



Michael Barnett, PA



lv

Office

Michael Barnett, Esq.
Board Certified --
Consumer Bankruptcy Law --
American Board of Certification
www.tampabankruptcy.com

Main Office & Mailing Address:
506 N. Armenia Ave.
Tampa, FL 33609-1703

Appointments also available at:
Dade City: 38100 Meridian Ave., Dade City attorney: mbarnett@tampabankruptcy.com

Tampa (813) 870-3100
Dade City (352) 521-0190
Facsimile (813) 877-4039

CONTRACT FOR LEGAL SERVICES

Chapter 13

The undersigned client(s) agree to employ the law firm of Michael Barnett, 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 his staff may not give legal advice pursuant to Florida law.

Fee

The client agrees to pay a total retainer of \$4500 for this firm's representation in a chapter 13 bankruptcy case, in addition to a case monitoring fee of \$50/month (to be paid through the chapter 13 plan) after the case is confirmed until entry of the discharge. Of this amount \$_____ must be paid as an advance payment retainer, nonrefundable except as provided in paragraph XX below, prior to the filing of the case, with the balance of \$_____ to be paid under the chapter 13 plan. 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. None of the funds paid will earn interest for the client. In rare cases counsel has to spend much more time than usual in a case, and needs to charge additional fees

subject to approval by the bankruptcy court. In those cases, in addition to the retainer, the client agrees to pay an hourly rate of \$450 per hour for the services of Michael Barnett and \$300/hour for any other attorney in the case, and \$100/hour for work done by any senior paralegal at the office, \$75/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. Alternatively, fees may be requested based on the standards for debtor attorney fees published by the court for specific motions, such as requests to modify the repayment plan or to keep tax refunds. If attorneys join or leave the firm, or the firm closes its office, or merges with another firm, we will obtain qualified successive counsel who will still then be entitled to the fees and other rights contained herein. No portion of the initial retainer shall be refunded even if the hourly fee total is less than the total retainer agreed to. 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, then the firm may withdraw from the case but will be required to return all fees paid and all documents provided by the client. The firm will not return any prepared bankruptcy documents.

While normally any fees are paid through the chapter 13 plan, if counsel agrees to defer any fees until the case is over, such fees will carry interest at 15% per annum commencing once the fees are due.

Client acknowledges that the firm is not allowed to accept a credit card payment for attorney's fees from a debtor/bankruptcy client who intends to list such payment of fees on a credit card as a debt in a bankruptcy proceeding. At this time we do not accept debit cards either due to restrictions imposed by the card processor.

The attorneys fees will be paid on an accelerated basis compared to other creditors, including any creditor secured by a motor vehicle. Consequently, if the case is dismissed prior to completion, and if the vehicle is being paid in the bankruptcy, the client may be further behind on the vehicle, making it more difficult to retain them after such dismissal.

If the case is dismissed the client shall remain liable for the total fee due plus interest at 15% from date of dismissal. Interest will be waived if payment of at least \$100/month is paid toward the account. Further, by signing this contract client agrees that counsel may deposit any refund made out to the debtor into counsel's trust account, and deduct any fees due from such amount, or if the check is equal or less than the amount of fees

due, deposit the check into counsel's operating account. However, the any fees owed to the firm prior to the entry of this contract are hereby waived.

The fee described above is in addition to the costs described below, and both the initial 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 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. If matters arise outside of bankruptcy expertise, where there is extensive litigation regarding nonbankruptcy issues, the client may be requested to employ counsel specializing in such other areas.

Client understands that the law firm has made no representations promises or warranties concerning the likelihood of a favorable outcome of any action filed or to be filed. Any statements by counsel in this regard are statements of opinion only.

Costs

The client agrees to pay all court costs in this matter, including filing fees, court reporter bills, expert witness fees, investigative services, or charges for federal express or similar services which counsel determines to be necessary. The client shall pay the sum of **\$310.00** 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.

Additional fees

The client agrees to pay additional fees if the law office provides the following services to the client. The client understands that these additional services are not required in most cases and that none of these fee will be incurred without first informing the client, and allowing the client the option of declining such services.

I. Credit Reports

We are now able to order credit reports online from all three credit bureaus for clients, to insure that all creditors are listed on the bankruptcy case. The basic package including credit reports from all three bureaus, the credit counseling course, and the financial management course is \$67 in an individual case and \$100 for a joint case. Alternatively, if IRS debt is an issue, or if the client desires to get another credit report after the case is filed as well as one year of credit monitoring, the fee would be \$100 for an individual case and \$125 for the joint case. Unless this box [] is checked, the basic version will be ordered. This fee would need to be paid prior to ordering the credit reports, but it is up to the client whether to order them.

You should still 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, 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 be listed.

II. Valuation of assets

The questionnaire provided will ask you to value your property. Federal law, 11 U.S.C. 527(c)(1) requires us to inform you how to value the property at replacement value. If you would replace the property by purchasing other similar used property at a flea market or from ebay, then you should value the property at what you would expect to pay for items in a similar condition at a flea market or from ebay. Property with liens or mortgages on it should be valued at replacement value. Generally, household goods are valued at what you would get at a garage sale, unless there is a lien on it.

If you are unable to come up with values yourself, then we can give you the name of an appraiser to go examine and value the property, but you would need to pay the appraiser a separate fee for such appraisal. The firm will then determine which of your property is exempt from creditors and the estate.

III. 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.

IV. 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 fee calculation described above.

V. 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.

VI. 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, 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, or at least 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.

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. The client will be responsible for recording this judgment in the property records.

VII. Valuation

If a creditor financed the purchase of furniture, appliances, jewelry or electronics; 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. Once this money is paid to the creditor, the creditor would no longer have the right to repossess the merchandise.

VIII. Stay Litigation

Generally, all house and car payments will be paid through the chapter 13 plan. If the payment is not paid through the plan, we have no control over fees or costs charged on the loan. Be sure you understand the chapter 13 plan we prepare and that it includes all mortgage and car payments. Discuss any questions with counsel regarding this prior to

filing.

IX. 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.

X. 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 in that they do more harm than good to the client. Unless noted to the contrary on this agreement, counsel will not notify the client when a creditor requests a reaffirmation of a debt.

XI Mortgage Modification

It may be possible to seek a modification of the terms of the mortgage in the bankruptcy. Under this program the mortgage payment is generally 31% of your total income before taxes or other deductions. The mortgage will generally not reduce the balance owed, but may reduce the interest rate as low as 2% and possibly extend the term of the mortgage. Substantial documentation will be required, and a mediation conference as well as a fee to the mediator and additional attorneys fees for the mediation. The fee for the mediator would need to be paid up front, in an amount around \$300-500. Our attorney's fees for the mediation can be paid through the chapter 13 plan and is usually \$1,800 but may be \$2,500 for more complicated mediations. There is no guaranty that mediation will be successful, though we will take the time to examine your situation and recommend whether it appears to be worth the attempt when you come in.

XII. Appointments

Since appointments are set for 1 hour each, and potential clients may be turned away due to calendaring concerns, unless the appointment is cancelled 24 hours in advance, we request that you cancel any appointments at least 24 hours ahead of time if you will not be able to come in.

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.

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. 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.

XIV. Retention of documents

Federal law requires you to retain certain documents when litigation is anticipated, including the filing of a bankruptcy. You should not dispose of any bank statements, cancelled checks, check registers, loan documents, financial documents, any documents related to property transferred out of your name, and any records of substantial payments to relatives or recent payments to other creditors, any records related to substantial assets, and any records on computers related to the above. If you have any other financial related documents you are not sure about keeping, you should discuss these with us.

XV. Time to file:

The price for the bankruptcy shown above is good for three months from the date of this contract. After this date, we will apply any payments made to the new price, but the price may increase after that date.

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.

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, 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.

XVI. 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. The standard form can be changed if the client so desires, and the client should discuss this with counsel if they wish to change this provision.

XVII. Audits

The Office of the U.S. Trustee is anticipated to be performing random audits of bankruptcy cases filed, requiring documentation supporting the items shown in the case.

To the extent counsel or staff has to spend significant additional time or resources in responding to or representing the client in such audit, the additional time will be billed at the hourly rates shown above.

XVIII. Credit Counseling/Financial Management

The law requires that you take a credit counseling course at least one day prior to the day you file the case, and take a financial management course before the case is completed – to be safe within 2 months after you file the case. You will need to pay fees for these courses directly to these agencies. While the agency usually forwards the certificates that you completed the courses to our office, you should confirm that we received them within a couple of days after you complete the course. If the credit counseling course is not done, we cannot file the case. If the financial management course is not done and filed with the court by the time the court closes the case, you will have to pay a substantial fee to reopen the case.

XIX 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 may pick up any court papers from the file six months after the 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 not be responsible for any original papers given it. We keep copies of all files electronically now, so we should be able to give clients a cd copy of their file at any time.

XX. Cancellation of case

The client may cancel representation by the end of the business day following the date of this contract for a full refund. Otherwise, all monies paid by the client to the law office shall be applied first to payment of fees, and then to payment of costs. If the firm decides to cancel representation prior to filing, all monies would be refunded; unless the decision to cancel is based on a determination that the 1) client was not being honest with counsel, 2) took an action contrary to instructions provided by counsel, 3) insists on violating the law or insists on pursuing a course of conduct counsel believes is unethical, or 4) does not pay fees due. Otherwise fees will be computed by \$250 charge to open the case, then hourly at the rates shown above for the time spent on the case, with any balance refunded to the client. However, the client will not be responsible for any additional fees

if the representation is cancelled prior to the filing of the case.

Dated: _____

Dated: _____

Client

for Michael Barnett, PA

Client

Attorneys fees: \$ _____

Costs: \$ _____

Amount Paid \$ _____

Amount Due \$ _____

Special Arrangements:

Notes:

Vers. 5/19

TPA