

NOTICE TO ASSISTED PERSONS

- (A) All information that you are required to provide to the attorney to prepare the petition and thereafter during the case 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 the case, and the replacement value of each asset (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 the value is determined) must be stated in those documents where requested;
- (C) Current monthly income is required (see discussion below);
- (D) Any information you provide during your case may be audited and that failure to provide such information may result in dismissal of the case or other sanction, including a criminal sanction.

HOW TO DETERMINE YOUR ELIGIBILITY

Current monthly income = Your 6-month average income from all sources + regular contributions to household expenses (e.g., from non-filing spouse) + unemployment compensation. Current monthly income does not include: social security benefits or victims payments (war crimes, international or domestic terrorism).

Compare current monthly income to the median for the state. If your income is less than or equal to the state median income, a presumption of abuse does not arise. If it is above the median income, then additional calculations are required. Subtract allowed deductions which include IRS National Standards for Food, Clothing and other items. Subtract IRS Local Standards for Housing and Utilities. Subtract IRS Local Standards for Transportation and other necessary expenses. Subtract payments for secured debt and priority debt. If the Monthly Disposable Income is \$100 to \$166.66 and 5 year Disposable Income is \$6,000 to \$10,000 then it is presumed abusive if income is sufficient to pay at least 25% of unsecured nonpriority claims over 5 years (claims of \$24,000 - \$40,000 depending on income.) There is no presumption of abuse if income is insufficient to pay 25% of unsecured nonpriority claims over five years.

LIST OF CREDITORS

To complete the list of creditors, a good place to start is with your credit report. Once you have retained the Bankruptcy Clinic, we will provide you a copy of your credit report. It will have a list of creditors who have reported your debt to TransUnion and Experian. Some creditors will not be listed on your credit report. It is your responsibility to accurately report to the Bankruptcy Clinic those creditors not listed on your credit report including their account number, complete mailing address, amount of

the debt, the date the debt was incurred and a general description of the debt (e.g. medical, credit card, personal loan). If you do not know how much you owe a creditor, sometimes they will tell you if you call them. When listing an address for a creditor always use the “all other correspondence” address on the bill. Usually the billing address is for payments only. If they don’t have an “all other correspondence” address on the bill, use the billing address.

EXEMPT PROPERTY

The State of Missouri has statutory exemptions that allow a debtor to exclude property up to a certain dollar amount from their bankruptcy estate.

- § 513.430(1) Household goods, wearing apparel, books, musical instruments, etc., \$3,000 per debtor.
- § 513.430(2) Wedding ring not to exceed \$1,500 in value, and other jewelry not exceeding \$500 in value.
- § 513.430(3) Any other property to \$600 per debtor.
- § 513.430(4) Tools of the trade to \$3,000 per debtor.
- § 513.430(5) Motor vehicle to \$3,000 per debtor.
- § 513.430(6) Mobile home used as a principal residence by the debtor, if the mobile home is not on or attached to real property in which the debtor has a fee interest.
- § 513.430(7) Any unmaturred life insurance contract of any value.
- § 513.430(10) Any Social Security benefit, unemployment compensation or a local public assistance benefit; A veteran’s benefit; A disability, illness or unemployment benefit; of any value.
- § 513.430(10)(d) Alimony, Support or separate maintenance to \$750 per debtor.
- § 513.430(10)(e) Any payment under stock bonus plan, pension plan, disability or death benefit plan, profit-sharing plan, nonpublic retirement plan.
- § 513.440 Head of household to \$1,250 plus \$350 for each dependent under the age of 18 and for each dependent that is determined by the Social Security Administration to be disabled, as defined in the Internal Revenue Code.
- § 513.475 Homestead of up to \$15,000, one per household of debtors.

This original notice shall be maintained at the Bankruptcy Clinic offices for 2 years from today’s date.