UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF OHIO

USE OF BANKRUPTCY PETITION PREPARERS

Any debtor who pays someone other than an attorney to help prepare a bankruptcy petition and schedules should be aware of the following:

- 1. By federal law, the person offering to help you is only permitted to provide limited services, such as:
 - a. Giving you copies of blank bankruptcy forms;
 - b. Telling you where the Bankruptcy Court is located, its hours of operation, and how much it costs to file for bankruptcy;
 - c. Typing on your petition and schedules only the information that you have provided for those forms, and;
 - d. Making copies of your completed bankruptcy petition and schedules.
- 2. By federal law, a bankruptcy petition preparer may not:
 - a. Offer you any legal advice;
 - b. Collect or receive any payment from you for the Court filing fees;
 - c. File any document with the Court on your behalf.
- 3. By federal law, the person who offered to help you must do ALL of the following:
 - a. Complete for filing <u>Official Form 119</u> Bankruptcy Petition Preparer's Notice, Declaration, and Signature.
 - b. Complete for filing Official Form 2800 Disclosure of Compensation of Bankruptcy Petition Preparer.
- 4. By <u>Local Bankruptcy Rule 2016-2</u> (attached), a bankruptcy petition preparer may not charge you a fee in excess of \$125.00, unless the Court specifically allows a higher fee.

▼ Rule 2016-2: COMPENSATION OF PETITION PREPARERS

- a. The presumptive maximum allowable fee chargeable by a bankruptcy petition preparer in any case is \$125.00.
- b. The Clerk shall give a copy of this Rule to each pro se debtor at the time a petition is presented for filing.
- c. Should a bankruptcy petition preparer in any individual case seek a determination that the value of services rendered exceeds \$125.00, the bankruptcy petition preparer shall file a motion with the Court requesting a hearing. The motion shall be filed within 14 days after the date of the filing of a petition.
- d. Any bankruptcy petition preparer who charges a fee in excess of the value of services rendered shall be subject to sanctions under <u>11 U.S.C. § 110</u>, including, but not limited to, the disallowance and turnover of any fee found to be in excess of the value of services rendered.

Last Revised: May 16, 2011