

Please sign and return.

**Fill in this information to identify the case:**

Debtor 1 \_\_\_\_\_  
First Name Middle Name Last Name

Debtor 2 \_\_\_\_\_  
(Spouse, if filing) First Name Middle Name Last Name

United States Bankruptcy Court for the: \_\_\_\_\_ District of \_\_\_\_\_

Case number \_\_\_\_\_ Chapter \_\_\_\_\_  
(If known)

**Official Form 119**

**Bankruptcy Petition Preparer’s Notice, Declaration, and Signature**

12/15

Bankruptcy petition preparers as defined in 11 U.S.C. § 110 must fill out this form every time they help prepare documents that are filed in the case. If more than one bankruptcy petition preparer helps with the documents, each must sign in Part 3. A bankruptcy petition preparer who does not comply with the provisions of title 11 of the United States Code and the Federal Rules of Bankruptcy Procedure may be fined, imprisoned, or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

**Part 1: Notice to Debtor**

Bankruptcy petition preparers must give the debtor a copy of this form and have the debtor sign it before they prepare any documents for filing or accept any compensation. A signed copy of this form must be filed with any document prepared.

Bankruptcy petition preparers are not attorneys and may not practice law or give you legal advice, including the following:

- whether to file a petition under the Bankruptcy Code (11 U.S.C. § 101 et seq.);
- whether filing a case under chapter 7, 11, 12, or 13 is appropriate;
- whether your debts will be eliminated or discharged in a case under the Bankruptcy Code;
- whether you will be able to keep your home, car, or other property after filing a case under the Bankruptcy Code;
- what tax consequences may arise because a case is filed under the Bankruptcy Code;
- whether any tax claims may be discharged;
- whether you may or should promise to repay debts to a creditor or enter into a reaffirmation agreement;
- how to characterize the nature of your interests in property or your debts; or
- what procedures and rights apply in a bankruptcy case.

The bankruptcy petition preparer Kathleen Kindred \_\_\_\_\_ has notified me of  
Name any maximum allowable fee before preparing any document for filing or accepting any fee.

\_\_\_\_\_  
Signature of Debtor 1 acknowledging receipt of this notice Date MM / DD / YYYY

\_\_\_\_\_  
Signature of Debtor 2 acknowledging receipt of this notice Date MM / DD / YYYY

# Notice Required by 11 U.S.C. § 342(b) for Individuals Filing for Bankruptcy (Form 2010)

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## This notice is for you if:

- **You are an individual filing for bankruptcy, and**
- **Your debts are primarily consumer debts.** *Consumer debts* are defined in 11 U.S.C. § 101(8) as “incurred by an individual primarily for a personal, family, or household purpose.”

The types of bankruptcy that are available to individuals

Individuals who meet the qualifications may file under one of four different chapters of the Bankruptcy Code:

- Chapter 7 — Liquidation
- Chapter 11 — Reorganization
- Chapter 12 — Voluntary repayment plan for family farmers or fishermen
- Chapter 13 — Voluntary repayment plan for individuals with regular income

**You should have an attorney review your decision to file for bankruptcy and the choice of chapter.**

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## Chapter 7: Liquidation

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	\$245	filing fee
	\$75	administrative fee
+	\$15	trustee surcharge
	\$335	total fee

Chapter 7 is for individuals who have financial difficulty preventing them from paying their debts and who are willing to allow their non-exempt property to be used to pay their creditors. The primary purpose of filing under chapter 7 is to have your debts discharged. The bankruptcy discharge relieves you after bankruptcy from having to pay many of your pre-bankruptcy debts. Exceptions exist for particular debts, and liens on property may still be enforced after discharge. For example, a creditor may have the right to foreclose a home mortgage or repossess an automobile.

However, if the court finds that you have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge.

You should know that even if you file chapter 7 and you receive a discharge, some debts are not discharged under the law. Therefore, you may still be responsible to pay:

- most taxes;
- most student loans;
- domestic support and property settlement obligations;

- most fines, penalties, forfeitures, and criminal restitution obligations; and
- certain debts that are not listed in your bankruptcy papers.

You may also be required to pay debts arising from:

- fraud or theft;
- fraud or defalcation while acting in breach of fiduciary capacity;
- intentional injuries that you inflicted; and
- death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs.

If your debts are primarily consumer debts, the court can dismiss your chapter 7 case if it finds that you have enough income to repay creditors a certain amount. You must file *Chapter 7 Statement of Your Current Monthly Income* (Official Form 122A-1) if you are an individual filing for bankruptcy under chapter 7. This form will determine your current monthly income and compare whether your income is more than the median income that applies in your state.

If your income is not above the median for your state, you will not have to complete the other chapter 7 form, the *Chapter 7 Means Test Calculation* (Official Form 122A-2).

If your income is above the median for your state, you must file a second form—the *Chapter 7 Means Test Calculation* (Official Form 122A-2). The calculations on the form—sometimes called the *Means Test*—deduct from your income living expenses and payments on certain debts to determine any amount available to pay unsecured creditors. If

your income is more than the median income for your state of residence and family size, depending on the results of the *Means Test*, the U.S. trustee, bankruptcy administrator, or creditors can file a motion to dismiss your case under § 707(b) of the Bankruptcy Code. If a motion is filed, the court will decide if your case should be dismissed. To avoid dismissal, you may choose to proceed under another chapter of the Bankruptcy Code.

If you are an individual filing for chapter 7 bankruptcy, the trustee may sell your property to pay your debts, subject to your right to exempt the property or a portion of the proceeds from the sale of the property. The property, and the proceeds from property that your bankruptcy trustee sells or liquidates that you are entitled to, is called *exempt property*. Exemptions may enable you to keep your home, a car, clothing, and household items or to receive some of the proceeds if the property is sold.

Exemptions are not automatic. To exempt property, you must list it on *Schedule C: The Property You Claim as Exempt* (Official Form 106C). If you do not list the property, the trustee may sell it and pay all of the proceeds to your creditors.

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## Chapter 11: Reorganization

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	\$1,167	filing fee
+	\$550	administrative fee
	\$1,717	total fee

Chapter 11 is often used for reorganizing a business, but is also available to individuals. The provisions of chapter 11 are too complicated to summarize briefly.

## Read These Important Warnings

Because bankruptcy can have serious long-term financial and legal consequences, including loss of your property, you should hire an attorney and carefully consider all of your options before you file. Only an attorney can give you legal advice about what can happen as a result of filing for bankruptcy and what your options are. If you do file for bankruptcy, an attorney can help you fill out the forms properly and protect you, your family, your home, and your possessions.

Although the law allows you to represent yourself in bankruptcy court, you should understand that many people find it difficult to represent themselves successfully. The rules are technical, and a mistake or inaction may harm you. If you file without an attorney, you are still responsible for knowing and following all of the legal requirements.

You should not file for bankruptcy if you are not eligible to file or if you do not intend to file the necessary documents.

Bankruptcy fraud is a serious crime; you could be fined and imprisoned if you commit fraud in your bankruptcy case. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$250,000, or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

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### Chapter 12: Repayment plan for family farmers or fishermen

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	\$200	filing fee
+	\$75	administrative fee
	\$275	total fee

Similar to chapter 13, chapter 12 permits family farmers and fishermen to repay their debts over a period of time using future earnings and to discharge some debts that are not paid.

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### Chapter 13: Repayment plan for individuals with regular income

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	\$235	filing fee
+	\$75	administrative fee
	\$310	total fee

Chapter 13 is for individuals who have regular income and would like to pay all or part of their debts in installments over a period of time and to discharge some debts that are not paid. You are eligible for chapter 13 only if your debts are not more than certain dollar amounts set forth in 11 U.S.C. § 109.

Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them, usually using your future earnings. If the court approves your plan, the court will allow you to repay your debts, as adjusted by the plan, within 3 years or 5 years, depending on your income and other factors.

After you make all the payments under your plan, many of your debts are discharged. The debts that are not discharged and that you may still be responsible to pay include:

- domestic support obligations,
- most student loans,
- certain taxes,
- debts for fraud or theft,
- debts for fraud or defalcation while acting in a fiduciary capacity,
- most criminal fines and restitution obligations,
- certain debts that are not listed in your bankruptcy papers,
- certain debts for acts that caused death or personal injury, and
- certain long-term secured debts.

### Warning: File Your Forms on Time

Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information about your creditors, assets, liabilities, income, expenses and general financial condition. The court may dismiss your bankruptcy case if you do not file this information within the deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

For more information about the documents and their deadlines, go to:

[http://www.uscourts.gov/bkforms/bankruptcy\\_forms.html#procedure](http://www.uscourts.gov/bkforms/bankruptcy_forms.html#procedure).

### Bankruptcy crimes have serious consequences

- If you knowingly and fraudulently conceal assets or make a false oath or statement under penalty of perjury—either orally or in writing—in connection with a bankruptcy case, you may be fined, imprisoned, or both.
- All information you supply in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the U.S. Trustee, the Office of the U.S. Attorney, and other offices and employees of the U.S. Department of Justice.

### Make sure the court has your mailing address

The bankruptcy court sends notices to the mailing address you list on *Voluntary Petition for Individuals Filing for Bankruptcy* (Official Form 101). To ensure that you receive information about your case, Bankruptcy Rule 4002 requires that you notify the court of any changes in your address.

A married couple may file a bankruptcy case together—called a *joint case*. If you file a joint case and each spouse lists the same mailing address on the bankruptcy petition, the bankruptcy court generally will mail you and your spouse one copy of each notice, unless you file a statement with the court asking that each spouse receive separate copies.

### Understand which services you could receive from credit counseling agencies

The law generally requires that you receive a credit counseling briefing from an approved credit counseling agency. 11 U.S.C. § 109(h). If you are filing a joint case, both spouses must receive the briefing. With limited exceptions, you must receive it within the 180 days **before** you file your bankruptcy petition. This briefing is usually conducted by telephone or on the Internet.

In addition, after filing a bankruptcy case, you generally must complete a financial management instructional course before you can receive a discharge. If you are filing a joint case, both spouses must complete the course.

You can obtain the list of agencies approved to provide both the briefing and the instructional course from:

[http://justice.gov/ust/eo/hapcpa/ccde/cc\\_approved.html](http://justice.gov/ust/eo/hapcpa/ccde/cc_approved.html).

In Alabama and North Carolina, go to:

<http://www.uscourts.gov/FederalCourts/Bankruptcy/BankruptcyResources/ApprovedCreditAndDebtCounselors.aspx>.

If you do not have access to a computer, the clerk of the bankruptcy court may be able to help you obtain the list.

## EXEMPTIONS

Debtors are entitled to protect their equity in certain property, known as "assets," from becoming part of your bankruptcy estate, and will not be used to pay creditors through your bankruptcy case.

The types and how much of this property is exempt is determined by federal law (the Bankruptcy Code) or state law.

Note that if the unsecured value of an asset exceeds the value of your exemption, then it can be sold by the trustee and only the exempt amount returned to you.

Additionally, if an item is otherwise exempt, it does not eliminate the interests of a secured creditor. For example, if you own a *car* or a *house* that was purchased with a loan from a bank or credit union and the debt is not paid off, your equity (market value less the balance owing) is exempt up to the amount allowed by law, but you will still have to continue to pay for the *car* or *house* or the creditor can repossess it.

Debtors filing in the District of Oregon may elect to use the exemptions provided by federal law or those provided by state law (but not both).

**Federal Law.** Federal exemptions are set forth in section 522(d) of the Bankruptcy Code (abbreviated as 11 U.S.C. 522(d)). In a case involving joint debtors, one debtor may not elect to use federal exemptions and the other elect to use state exemptions. If the debtors cannot agree on the exemptions to be used, they shall be deemed to have elected federal exemptions.

**State Law.** To claim an exemption under Oregon law, the debtor must be domiciled in Oregon for the 730-day period immediately preceding the filing of the bankruptcy petition. Otherwise, the law of the state where the debtor was domiciled for the 180 days immediately preceding such 730-day period is used.

After determining what exemptions apply to your assets, you will list them on **Schedule C**. If no one objects to the exemptions you have listed within 30 days following the conclusion of the meeting of creditors (or within 30 days following the filing of any amended claim of exemption, whichever is later), these assets will not be a part of your bankruptcy estate and will not be used to pay creditors through your bankruptcy case.

Deciding which assets are exempt and how and if you can protect these assets from your creditors can be one of the more important and difficult aspects of your bankruptcy case. If you have any questions regarding exempt assets, you should consult an attorney.

DOUBLING EXEMPTION AMOUNTS	Federal Law	Oregon Law
	Each debtor is permitted to claim the full amount of a permitted exemption.	Each debtor may claim the full amount of the exemption permitted for books, pictures, and musical instruments; wearing apparel, jewelry and other personal items; tools and instruments necessary to permit the debtor to carry on his or her trade; a motor vehicle and \$400 in equity in "other property."  Oregon law does not permit the doubling of other personal property exemptions.

**COMMON EXEMPTIONS**

Property	Federal Law	Oregon Law
Homestead (including land, floating home, and manufactured dwelling)	<p><b>11 U.S.C. 522(d)(1)</b></p> <p>\$22,975 in equity in real or personal property that the debtor or a dependent of the debtor uses as a residence, in a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence, or in a burial plot for the debtor or a dependent of the debtor. Includes the proceeds of a post petition sale of the debtor's homestead.</p>	<p><b>O.R.S. 18.395</b></p> <p>\$40,000 in equity for individual debtor; \$50,000 in equity for joint debtors. Also applies to proceeds of sale of residence for one year. <b>[ORS 18.395]</b> However, if the debtor is entitled to use the homestead exemption for a state other than Oregon, the amount allowed to be exempted may not exceed \$125,000 if the home was acquired within 1,215 days prior to filing for bankruptcy, unless the property is the principal residence of a family farmer, or unless the debtor "rolled over" equity into a new residence from a prior residence owned in the same state during such 1,215-day period. Moreover, a state law homestead exemption is reduced by the amount that the value of the exemption is attributable to any property disposed of by the debtor during the preceding 10 years with the intent to hinder, delay, or defraud a creditor, to the extent the property disposed was not exempt at the time of its disposition.</p>
Motor Vehicle	<p><b>11 U.S.C. 522(d)(2)</b></p> <p>\$3,675 in equity in a vehicle. May be claimed by each debtor in a joint case. If a vehicle is jointly owned, each debtor may an exemption in the same vehicle.</p>	<p><b>O.R.S. 18.345(1)(d)</b></p> <p>\$3,000 in equity in a vehicle. May be claimed by each debtor in a joint case. If a vehicle is jointly owned, each debtor may claim an exemption in the same vehicle.</p>
Household Goods	<p><b>11 U.S.C. 522(d)(3)</b></p> <p>\$12,250 in value in household furnishings, household goods, wearing apparel, appliances, animals, crops or musical instruments held primarily for the personal, family or household use of the debtor or a dependant of the debtor, provided, however, that the equity in any single item may not exceed \$575. This exemption may be claimed by each debtor in a joint case.</p>	<p><b>O.R.S. 18.345(1)(f)</b></p> <p>Furniture, radios, a television set and utensils: \$3,000 plus provisions and fuel as required for support of householder and family for 60 days.</p>
Wearing Apparel, Jewelry, and Other Personal Items	<p><b>11 U.S.C. 522(d)(4)</b></p> <p>\$1,550 in value in jewelry held primarily for the personal, family, or household use of the debtor or a dependent of the debtor.</p>	<p><b>O.R.S. 18.345(1)(b)</b></p> <p>\$1,800 for individual debtor; \$3,600 for joint debtors in wearing apparel, jewelry or other personal items.</p>
Other Property (Wild Card Exemption)	<p><b>11 U.S.C. 522(d)(5)</b></p> <p>The amount of the wild card exemption</p>	<p><b>O.R.S. 18.345(1)(o)</b></p> <p>The amount of that exemption (which may</p>

<b>COMMON EXEMPTIONS</b>		
<b>Property</b>	<b>Federal Law</b>	<b>Oregon Law</b>
	is significantly more generous, allowing each debtor to exempt \$1,150 plus up to \$10,825 in any unused homestead exemption. This exemption (which may be doubled for joint debtors) is <u>not</u> subject to the restriction that this exemption “may not be used to increase the amount of any other exemption.” It is not necessary for a debtor to claim a homestead exemption in order to claim the additional \$10,825 wild card exemption provided by federal law.	be doubled for joint debtors) is \$400 and “may not be used to increase the amount of any other exemption.” This means that a debtor may not use his or her \$400 wild card exemption to increase the amount of, for example, his or her <i>motor vehicle</i> exemption.
Tools of the Trade	<b>11 U.S.C. 522(d)(6)</b>  \$2,300 in value in any implements, professional books, or tools of the trade of the debtor or the trade of a dependent of the debtor.	<b>O.R.S. 18.345(1)(c)</b>  \$3,000 for an individual debtor or \$6,000 for joint debtors. Includes a library necessary for the debtor’s occupation.
Unmatured Life Insurance	<b>11 U.S.C. 522(d)(7)</b>  Any unmaturred life insurance contract owned by the debtor, other than a credit life insurance contract.	Possible exemptions include:  <b>O.R.S. 743.047</b> (Group Life Insurance)  <b>O.R.S. 743.046</b> (Cash Surrender Value for an individual life insurance policy that is not an annuity)  <b>O.R.S. 743.050</b> (Proceeds from health insurance policies)
Loan Value of Unmatured Life Insurance Contract	<b>11 U.S.C. 522(d)(8)</b>  The debtor’s interest, not to exceed \$11,525, less automatic premium loan payments, in any accrued dividend or interest under, or loan value of, any unmaturred life insurance contract owned by the debtor under which the insured is the debtor or an individual of whom the debtor is a dependent.	Possible exemptions include:  <b>O.R.S. 743.047</b> (Group Life Insurance)  <b>O.R.S. 743.046</b> (Cash Surrender Value for an individual life insurance policy that is not an annuity)  <b>O.R.S. 743.050</b> (Proceeds from health insurance policies)
Professionally prescribed health aids	<b>11 U.S.C. 522(d)(9)</b>  Professionally prescribed health aids of the debtor or a dependent of the debtor.	<b>O.R.S. 18.345(1)(h)</b>  Professionally prescribed health aids of the debtor or a dependent of the debtor.
Social Security, Disability, Retirement and other Benefits replacing wages	<b>11 U.S.C. 522(d)(10)</b>  Social security and disability payments are fully exempt. Payments from pensions or profit sharing plans made on account of illness, disability, age or length of service are exempt to the extent reasonably necessary for the support of the debtor and his or her dependents. Payments under pensions, stocks bonuses and profit sharing are	<b>42 U.S.C. 407</b> (Social Security)  <b>O.R.S. 411.760</b> (Public Assistance)  <b>O.R.S. 657.855</b> (Unemployment)  <b>O.R.S. 344.580</b> (Vocational Rehabilitation Payments)  <b>33 U.S.C. 916</b> (Longshoremen’s & Harbor Worker’s Compensation)



<b>COMMON EXEMPTIONS</b>		
<b>Property</b>	<b>Federal Law</b>	<b>Oregon Law</b>
	not exempt if the plan was established by an insider of the debtor or the contract does not qualify as tax exempt under the Internal Revenue Code.	<p><b>O.R.S. 656.234</b> (Worker's Compensation)</p> <p><b>O.R.S. 18.358</b> (Pensions, Retirement Plans, IRA or Keogh Plans)</p> <p><b>O.R.S. 238.445</b> (Public Employees Retirement Fund)</p>
Right to Compensation for Injury and Lost Earnings	<p><b>11 U.S.C. 522(d)(11)</b></p> <p>(1) An award under a crime victim's reparation law;</p> <p>(2) Payment for wrongful death of an individual of whom the debtor was a dependent to the extent reasonably necessary for the support of the debtor and his or her dependents;</p> <p>(3) Payment under a life insurance contract that insured the life of an individual of whom the debtor was a dependent on the date of such individual's death, to the extent reasonably necessary for the support of the debtor and his or her dependents;</p> <p>(4) Payment, not to exceed \$21,625 on account of personal bodily injury, not including pain and suffering, or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent;</p> <p>(5) Payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and his or her dependents.</p>	<p><b>O.R.S. 18.345(1)(j)</b> (Crime victim's award)</p> <p><b>O.R.S. 18.345(1)(k)</b> (Payment, not to exceed \$10,000, for personal bodily injury of the debtor or an individual of whom the debtor is a dependent)</p> <p><b>O.R.S. 18.345(1)(l)</b> (Loss of future earnings of the debtor or an individual of whom the debtor is a dependent to the extent reasonably necessary for the support of the debtor and his or her dependents)</p>
Retirement Funds	<p><b>11 U.S.C. 522(d)(12)</b></p> <p>Must be in a fund or account that is tax exempt under the Internal Revenue Code.</p>	<p><b>O.R.S. 18.345(1)(j)</b> (Crime victim's award)</p> <p><b>O.R.S. 18.345(1)(k)</b> (Payment, not to exceed \$10,000, for personal bodily injury of the debtor or an individual of whom the debtor is a dependent)</p> <p><b>O.R.S. 18.345(1)(l)</b> (Loss of future earnings of the debtor or an individual of whom the debtor is a dependent to the extent reasonably necessary for the support of the debtor and his or her dependents)</p>
Books, Pictures, Musical Instruments	No federal exemption. (can use wildcard)	<b>O.R.S. 18.345(1)(a)</b>

<b>COMMON EXEMPTIONS</b>		
<b>Property</b>	<b>Federal Law</b>	<b>Oregon Law</b>
		Exempt to a value of \$600.
Domestic Animals and Poultry	No federal exemption.  (can use wildcard)	<b>O.R.S. 18.345(1)(e)</b>  Exempt to a value of \$1,000 and food sufficient to support the animal(s) for up to 60 days. Must be kept for family use.
Earned Income Credit	No federal exemption.(see wildcard)	<b>O.R.S. 18.345(1)(n)</b>
Spousal Support and Child Support	<b>11 U.S.C. 522(d)(10)(D)</b>  Exempt to the extent reasonably necessary for the support of the debtor and his or her dependents.	<b>O.R.S. 18.345(1)(i)</b>  Exempt to the extent reasonably necessary for the support of the debtor and his or her dependents.
Veterans Benefits	<b>11 U.S.C. 522(d)(10)</b>	<b>O.R.S. 18.345(1)(m)</b>
Wages	No federal exemption.  (can use wildcard)	<b>O.R.S. 18.385</b>  Disposable (net) earnings for individuals are exempt unless they are in excess of the following amounts: paid weekly - \$196, paid biweekly - \$392, paid semi-monthly - \$420 or paid monthly - \$840. If the disposable net earnings are more than the foregoing figures, then the lesser of (1) the amount by which the disposable earnings exceed the foregoing figures, or (2) 25% of the disposable earnings may not be exempt and can become a part of your bankruptcy estate.
Firearms	No federal exemption.  (can use wild card)	<b>O.R.S. 18.362</b>  Every citizen above the age of 16 may claim an exemption of \$1,000 (total value) in one pistol and one rifle or one shotgun.