

Required Supporting Documents

Once you have paid the full balance of the attorney fees for a Chapter 7 or the fees needed to file your Chapter 13 case pursuant to your retainer agreement AND you have provided me with ALL required supporting documents, your case will be prepared and you will be contacted to schedule a signing appointment.

Your signing appointment will consist of an in-office meeting with me at which time we will finalize and execute the bankruptcy petition, schedules, and statements. Once you have signed the paperwork, your case will be filed with the Court.

The following is a list of the required supporting documents necessary for the preparation of your bankruptcy paperwork. These documents are **absolutely** necessary in order for me to satisfy the attorney due diligence required under the bankruptcy code and I must provide these documents to your trustee upon the filing of your case. I CANNOT begin preparation of your case without ALL supporting documents.

ASSETS

Real Property: For any and all pieces of Real Property (Houses, condos, parcels, timeshares, raw land, etc.) in either your or your spouse's name (whether or not your spouse is filing), I will need the following documents:

_____ **Mortgage Statements:** This is necessary to verify the account numbers, total outstanding balance, interest rate, monthly payment, and late payment amounts. I will need your most recent mortgage statement for ALL Mortgages on all real property.

_____ **Insurance Declarations:** This is necessary for the Trustee to verify that the property is fully insured.

_____ **Notice of Default and/or Notice of Trustee Sale:** If you are in default on your mortgage you more than likely have not received a mortgage statement in several months. The Notice of Default and/or Notice of Trustee Sale is sometimes the best way to estimate the overall outstanding balance on your loans(s) and is also a good way to estimate the arrearages that you must pay through your Chapter 13 plan. Your notice of Trustee sale is also important in that it let's us know when we must file your case to avoid a foreclosure sale as well as who to contact in order to get a foreclosure sale cancelled/postponed.

_____ **Deed of Trust(s) with non-institutional lenders:** These are necessary to verify the various provisions of non-institutional loans. I prefer that you provide copies of these documents on normal 11" X 8" sized paper. I may also need to review deeds of trusts with institutional lenders, but will notify you if this is necessary.

_____ **Mobile Home Registration/Tags:** This is necessary to verify ownership, lienholders, as well as year/make/model of your mobile home for valuation purposes.

Vehicles: For any and all vehicles, trailers, RVs, Quads, Boats, etc. in either your or your spouse's name (whether or not your spouse is filing), I will need the following documents:

_____ **DMV Registration:** This is necessary to verify the title owner(s) of said vehicle, whether or not there is a valid lien attached to said vehicle, and whether or not said lien was perfected in a timely matter.

_____ **Insurance Declarations Page:** This is necessary for the Trustee to verify that the property is fully insured. An insurance card will not be sufficient; the Trustee must be able to see the actual insurance coverage that exists.

_____ **Payoff/Balance Statement:** This is necessary to verify the amount owed on secured loans, which is relevant to making sure we exempt the equity that may exist in such property and also relevant in the calculation of Chapter 13 plans.

_____ **Lease Agreement:** If your vehicle is a lease, the original agreement is necessary to determine the payoff amount of said lease.

_____ **Purchase Contract:** If your vehicle was purchased in the last 6 months, the Trustee's require a copy of the contract so that they may compare the purchase date with the lien perfection date to confirm that the lien was perfected in a timely manner.

Bank Accounts: For all bank accounts in either your or your spouse's name (whether or not your spouse is filing) I will need the following:

_____ **Bank Statements:** Your two most recent bank statements (as of the day of your signing appointment). This is necessary to verify that the amounts of deposits going into your accounts approximately match your monthly income. If there are discrepancies, explanations of said discrepancies will be necessary.

_____ **Bank statement covering the Date of filing:** Some Trustee's will require the bank statement(s) that covers the date we filed your case to verify that the amount of money in your account(s) approximately match the amounts we listed in your bankruptcy schedules. I request that you provide these to our office as soon as you receive them so that we may provide these to the Trustee at your hearing, if requested.

Other Financial Accounts: For all Retirement accounts, Whole life insurance policies, and any/all other financial/investment accounts, I will need the following:

_____ **Most recent retirement/investment account statement:** This is necessary to verify the value of your accounts and to allow us to adequately exempt it from the bankruptcy estate.

Businesses (Corporations, LLCs, LLPs, etc.): For all Corporations or other business entities that you are a significant shareholder, I will need the following:

Itemized list of Corporate Assets & Corporate Value: If you own or partially own a corporation, it is considered one of your assets and the value of said asset must be verified so that we may adequately exempt it from the bankruptcy estate. The Trustee will also want to see verification of the valuation of any corporation. You should itemize and value any significant corporate assets as well as try to put a value on the corporation itself (what could you sell the business for?)

INCOME

In order for me to do the required income calculations pursuant to the new bankruptcy laws, I must have documentation proving the total gross income you've received during the 6 months preceding the month your case is filed with the Court. I must also provide to the Trustees all documentation used in the above calculation as well as all documentation showing income up to the day we file your case.

Income is one of the most important aspects of your bankruptcy case. Remember, to qualify for a chapter 7, your net income minus your allowable monthly living expenses must be close to zero or less. For Chapter 13 cases, your income must be at least as much as to be able to propose a good faith chapter 13 repayment plan that complies with the Bankruptcy code. Also, your income will determine how much you are able to pay each month in your chapter 13 plan.

Employed Debtors:

Pay Stubs: If you or your spouse (whether or not your spouse is filing) has worked for wages (w-2 employee) at all in the 6 months preceding the month I file your case, you must provide me with every pay stub for that period of time and up to the day of your signing appointment. (Sample: If we are signing and filing your case on January 17, 2009 I would need every pay stub received by both you and your spouse between July 1, 2008 and January 17, 2009.

****Note:** Some Employers show Year-to-date (YTD) figures on pay stubs. If your paystubs show YTD figures on them, it may be possible to Calculate the income figures without having every single paystub for the 6 month period. In these circumstances, I will need all paystubs for the full 60 days prior to the filing of your case as well as the first paystub of the 1st month of the previous 6 months prior to your case being filed OR the last paystub from the month before the 1st month of the previous 6 months prior to your case being filed (Sample: If we are signing and filing your case on January 17, 2009 I would need every pay stub received by both you and your spouse between

November 17, 2008 and January 17, 2009 as well as either the first paystub received in July, 2008 OR the last paystub received in June, 2008.

Self-Employed Debtors:

_____ **Profit & Loss Statements:** If you are self-employed, you must provide me with six separate profit & loss statements covering each of the six months prior to the month your case is filed with the Court. One profit & loss statement should be done for each of those six months and separate profit & loss statement(s) should be done for each separate business you may run.

****Note:** In preparing a profit & loss statement, make sure NOT to include any personal expenses nor expenses that double as personal and business (even though they may be deductible as business expenses on your tax returns) as these expenses will be listed separately on your personal expense schedule in the bankruptcy paperwork.

EXAMPLE PROFIT & LOSS STATEMENT:

	Business Name:	<u>John's Construction</u>
	Proprietor Name:	<u>John Debtor, Jr.</u>
	Period:	<u>July 1, 08 – July 31,08</u>
<u>INCOME</u>	Gross Receipts:	<u>\$6500</u>
	Costs of Goods:	<u>\$0</u>
	GROSS INCOME:	<u>\$6500</u>
<u>EXPENSES</u>	Advertising:	<u>\$250</u>
	Supplies:	<u>\$500</u>
	Wages to Employees:	<u>\$1000</u>
	Business Insurance:	<u>\$150</u>
	TOTAL EXPENSES:	<u>\$1900</u>
	NET INCOME:	<u>\$4600</u>

_____ **Bank Statements:** If applicable, you must also provide me with each month's profit & loss statement a bank statement or statement(s) covering that month for any and all accounts used to record transactions for the business. The Trustee will verify that there are no major discrepancies between the profit & loss statements and the cash flow shown on the bank accounts. If there are discrepancies, please bring these to my attention so that we may discuss any potential issues.

Other Income:

_____ **Proof of Payment:** If you receive any other source of income whatsoever (Unemployment benefits, disability benefits, worker's comp. payments, annuity payments, retirement/pension income, social security income, child support, alimony, etc. I will documentation showing the total amount of this income for the full 6 months prior to your case being filed with the Court.

****Note:** If you have one of the above "other" sources of income and the amount you receive from any one source is always the same each month, I will only need to verify 2 months (60 days) worth of checks, stubs, benefit letters, etc. Also, if the income above is always the same and is directly deposited into your bank account, copies of your last two bank statements will suffice for proof of this income. If you receive child support or alimony, a copy of the Court order will also suffice. If you receive Social Security, a copy of your most recent award letter will suffice.

TAX RETURNS

_____ **Copies of last 2 years of Federal Income Tax Returns.** The Bankruptcy Code and Trustee's require copies of the last two years of Federal Income Tax Returns. If you have no filed taxes for the last two years, you must provide me with a copy of the last Federal Income Tax return that you did file.

****Note:** For each Tax Return, you must provide the 1040 and ALL schedules, including "Schedule A – Itemized Deductions" and "Schedule C – Business Income".

****Note:** If you do not have copies of the last two years of Tax Returns but you did file them with the IRS, you may fill out IRS form 4506-T (found on www.irs.gov) and request copies of your transcripts for those years. Please notify me as soon as possible if you would like my assistance in finding and filling out this form.

****Note:** If you are filing a Chapter 13 Bankruptcy AND/OR your case is being filed in Riverside or Orange County Bankruptcy Court, you **MUST** file all required returns that are due as of the day you file your bankruptcy case or the Trustee will move to dismiss your case.

Thank you,

Daniel G. Shay
Attorney at Law