

THIS NOTICE IS PURSUANT TO USC 342 (B) (1)

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.

(1) A brief description of _

(A) Chapters 7, 11, 12 and 13 and the general purpose, benefits, and costs of proceeding under each of those chapters; and

PLEASE TAKE NOTICE THAT as a consumer debtor, you are advised, pursuant to 11 USC § 342 (b), prior to the commencement of your case you may proceed under any one of the following chapters of title 11, United State Code:

Chapter 7 Liquidation filing fee \$335

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.

Under Chapter 7, you may claim certain 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.

The purpose of filing a chapter 7 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.

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; debt incurred to pay nondischargeable taxes; domestic support and property

settlement obligations; most fines, penalties, forfeitures, and criminal restitution obligations; certain debts which are not property 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 11 Reorganization, or filing fee \$ 1,717

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 filing fee \$275

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.

Chapter 13 Repayment of all or part of the debts Of an individual with regular income filing fee \$310

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 dollars amounts set forth in the Bankruptcy Code.

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.

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; 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.

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 generally must complete a financial management instructional course before he or she can receive a discharge.