



Bankruptcy Law Firm  
Ursula Jones, Attorney

**ATTORNEY-CLIENT BANKRUPTCY RETAINER AGREEMENT**

The Client(s) \_\_\_\_\_ hereby enter into this Attorney-Client Retainer Agreement with Ursula Jones (“Attorney”).

**1. TOTAL FEES AND COSTS**

(a) Fixed Fee: A fixed fee shall be paid by CLIENT to ATTORNEY for legal services rendered under this contract.

The fixed fee shall be paid as follows:

**Chapter 7:** \_\_\_\_\_

No portion of attorney fees and costs that are paid or agreed to be paid may be cancelled or refunded. All fees and costs paid or agreed to be paid by the CLIENT are fully earned compensation to attorney for services rendered and for the responsibility of undertaking representation of the CLIENT. The CLIENT understands that the ATTORNEY’S acceptance of undertaking representation of the CLIENT means that significant resources will be committed to the case and that other work the ATTORNEY would do will be set aside, delayed, or turned down. All monies paid or agreed to be paid by the CLIENT are fully earned by the ATTORNEY and no money is refunded nor may CLIENT cancel this agreement regarding the payment of attorney fees and costs. There is a \$30.00 fee for any returned checks. After ATTORNEY’S review of CLIENT’S completed questionnaire and supporting documents, if it is determined that CLIENT is not eligible for Chapter 7 Bankruptcy protection, all fees, less \$30 for credit report and record research, shall be refunded to client within 15 days.

(b) Costs: In addition to the fixed fee, the CLIENT shall pay a filing fee of \$335.00 for



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chapter 7 court costs.

(c) Credit Report: CLIENT authorizes ATTORNEY to obtain CLIENT's Credit Report through its provider, SUITE SOLUTIONS. The cost for obtaining CLIENT's Credit Report is included in the Fixed Fees for service, and no additional fees shall be required by CLIENT. It is customary for SUITE SOLUTIONS to contact CLIENT via email or telephone to confirm authorization for ATTORNEY to obtain the CLIENT's Credit Report. CLIENT agrees to confirm authorization in a timely fashion. CLIENT acknowledges that a copy of the Credit Report cannot be released to CLIENT. The credit report is available only to ATTORNEY for use in completing the necessary bankruptcy forms.

2. CONDITION

This Contract will not take effect, and ATTORNEY will have no obligation to provide legal services, until CLIENT returns a signed copy of this Contract and pays the fixed fee called for under Paragraph 1.

3. SCOPE OF DUTIES

CLIENT hires ATTORNEY to provide legal services in connection with the preparation of a bankruptcy petition. ATTORNEY shall provide the services listed in Paragraph 4. ATTORNEY'S services will NOT include Adversary proceedings, Adversary hearings, litigation of any kind, whether in court, in administrative hearings or before government agencies or arbitration tribunals.

ATTORNEY shall take reasonable steps to keep CLIENT informed of progress and to respond to CLIENT'S inquiries.

CLIENT shall be truthful with ATTORNEY, cooperate with ATTORNEY, and keep ATTORNEY informed of developments, abide by the Contract, pay ATTORNEY's bills on time and keep



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ATTORNEY advised of CLIENT'S address, telephone number and whereabouts.

4. LEGAL SERVICES TO BE PROVIDED

The legal services rendered or to be rendered include:

a) Analysis of the financial situation of CLIENT and rendering advice and assistance to CLIENT in determining whether to file a voluntary petition under Title 11, United States Code.

(Bankruptcy Code)

(b) Preparation and filing of the petition, Schedule of Assets and Liabilities, Statement of Affairs, means test forms, supplemental local forms, and Mailing Matrix.

(c) Preparation and representation of CLIENT at the First Meeting of Creditors.

(d) Discussion of and recommendation for required pre-petition credit counseling, and education requirements post-petition, and explanation of those requirements under the Bankruptcy Code. CLIENT also acknowledges that they will be solely responsible for the payment of all fees and charges related to the credit and educational counseling.

(e) Discussion of options for retaining or surrendering any secured property.

The legal work includes all necessary Court appearances (by members of the firm OR separate appearance counsel), research, investigation, correspondence, preparation and drafting of pleadings and other legal documents, and related work to properly represent the client in this matter for the items exclusively set forth above.

5. LEGAL SERVICES NOT PROVIDED

The legal services and/or legal representation not provided or not rendered by attorney under this agreement include:

(a) representation of CLIENT in any adversary proceeding arising under Bankruptcy



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Code Section 523 for fraud, credit card abuse, false financial statements or any and all exceptions to discharge under Section 523; or

(b) representation of CLIENT in any adversary proceeding arising under Bankruptcy Code Section 727 for false oath, concealment of assets, revocation of discharge or any other and all objection to discharge under Section 727; or

(c) representation of CLIENT in any objection to claim of exemptions by trustee or creditor; or

(d) representation of CLIENT in any motion for relief from stay by creditor to proceed to foreclose on real property or repossess personal property such as automobile, furniture, etc., or

(e) representation of CLIENT for motions to compel abandonment of assets or motion to avoid judicial liens on real or personal property, or

(f) representation of CLIENT for any type of federal or state tax advice, opinion, negotiation, or any other matters pertaining to the discharge of any tax under any state or federal law.

(g) Adversary proceeding of any nature.

CLIENT acknowledges and understands by signing this agreement that debts will not be discharged if a creditor proves that CLIENT lied about assets or concealed, destroyed or transferred any property within Bankruptcy Code Section 523 and/or 727.

CLIENT acknowledges and understands by signing this agreement that all the bankruptcy papers, pleadings and petitions are signed under the penalty of perjury and a false oath, concealment of assets or other allegation under Bankruptcy Code Section 727 by a creditor,



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trustee or court may result in the denial of discharge of debt or other sanctions, either monetary or non-monetary.

6. CLIENT RESPONSIBILITY

You must fully cooperate with ATTORNEY and provide all information relevant to the issues involved in this matter. You must also pay all bills as required by this Agreement. If you do not comply with these requirements, ATTORNEY may ask the Court for permission to withdraw from representing you. ATTORNEY will also withdraw at your request.

7. CONCLUSION OF SERVICES

When ATTORNEY'S services conclude, all unpaid charges shall immediately become due and payable. After ATTORNEY'S services conclude, ATTORNEY will, upon CLIENT'S request, deliver CLIENT'S file to CLIENT, along with any CLIENT funds or property in ATTORNEY'S possession.

8. DISCLAIMER OF GUARANTEE

Nothing in this Contract and nothing in ATTORNEY'S statements to CLIENT will be construed as a promise or guarantee about the outcome of the CLIENT'S matter. ATTORNEY makes no such promises or guarantees. ATTORNEY'S comments about the outcome of CLIENT'S matter are expressions of opinion only. The ATTORNEY renders no advice or opinion as to the dischargeability of tax debt and has not provided such advice to the CLIENT.

9. EFFECTIVE DATE

This Contract will take effect when the CLIENT has performed the conditions stated in paragraph 1, but its effective date will be retroactive to the date ATTORNEY first provided services. The date at the beginning of this Contract is for reference only. Even if this Contract



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does not take effect, the CLIENT will be obligated to pay ATTORNEY the reasonable value of any services ATTORNEY may have performed for the CLIENT.

The CLIENT hereby acknowledges that CLIENT understands the terms and conditions of this agreement by signing below. The CLIENT agrees with the ATTORNEY that this written contract contains all of the terms and conditions of the ATTORNEY'S scope of employment. Any oral modification of this agreement will not be binding upon the ATTORNEY and/or CLIENT unless it is subsequently made in writing and signed by both parties.

#### 10. ADDITIONAL LEGAL SERVICES

If you need other services which may or may not be related to the above matter, you and ATTORNEY may make a new agreement to provide the other services and for any additional services described in paragraph 5 herein. The new agreement may be a fixed fee agreement,

#### 11. AMENDED SCHEDULES

Should there be a need to file an Amended Schedule Form in order to include additional creditors in your bankruptcy, the CLIENT will be required to pay additional ATTORNEY'S fees of \$100.00, costs of \$30.00 for postage and photocopies and additional \$20.00 for court costs for a total due of \$150.00.

#### 12. BANKRUPTCY DISCHARGE

The CLIENT acknowledges and understands by signing this agreement that a discharge in bankruptcy is a legal excuse from paying unsecured debts. The CLIENT acknowledges and understands by executing this agreement that bankruptcy does not cancel secured debts, debts to creditors that the CLIENT did not list on Bankruptcy Schedules, most income taxes, payroll taxes, sales taxes, tax penalties and interest owed to the State and federal government, most



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student loans, child and spousal support, most fraud judgments from any court, punitive damages, criminal restitution and fines, most judgments for malicious and willful conduct from any court, and any money that you owe as a result of being sued for drunken driving.

13. LIQUIDATION OF ASSETS BY TRUSTEE

The CLIENT acknowledges and understands that in the chapter 7 case a chapter 7 trustee will be appointed by the court. The CLIENT understands that the chapter 7 trustee has a duty to investigate the financial affairs of the debtor; determine the available assets to be liquidated for the payment of creditors and oppose the discharge of the debtor, if advisable. The CLIENT acknowledges that they have a duty to cooperate with the chapter 7 trustee. The CLIENT acknowledges that the chapter 7 trustee may investigate the value of their real property, business and any and all other assets that may result in liquidation and payment of money to creditors. CLIENT understands that the new bankruptcy law which took effect October 17, 2005 is subject to different interpretations and there are inherent risks in how the Judges and Courts will apply various provisions.

The foregoing terms and conditions are understood and acknowledged to be the entire agreement between the CLIENT and ATTORNEY.

Dated: \_\_\_\_\_

Client: \_\_\_\_\_

Dated: \_\_\_\_\_

Client: \_\_\_\_\_

Dated: \_\_\_\_\_

Attorney: \_\_\_\_\_



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**ADDENDUM: 1**

**CHAPTER 7 FREQUENTLY ASKED QUESTIONS**

**1. What is a chapter 7 bankruptcy?**

Under the federal bankruptcy statute, a discharge is a release of the debtor from personal liability for certain specified types of debts. In other words, the debtor is no longer required by law to pay any debts that are discharged. The discharge operates as a permanent order directed to the creditors of the debtor that they refrain from taking any form of collection action on discharged debts, including legal action and communications with the debtor, such as telephone calls, letters, and personal contacts. Although a debtor is relieved of personal liability for all debts that are discharged, a valid lien (i.e., a charge upon specific property to secure payment of a debt) that has not been avoided (i.e., made unenforceable) in the bankruptcy case will remain after the bankruptcy case. Therefore, a secured creditor may enforce the lien to recover the property secured by the lien.

**2. What does it mean to bankrupt or discharge a debt?**

Many people refer to getting rid of their debts in bankruptcy as "bankrupting" the debt. They often ask "can I bankrupt this debt?" That is incorrect terminology. The legal term for this is "discharge". What happens in bankruptcy (assuming you are successful) is that your legal obligation to pay on your debt will be discharged. Debts are never technically eliminated. They still exist after a bankruptcy, but you no longer have the legal obligation to pay on the ones that are discharged (or, bankrupted if you prefer).





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**3. What are exemptions?**

Which State's laws you use depends on where your domicile was located for the 2 years prior to commencing your bankruptcy case. Exemptions are the statutory provisions that define what assets a debtor can keep, free from the claims of his creditors, even in bankruptcy.

- \$5,000; \$7,500 for joint owners; \$25,000 if at least one dependent is a minor child. \$50,000.00 for joint owners with one dependent minor child. (if 62 or older, \$12,500 if single; \$20,000 if married; \$25,000 if spouse is also 62 or older)

Tenn. Code Ann. § 26-2-302

Tenn. Code Ann. § 26-2-301

**In re Hogue, 286 S.W.3d 890 (S.Ct.Tenn 2009)**

- 2–15 year lease

Tenn. Code Ann. § 26-2-303

- Property held as tenancy by the entirety may be exempt against debts owed by only one spouse In re Arango, 136 B.R. 740 aff'd, 992 F.2d 611 (6th Cir. 1993)

**In re Arango, 136 B.R. 740 (Bankr.E.D.Tenn. 1992)**

**In re Arango, 992 F.2d 611 (6th Cir. 1993)**

**In re Arwood, 289 B.R. 889 (Bankr.E.D.Tenn. 2003)**

- Spouse or child of deceased owner may claim homestead exemption

Tenn. Code Ann. § 26-2-301

**4. What debt will a Chapter 7 bankruptcy not discharge/eliminate/erase?**

- Money owed for child support, maintenance, or alimony
- Property taxes
- Debts not listed on your bankruptcy petition
- Loans you got by knowingly giving false information to a creditor, who reasonably relied on it in making you the loan
- Debts resulting from "willful and malicious" harm
- Debts for most student loans, except if:-- the court decides that payment would be an undue hardship. There is an additional fee to begin this type of adversary proceeding and is purused upon your request at the time of filing.
- Mortgages and other liens which are not paid in the bankruptcy case
- Some IRS debt
- Traffic tickets and government fines, fees, restitution, forfeiture
- Debts from personal injury or death caused by debtor operating a motor vehicle while intoxicated
- Debts the court decides are not discharged



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**5. Can a married debtor file without the other spouse?**

Yes, but your spouse will still be liable for any joint debts. If you file together you may be able to double your exemptions. In some cases where only one spouse has debts, or one spouse has debts that are not dischargeable then it might be advisable to have only one spouse file. If the spouses have joint debts, the fact that one spouse discharged the debt may show on the other spouses credit report.

**6. What is the automatic stay?**

This is an injunction that goes into effect automatically upon the filing of a bankruptcy. It strictly prohibits the commencement or continuation of any acts to collect on a debt that arose prior to filing the bankruptcy. This includes enforcement of judgments, creating or perfecting liens, and many other actions. (It does not apply to collecting alimony maintenance and support).

**7. Does the automatic stay always apply when a bankruptcy case is filed, and if so, for how long?**

Generally, the automatic stay goes into effect immediately upon filing your case and against acts taken towards you personally until you receive your discharge. Stays against actions towards property you own may last longer or shorter depending on what happens.

There are several limits to the length of the automatic stay:

(a) If you had a prior bankruptcy case dismissed under any chapter within one year prior to the filing of your present case, the automatic stay will terminate 30 days after your new case is filed, unless you obtain a court order extending it, for cause and a showing of good faith as to why the prior case was dismissed.



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(b) If you had more than one prior bankruptcy case dismissed under any chapter within one year prior to the filing of your present case, the automatic stay does not go into effect at all unless and until the court orders it into effect, after a noticed hearing.

**8. Is it too late to file bankruptcy if I'm being sued or already have a judgment against me?**

No. It's almost never too late to file bankruptcy. Assuming that it is a dischargeable debt (meaning one that isn't incurred through fraud, or a domestic support obligation, or one of the others Congress has excluded from discharge), you can still get rid of the debt even if a creditor has filed a lawsuit against you and received a judgment.

**9. Can I pick and choose who to list in my bankruptcy case?**

No. You must list all your assets and all your debts in ANY chapter of bankruptcy. You may voluntarily repay anybody you want after your case is concluded (and you are required to repay any debts that are not discharged), but you are still required to list all your creditors.

**10. Can I transfer assets out of my name into someone else's before filing bankruptcy?**

Not unless they are sold for "reasonably equivalent value". Otherwise it can be recovered as a Fraudulent Transfer.

**11. Can I keep my home or my car when I file bankruptcy?**

Maybe. Your lender must be willing to approve a reaffirmation agreement. It is your responsibility to get this agreement from your lender.

**12. If I surrender real property in my bankruptcy petition will I be responsible for the home?**

Yes, please sell this property with a reputable realtor. You may have property tax liability as well as insurance, maintenance, blight prevention liabilities.

I acknowledge that I have read and understand the above Frequently Asked Questions.



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Dated: \_\_\_\_\_ Client: \_\_\_\_\_

Dated: \_\_\_\_\_ Client: \_\_\_\_\_