

**DEMPSEY, ROBERTS & SMITH, LTD.
ATTORNEYS AT LAW**

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BANKRUPTCY CONSULTATION DISCLOSURES AND AGREEMENT

This Agreement sets forth the federally mandated disclosures to and Agreement with _____, (hereinafter "Member") a Nevada member of LegalShield by DEMPSEY, ROBERTS & SMITH, LTD., Attorneys at Law, (hereinafter "Provider Attorney") and Member's acknowledgment of such disclosures relating to any and all future telephonic consultations between the Member and Provider Attorney in which the Member seeks information and/or advice about bankruptcy.

Provider Attorney is willing to provide assistance **at no additional charge** to Member in the form of telephonic consultations wherein an attorney employed by the Provider Attorney will advise and counsel Member about federal bankruptcy law issues to include but not limited to: eligibility for filing bankruptcy, the types of bankruptcy available, the advantages and disadvantages of filing bankruptcy, the financial and credit consequences of filing bankruptcy, the requirement for debtors to make accurate and truthful disclosures in any bankruptcy application, the ability of applicants to file for bankruptcy without the need to retain an attorney, anticipated filing fees and anticipated attorney fees if Member wishes to retain a licensed attorney for a fee to assist them with a bankruptcy filing. However, federal bankruptcy law requires that the Provider Attorney must submit a contract to Member (as an "assisted person" under the law). If, at any time, Member wishes to retain an attorney for a fee under at the Preferred Member Rate under their LegalShield Family Plan or LegalShield Small Business Plan, the Provider Attorney will assist Member with a referral at no charge to Member to a qualified attorney. NOTE: BANKRUPTCY APPLICANTS ARE NOT REQUIRED TO RETAIN AN ATTORNEY TO REPRESENT THEM IN BANKRUPTCY ACTIONS.

Although DEMPSEY, ROBERTS & SMITH, LTD. does not at the present time nor in the foreseeable future plan to represent or be retained by debtors or creditors in any bankruptcy actions, as the Nevada Provider Attorney for LegalShield, the Provider Attorney has the capability to telephonically advise Member about bankruptcy actions **at no additional charge** to Member under your LegalShield plan, unless or until Member has retained an attorney to assist/represent Member in a bankruptcy action. Because Provider Attorney endeavors to provide such advice to Member **at no additional charge, and even though the Provider Attorney does not accept retainers to actually represent LegalShield members in bankruptcy actions or to assist Members with the actual preparation of any bankruptcy documents**, the Provider Attorney is required under federal law to obtain your acknowledgment that we have provided the following mandatory information, disclosures and disclaimers contained in this agreement.

We are a debt relief agency. We help people file for bankruptcy relief under the Bankruptcy Code.

You can choose the kind of bankruptcy that best meets your needs:

Chapter 7 - A trustee is appointed to take over your property. Any property of value which is not otherwise exempted under the law will be sold or turned into money to pay your creditors. You may be able to keep some personal items and possibly real estate depending on the law of the state where you live. Estimated attorney fees could range from \$1,500 to \$3,000 for an unopposed case. Additional fees could apply if any creditors file objections.

Chapter 13 - You can usually keep your property, but you must earn wages or have some other source of regular income and you must agree to pay part of your income to your creditors. The Court must approve your repayment plan and your budget. A trustee is appointed and will collect the payments from you, pay your creditors, and make sure you live up to the terms of your repayment plan. Estimated attorney fees are in the range of \$3,000. Additional fees could apply if any creditors file objections.

Chapter 12- Like chapter 13, but it is only for family farmers. Estimated attorney fees are in the range of \$4,500. Additional fees could apply if any creditors file objections.

Chapter 11 - This is used mostly by businesses. In chapter 11, you may continue to operate your business, but your creditors and the court must approve a plan to repay your debts. There is no trustee unless the judge decides that one is necessary; if a trustee is appointed, the trustee takes control of your business and property. Estimated attorney fees are a minimum of \$10,000 - \$15,000.

If you have already filed bankruptcy under chapter 7, you may be able to change your case to another chapter.

Your bankruptcy may be reported on your credit record for as long as ten years. It can affect your ability to receive credit in the future.

WHAT IS A BANKRUPTCY DISCHARGE AND HOW DOES IT OPERATE?

One of the reasons people file bankruptcy is to get a "discharge". A discharge is a Court order which states that you do not have to pay most of your debts. Some debts cannot be discharged. For example, you cannot discharge debts for most taxes; child support; most student loans; court fines and criminal restitution; and personal injury caused by driving drunk or under the influence of drugs.

The discharge only applies to debts that arose before the date you filed.

Also, if the Judge finds that you received money or property by fraud, that debt may not be discharged.

It is important to list all your property and debts in your bankruptcy schedules. If you do not list a debt, for example, it is possible the debt will not be discharged.

The Judge can also deny your discharge if you do something dishonest in connection with your bankruptcy case, such as destroy or hide property, falsify records or lie, or if you disobey a Court order. You can only receive a chapter 7 discharge once every eight years. No one can make you pay a debt that has been discharged, but you can voluntarily pay any debt you wish to pay. You do not have to sign a reaffirmation agreement or any other kind of document to do this.

Some creditors hold a secured claim (for example, the bank that holds the mortgage on your house or the loan company that has a lien on your car). You do not have to pay a secured claim if the debt is discharged, but the creditor can still take the property.

WHAT ARE CONSUMER CREDIT COUNSELING SERVICES?

Before filing for bankruptcy, a potential applicant is now required to consult with a credit counseling agency. Such agencies may provide budget counseling, educational programs, debt management assistance and housing counseling. Credit counseling services may be available online, by telephone, and in person. The website for the federal Bankruptcy court for the District of Nevada indicates that the following credit counseling services have been approved for use by persons filing for bankruptcy in Nevada:

InCharge Education Foundation, Inc.

5750 Major Blvd, Suite 310 Orlando, FL
32819 866-729-0049

www.personalfinanceeducation.com

Telephonic and Internet English and Spanish

Consumer Credit Counseling Service of Southern Nevada and Utah

www.cccsnevada.org 3 Locations:

2650 South Jones 2920 N. Green Valley Pkwy #3-25 3100 Mill Street #111
Las Vegas, NV 89146 Henderson, NV 89014 Reno, NV 89502

800-451-4505 In Person, Telephonic and Internet English and Spanish

Springboard Nonprofit Consumer Credit Management, Inc.

www.bkhhelp.org

Main Address:

Riverside, CA 92501 888-425-3453

Telephonic and Internet

Money Management International, Inc.

www.moneymanagement.org

9009 West Loop South, Suite 700

Houston, TX 77096-1719 (877) 964-2227

Telephonic and Internet

Additional current information about these agencies can be found online at:

http://www.justice.gov/ust/eo/bapcpa/ccde/CC_Files/CC_Approved_Agencies_HTML/cc_nevada/cc_nevada.htm

SPECIFIC BANKRUPTCY CODE REQUIREMENTS:

Should Member elect to file a bankruptcy petition, whether Member does so on their own, with the assistance of non-attorney or with attorney assistance, the federal Bankruptcy code includes the following admonition:

(A) 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 this title shall be subject to fine, imprisonment, or both; and

(B) all information supplied by a debtor in connection with a case under this title is subject to examination by the Attorney General.

Stated another way, **all information that the a bankruptcy applicant is required to provide with a petition and thereafter during a case under the Bankruptcy Code is required to be complete, accurate, and truthful**; all assets and all liabilities are required to be completely and accurately disclosed in the documents filed to commence the case, and the replacement value of each asset as defined in section 506 must be stated in those documents where requested after reasonable inquiry to establish such value; current monthly income, the amounts specified in section 707(b)(2), and, in a case under chapter 13, disposable income (determined in accordance with section 707(b)(2)), are required to be stated after reasonable inquiry; and information that an assisted person provides during their case may be audited pursuant to this title, and that failure to provide such information may result in dismissal of the case or other sanction, including a criminal sanction.

IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY OR BANKRUPTCY PETITION PREPARER:

If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. **THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST. Ask to see the contract before you hire anyone.**

WHAT IS INVOLVED IN A BANKRUPTCY CASE?

The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

Before filing a bankruptcy case, you must complete consumer credit counseling. Either you or your attorney should analyze your eligibility for different forms of debt relief available under the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a 'trustee' and by creditors.

If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so. A creditor is not permitted to coerce you into reaffirming your debts.

If you choose to file a chapter 13 case in which you repay your creditors what you can afford over 3 to 5 years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on

your plan which will be before a bankruptcy judge.

If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what should be done from someone familiar with that type of relief.

Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice. The federal Bankruptcy Court website has a link to Frequently Asked Questions (FAQs) which may also answer some of your questions. The link may be found at: <http://www.nvb.uscourts.gov/>

In addition, the following web sites contain helpful information: www.usdoj.gov/ust/ and <http://bankruptcy.findlaw.com/new-bankruptcy-law/>

WHAT ARE THE LIMITS OF MY CONSULTATION BENEFITS?

The Provider Attorney's consultation benefit EXCLUDES the following services or benefits:

- A. Obtaining such information for inclusion on the petition, schedules or statement of financial affairs;
- B. How you are to provide all the information required under the bankruptcy code, pursuant to section 521, including-
 - (1) how to value assets at replacement value, determine current monthly income, the amounts specified in section 707(b)(2) and, in a chapter 13 case, how to determine disposable income in accordance with section 707(b)(2) and related calculations;
 - (2) how to complete the list of creditors, including how to determine what amount is owed and what address for the creditor should be shown; and
 - (3) how to determine what property is exempt and how to value exempt property at replacement value as defined in section 506.

The services described in subparagraphs (1) through (3) above must be performed by either the bankruptcy applicant themselves or by a Debt Relief Agency SPECIFICALLY RETAINED FOR A FEE TO ASSIST YOU WITH THE PREPARATION OF A BANKRUPTCY APPLICATION AND/OR REPRESENTATION IN A BANKRUPTCY ACTION.

WE ARE UNABLE TO CONSULT WITH YOU ABOUT BANKRUPTCY ISSUES UNTIL AND UNLESS YOU ACKNOWLEDGE RECEIPT OF THIS DOCUMENT BY INITIALING THE BOTTOM OF EACH PAGE AND DATING AND SIGNING THIS DOCUMENT AND RETURNING IT TO US EITHER BY FAX, MAIL OR IN PERSON. BY INITIALING AND SIGNING THIS AGREEMENT YOU ARE ACKNOWLEDGING THAT YOU HAVE READ UNDERSTAND AND AGREE TO THE TERMS OF ANY BANKRUPTCY CONSULTATIONS WITH OUR FIRM AT NO ADDITIONAL CHARGE.

DEMPSEY, ROBERTS & SMITH, LTD.

By: _____

THE ABOVE CONSULTATION AGREEMENT HAS BEEN READ, UNDERSTOOD
AND AGREED TO:

Member Signature

Date: _____

Member Printed Name

LegalShield File #: _____