



Thank you for asking us to help review your options regarding your financial issues. My name is Diane L. Drain. Since 1985 I have been a lawyer, law professor, mentor to other lawyers and counselor. As such I am committed to educating you about financial issues you are facing, advising you as to the best options available and helping you plan for a peaceful future. I know you are scared right now, but my entire staff will do our best to help you through this very difficult time. By filling out this form you are not committing to file bankruptcy or use our office.

I realize this is a lengthy questionnaire. Please understand that I take my obligation to you very seriously. Asking for advice about bankruptcy is similar to asking your doctor to diagnose a serious medical problem. A good doctor will never give you advice without first obtaining a battery of tests: blood, x-rays, etc. The following information is my battery of tests. This information is absolutely necessary for a good bankruptcy lawyer to offer competent advice I want to get you out of trouble, not put you into danger. You will only work with me, Jay my paralegal, or Michelle our law clerk. We never farm any work out to others.

The following questions will help us understand your unique situation; which allows us to give you good advice about your various choices. These options could be a workout or, if absolutely necessary, a bankruptcy. If bankruptcy is appropriate, then we will discuss:

- what type of bankruptcy is best for you to accomplish what you need/want
- the best time for filing a bankruptcy
- how to deal with your creditors before, during and after bankruptcy
- what not to do with your bank account
- other precautions you need to take before filing a bankruptcy.

We know that you are anxious to talk to Ms. Drain, therefore please be thorough in completing this form so that we can call you without delay. Pay particular attention to filling out the means test. Once Jay receives your form he will do a little work and then give it to me so that I can call you to schedule your free 30-minute telephonic appointment. If you are married both you and your spouse will need to be on the phone for this phone consultation. Again, this is all free.

During the telephonic discussion Ms. Drain will review each page of this form, discuss the Arizona exemptions and answer your questions. In order to prepare for this phone conference please print a copy of the Arizona exemptions for your reference (see link below). It is a good idea to make a list of your questions before the meeting. That way you can refer to your list and make certain that all your questions were answered. At the end of the phone call I will quote a fee for my services based on the information in this form and your needs or wants. The quote is limited to the circumstances you disclose and is valid for 3 months following the telephonic discussion.

Make sure you (and your spouse, if married) watch the 9 short videos about the basics of bankruptcy before sending us this form. Send this form by e-mail ([jay@dianedrain.com](mailto:jay@dianedrain.com)), fax (602-249-1969) or mail: One East Camelback, Suite 550, Phoenix, Arizona 85012. Please use black ink or type the answers so that it is easy to read.

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**GENERAL INFORMATION FOR AN INDIVIDUAL OR MARRIED COUPLE**

First Name	Complete Middle Name	Last Name
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Last four digits of your Social Security Number	Date of Birth
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Street Address

City	State	Zip
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County of Residence	How long have you lived in Arizona?
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If you did not live in AZ for 2 years or more, list where you lived and for how long?

Home Phone	Cell Phone	Email Address
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<b>Spouse's</b> First Name	Complete Middle Name	Last Name
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Last four digits of Social Security Number	Date of Birth	Date of Marriage
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Home Phone (if different from above) :	Cell Phone:	Email Address:
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Address if living separately ((note for attorney: file 707(b)(7)(B) certificate))

City	State	Zip
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**Information about people who live with you or that you deduct on your tax returns.**

Name	Age	Relationship to You	Is this person living with you?
1. _____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. _____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. _____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. _____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

How did you find out about our services? \_\_\_\_\_ (if the Internet - what resource?)

Yes  No Have you (or your spouse) ever filed bankruptcy before? If yes, list year, state and case number. \_\_\_\_\_

Yes  No Are both you and your spouse filing this bankruptcy together?

If not, explain: \_\_\_\_\_

Yes  No If married, did just one spouse incur the debts before the marriage? If so, explain \_\_\_\_\_

Yes  No Have you (or your spouse) used any other name during the past 6 years? (Example: maiden name, last name from previous marriage, legal name change, etc.)

If yes, provide us with the name and approximate dates this name was used:

Name Used \_\_\_\_\_ Dates Used thru \_\_\_\_\_

Name Used \_\_\_\_\_ Dates Used thru \_\_\_\_\_

**IMPORTANT: So that Ms. Drain can help to guide you and, only if you elect to file a bankruptcy, what do you expect it to do for you?**

\_\_\_\_\_

**PLEASE ANSWER THESE GENERAL QUESTIONS:**

Yes  No I (and my spouse, if any) watched the educational videos about the bankruptcy process. (If not then please do so before sending this form to our office.)

Yes  No Is there a foreclosure or trustee's sale pending?

Yes  No Do you participate in any social media sites (twitter, Facebook, etc)? If so, have you ever said anything about assets you own or debts you owe? It is very important that you inform us of any of these statements or advertisements.

Yes  No Have you had or do you have any internet advertisements for sale or trade of any valuable assets? Is so, make sure to discuss this with Ms. Drain.

Yes  No Have you (or your spouse) ever used a false social security number or someone else's name to acquire debt? If so, it is very important that we talk about your situation. This is very serious and could be grounds for criminal action and/or deportation.

Yes  No Do you (or your spouse) own any property that was part of a bankruptcy in the last 2 years? If so, explain: \_\_\_\_\_

**The following are general questions to determine your current situation. If you are married then please answer the questions that are applicable to either you and/or your spouse.**

Yes  No Is there an emergency requiring immediate filing?

If so, why? \_\_\_\_\_

Yes  No Do you understand that a consumer must take two on-line courses as part of a bankruptcy; a credit counseling before filing and financial management after filing.

Yes  No Any back child support or alimony?

(Beware that your exempt property could be sold to pay back child support and/or alimony

Section 522(c)(1))

Yes  No Garnishment of wages or checking account?

- Yes  No Creditor calls at work/home/neighbors
- Yes  No Is a law suit pending or completed?
- Yes  No Is a landlord trying to evict you from your property?  
If so, did you landlord obtain a Forcible Entry & Detainer Order? When? \_\_\_\_\_
- Yes  No Other debt problems? Explain \_\_\_\_\_

**The following are certain issues that determine whether or not it is appropriate to file a bankruptcy and, if so, when to file.**

- Yes  No Is there a probable inheritance in the next 6 months?  
If so, explain \_\_\_\_\_
- Yes  No Was there a refusal of any inheritance in the last 6 years?  
If so, explain \_\_\_\_\_
- Yes  No Are there any pending or expected major medical expenses?  
If so, explain \_\_\_\_\_
- Yes  No **IMPORTANT: Do you expect a tax refund next year or any prior year?**  
If so, approximately how much. \_\_\_\_\_
- Yes  No Does an investment come dues any time in the future? (e.g.: investment coming payable or repayment of a loan)? If so, when and how much. \_\_\_\_\_
- Yes  No Is there a right to collect money or assets from anyone; even if you never expect to collect? If so, when and how much. \_\_\_\_\_

- Yes  No **Is there a personal injury claim pending or payable?**  
If so, when and how much. \_\_\_\_\_
- Yes  No Is there a right to sue anyone for anything?  
If so, explain \_\_\_\_\_
- Yes  No **In the last 4 years has there been a transfer of any property, sale or otherwise (land, cars, businesses, any items of value) to a friend or relative?**  
If so, describe \_\_\_\_\_
- Yes  No **In the last 2 years has there been a transfer, sale or otherwise, of any property (land, cars, businesses, any items of value) to anyone who was not a friend or relative?** If so, describe \_\_\_\_\_
- Yes  No Is there a debt owed to any friend or relative?  
If so, describe \_\_\_\_\_
- Yes  No In the last year has there been any payments on any debt owed to a friend or relative? If so, describe \_\_\_\_\_

**CREDIT CARDS, BANKS AND OTHER DEBTS:**

- Yes  No **Are there any business or non-consumer debts?** A business or non-consumer or personal debts include student loans, taxes, loans, credit card charges or leases used for business purposes\*. If so:
- (1) Approximate total of all personal debts (both secured and unsecured): \$ \_\_\_\_\_
- (2) Approximate total of all business or non-personal debts (secured and unsecured)\* \$ \_\_\_\_\_.
- \*Make sure to include debts for investment properties as secured business debts.
- \*Also include any monies you charged on your personal credit cards but used for business purposes.

**List the last year and month the credit cards were used:** \_\_\_\_\_

- Yes  No In the last 6 months were any charges/cash advances/balance transfers made of more than \$250? If so, how much, what card and what was purchased?
- \_\_\_\_\_

- Yes  No Were any credit cards used to pay taxes within the last year before filing? If so, when and how much \_\_\_\_\_
- Yes  No Were any items purchased at a store using the store's credit card and you still owe money on that card? For instance: Home Depot, Sears, or Best Buy.
- Yes  No If bankruptcy is in your future do you understand that you should stop using credit cards now?
- Yes  No Is any money owed to your current bank (credit cards, car loans, etc)? If bankruptcy is in your future please move to a new bank now. Request and use a debit card.
- Yes  No Are **IRS or Arizona Department of Revenue** owed back taxes? If so, explain what type of debt, year due, and when was return filed. \_\_\_\_\_
- Yes  No Has IRS/Arizona Department of Revenue garnished your wages or recorded a lien on your property? A lien is recorded with the County Recorder's office. If so, explain what type of debt, year due, when was return filed. \_\_\_\_\_
- Yes  No Are there any outstanding checks with payday loans? If so, consider closing the bank account that the post-dated checks were drawn on.
- Yes  No Are there any loans with a credit union? If so, it is best to move ALL your money out of the credit union.
- Yes  No Are there any student loans? If so, please understand that most student loans must be paid, despite your bankruptcy.
- Yes  No Are there any outstanding fines or penalties? (e.g.: court fines or tickets) If so, describe \_\_\_\_\_
- Yes  No Are there any **leases** on anything (cars, equipment, land)? If so, explain \_\_\_\_\_

### HOME, LAND AND VEHICLES

- Yes  No Do you (or your spouse) own a home or land anywhere in the world? Describe (e.g. 2 bed/3 bath, 1340 sq ft): \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, The name(s) on the title of the house or land: \_\_\_\_\_
- First lender: \_\_\_\_\_ Debt owed \$ \_\_\_\_\_ Arrears\* \$ \_\_\_\_\_
- Second lender \_\_\_\_\_ Debt owed \$ \_\_\_\_\_ Arrears\* \$ \_\_\_\_\_
- Third lender: \_\_\_\_\_ Debt owed \$ \_\_\_\_\_ Arrears\* \$ \_\_\_\_\_

\*arrears means the amount you are behind on your payments.

- Yes  No Is there a foreclosure or trustee's sale pending? If so, what is the date and time of foreclosure: \_\_\_\_\_
- If there is a sale, then provide copies of trustee sale documents and make sure that the trustee's name is listed below as a creditor. It is your responsibility to confirm this date and to keep track of the date at all times; including the entire time your bankruptcy is pending. This office will not monitor the date of sale for you, but we be happy to answer your questions.**

- Yes  No **VERY IMPORTANT: Is the home loan a VA loan (if so, personal liability)?**
- Yes  No Is there or has there been a modification of any of the home loans? If so, was this a permanent modification? \_\_\_\_\_
- Yes  No **Is there a homeowner's association?**
- Yes  No Are the homeowner's association payments current?

If not, when was a last payment made? \_\_\_\_\_ Arrears \$ \_\_\_\_\_

If not, is there a lawsuit threatened or filed?  \_\_\_\_\_

Yes  No Do you understand that the bankruptcy will not allow you to keep your home unless you pay the homeowner's dues?

Yes  No Do you understand that as long as you own the property the bankruptcy will probably not protect you from being sued for homeowner's dues owed AFTER filing the bankruptcy?

Yes  No In the last 10 years have any large mortgage payments been made in addition to the regular monthly payment? If so, describe

\_\_\_\_\_

Yes  No **Is there another home or land?**

Describe (e.g. 2 bed/3 bath, 1340 sq ft): \_\_\_\_\_ Fair market value \$ \_\_\_\_\_,

The name(s) on the title of the house or land: \_\_\_\_\_

First lender: \_\_\_\_\_ Debt owed \$ \_\_\_\_\_ Arrears\* \$ \_\_\_\_\_

Second lender \_\_\_\_\_ Debt owed \$ \_\_\_\_\_ Arrears\* \$ \_\_\_\_\_

Third lender: \_\_\_\_\_ Debt owed \$ \_\_\_\_\_ Arrears\* \$ \_\_\_\_\_

Yes  No Is there a pending foreclosure or trustee's sale?

If so, what is the date and time of foreclosure: \_\_\_\_\_

Yes  No **Is there a homeowner's association on this second property?**

Yes  No Are the homeowner's association payments current?

Yes  No If not, when was a last payment made? \_\_\_\_\_ Arrears \$ \_\_\_\_\_

Yes  No **Is there any other real estate?** (e.g. house, land, time shares, etc)

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

**Note** - if you are behind on your house payments: here is a link to the Home Affordable Modification Program (HAMP):

[http://www.justice.gov/ust/eo/public\\_affairs/consumer\\_info/docs/HAMP\\_Fact\\_Sheet.pdf](http://www.justice.gov/ust/eo/public_affairs/consumer_info/docs/HAMP_Fact_Sheet.pdf) You can also go to: [Making Home Affordable](http://www.makinghomeaffordable.gov) at [www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov) (federal web site).

### VEHICLES

Yes  No List all vehicles in your name (or that of your spouse), no matter who is driving that vehicle. List all debts on any of those vehicles. List the fair market value of each vehicle. Resources for fair market value: [www.kbb.com](http://www.kbb.com) (private party value) or [www.edmunds.com](http://www.edmunds.com) or [www.NADA.com](http://www.NADA.com) I cannot give you good advice without the fair market value.

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

Date Purchased \_\_\_\_\_ Name on title \_\_\_\_\_

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

Date Purchased \_\_\_\_\_ Name on title \_\_\_\_\_

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

Date Purchased \_\_\_\_\_ Name on title \_\_\_\_\_

Describe: \_\_\_\_\_ Fair market value \$ \_\_\_\_\_, Debt owed \$ \_\_\_\_\_

Date Purchased \_\_\_\_\_ Name on title \_\_\_\_\_

(no redemption in 13 if purchased in last 2 1/2 years)

Yes  No Are you (or your spouse) handicapped?

Yes  No Did you refinance any of these vehicles after they were originally purchased?

Yes  No Did you (or your spouse) currently finance any of these vehicles with a credit union?

### ASSETS: INCLUDING BUSINESSES:

Yes  No Is there an interest in any business?

If so, what would a third party pay for that interest in the business? \_\_\_\_\_

Yes  No Does the business have any assets, inventory, or contracts? \_\_\_\_\_

Yes  No Does the business have any leases on anything (cars, equipment, land)?

If so, explain \_\_\_\_\_

Yes  No Do you understand that by filing for bankruptcy you may surrender your ability to control your business? This result will differ if filing a chapter 11 or 13.

Yes  No Where there any personal guarantees of any company debts (includes leases, credit cards, or other extensions of credit)?

If so, explain \_\_\_\_\_

Yes  No Are there any valuable items that you are concerned about losing?

If so describe, include their value: \_\_\_\_\_

Yes  No Are there any items that are **not** on the attached [exemption](#) list?

If so, list item, including fair market value: \_\_\_\_\_

Yes  No Are there any luxury items that total more than \$50,000 (businesses, stock, investments, land, etc)?

If so, explain \_\_\_\_\_

Yes  No Were any household furnishings, jewelry or vehicles used as security for a loan (e.g., they were listed as collateral on the loan documents)? (If so, YOU MUST USE ACTUAL REPLACEMENT VALUE (506(a)(2)) and additional legal action will be necessary in Bankruptcy Court.)

Yes  No Is there a trust?

If so, is it revocable or irrevocable (can you change the trust)? \_\_\_\_\_

If so, describe the assets in the trust: \_\_\_\_\_

Yes  No Are there any stocks, bonds (including savings bonds) or mutual funds?

If so, describe \_\_\_\_\_

Yes  No Are there any retirement accounts?

If so, describe \_\_\_\_\_

Yes  No In the last 120 days have any contributions be made into those account(s)?

**NOTE:** Make absolutely certain that your retirement accounts are ERISA qualified.

You can talk to your employer, HR, or plan administrator, or the word ERISA may be on your plan summary. This is VERY important.

Yes  No Is there an education IRA or a qualified state tuition program (521c)?

If so, were those funds deposited more than 1 year ago? \_\_\_\_\_ 2 years ago \_\_\_\_\_?

(541(b)(5) &(6))

Note - must record "record of interest with court" - Section 521 (c)

**MISCELLANEOUS**

- Yes  No Are you in the middle of a divorce or separation?  
 Yes  No Have you (or your spouse) been divorced in the last 3 years?  
 Yes  No If so, are there any assets that are still to be delivered to you (or your spouse)?

If so, List the assets, their value and when you are to take control. \_\_\_\_\_  
 Yes  No Are there any sole and separate assets? Sole and separate assets are those brought into the marriage, given to you (or your spouse) during marriage by someone who is not your spouse, inherited, or purchased from income of your sole and separate property and THAT WERE NEVER COMINGLED. Make sure to include the resale value.

If so, list item, including fair market value: \_\_\_\_\_  
 Yes  No Are there any **co-debtors**? In other words did anyone else (parent, friend or ex-spouse) sign on any of your debts?  
 Yes  No Have you (or your spouse) filed **all** required income tax returns, both federal and state? IF NOT, THOSE RETURNS MUST FILED WITH THE TAX AUTHORITIES BEFORE YOUR BANKRUPTCY CAN BE FILED. We do not give tax advice, but can refer you to a tax expert.

Yes  No In the last year were there any bounced checks which have not been paid?  
 Yes  No Is there a storage unit off your property?

If so, what items are in that unit, plus their fair market value. \_\_\_\_\_

Yes  No Is there any property in pawn? Has the redemption period run? (541(b)(8))?

Yes  No Were all the loan applications signed in the last 10 years truthful?

Yes  No Are there any judgments or threatened lawsuits for destruction of property or injury inflicted (like DUI)? If so, explain: \_\_\_\_\_

Yes  No Do you understand that any debts from obtaining money, property, or services by fraud may survive the bankruptcy?

Yes  No Do you understand that debts based on fraud while acting in a fiduciary capacity (such as embezzlement) may survive the bankruptcy?



## MONTHLY BUDGET

This form details how much you spend each month on living expenses. Be sure to include the MONTHLY (not yearly) amount for these expenses. Normally your utility bill is higher during the summer; therefore, list an average covering the last 12-month period. If your spouse does not reside in your home make a second copy of this budget and list their expenses.

<p><b>Housing Expenses</b> Rent (if you do not own your home) \$ _____ First mortgage payment or mobile home monthly payment \$ _____ Second mortgage (if applicable) \$ _____ Third mortgage (if applicable) \$ _____ Lot Payment (if applicable) \$ _____ Real estate taxes not included in your monthly house payment \$ _____ Insurance not included in house payment: \$ _____ Homeowner's Association fees: \$ _____</p> <p><b>Utilities (Normal Monthly Average)</b> Electricity and Gas \$ _____ Water \$ _____ Telephone \$ _____ Trash pickup (if not included in water) \$ _____ Cable \$ _____</p> <p><b>Basic Needs</b> Home Maintenance (homeowners only) \$ _____ Food (Monthly) \$ _____ Clothing (Monthly Expense) \$ _____ Laundry, dry cleaning. \$ _____ Medical expenses not paid by insurance \$ _____ Babysitter/Day Care Expenses \$ _____ Child Care Expenses \$ _____ School Expenses (do not include lunches)\$ _____</p> <p><b>Vehicles</b> Vehicle payment \$ _____ Lease? <input type="checkbox"/> Vehicle payment \$ _____ Lease? <input type="checkbox"/> Vehicle payment \$ _____ Lease? <input type="checkbox"/> Monthly average for all vehicles: gas, oil changes, maintenance, tags: \$ _____</p>	<p><b>Taxes</b> Taxes not deducted from your wages \$ _____ (such as self-employed - explain: _____)</p> <p><b>Insurance</b> Renters Insurance \$ _____ Life Insurance (not deducted from paycheck) \$ _____ Health Insurance (not deducted from paycheck) \$ _____ Automobile Insurance \$ _____ Disability Insurance \$ _____ Other Insurance \$ _____</p> <p><b>Other Expenses</b> Alimony or Child Support \$ _____ Payments for someone outside your home \$ _____ Professional Dues (not payroll deducted) \$ _____ Union Dues (not payroll deducted) \$ _____ Charitable Giving (if claimed on taxes) \$ _____ (include church, Goodwill, etc.) Student Loan Repayment \$ _____ College Tuition (not loans) \$ _____</p> <p>Other _____ \$ _____ Other _____ \$ _____</p> <p>Use the space below to describe any business monthly expenses that you must pay and are not reimbursed by your employer. Explain the type and amount of the expenses. Also explain how long you will continue to have these expenses:</p>          
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**TOTAL AMOUNT OF MONTHLY EXPENSES:** \_\_\_\_\_

## INCOME AND MEAN'S TEST ANALYSIS

**NOTES:** This test comes from the 2005 changes to the law. Neither you nor I like it, but it is the law. Please read the directions below because this is the most complicated area we will be discussing, but it is the most important. I cannot give you good advice unless you provide us accurate information. Call if you have any questions. Thanks for your understanding and patience.

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Are you (or your spouse) a disabled vet?
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Are you (or your spouse) currently or within the last 18 months on active duty or performing duties for homeland security?

- All income must be separated by employers and the individual receiving the income.
- **All income must be GROSS (before taxes and other deductions).**
  - List all income in the month actually received, not the month it was payable.
  - Make sure to include tips and bonuses in the month they were received.
  - If your income is commission-based, then list the exact amount earned in the month received.
  - Business income:
    - If earned as a sole proprietor - list all income in the month received.
    - If you are on salary with your LLC, S or C Corporation - include all income you actually received from the business, in the month it was paid to you by the business.
  - Include retirement income
  - Include disability income ; BUT MAKE SURE TO IDENTIFY IF IT IS SOCIAL SECURITY DISABILITY
  - Include Social Security, BUT MAKE SURE TO IDENTIFY THAT IT IS SOCIAL SECURITY
  - Include all monies received from **any** source, including money from cashing in retirement accounts, sales of large items, tax refunds, etc. Identify the source.
  - RENTS: include money from rents (after deducting amount paid for mortgage/HOA/utilities, etc).
  - If someone is living with you - include their **net** income even if they never give it to you. To calculate **net** income deduct their own expenses such as: taxes, insurance, expenses related to vehicles, medical, credit cards, student loans, other housing, business debts, etc.
  - Include all monies regularly received from gifts or loans from friends or relatives.
- The income must be for a full month; therefore use the last **full** 6 months, do **not** include the current month.
- It is better to list everything and then we can remove what does not apply to your situation.

**The following chart is an example of how to fill out the means test form:** Here is an example of a couple filing out this form. John and Mary are filling out this form on the 23<sup>rd</sup> of the June. They must list gross income received over the last full six months. They have a renter and their mother has been giving them \$200.00 a month for the last 5 months.

Name	Employer/Other	May	April	March	February	January	December
John	ABC Plumbing	891.12	218.17	809.62	951.00	514.52	733.54
	Joe's Bar & Grill	230.00	415.00	213.75	450.00	120.31	1,213.52
	Renter	300.00	300.00	300.00	300.00	300.00	300.00
Mary	\$ From Mother	200.00	200.00	200.00	200.00	200.00	
	Gifts	899.00	899.00	899.00	899.00	899.00	845.00
	Pension	1,012.00	1,012.00	1,012.00	1,012.00	1,012.00	1,012.00
	Yard Sales	300.00	150.00	1200.00	130.00	240.00	130.00

**\*\*\*NOW IT IS YOUR TURN. DO YOUR BEST, BUT PLEASE CALL IF YOU HAVE ANY QUESTIONS:**

Name	Employer/Other						

**Now stop.** Proceed forward only if your average gross income exceeds the following you will need to answer the rest of the questions set out below. Average gross income is determined by adding together all income for the last full 6 months and dividing it by 6. Include the income for everyone who lives in your home.

One person	Two People	3 people	Four people
\$3,437 per month	\$4,500 per month	\$4,543 per month	\$4,982 per month

If more than 4 people live in your home add \$625 per month. NOTE: these numbers change periodically. So verify the current amounts - [Click here for updated figures.](#)

**Instructions for the following questions:**

- 1) These expenses are **monthly**, not annual and not per pay check
- 2) These questions pertain NOT to what you actually paid or received over the last six months. Instead, these expenses are those that you will expend or should expend in the future (e.g.: what is the correct amount you should be deducting from your paycheck(s). Or, if you want but do not have life insurance, disability insurance, or health savings plan, etc.
- 3) Include all expenses, those deducted from your paychecks AND those that you pay directly in cash or by check.

**How to calculate monthly expenses:**

- If your income fluctuates then add all taxes for the 6 months above, including anticipated taxes on 1099 income, and divide by 6.
- If you are paid once a week then multiply the taxes from one paycheck by 52 and divide by 12 to come up with your true monthly taxes.
- If you are paid every two weeks then multiply the taxes from one paycheck by 26 and divide by 12 to come up with your true monthly taxes.

- 1) Monthly average taxes (federal, state, FICA, social security, Medicare, self-employment, etc). If you are married add both figures together as one number \$ \_\_\_\_\_
- 2) Monthly mandatory payroll deductions (employer forces you to pay: e.g. union dues, retirement) \$ \_\_\_\_\_
- 3) Monthly life insurance - monthly premium: \$ \_\_\_\_\_
- 4) Monthly Court ordered payments (such as child support/alimony that you pay) \$ \_\_\_\_\_
- 5) Monthly education expenses for employment or physically/mentally challenged child \$ \_\_\_\_\_
- 6) Monthly Childcare costs \$ \_\_\_\_\_
- 7) Monthly health insurance (include dental and all other insurance) \$ \_\_\_\_\_
- 8) Monthly health care such as co-pays, pharmacy, eye-glasses, dental, etc (out-of-pocket, not paid by insurance) \$ \_\_\_\_\_
- 9) Monthly disability Insurance \$ \_\_\_\_\_
- 10) Monthly health Savings account (flex accounts) \$ \_\_\_\_\_
- 11) Monthly expenses for the care of elderly, chronically ill or disabled member of your household who cannot pay their own expenses: \$ \_\_\_\_\_
- 12) Monthly protection against family violence \$ \_\_\_\_\_
- 13) Monthly education expenses for children under 18 \$ \_\_\_\_\_
- 14) Monthly charitable contributions \$ \_\_\_\_\_
- 15) Monthly additional business expenses not reimbursed by your employer(s) \$ \_\_\_\_\_
- 16) Monthly amount withheld to repay loans from retirement accounts \$ \_\_\_\_\_

**Additional issues:**

- 1) Amount of back taxes that you owe \$ \_\_\_\_\_ Year(s) tax debt due: \_\_\_\_\_
- 2) If you are behind on payments to secured creditors (house or car):  
Amount owed to bring loan current: \$ \_\_\_\_\_ Lender: \_\_\_\_\_  
Amount owed to bring loan current: \$ \_\_\_\_\_ Lender: \_\_\_\_\_  
Amount owed to bring loan current: \$ \_\_\_\_\_ Lender: \_\_\_\_\_  
Amount owed to bring loan current: \$ \_\_\_\_\_ Lender: \_\_\_\_\_

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**REMINDER:**

- Once you have completed Step One and questionnaire please send it to **JAY@DIANEDRAIN.COM** or fax it to 602-249-1969.
  - If you are faxing the form please use black pen or type (blue ink or pencil are rarely legible on a fax copy).
  - We know that you are anxious to talk to Ms. Drain; therefore we ask that you be thorough in finishing it so she can call you quickly.
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**IMPORTANT NOTICES REQUIRED BY LAW:**

*I really must apologize for asking that you read the sign the following. But, in 2005 Congress insisted that every consumer review and sign the following documents. If any attorney you are meeting with does not ask you to read and sign these same documents then run, do not walk, away. You do not want to work with an attorney who is willing to ignore the law. Ask yourself – “what type of service are they ultimately providing you”? Most likely theirs is a mass production law firm who does not care about their clients only the money they can charge. Therefore, in order for me to comply with the new 2005 law, please read and sign the documents set forth below. Thank you for your patience and understanding. Diane L. Drain*

**The following notices are required pursuant to 527(a)(2).** By signing below you acknowledge that:

- 1) You understand that all information that you are required to provide to complete any documents filed with the Bankruptcy Court must be complete, accurate and truthful;
- 2) You will fully and completely disclose all assets and all liabilities in the documents filed with the Bankruptcy Court;
- 3) You have fully disclosed all sources of income on any documents filed with the court;
- 4) You understand that any information set forth either in the documents filed with the Bankruptcy Court, or testified to under oath may be audited and that failure to provide accurate information may result in the dismissal of your bankruptcy case or other sanctions, including criminal sanctions;
- 5) You agree that a faxed or e-mailed signature shall be sufficient to indicate agreement to these notices.

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**UNITED STATES BANKRUPTCY COURT  
NOTICE TO INDIVIDUAL CONSUMER DEBTOR UNDER § 342(b) OF THE BANKRUPTCY CODE**

In accordance with § 342(b) of the Bankruptcy Code, this notice: (1) describes briefly the services available from credit counseling services; (2) describes briefly the purposes, benefits and costs of the four types of bankruptcy proceedings you may commence; and (3) informs you about bankruptcy crimes and notifies you that the Attorney General may examine all information you supply in connection with a bankruptcy case. You are cautioned that bankruptcy law is complicated and not easily described. Thus, you may wish to seek the advice of an attorney to learn of your rights and responsibilities should you decide to file a petition. Court employees cannot give you legal advice.

**Chapter 13: Repayment of All or Part of the Debts of an Individual with Regular Income**

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in installments over a period of time. You are only eligible for chapter 13 if your debts do not exceed certain dollar amounts set forth in the Bankruptcy Code.

**1. Services Available from Credit Counseling Agencies**

With limited exceptions, § 109(h) of the Bankruptcy Code requires that all individual debtors who file for bankruptcy relief on or after October 17, 2005, receive a briefing that outlines the available opportunities for credit counseling and provides assistance in performing a budget

analysis. The briefing must be given within 180 days before the bankruptcy filing. The briefing may be provided individually or in a group (including briefings conducted by telephone or on the Internet) and must be provided by a nonprofit budget and credit counseling agency approved by the United States trustee or bankruptcy administrator. The clerk of the bankruptcy court has a list that you may consult of the approved budget and credit counseling agencies.

In addition, after filing a bankruptcy case, an individual debtor generally must complete a financial management instructional course before he or she can receive a discharge. The clerk also has a list of approved financial management instructional courses.

## **2. The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debtors**

### **Chapter 7: Liquidation**

1. Chapter 7 is designed for debtors in financial difficulty who do not have the ability to pay their existing debts. Debtors whose debts are primarily consumer debts are subject to a “means test” designed to determine whether the case should be permitted to proceed under chapter 7. If your income is greater than the median income for your state of residence and family size, in some cases, creditors have the right to file a motion requesting that the court dismiss your case under § 707(b) of the Code. It is up to the court to decide whether the case should be dismissed.
2. Under chapter 7, you may claim certain of your property as exempt under governing law. A trustee may have the right to take possession of and sell the remaining property that is not exempt and use the sale proceeds to pay your creditors.
3. The purpose of filing a chapter 7 case is to obtain a discharge of your existing debts. If, however, you are found to have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge and, if it does, the purpose for which you filed the bankruptcy petition will be defeated.
4. Even if you receive a general discharge, some particular debts are not discharged under the law. Therefore, you may still be responsible for most taxes and student loans; debts incurred to pay non-dischargeable taxes; domestic support and property settlement obligations; most fines, penalties, forfeitures, and criminal restitution obligations; certain debts which are not properly listed in your bankruptcy papers; and debts for death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs. Also, if a creditor can prove that a debt arose from fraud, breach of fiduciary duty, or theft, or from a willful and malicious injury, the bankruptcy court may determine that the debt is not discharged.

### **Chapter 13: Repayment of All or Part of the Debts of an Individual with Regular Income**

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in installments over a period of time. You are only eligible for chapter 13 if your debts do not exceed certain dollar amounts set forth in the Bankruptcy Code.
2. 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, using your future earnings. The period allowed by the court to repay your debts may be three years or five years, depending upon your income and other factors. The court must approve your plan before it can take effect.
3. After completing the payments under your plan, your debts are generally discharged except for domestic support obligations; most student loans; certain taxes; most criminal fines and restitution obligations; certain debts which are not properly listed in your bankruptcy papers; certain debts for acts that caused death or personal injury; and certain long term secured obligations.

### **Chapter 11: Reorganization**

Chapter 11 is designed for the reorganization of a business but is also available to consumer debtors. Its provisions are quite complicated, and any decision by an individual to file a chapter 11 petition should be reviewed with an attorney.

### **Chapter 12: Family Farmer or Fisherman**

Chapter 12 is designed to permit family farmers and fishermen to repay their debts over a period of time from future earnings and is similar to chapter 13. The eligibility requirements are restrictive, limiting its use to those whose income arises primarily from a family-owned farm or commercial fishing operation.

### **3. Bankruptcy Crimes and Availability of Bankruptcy Papers to Law Enforcement Officials**

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury, either orally or in writing, in connection with a bankruptcy case is subject to a fine, imprisonment, or both. All information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the United States Trustee, the Office of the United States Attorney, and other components and employees of the Department of Justice.

**WARNING:** Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information regarding your creditors, assets, liabilities, income, expenses and general financial condition. Your bankruptcy case may be dismissed if this information is not filed with the court within the time deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

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“THE FOLLOWING DOCUMENT IS INTENDED TO BE ON A SEPARATE PAGE”

Notice required by Bankruptcy Code Section 527(b)

### **IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY**

If you decide to seek bankruptcy relief, you can represent yourself, hire a qualified bankruptcy attorney, or you are able to answer all questions related to bankruptcy – hire a bankruptcy petition preparer that is not an attorney. Under Arizona law the Arizona Supreme Court must license all Bankruptcy Petition Preparer and they may not give any legal advice, including explaining most of the terms contained in the bankruptcy forms. The law requires that any Attorney or Bankruptcy Petition Preparer give you a written contract specifying the work to be done and the fees to be charged.

Before filing any bankruptcy case you and your attorney should analyze your eligibility for different forms of relief available under the bankruptcy code and which type of bankruptcy relief is most beneficial for you. Be sure you understand that 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, must be prepared correctly and filed with the bankruptcy Court. You will have to pay a filing fee to the court. Within a few weeks after your case is filed with the Court you will be required to attend a meeting of creditors where the Trustee assigned to your case will swear you to tell the truth and ask you a few questions.

Creditors, should they be present, can also ask questions. In most cases no creditors are ever present.

If you choose a chapter 7 case, you may be asked by a creditor who has a lien on your car, computer, appliances or furniture to reaffirm a debt. You should first obtain legal counsel before making any decision related to reaffirming any debt. A creditor is not permitted to coerce or bully you into signing a reaffirmation agreement.

If you choose to file a chapter 13 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. A chapter 13 case can be used to pay arrears on your home, back taxes, child support, or your car. Normally you will also need legal assistance in planning for a successful chapter 13 filing and the confirmation process, which is part of every chapter 13 case. It is very rare for anyone to successfully complete a chapter 13 filing without being represented by an attorney.

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

Your bankruptcy case may also involve litigation. This is usually rare in a chapter 7 case. You can represent yourself - but it is a complicated process and one that you will rarely succeed in without legal counsel. Only an attorney can give you legal advice.

**Certificate of the Debtor(s)**

I (We), the debtor(s), affirm that I (we) have received and read the above notices.

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

X \_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Signature of Joint Debtor (if any)

Keep a copy of this entire document for your records.

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**THIS DOCUMENT IS INTENDED ONLY FOR USE OF POTENTIAL CLIENTS OF OUR FIRM.**

Reminder - even though you have signed these documents, at no time are you agreeing to file a bankruptcy. Current law requires that you receive all these disclosures and warnings. Again, I apologize for this burden.

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This firm is in the business to help people and companies understand their rights when faced with financial issues, including the filing for bankruptcy protection. Therefore, the Bankruptcy Code requires that we call our firm a "debt relief agency."

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