

DISCLOSURES UNDER 11 USC §527

1. 527(A)(2) Disclosure

(A) All information that you are required to provide as part of your bankruptcy petition and thereafter during your case under Title 11 of the United States Code is **required to be complete, accurate and truthful**;

(B) All assets and all liabilities are required to be **completely and accurately disclosed** in the documents filed to commence your bankruptcy case;

(1) The **replacement value** of each asset must be stated in those documents where requested after reasonable inquiry to establish the value.

Replacement value under 11 USC 506(2) means the value determined based on the replacement value of such property as the date of the filing of the petition without deduction for costs of sale or marketing.

With respect to property acquired for personal, family or household purposes, replacement value shall mean the price a retail merchant would charge for property of that kind considering the age and condition of the property at the time value is determined.

(C) Current monthly income, the amounts specified in section 707(b)(2), and, in a case under chapter 13 of Title 11 of the United States Code, disposable income (determined in accordance with section 707(b)(2), **are required to be stated after reasonable inquiry**.

(D) Information that you provide during your case **may be audited** pursuant to Title 11 of the United States Code, and **failure to provide** such information **may result in dismissal of the case or other sanctions, including a criminal sanction**.

2. 527(b) Disclosure

If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney.

THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST. ASK TO SEE THE CONTRACT BEFORE YOU HIRE ANYONE.

The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine. Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief available under the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the 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 need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a 'trustee' and by creditors.

If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so. A creditor is not permitted to coerce you into reaffirming your debts.

If you choose to file a chapter 13 case 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 which will be before a bankruptcy judge.

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

Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice.

3. **527(c) Disclosure**

(A) How to value assets at replacement value:

Replacement value under 11 USC 506(2) means the value determined based on the replacement value of such property as of the date of the filing of the petition without deduction for costs of sale or marketing.

With respect to property acquired for personal, family or household purposes, replacement value shall mean the price a retail merchant would charge for property of that kind considering the age and condition of the property at the time value is determined.

(B) How to determine current monthly income:

Your current monthly income includes all income you have received from **any source in the last 6 months**, except Social Security. This includes wages, salary, tips, bonuses, overtime, commissions, per diem, income from operation of a business, profession or farm, rents and real property income, interest, dividends, royalties, unemployment, pension and retirement income. Income also includes regular contributions to your household expenses, including from a child, roommate or spouse. Income includes income from any other source not listed above.

(C) The amounts specified in 707(b)(2):

You will be required to complete a “**means test**” to determine the bankruptcy chapter you can file. This test will be applied based upon your monthly income as explained herein. This test will also be applied based upon monthly expenses. Some of these expenses will be based upon applicable monthly expense amounts specified under National Standards and Local Standards, and some of your actual monthly expenses. Your actual monthly expenses include your average monthly expenses for payments to secured creditors on your automobile, amounts actually incurred for taxes, mandatory payroll deductions, life insurance premiums, money required to be paid by court order, including spousal or child support, education expenses required for work, child care, healthcare not otherwise reimbursed and the amount you pay for telecommunication services.

(D) In a Chapter 13 case, how to determine disposable income in accordance with 707(b)(2) and related calculations:

In a Chapter 13 case, your income and expenses also include Chapter 13 administrative expenses.

(E) How to complete the list of creditors, including how to determine what amount is owed and what address for the creditor should be shown:

You will be required to provide a list of all your creditors. This list must include the name and address of the creditor as well as your account number with this creditor. If, within 90 days before you file bankruptcy, a creditor supplies to you in at least 2 communications the account number and an address that creditor request to received correspondence, you must use this address and account number. The creditor may also file with the court a notice of address to be used to provide notice to such creditor.

(F) How to determine what property is exempt and how to value exempt property as replacement value as defined in section 506:

You can exempt certain property from property of your bankruptcy estate. You may use the exemptions available under Louisiana law if you have lived in Louisiana for 730 days prior to the bankruptcy filing. If you have not lived in Louisiana for the last 730 days, you will have to use the exemption laws under the state that you lived in prior to Louisiana if you lived there for at least 180 days. If you did not live in that state for 180 days, you will have to use the Federal Exemptions available under 11 USC 522. You value your exempt property under the replacement value that is listed previously herein.