



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 about the best options available and helping you plan for a peaceful future. I know you are scared right now, but we are here to do our best to help you through this very difficult time. Also you should be aware that by filling out this form you are not committing to file bankruptcy at any time, or even to use our office if you need to file bankruptcy. This process is designed to educate you.

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, nerve conduction, MRI, etc. The following information is my battery of tests. This information is absolutely necessary for any good bankruptcy lawyer to offer competent advice. I want to get you out of trouble, not put you into more trouble. You will only work directly with me or Jay, my paralegal. We never farm any work out to others. You are far too important for that.

The following questions will help us understand your unique situation; which will assist me in giving you good advice about your options. 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 in order for you to accomplish what you need or want.
- The best time for filing a bankruptcy.
- How protect your assets and avoid unnecessary claims against you or your family.
- How to deal with your creditors before, during and after bankruptcy.
- What not to do with your bank account and other assets.
- Other steps you need to take before filing a bankruptcy.

We know that you are anxious to talk to me, therefore please be thorough in completing this form. That way 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 I will 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 discussion. Again, this is all free.

During the telephonic discussion I will review each page of this form, discuss the Arizona exemptions (if applicable, depending on where you lived in the last 2 years) and answer your questions. It is a good idea to print a copy of the Arizona exemptions for your reference during the telephone conference. This list is located at the same place you found this questionnaire. It is also a good idea to make a list of your questions before the meeting. That way you can make certain that all your questions were answered. At the end of the phone call I will give you a quote 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.

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

**\*\* Required fields. If you do not fill out the field marked with \*\* then the form cannot be completed.**

**\*\*Full Name:**

**\*\*Full Address:- make sure to include city and zip code**

**\*\*County of Residence      \*\*Last 4 digits of social security no.      \*\*Date of Birth**

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**\*\*How long have you lived in Arizona?**  **If you did not live in AZ for the last 2 full years, where did you live and for how long?**

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**Home Phone      \*\*Cell Phone      \*\*Email Address**

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**SPOUSE (IF ANY) Full Name of Spouse:**

Full address (if different from above) file 707(b)(7)(B) certificate)

**Date of Marriage      Last 4 digits of social security no.      Date of Birth**

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**How long has spouse lived in Arizona?**  **If spouse did not live in AZ for the last 2 full years, where did they live and for how long?**

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**Home Phone      Cell Phone      Email Address**

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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="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/> YES <input type="checkbox"/> NO
2. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/> YES <input type="checkbox"/> NO
3. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/> YES <input type="checkbox"/> NO
4. <input type="text"/>	<input type="text"/>	<input type="text"/>	<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 If married 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:  Approximate Dates Used:

Name Used:  Approximate Dates Used:

**\*\* 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 years?  
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 normally get a tax refund or expect one next year?**  
If so, approximately how much:
- Yes  No Does an investment come due 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 debts includes student loans, taxes, loans, credit card charges or leases used for business purposes\*. If so, please provide the following totals:

(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 expensive 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 **Do you have any cash reward cards, gift cards, etc worth more than \$100?**

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 **Do you have any payday loans?**

If so, consider closing the bank account that the post-dated checks were drawn on.

Yes  No **Do you have any loans with a credit union?**

If so, it is best to move ALL your money out of the credit union.

Yes  No **Do you have any student loans or did you guarantee some else's student loans?**

Yes  No **If so, do you understand that student loans must be paid, despite bankruptcy.**

Yes  No **Do you have any outstanding fines or penalties? (e.g.: court fines or tickets)**

If so, describe:

Yes  No **Do you have any leases on anything (cars, equipment, land)?**

If so, explain:

Yes  No **Do you owe the IRS or Arizona Department of Revenue, or other taxing authority?**

If so, explain what type of debt, year due, and when was return filed.

Yes  No **Were any credit cards used to pay taxes within the last year before filing? If so, when and how much:**

Yes  No **Has IRS/Arizona Department of Revenue garnished your wages or recorded a lien on your property? A lien is a document recorded with the County Recorder's office.**

If so, explain what type of debt, year due, when was return filed.

**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, you must provide us a copy 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: Do you have a VA loan? If so, there is personal liability.**  
 Yes  No Has there been either trustee's sale or a short sale completed in the last 6 years?  
If so, explain

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, land or timeshare?**  
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?  
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 any advice without the fair market value.

Describe:	<input type="text"/>	Fair market value \$	<input type="text"/>	Debt owed \$	<input type="text"/>
Date Purchased	<input type="text"/>	Name on title:	<input type="text"/>		
Describe:	<input type="text"/>	Fair market value \$	<input type="text"/>	Debt owed \$	<input type="text"/>
Date Purchased	<input type="text"/>	Name on title:	<input type="text"/>		
Describe:	<input type="text"/>	Fair market value \$	<input type="text"/>	Debt owed \$	<input type="text"/>
Date Purchased	<input type="text"/>	Name on title:	<input type="text"/>		
Describe:	<input type="text"/>	Fair market value \$	<input type="text"/>	Debt owed \$	<input type="text"/>
Date Purchased	<input type="text"/>	Name on title:	<input type="text"/>		

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

- Yes  No Are you (or your spouse) handicapped (with a license or placard)?
- 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?**

**OTHER ASSETS: INCLUDING BUSINESSES:**

- Yes  No Are there any valuable items that you are concerned about losing?  
If so describe, include their value:
- Yes  No Do you own 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)); additional legal action will be necessary in Bankruptcy Court.)
- Yes  No Do you have a trust?  
If so, is it revocable or irrevocable (can you change the trust)?  
If so, describe the assets in the trust:
- Yes  No Do you have stocks, bonds, savings bonds, mutual funds, etc?  
If so, describe:
- Yes  No Do you have 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 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)

- Yes  No Is there an interest in any **businesses**?  
 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:

### MISCELLANEOUS

- 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 Are there any **co-debtors**? In other words did anyone else (parent, friend or ex-spouse) sign on any of your debts or did you sign any of their debts (like student loans)?
- Yes  No Have you had any interests in any businesses in the last 8 year?
- Yes  No Do you have any property in a storage unit?  
 If so, what items are in that unit, plus their fair market value:
- Yes  No Do you have any property in pawn? Has the redemption period run? (541 (b)(8)?
- 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 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 for 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 the average for 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></p> <p>Rent (if you do not own your home) \$ <input style="width: 100px;" type="text"/></p> <p>First mortgage payment or mobile home monthly payment \$ <input style="width: 100px;" type="text"/></p> <p>Second mortgage (if applicable) <input style="width: 100px;" type="text"/></p> <p>Third mortgage (if applicable) \$ <input style="width: 100px;" type="text"/></p> <p>Lot Payment (if applicable) \$ <input style="width: 100px;" type="text"/></p> <p>Real estate taxes not included in your monthly house payment \$ <input style="width: 100px;" type="text"/></p> <p>Insurance not included in house payment: \$ <input style="width: 100px;" type="text"/></p> <p>Homeowner's Association fees \$ <input style="width: 100px;" type="text"/></p> <p><b>Utilities (Normal Monthly Average)</b></p> <p>Electricity and Gas \$ <input style="width: 100px;" type="text"/></p> <p>Water \$ <input style="width: 100px;" type="text"/></p> <p>Telephone \$ <input style="width: 100px;" type="text"/></p> <p>Trash pickup (if not included in water) \$ <input style="width: 100px;" type="text"/></p> <p>Cable/Internet \$ <input style="width: 100px;" type="text"/></p> <p><b>Basic Needs</b></p> <p>Home Maintenance (homeowners only) \$ <input style="width: 100px;" type="text"/></p> <p>Food (Monthly) \$ <input style="width: 100px;" type="text"/></p> <p>Clothing (Monthly Expense) \$ <input style="width: 100px;" type="text"/></p> <p>Laundry, dry cleaning \$ <input style="width: 100px;" type="text"/></p> <p>Medical expenses not paid by insurance \$ <input style="width: 100px;" type="text"/></p> <p>Babysitter/Day Care Expenses \$ <input style="width: 100px;" type="text"/></p> <p>Child Care Expenses \$ <input style="width: 100px;" type="text"/></p> <p>School Expenses (do not include lunches) \$ <input style="width: 100px;" type="text"/></p> <p><b>Vehicles</b></p> <p>Vehicle payment \$ <input style="width: 100px;" type="text"/> Lease? <input type="checkbox"/></p> <p>Vehicle payment \$ <input style="width: 100px;" type="text"/> Lease? <input type="checkbox"/></p> <p>Vehicle payment \$ <input style="width: 100px;" type="text"/> Lease? <input type="checkbox"/></p> <p>Monthly average for all vehicles: gas, oil changes, maintenance, tags: \$ <input style="width: 100px;" type="text"/></p>	<p><b>Taxes</b></p> <p>Taxes not deducted from your wages \$ <input style="width: 100px;" type="text"/></p> <p>(such as self-employed - explain: <input style="width: 100px;" type="text"/></p> <p><b>Insurance</b></p> <p>Renters Insurance \$ <input style="width: 100px;" type="text"/></p> <p>Life Insurance (not deducted from paycheck) \$ <input style="width: 100px;" type="text"/></p> <p>Health Insurance (not deducted from paycheck) \$ <input style="width: 100px;" type="text"/></p> <p>Automobile Insurance \$ <input style="width: 100px;" type="text"/></p> <p>Disability Insurance \$ <input style="width: 100px;" type="text"/></p> <p>Other Insurance \$ <input style="width: 100px;" type="text"/></p> <p><b>Other Expenses</b></p> <p>Alimony or Child Support \$ <input style="width: 100px;" type="text"/></p> <p>Payments for someone outside your home \$ <input style="width: 100px;" type="text"/></p> <p>Professional Dues (not payroll deducted) \$ <input style="width: 100px;" type="text"/></p> <p>Union Dues (not payroll deducted) \$ <input style="width: 100px;" type="text"/></p> <p>Charitable Giving (if claimed on taxes) (include church, Goodwill, etc.) \$ <input style="width: 100px;" type="text"/></p> <p>Student Loan Repayment \$ <input style="width: 100px;" type="text"/></p> <p>College Tuition (not loans) \$ <input style="width: 100px;" type="text"/></p> <p>Other: <input style="width: 100px;" type="text"/> \$ <input style="width: 50px;" type="text"/></p> <p>Other: <input style="width: 100px;" type="text"/> \$ <input style="width: 50px;" type="text"/></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> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>
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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.

Yes  No Are you (or your spouse) a disabled vet?

Yes  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 earned or payable.
  - Make sure to include tips and bonuses in the month they were received.
  - List as income any amounts paid by someone else for your expenses, such as car, house, food, utilities, etc. For instance, include as income any amount that Dad pays for your child's day care.
  - If your income is commission-based, then list the exact amount earned in the month it was 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. Finish the following page only if your average gross income (income before subtracting taxes and other deductions) exceeds the amount permitted for your family size. Include the income for everyone who lives in your home. Prepare an explanation if your family has unusual income. Do not include anyone's social security.

To determine the amount allowed for your family use the spreadsheet at our web site: [CLICK HERE - http://www.dianedrain.com/bankruptcy-law/bankruptcy-case-law/case-law-means-test-statement-of-current-monthly-income/](http://www.dianedrain.com/bankruptcy-law/bankruptcy-case-law/case-law-means-test-statement-of-current-monthly-income/). Please note that this amount is only for Arizona citizens and these amounts change at least twice a year.

**Instructions for the following questions:**

- 1) IMPORTANT: The 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 spend or should spend 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. Make sure to talk to diane about this issue.
- 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) If you owe back taxes:  
Amount of back taxes that you owe \$  Year(s) tax debt due:   
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:
- 3) Are there any loans against your retirement plans?   
Approximate amount due to payoff loan: \$  Year to be paid off?   
Approximate amount due to payoff loan: \$  Year to be paid off?

## **REMINDER:**

- Make sure to watch the videos – before submitting this form.
  - If you used the fillable PDF form then all you need to do is to press “Submit” at the end of this form.
  - If you are not using the fillable PDF please send this form 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.
- 

**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:

\*\*

Signature of Debtor

Signature of Joint Debtor (if any)

Please 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. YOU ARE NOT HIRING OUR FIRM UNTIL YOU PAY A RETAINER AND SIGN A RETAINER AGREEMENT.**

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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Once you are finished please click on the "SUBMIT" button. There are a few answers that are required in order for the form to be sent to our office. If you have not filled out all the required questions you will see an error message "AT LEAST ONE REQUIRED FIELD WAS EMPTY. PLEASE FILL IN THE REQUIRED FIELDS (HIGHLIGHTED) BEFORE CONTINUING". That means you should review the form and fill in any red highlighted fields. Fill those in and press "submit" again.

**MAC USERS:** If you are using a MAC there may be a problem with forwarding the fillable PDF form. In that case please print, scan and e-mail or fax.

Thank you for your help and I look forward to speaking with you.

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