

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA
NOTICE TO CONSUMER DEBTOR(S) UNDER § 342(b)
OF THE BANKRUPTCY CODE**

In accordance with § 342(b) of the Bankruptcy Code, this notice to individuals with primarily consumer debts: (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.

Notices from the bankruptcy court are sent to the mailing address you list on your bankruptcy petition. In order to ensure that you receive information about events concerning your case, Bankruptcy Rule 4002 requires that you notify the court of any changes in your address. If you are filing a joint case (a single bankruptcy case for two individuals married to each other), and each spouse lists the same mailing address on the bankruptcy petition, you and your spouse will generally receive a single copy of each notice mailed from the bankruptcy court in a jointly-addressed envelope, unless you file a statement with the court requesting that each spouse receive a separate copy of all notices.

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. Each debtor in a joint case must complete the briefing.

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. Each debtor in a joint case must complete the course.

2. The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debtors

Chapter 7: Liquidation (\$245 filing fee, \$46 administrative fee, \$15 trustee surcharge: Total Fee \$306)

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, the United States trustee (or bankruptcy administrator), the trustee, or 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 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.

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.

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 nondischargeable 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 (\$235 filing fee, \$46 administrative fee: Total Fee \$281)

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.

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 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 (\$1000 filing fee, \$46 administrative fee: Total Fee \$1046)

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 (\$200 filing fee, \$46 administrative fee: Total Fee \$246)

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. The documents and the deadlines for filing them are listed on Form B200, which is posted at http://www.uscourts.gov/bkforms/bankruptcy_forms.html#procedure.

527(a)

Notice to Clients Who Contemplate Filing Bankruptcy

The purposes of this Notice and The Statement Mandated by Section 527(b) of the Bankruptcy Code, which you have been provided as a separate document, are to make you aware of some of your obligations should you file bankruptcy.

Note: This Notice and the Statement are required by legislation adopted by Congress in 2005, after intense lobbying by the credit industry. In our opinion they are designed to intimidate people who need debt relief under the Bankruptcy Code, and are based on the erroneous assumption that debtors are dishonest. So long as you are honest and meet the requirements set out under the law, you are entitled to debt relief. We can guide you through all the requirements of filing bankruptcy, so long as you provide us accurate and complete information.

You are notified as follows:

1. All information that you are required to provide with your bankruptcy petition and thereafter in your case is required to be complete, accurate and truthful.
2. All your assets and all your liabilities are required to be completely and accurately disclosed in the documents filed to commence your case.
3. The value of each asset, which is secured by a lien on such asset, must be stated as the replacement value of such asset after reasonable inquiry to establish such value. The replacement value means the replacement value as of the date of the filing of the bankruptcy petition without deduction for costs of sale or marketing. With respect to property acquired for personal, family, or household purposes, replacement value means the price a retail merchant would charge for property of that kind considering the age and condition of the property at the time value was determined.
4. After reasonable inquiry, you are required to state your current monthly income.
5. After reasonable inquiry, you are required to state the amounts set out in section 707(b)(2) of the Bankruptcy Code. Which we will guide you through.
6. In a case under Chapter 13, after reasonable inquiry, you are required to state your disposable income determined in accordance with section 707(b)(2) of the Bankruptcy Code. Which we will guide you through.
7. Information that you provide during your case may be audited pursuant to the provisions of the Bankruptcy Code. Your failure to provide information may result in dismissal of your case or other sanctions, including criminal sanctions.

527(b)

Statement Mandated by Section 527(b) of the Bankruptcy Code

IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES

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 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.

Instructions On Providing Information Required By Bankruptcy Law

You are required to provide certain information to the court when you file bankruptcy. It is our obligation to make diligent inquiry of you so as to obtain information to include in your bankruptcy petition. Attached are forms designed to obtain the necessary information. Please carefully read and follow these instructions.

1. READ AND FILL OUT THE FORMS COMPLETELY, ACCURATELY, AND NEATLY.
2. DO NOT LEAVE BLANKS. If a particular blank does not apply to you, put "N/A" in the blank. By doing so we will know that you did not mistakenly overlook it.
3. List ALL your property.
4. List all your debts.
 - a) You must list debts that will not be discharged, such as student loans and child support.
 - b) You must list debts that you intend to pay.
 - c) You must list debts that you cosigned for someone else or that someone else cosigned for you.
 - d) You must list debts to family members.
5. Attach additional sheets if you do not have sufficient space to include all the information.
6. In determining the amount you owe each creditor list the amount on your most current statement or correspondence from the creditor. In rare cases your ability to file Chapter 7 may depend on how much debt you owe. In those cases we will assist you in determining how much you owe each creditor.
7. If a creditor is still communicating with you, use the address supplied by the creditor in at least 2 communications over the last 90 days. Do not use the address to which you send payments. Use the correspondence address. Keep all mailing from your creditors, so we can keep up with any changes in the creditors' addresses and prove, if necessary, we used the appropriate addresses.
8. List the account number, if any, for each debt.

Debt Counseling Requirement. You are not eligible to file a bankruptcy unless you receive an individual or group briefing from an approved nonprofit budget and counseling agency. That briefing must outline your opportunities for available credit counseling and assist you in performing a related budget analysis. It must occur within 180 days prior to filing the bankruptcy. It can take place on the internet or by telephone. If you have not yet received the counseling and you want our assistance, we will help you make the arrangements for it.

527(c) Continued

In addition to the information set out in these forms, you must file the following documents of information with your petition, or when specified, while your case is pending.

1. Copies of all pay stubs, payment advices, or other evidence of payments received within 60 days before the date of filing of the petition by you from any employer.
2. A statement of the amount of monthly net income itemized to show how the amount is calculated.
3. A statement disclosing any reasonably anticipated increase in income or expenditures over the 12-month period following the date of the filing of the petition.
4. a. A certificate from an approved nonprofit budget and credit counseling agency describing the individual or group briefing received by you.
b. If you developed a debt repayment plan as a result of the briefing, a copy of the plan.
5. A record of any interest you have in an educational individual retirement account or under a qualified state tuition program.
6. A copy of your federal income tax return, or a transcript of the return, for the most recent year ending immediately before we file your case and for which you filed the return.
7. If the court, the United States Trustee, or any other party to your case request it, you must file with the court:
 - a. A copy of each federal income tax return, or transcript of the return, required for each year while your case is pending at the same time filed with the IRS.
 - b. A copy of each required federal income tax return that had not been filed with the IRS when your case is filed and that you subsequently file for any tax year for the three years preceding the date we file your case.
 - c. A copy of each amendment to any federal income tax return or transcript of each amendment filed with the court pursuant to paragraphs (a) and (b).
8. a. In a Chapter 13 case at certain intervals in your case, you must provide a statement, under penalty of perjury, of your income and expenditures during the previous tax year, and of your monthly income. The statement must show how income, expenditures, and monthly income are calculated.
b. The statement set out above must disclose the amount and services of your income, the identity of any person responsible with you for the support of your dependents, and the identity of any person who contributes to the household in which you reside.
9. A document that establishes your identity, including a driver's license, passport, or such other document containing your photograph, or such other personal identification establishing your identity.