

Fill in this information to identify your case:

Debtor 1	_____	_____	_____
	First Name	Middle Name	Last Name
Debtor 2 (Spouse, if filing)	_____	_____	_____
	First Name	Middle Name	Last Name
United States Bankruptcy Court - District of Hawaii			
Case number (If known)	_____		

Local Form H2016rr (7/16)

Rights and Responsibilities of Chapter 13 Debtors and Attorneys

A debtor in a Chapter 13 bankruptcy case must understand the debtor's rights and responsibilities. The debtor must also know and understand his or her attorney's responsibilities and the importance of communicating with the attorney to make the case successful. In order to assure a mutual understanding of these rights and responsibilities in the bankruptcy process, the debtor and the attorney agree as stated below. Reference to a debtor includes both Debtor 1 and Debtor 2 in a joint case.

BEFORE THE PETITION IS FILED

DEBTOR agrees to:

1. Discuss with the attorney the debtor's objectives in filing the bankruptcy case.
2. Inform the attorney of any and all prior bankruptcy cases filed by the debtor or a spouse.
3. Provide the attorney with accurate, complete information about the debtor's financial situation, including assets and debts, income and expenses, domestic support obligations such as alimony, child support, and divorce agreements, and the status of tax returns and payments.
4. Provide the names and addresses of creditors to be notified of the bankruptcy case and automatic stay, including any address where the creditor has requested correspondence and notices be sent (as opposed to addresses to send payments).
5. For the time period specified by the attorney, timely provide copies of:
 - a. Pay stubs or other evidence of compensation received from an employer;
 - b. All federal tax returns or transcripts of the returns; and
 - c. All bills, notices, statements, or communications from creditors.

ATTORNEY agrees to do the following personally:

1. Meet with the debtor to review the debtor's financial information and discuss the alternatives of filing a case under Chapter 7 or Chapter 13, as well as non-bankruptcy options.
2. Explain to the debtor the need to obtain credit counseling before filing the bankruptcy petition and to complete a debtor education course after filing the petition, and emphasize the difference to the debtor.
3. Explain to the debtor the matters in which the attorney will represent the debtor and describe the services that are being excluded.
4. Explain to the debtor the petition, schedules, statements, plan, and any other documents to be filed on the debtor's behalf and that they must be signed by the debtor under penalty of perjury.

5. If filed online, ensure that the debtor's original signature is obtained on the petition and any documents filed together with the petition before the petition is filed, and explain that the attorney must retain the originally signed documents (or digital copies thereof) for one year after the bankruptcy case is closed.
6. Prepare (or, if prepared by a member of the attorney's staff, review) the petition, schedules, statements, plan and plan motions to value collateral or to avoid liens to be filed with the petition.
7. Advise the debtor that, unless an extension is granted, a failure to file the required schedules, statements, and plan by certain deadlines may result in dismissal of the case with a 180-day bar to refiling.
8. Explain which payments will be made directly by the debtor and which payments will be made by the trustee to creditors through the plan, with particular attention to mortgage and vehicle loan or lease payments, as well as any other claims that accrue interest.
9. Explain that the debtor must make monthly plan payments to the trustee beginning 30 days after the petition is filed (even before the plan is confirmed).
10. Explain to the debtor how, when, and where to make the plan payments to the trustee, and discuss the availability of a wage order as a means to ensure timely plan payments.
11. Explain to the debtor how the fees of the attorney and the trustee will be paid, and provide to the debtor an executed copy of this Rights and Responsibilities of Chapter 13 Debtors and Attorneys.
12. Explain that the court will send a notice of the date, time, and location of the §341 meeting of creditors and advise the debtor of the requirement to attend the meeting and be questioned under oath.
13. Advise the debtor of the need to maintain liability, collision, and comprehensive insurance on vehicles securing loans or leases, and any appropriate insurance if the case involves a business.
14. Advise the debtor that failure to file current and any delinquent tax returns will prohibit confirmation of a plan, delay the case, and may result in dismissal of the case.
15. Advise the debtor that for each year during the bankruptcy case, the debtor must provide the Trustee with copies of all federal and state tax returns, or transcripts of the returns, and must turn over any tax refunds to the Trustee, or the case may be dismissed.
16. Advise the debtor that court approval is required for post-confirmation sales of real or personal property and any new debt exceeding \$1,000.

AFTER THE PETITION IS FILED

DEBTOR agrees to:

1. Appear punctually at the § 341 meeting of creditors with a government issued photo ID, proof of Social Security number, proof of income, and financial documentation requested by the attorney or Trustee.
2. Timely make the required plan payments – including the turnover of tax refunds - to the Trustee, and timely pay any creditors being paid directly, such as mortgages and payments on car loans and leases.
3. Timely pay any domestic support obligations, such as alimony and child support.
4. Promptly inform the attorney if the debtor loses his or her job or has other financial problems, including missing payments to the Trustee, on a mortgage or other secured debt, or domestic support obligation.

5. Provide the Trustee annually with copies of the federal and state tax returns and, if the Trustee requests, updated schedules "106I" and "106J" for income and expenses, and a statement of monthly income that shows how income, expenditures, and monthly income are calculated.
6. Keep the Trustee and the attorney informed of the debtor's current address and telephone number.
7. Inform the attorney of any debt collection efforts, including wage garnishments or attachments of assets, which occur or continue after the filing of the case, and if the debtor is sued or wishes to file a lawsuit against someone.
8. Contact the attorney before buying, refinancing, or selling real property and before entering into any loan agreements to find out what approvals are required.
9. Maintain liability, collision and comprehensive insurance on vehicles securing loans or leases, and appropriate insurance if the case involves a business.
10. Complete a personal financial management ("debtor education") course from an approved agency prior to making the last payment due under the plan.
11. At the time of the last plan payment, certify that all domestic support obligations have been paid.

ATTORNEY agrees to personally:

1. Appear at the § 341 meeting of creditors with the debtor or, in an emergency, arrange at no cost to the debtor for another attorney to appear on behalf of the debtor; and, if not an emergency, obtain the debtor's consent to having another attorney appear with the debtor at the meeting, and ensure that the substitute attorney is thoroughly familiar with the debtor's situation.
2. Review all statements, schedules, and other documents to be filed on behalf of the debtor, and ensure that any requisite amendments in accordance with information provided by the debtor are filed timely.
3. Respond to objections to plan confirmation, and where necessary, prepare an amended plan.
4. After plan confirmation, promptly prepare, file, and serve a motion to modify the confirmed plan if suspending, lowering, or increasing plan payments or duration is in the debtor's best interest.
5. When appropriate, prepare motions to buy, sell, or refinance real property, and motions to avoid liens and to value collateral.
6. Object to improper or invalid claims, if necessary, and file a claim on behalf of the debtor when failure to do so will adversely affect the debtor's case or its successful completion and discharge, or such failure will adversely affect the debtor after case completion and discharge.
7. Represent the debtor in motions for relief from stay and motions to dismiss.
8. Respond promptly to creditor inquiries and any requests by the Trustee for information.
9. Respond promptly to the debtor's questions and inquiries during the pendency of the case.
10. Ensure that the debtor's postpetition responsibilities, including submission of annual reports, tax returns and refunds to the Trustee, are monitored and reviewed.
11. Provide such other legal services as are necessary for the administration of the case. Although representation or non-representation in an adversary proceeding may be the subject of a separate agreement, the attorney must seek to withdraw from the case if additional services will not be provided.

ATTORNEY FEES

Fixing the attorney fees for a chapter 13 case is a two-step process. First, the attorney and the client must agree upon an amount. Second, the court must decide whether that amount is reasonable.

Normally, in order to obtain the court's approval of attorney fees, the attorney must file a detailed application listing specific work done on specific dates. However, the court will approve chapter 13 debtor's attorney fees without a detailed application in order to make routine cases faster and less expensive. The total amount of attorney fees will be approved as part of plan confirmation so long as the amounts being charged are not greater than certain amounts presumed by the court to be reasonable for particular services. The total amount of fees that will be approved will depend on the number and complexity of the issues in the case. Issues that make a case more difficult and more expensive usually involve an ongoing foreclosure, repossession, or garnishment; delinquent tax returns or payments; alimony, child support, and other domestic obligations that are past due; asking the court to value property that secures a mortgage or loan; and requesting the court to make a lien or security interest void.

For cases filed on and after July 1, 2016, the court has decided the following amounts are reasonable for services that an attorney normally performs before a plan is confirmed. These amounts include associated costs.

- For basic services, the attorney may charge **\$3,600**. If the plan is confirmed without a continuance of the initially scheduled confirmation hearing, the attorney may charge **\$3,900**.
- If the debtor owns real property which is involved in a foreclosure or which is likely to be the subject of a dispute, for services performed prior to the 1-year anniversary of the date the petition is filed or the case is converted to chapter 13, whichever is later, the attorney may charge an additional **\$700**.
- If the debtor is involved in an ongoing repossession of a vehicle or other personal property, or if the debtor is the subject of a wage garnishment, the attorney may charge an additional **\$450**.
- If the debtor wishes to file a plan related motion to avoid a lien on personal property or a plan related motion to value collateral with respect to personal property, the attorney may charge an additional **\$200** per motion. (The total additional charge, however, for these types of motions may not exceed **\$500**.)
- If the debtor wishes to file a plan related motion to avoid a lien on real property or a plan related motion to value collateral with respect to real property, the attorney may charge an additional **\$300** per motion. (The total additional charge, however, for these types of motions may not exceed **\$700**.)
- If the debtor wishes to extend or impose the automatic stay in a case filed after dismissal of one or more prior cases during the previous year, the attorney may charge **\$450**.
- If there are unfiled tax returns due, the attorney may charge an additional **\$250**.
- If the debtor operates a business that is the debtor's principal source of income (more than 50%), the attorney may charge an additional **\$1,700**.

The fee amounts above are amounts that the court will approve as part of plan confirmation. In some cases, the above amounts may be more or less than what is needed to fairly compensate the attorney. The attorney and the client may agree to lesser amounts. But if the attorney and the client agree upon higher amounts, the attorney must file a detailed application and obtain the court's approval. The court always has the power to increase or decrease the amount to which the attorney and the client have agreed.

The debtor may pay all or part of the attorney fees before the petition is filed, but the attorney may not accept more than the amounts stated above. The attorney may withdraw from the client trust account the amount of prepaid fees attributable to services actually performed prepetition, but the withdrawal must be made before the filing of the petition. Postpetition, the attorney may not withdraw any funds from the trust account without court approval. After entry of the confirmation order approving fees, the attorney will withdraw any balance in the client trust account before the Chapter 13 Trustee makes any distribution to the attorney under the plan.

In some cases, the attorney has to do more work than expected after the plan is confirmed. If this occurs, the attorney may ask the court to approve additional fees. The Chapter 13 Attorney Fee Guidelines include fee amounts for certain post-confirmation services. If the court approves additional fees and the plan funding remains sufficient to pay in full all administrative expenses, secured claims, priority claims, and any claims placed in a special class for full payment, the Chapter 13 Trustee ordinarily will pay them, unless the court orders otherwise. After the bankruptcy petition is filed, the attorney may not receive any fees directly from the debtor or from anyone else on the debtor's behalf unless the court gives permission; the attorney may, however, request and receive a retainer from the debtor or another party and deposit it in the attorney's trust account, but the attorney may not draw on the retainer without the court's approval.

If the debtor and the attorney do not agree on the amount of additional fees to be charged for services that were not expected, the attorney may ask the court for permission to withdraw from the case. However, the attorney must continue to provide legal services until the court approves the attorney's withdrawal.

Continued on next page.

Check either Box 1 or Box 2:

1. The Debtor and Attorney agree that, in the circumstances of this case, the fee amounts set forth above may not represent reasonable compensation for the Attorney's services. The Attorney will file applications for compensation and will accept such compensation as the court allows.
2. The Debtor and Attorney agree that this case involves the following services and fee amounts:

Basic services (not more than \$3,600) + additional \$300 if confirmed without a continuance of the initially scheduled confirmation hearing	\$
Real property foreclosure or dispute (not more than \$700)	\$
Repossession or garnishment (not more than \$450)	\$
Avoidance of lien(s)/valuation of collateral (<u>personal</u> property) - not more than \$200 /motion (\$500 maximum)	\$
Avoidance of lien(s)/valuation of collateral (<u>real</u> property) - not more than \$300 /motion (\$700 maximum)	\$
Extension or imposition of automatic stay - not more than \$450	\$
Unfiled tax returns (not more than \$250)	\$
Operation of business that is principal source of income (not more than \$1,700)	\$
Total of fee components being charged in this case:	\$
Amount debtor paid before the petition was filed (filing fee not included):	\$
Amount attributable to services performed prepetition and withdrawn prepetition from client trust account:	\$
Balance of attorney fees and costs to be paid by Trustee through the plan:	\$

THIS AGREEMENT SUPERSEDES ANY OTHER AGREEMENT BETWEEN DEBTOR(S) AND ATTORNEY REGARDING SERVICES TO BE PERFORMED IN CONNECTION WITH THIS BANKRUPTCY CASE.

x _____
Attorney for Debtor(s)

x _____
Debtor 1

x _____
Debtor 2

Dated: _____

Dated: _____

Dated: _____