

**CHRISTMAN & FASCETTA, LLC**  
**FLAT FEE AGREEMENT AND HOURLY FEE PROVISIONS**

\_\_\_\_\_, (hereinafter referred to as “client” or “you”), hereby engages the Law Offices of Christman & Fascetta, LLC to prepare and file a **Chapter \_\_\_\_\_** bankruptcy, attend the Meeting of Creditors, attend any confirmation hearing, and to provide advice regarding the bankruptcy process.

*If you are filing a Chapter 7 case*, our fee will be a flat fee of \$\_\_\_\_\_ plus a filing fee in the amount of \$306.

*If you are filing a Chapter 13 case*, we will agree to allow you to pay \$\_\_\_\_\_ plus the filing fee of \$281 before your case is filed. The balance of our fee will be paid through your Chapter 13 Plan. The remaining amount of money paid to us through your monthly Chapter 13 plan payment will be \_\_\_\_\_.

**Costs.** The client is responsible for costs and expenses we incur in connection with your case. The filing fee for a Chapter 7 petition is \$306. The filing fee for a Chapter 13 petition is \$281. Please note, you must add the filing fee and our fee to determine your total payment due. Other fees, including hourly fees, may apply. In addition, the fees quoted above do not include certain services. These exclusions are listed below. To establish our attorney-client relationship, it is our normal practice to receive all fees before we represent you. Client agrees that our fees are not contingent upon receiving a discharge in bankruptcy and the fees quoted above are not contingent upon confirmation of any repayment plan.

**We start to represent you only upon the signing of documents and payment of fees plus costs.** Christman & Fascetta, LLC (hereinafter referred to as “Christman & Fascetta”) will not represent you until this document has been signed by all parties. In addition, we will not file a bankruptcy case for you until our fees are paid in full and you have signed your bankruptcy petition and schedules.

**Additional Fees:** The above fees do not cover additional work caused by the client. Listed below are a few examples of additional work created by the client: (1) failure to attend hearings, (2) failure to list all creditors, (3) failure to disclose all assets and expenses, (4) failure to disclose judgments and judgment liens, (5) failure to disclose all transfers and sales greater than \$600 in the last three years, (6) failure to review and correct your bankruptcy petition and schedules before these documents are filed with the Court, (7) failure to present a valid form of photographic identification and a valid social security card at the meeting of creditors.

**Services not included in the above quoted fees.** Client agrees to pay Christman & Fascetta additional fees for other bankruptcy related work. Examples of such additional work include the following: (1) Any separate complaint or adversary proceeding, (2) any motion or response required for failing to make your mortgage payments or your vehicle payments (this type of motion is known as a lift stay motion), (3) any motion to avoid lien, (4) any motion to sell property free and clear of liens, (5) any motion to refinance, (6) any motion to redeem (this is a type of motion where you decide to keep a secured debt and take that particular type of debt outside of the bankruptcy proceedings — causing that debt to be excluded from a discharge, (7) any objection to discharge, (8) any show cause hearing, (9)

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any motion to convert, (10) any audit or trustee investigation, (11) attendance at any deposition or rule 2004 examination, (12) any non-dischargeability action, (13) any motion to modify, (14) any appeal.

Client acknowledges that the attorney has no obligation to file or enter his appearance in an adversary proceeding or contested matter unless an additional retainer is first paid in full by the client and any required documentation is received from the client prior to filing.

**Hourly rates for additional services.** For any additional work, the client agrees to pay an hourly rate of \$275 per hour for work performed by an attorney. Time will be billed at a minimum increment of six minutes. Any telephone call or telephone message will be billed at a minimum increment of six minutes. Letters will be billed at a minimum increment of fifteen minutes. Travel time and waiting time will be billed at \$150 per hour. Paralegal time will be billed at a rate of \$150 per hour.

**Fees for missed hearings and changes to your bankruptcy filings.** In addition, the client will be billed \$200 for rescheduled meetings. Changes to the petition after the petition is typed (prior to filing) based on the clients' actions shall be at the rate of \$50.00 per change and paid by the client. Any changes to be made to the petition after filing shall result in additional fees, the minimum fee of \$175.00 to be paid by the client.

**Termination of this agreement before client files for bankruptcy.** Should you elect not to proceed with a bankruptcy filing, client agrees that the funds paid to Christman & Fascetta will be retained by us as a fee. Said fee will be based upon the hourly rates listed below. In addition to the hourly fees listed below, client agrees to a fee of \$100 per month for taking telephone calls from the client's creditors. This is a flat fee charged per month and it is not contingent upon receiving an actual telephone call(s) from creditors. The \$100 fee will be charged from the date that the client signs this agreement.

**Hourly fees.** In the event that Christman & Fascetta is required to provide an accounting of its services, client agrees to the rates listed below. The client shall be charged an hourly rate of \$275 per hour for work performed by an attorney. Paralegal time will be billed at a rate of \$150 per hour. Time will be billed at a minimum increment of six minutes. Any telephone call or telephone message will be billed at a minimum increment of six minutes. Letters will be billed at a minimum increment of fifteen minutes. Travel time and waiting time will be billed at \$150 per hour. Client agrees that these charges may be deducted from any fees paid to Christman & Fascetta pursuant to this agreement.

**Termination of this agreement:** Christman & Fascetta may terminate this Agreement and withdraw from representing you if differences arise between us concerning your case or if you do not make the payments required by this Agreement. Christman & Fascetta may terminate this agreement and withdraw from your case if you fail to provide us with a valid telephone number or address.

**Client has read this agreement and understands it completely. Client agrees to all of the terms contained herein including the terms contained in the attached ADDENDUM.**

**Date:** \_\_\_\_\_

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## **ADDENDUM**

***The Automatic Stay.*** Client acknowledges that a foreclosure sale can only be stopped by filing a bankruptcy petition before the foreclosure sale occurs. Once a foreclosure sale has occurred, a bankruptcy filing cannot undo or reverse the sale. In order to file a bankruptcy petition, the client must sign his or her bankruptcy petition – this is a special document signed under penalty of perjury. Likewise, a bankruptcy petition must be filed to stop any garnishment. In addition, a bankruptcy petition must be filed in order to stop a state court from entering a judgment against the client. Client understands that he or she is solely responsible for monitoring any foreclosure, garnishment, or judgment process and client must timely notify Christman & Fascetta of any pending sale date, garnishment, or law suit filed against client.

***Court approval for transfers.*** The client must ask for Court approval to sell, refinance or pledge any assets once the client has filed for bankruptcy relief. If client does not do this, state law will not recognize said transfer. Such a transfer will cause significant problems with the property in question and with client's bankruptcy case.

***Flat fee earned when paid.*** In consideration of work performed before the date of this Agreement and the reservation of our time to properly handle client's case through conclusion, all parties agree that any flat fee or retainer fee is deemed fully earned when paid and may be immediately deposited into the general operating account of Christman & Fascetta. If any portion of the flat fee or retainer is deemed not earned when paid, client grants Christman & Fascetta an attorney's lien on such funds to the extent of our fees listed above.

***Payments and collection fees.*** All bills are due on receipt. All payments must be made by certified check, money order, or cash. There is a one percent (1%) late charge per month for any late payment, which is any payment that does not reach this office within fifteen (15) days of its due date. If legal action is taken to recover any amounts due under this Agreement, client agrees to pay all costs of collection, and attorney's fees of one-third of the total amount due, even if the proceeding is brought by a member of the firm on the firm's behalf. Christman & Fascetta may be paid through the Chapter 13 Plan to the extent any balance due has not been paid by client's confirmation hearing.

***Assignment of funds held by Chapter 13 trustee.*** Client irrevocably assigns to Christman & Fascetta his or her interest in all payments made to the Chapter 13 Trustee to the extent of any balance due to Christman & Fascetta. If client's case is dismissed or converted before our fees are paid in full, client agrees to allow the Chapter 13 Trustee to pay the balance due to us directly from funds that would otherwise be returned to you.

Unless otherwise agreed, our obligation to represent client herein shall automatically terminate upon the entry of client's discharge order or closure of the case. Christman & Fascetta and its attorneys do not guarantee any specific results in any matter. We have made no representations as to the effect of the bankruptcy on client's credit record or the circumstances under which client may be able to obtain credit in the future. We are not tax professionals, can make no representations regarding the tax implications of client's bankruptcy filing or any other matter related to it, and we strongly recommend

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that client seek advice from a tax professional, such as a tax attorney or CPA, to discuss any tax-related matters.

***Document retention policy.*** Client agrees that he or she will not leave any original documents in our possession. Client agrees that he or she will only supply copies of all documents to Christman & Fascetta. Client agrees that Christman & Fascetta will only keep original signature pages of documents. All other documents and papers will be stored exclusively in electronic format. All paper documents will be destroyed once the client's case is closed or dismissed. Christman & Fascetta will not store any of client's papers, documents, e-mails, petitions, or schedules once the case has been dismissed or closed. Client is responsible for retrieving any original documents from Christman & Fascetta once the case has been closed or dismissed. Client hereby authorizes the destruction of all paper documents in client's file after the case is closed. Client agrees that Christman & Fascetta shall have no liability for destroying any records, documents, or exhibits still in our possession once the case has been closed or dismissed. Client agrees to provide, maintain, and update a valid mailing address, phone number, and email address on file with Christman & Fascetta at all times.

***Electronic signature authorization.*** Client's faxed or electronic signature on a document shall be considered an original signature for all purposes.

***Credit Reports and due diligence.*** Client authorizes Christman & Fascetta to obtain information about client's assets, credit (including credit reports), taxes, debts, income, expenses and other public and non-public information that will be used to verify and ensure the completeness of the information client provides to us. Such information may not be comprehensive or complete. It is obtained for background information and to aid our verification only. We will prepare client's bankruptcy filings based upon information supplied by the client. We will rely upon client-supplied information as being true, accurate, complete and correct. It is client's responsibility to disclose his or her ownership and prior ownership of all assets, regardless of value. If a creditor is not listed, the debt to such creditor may not be discharged. If false, incorrect or incomplete information is included, it can cause client additional effort and expense to remedy the error, may place the bankruptcy itself in jeopardy and could result in civil or criminal liability. It is vitally important that the information included in the bankruptcy schedules be complete and correct to avoid any problems. Client agrees to review all documents filed as part of his or her bankruptcy case. Client's signature on said documents signifies that the client has read and understood them, and agrees with the data contained therein. In cases of joint representation of spouses, communication with one spouse will be deemed communication with both spouses. We may disclose to both spouses any facts disclosed by either spouse.

***Known risks and disclaimer.*** There are risks in filing for bankruptcy including the possible loss of property. The law is subject to different interpretations and there are inherent risks in how Courts will apply various provisions of the bankruptcy code. Interpretations vary over the computation of income, how and when to liquidate assets or property, what exemptions apply, whether property may be sold to satisfy domestic support obligations, what chapter the client qualifies for, how payments to creditors are calculated, how long a case will be pending, the determination and definition of good faith in client's case, and how and to what extent client's finances will be subject to audit and examination.

***Debts not subject to a discharge.*** Some debts (such as student loans, domestic support obligations, and certain taxes) may not be dischargeable in client's case. Liens (such as security interests, homeowner's liens and mortgages) are not released upon client's discharge. Client will need to make arrangements for the payment of such debts or surrender the property securing said debts upon the

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conclusion of client's case. Post-petition homeowner's and condominium association charges are not discharged. Notwithstanding a discharge, client will still remain personally liable on the mortgage or note for any long-term secured debt where the collateral for the loan is not surrendered. Client has been advised to close or draw down any financial account which is maintained with an entity to whom client owes money.

***Routine payments must be paid on time for certain debts.*** Client must file all tax returns on time and pay all taxes incurred after the date of filing. Client's case may be dismissed and/or the stay lifted, and creditors may begin foreclosure on client's property for failing to send a payment on time, in full, for regular monthly payments for any mortgage, auto loan, any secured creditor, any lease, any taxing authority, the trustee, or any creditor to be paid outside the plan.

**The following section only applies to Chapter 13 cases:** If client is going to keep a house or car which is subject to a loan balance, client must pay his or her next regularly scheduled payment after his or her case has been filed. Any missed payments (prior to filing for bankruptcy) may be repaid inside of the Chapter 13 plan. However, post-bankruptcy-filing payments must be made timely by the client. For any loans secured by assets (assuming that the client wishes to keep said asset), client acknowledges that regular payments to any and all secured creditors must resume after a bankruptcy petition has been filed. Examples of said payments include mortgage payments, homeowner's or condominium fees, and auto loans. If you fail to make these payments outside the plan, the Court may dismiss client's case and creditors may sue client or repossess or foreclose on client's property.

Client must pay the Trustee a monthly Chapter 13 Plan payment once client's case is filed. Your first plan payment is due 30 days after the filing of client's case. Do not wait for a special payment notification from the Court or the Trustee. Additionally, do not wait for the Trustee to take client's Chapter 13 Plan payments out of client's paycheck.

Once your Chapter 13 Plan is approved, the Court will require that your payment be made through a payroll deduction from your paycheck.

***The following section only applies to Chapter 7 cases:*** If client is going to keep a house or car which is subject to a loan balance, client must pay his or her next regularly scheduled payment after his or her case has been filed. For any loans secured by assets (assuming that the client wishes to keep said asset), client acknowledges that regular payments to any and all secured creditors must resume after a bankruptcy petition has been filed. Examples of said payments include mortgage payments, homeowner's or condominium fees, and auto loans. If client fails to make these payments, the Court may dismiss client's case and creditors may sue client or repossess or foreclose on client's property. If client is behind on any loans secured by an asset, such as a car or a house, the creditor will foreclose or repossess said asset even though client has filed for Chapter 7 bankruptcy relief. If client is behind on mortgage payments or car payments, a Chapter 13 will allow client to catch up on said payments through a Chapter 13 repayment plan.

I have read the above "ADDENDUM" and agree to fully comply with its terms. I understand that the ADDENDUM forms part of the Flat Fee Agreement and Hourly Fee Provisions with my attorney.

**Date:** \_\_\_\_\_

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**LOCAL RULE APPENDIX F DISCLOSURE**

With the exception of adversary proceedings and U.S. Trustee audits, for which separate arrangements may be made, counsel must represent their client in all matters in the bankruptcy case as long as counsel is counsel of record. This includes defending motions, including motions for relief from stay, and bringing objections to claims and prosecuting motions on behalf of debtor. After the initial engagement, counsel may not demand payments from the debtor as a precondition to doing the work. *Note, however, that the failure to make such payment may form the basis for Counsel asking the Court for permission to withdraw as Counsel.*

Counsel must remain as counsel of record until the entry of a court order allowing the withdrawal of appearance, or until the case is dismissed or closed.

**Date:** \_\_\_\_\_  
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