules and the petition (not just this contract) but the actual petition form that the office prepares from the questionnaire must be signed. If a summary judgment is entered in the foreclosure, it will usually no longer be possible to contest the creditor's allegations of how far behind payments are or to fight their requested attorneys fees and costs. The client should bring a copy of any lawsuit papers to any meetings

with the attorney as soon as they are received.

XIV. Time to file:

The price for the bankruptcy shown above is good for three months (3) from the date of this agreement. After this date, we will apply any payments made to the new price, but the price will increase correspondingly with our regular bankruptcy rates. The client will be responsible for any increase in court fees that take effect before the case is filed.

If the balance of the fee is paid, or the balance of the information needed to file the bankruptcy is provided less than one full business day prior to the deadline to file the bankruptcy, and additional fee of \$500.00 shall be required.

If the balance of the fee is paid, or the balance of the information needed to file the bankruptcy is provided less than four full business days prior to the deadline to file the bankruptcy, an additional fee of \$150.00 shall be required.

Any day on which the clerk's office at the bankruptcy court is open and staffed shall be considered a business day.

Congress also may change the law again, and we may have little or no advance warning of such changes. If the law changes, you may not be able to file bankruptcy, or your monthly payment may need to be significantly higher. Therefore, it is important to try to return the paperwork as soon as possible so that the case may be filed before any changes in the law.

XV. Change of circumstances after case filed

If some problem arises after the case is filed that you may not be able to afford payments to the court or to a creditor you are supposed to pay, set an appointment with me to discuss the alternatives. Also, if you obtain property from lawsuits, inheritances, divorce settlements, lottery, or otherwise after you file you should set an appointment to discuss whether and how this would be disclosed.

The document form we use when we file the case provides that property subject to the Court's

protection and control remains subject to the court's protection and control until the case is over. We do this to protect you and your property from any debts that arise after the case is over and to help insure that the mortgage company and other creditors do not charge excessive fees or other charges after you file the case. However, this could result in an increased possibility that property you obtain after the court approves the plan (which occurs approximately 6 months after the case is filed) will need to be paid to the trustee. Examples of this are Lotto winnings, and inheritance.

XVI Closing of Files

This office may destroy or otherwise dispose of the client's file six months following the notice of discharge from the court. The client should not provide our office with originals of any important documents, but instead should photocopy any documents requested. This office will turn over to the trustee the copies of any documents requested that our in our possession, such as your tax returns and pay stubs. This office will not be responsible for any original papers given it.

Duties of Client(s)

The client(s) agrees and is obligated to:

1. Notify this law firm of any pending foreclosure sale and the sale date;
2. Provide this law firm with any lawsuits served upon client;
3. Provide this law firm with a complete list of assets and liabilities, correct names and addresses of all creditors, copies of all security agreement contracts (if applicable);
4. Refer creditor communications to this law firm;
5. Appear at this law firm's office to sign the Bankruptcy Petition and Schedules **in advance** to assure adequate time for filing the case;
6. Read and verify Petition and Schedules before signing such documents;
7. Appear at the §341 Creditor's Meeting, Confirmation Hearing, or other Hearings as scheduled by the Court.

8. Notify this office of any change in address, phone number, or employment information immediately.

9. Maintain regular contact with office, at least every three months if petition has not been filed.

Verification of Information

The client(s) specifically acknowledge(s) that it is the client(s)' complete responsibility to provide accurate information to Carol A. Lawson, P.A. and its employees, and the firm and its employees are not responsible for verification of this information. The client will provide counsel with full and complete disclosure.

Cancellation of case

The client may cancel representation at any time after entering into this contract, however, all monies paid by the client to the law office are non-refundable exclusive of costs which have not been used. Payments shall be applied first to payment of the retainer fee, and then to payment of costs. The retainer fee is a non-refundable advance payment for the law firm's commitment to file a chapter 13 bankruptcy, and once paid, is the property of the law firm. No refunds shall be issued absent written arrangements to the contrary on this page. Client(s) specifically agree(s) that the attorney shall have the right to withdraw from client(s)' case if client(s) (1)- Do(es) not make the payments required by this agreement, (2)- Misrepresents or fails to disclose material facts to the attorney, (3)- Acts in disregard of the attorney's advice or (4)- irreconcilable differences arise between attorney and client(s). In the event of the foregoing, client(s) agree(s) to execute a consent to the attorney's withdrawal from the case at the attorney's request. Client(s) further understand(s) and agree(s) that no refund will be given.

Please Note: a person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury in connection with a case under the Bankruptcy Code shall be subject to fine, imprisonment, or both; and all information supplied by a debtor in connection with a case under the code is subject to examination by the Attorney General. Our office will not represent you in any action involving perjury or fraud or the concealment of assets.

Dated: _____

Dated: _____

I hereby acknowledge that I have read and agreed to the prior pages of the non-refundable chapter 13 retainer contract attached, and have received a copy of the same.

Client

for The Law Offices of Carol A. Lawson, P.A.

Client

Attorney Fees: \$ _____ .00

Credit Report: \$ 35.00*

Personal Property Appraisal: \$ 175 .00*

Remaining Balance
Due on Attorney
Fee Prior to Filing: \$ _____ .00

Amount to be Paid
Through Plan \$ _____ .00

Filing Fee: \$ 274* .00

Money Order or cash only for Filing Fees

Special Arrangements:

Notes:

Vers. 07/08

**subject to change