

BEFORE THE BOARD OF COMMISSIONERS
ON GRIEVANCES AND DISCIPLINE OF
THE SUPREME COURT OF OHIO

In re: :

Complaint Against :

CHRISTOPHER STANLEY OWEN :
(#0080766) :
Owen Legal Services :
3131 South Dixie, Suite 410 :
Moraine, OH 45439 :

Case No. 14 - 089 : 2

Respondent :

COMPLAINT AND CERTIFICATE
(Exhibits 1 Through 4 Attached)

(Rule V of the Supreme Court Rules for the
Government of the Bar of Ohio)

OHIO STATE BAR ASSOCIATION :
LEGAL ETHICS AND PROFESSIONAL :
CONDUCT COMMITTEE :
(A Certified Grievance Committee) :
1700 Lake Shore Drive :
Columbus, OH 43204 :

Relator :

Now comes the Relator and alleges that Christopher S. Owen (#0080766), an Attorney of Law, duly admitted to the practice of law in this State of Ohio is guilty of the following misconduct:

INTRODUCTION

1. Christopher Stanley Owen (#0080766), was admitted to the practice of law in Ohio in November 2006.

2. Respondent is currently the principal in Owen Legal Services, LLC located in Moraine, Ohio. Prior to establishing his own firm in late 2013, he was employed as managing attorney at Jacoby & Meyers Bankruptcy Law (“JML”) located in Moraine, Ohio.

3. Respondent was initially employed by Macey & Aleman as an attorney in its Moraine,

Ohio office in 2008. Through a merger, Macey & Aleman became JML in 2012. Respondent became managing attorney of the Moraine, Ohio office of JML in 2012. Respondent was not a partner of JML.

4. JML's home office is or was located in Chicago, Illinois.

5. JML was a bankruptcy firm, primarily handling consumer bankruptcies. It advertised on its website and in correspondence that it had 135 offices nationwide.

6. JML, according to Respondent, went into receivership or bankruptcy in late 2013 or early 2014. JML is now a party to an involuntary bankruptcy in the Southern District of New York, filed March 14, 2014 – Jacoby Meyers Bankruptcy, No. 14-10641.

GRIEVANCE FILED BY RICHARD D. FISCHER

7. Relator restates paragraphs 1 through 6 as if fully restated herein.

8. Richard D. Fischer was a client of JML and Respondent.

9. Mr. Fischer met with Respondent in February 2013 and at that time entered into a fee agreement for representation in a Chapter 7 bankruptcy. (See Exhibit 1.) That fee agreement is similar to other fee agreements between Respondent and clients. The fee agreement provided that Mr. Fischer was to be charged \$1,100 for Respondent to handle Mr. Fischer's bankruptcy. \$306 was advanced by Mr. Fischer for a filing fee and \$195 for a document retrieval and financial counseling facilitation fee.

10. Mr. Fischer did not have the funds to pay for the bankruptcy and entered into an agreement whereby automatic withdrawals at the rate of \$100 per month would be taken from his personal checking account by JML.

11. Later, Mr. Fischer decided not to go forward with the bankruptcy and wanted a refund

from Respondent and JML.

12. On numerous occasions in 2013, Mr. Fischer attempted to contact Respondent or JML. He went to the JML office to find that the office was closed. He tried on numerous occasions to call JML, but received no response to his phone calls.

13. The fee agreement between Mr. Fischer and JML and Respondent provided the fees were to be “a non-refundable ‘advance fee retainer.’”

14. The fee agreement stated: “Advance payment of costs may be held in a safe deposit box, a locked safe, a trust account or any other secure place in JML’s sole discretion until incurred and used to reimburse JML for payment.”

15. Neither Respondent nor JML established a trust account for the deposit of fees or expenses.

16. Mr. Fischer’s fees and expenses were not deposited in a trust or IOLTA account.

17. At no time during his employment with JML had Respondent deposited unearned fees or expenses in a trust account. Instead, when any fees or expenses were paid by a client, Respondent forwarded those fees and expenses to JML’s home office.

18. Respondent does not know where fees and expenses received from Mr. Fischer were deposited, nor has he been able to account for fees and expenses paid by Mr. Fischer and other clients.

19. Respondent did not provide an appropriate notice that Respondent and JML did not have malpractice insurance as required by the Rules of Professional Conduct. Instead, Respondent provided notice of the lack of malpractice insurance in a form that contained multiple other unrelated disclaimers. (See Exhibit 2.)

GRIEVANCE BY STEVEN AND MABLE CHANNELS

20. Relator restates paragraphs 1 through 20 as if fully restated herein.

21. Mable and Steven Channels filed a grievance with the Dayton Bar Association in March 2014. That grievance was forwarded to the Relator in March 2014.

22. The Channels entered into an agreement for a bankruptcy at Macey & Aleman, the predecessor law firm to JML in 2011.

23. The Channels also entered into an agreement to have their fees automatically withdrawn from their bank account.

24. The Channels fee agreement stated that their total fee would be \$1,200. (See Exhibit 3.)

25. Instead, \$1,850 was withdrawn from the Channels bank account.

26. In late 2013, and while the Respondent was managing attorney for JML, the Channels requested an accounting and refund of their money. They attempted on numerous occasions to obtain a refund and did not receive an itemized bill, refund, accounting or other communication from Respondent or JML.

**FACTS RELATING TO RESPONDENT'S PRACTICES
WHILE AN ATTORNEY FOR JML**

27. Relator restates paragraphs 1 through 27 as if fully restated herein.

28. During the time he was employed as an attorney or managing attorney with JML, Respondent entered into numerous standard fee agreements with clients as described in above paragraphs 9, 10, 13 and 14.

29. Those standard fee agreements:

- (A) provided automatic withdrawals would be made from client bank accounts;
- (B) provided fees were non-refundable advanced retainers;
- (C) provided fees and expenses received from the client were not to be placed in a trust account or IOLTA account;
- (D) stated that arbitration of any fee disputes would be through the American Arbitration Association; and
- (E) contained arbitration provisions that were punitive and designed so as to prevent clients from arbitrating any disputes.

30. The fee agreements were confusing and contradictory, while on one hand calling the fees “non-refundable retainers,” but then providing for a return of fees through “*quantum meruit*.” The *quantum meruit* provisions of the fee agreement were contrary to Rule 1.5 of the Rules of Professional Conduct and were so punitive so as to prevent or discourage clients from exercising their rights to either an accounting or refunds.

31. As an attorney with JML, Respondent did not deposit advanced fees and costs in an IOLTA or trust account, instead he forwarded all fees and costs to JML.

32. Respondent has no knowledge as to where fees and costs were deposited.

33. The Respondent entered into agreements with clients to represent them, and did not provide appropriate notice under Rule 1.4 of the Rules of Professional Conduct to clients that the law firm and Respondent did not maintain malpractice insurance of at least \$100,000 per occurrence/\$300,000 in the aggregate. While there was a notice provided to clients of the lack of malpractice insurance, it was included in a form containing unrelated disclaimers made by the law firm and Respondent, and not in a separate document as required by the Rule. (See Exhibit 2.)

34. Respondent had an obligation to exercise independent professional judgments on behalf of the clients. Respondent exercised no independent professional judgment as required by the Ohio Rules of Professional Conduct on issues relating to fee agreements, fees, costs, trust

accounts and clients communications.

**FACTS RELATING TO RESPONDENT'S
PURCHASE OF LAW PRACTICE**

35. Relator restates paragraphs 1 through 35 as if fully restated herein.

36. The law firm JML went into a receivership or bankruptcy in late 2013 to early 2014. Respondent entered into an agreement to continue to represent JML clients after JML went into receivership or bankruptcy. That agreement between Respondent and JML represented a sale of the law practice from JML to Respondent.

37. Rule 1.17 of the Rules of Professional Conduct requires that “prior to completing the sale the selling lawyer and purchasing lawyer shall provide written notice of the sale to the clients by the selling lawyer.” (Emphasis supplied.) Despite having entered into an agreement to purchase the law practice from JML, Respondent did not notify clients as required by Rule 1.17.

**FACTS RELATING TO RESPONDENT'S
CURRENT FEE AGREEMENT**

38. Relator restates paragraphs 1 through 38 as if fully restated herein.

39. After Respondent opened his own law practice, he developed a fee agreement for representation of clients. (See Exhibit 4.) That fee agreement is nearly identical to the fee agreement used by Respondent while managing attorney for JML. It contains the same provisions as described in paragraphs 29 and 30 above, which violate the Rules of Professional Conduct.

**RESPONDENT'S VIOLATIONS OF THE
RULES OF PROFESSIONAL CONDUCT**

40. By reason of the foregoing, Respondent has violated his oath of office and the Ohio Rules of Professional Conduct, specifically:

A. Rule 1.4(a)(3) - Respondent failed to keep his clients reasonably informed about the status of their bankruptcy matters.

B. Rule 1.4(c) - Respondent failed to provide on a separate form, notice to his clients that the attorney and law firm did not maintain malpractice insurance of at least \$100,000 per occurrence/\$300,000 in the aggregate.

C. Rule 1.5(d)(3) - Respondent entered into fee agreements that stated that fees were “earned upon receipt” or “non refundable.”

D. Rule 1.5(f) - Respondent entered into fee agreements with clients that provided that the clients were required to have binding arbitration of all disputes by the American Arbitration Association. Rule 1.5(f) requires any fee disputes to be decided in accordance with mediation or arbitration provided by a local bar association. Further, the fee agreements contained arbitration provisions that were so punitive so as to be effectively meaningless and prevented or discouraged clients from voicing any dispute.

E. Rules 1.15(a), (c) and (f) - Respondent did not maintain a client trust account or IOLTA account with a clearly identifiable fiduciary title, did not maintain records as required by Rule 1.15(a), did not deposit legal fees and expenses paid in advance into a trust account and did not account for client funds upon dissolution of the JML law firm.

F. Rule 1.15 - Respondent is unable to account to clients for any fees or costs that were expended on behalf of clients during the time that he represented clients and acted as managing attorney of JML.

G. The Respondent violated Rule 1.17(d) as he did not follow the requirements of that Rule relating to the purchase and sale of the law practice.

H. The Respondent violated Rule 1.17(e) which requires that prior to completing

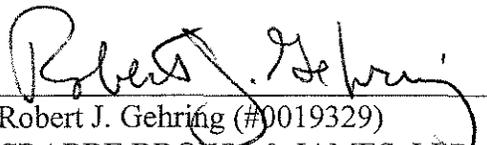
a sale of a law practice, “the selling attorney and purchasing lawyer shall provide written notice of the sale to the clients of the selling lawyer.” The Respondent failed to provide notice to clients that he was purchasing the practice of JML.

I. The Respondent violated Rule 2.1 as he failed to exercise independent professional judgment while acting as managing attorney for JML, despite the fact that practices and procedures of the firm violated the Rules of Professional Conduct. Specifically, the Respondent exercised no independent professional judgment on issues relating to fees, trust accounts, clients’ communications, notice of lack of malpractice insurance and the sale and purchase of a law practice.

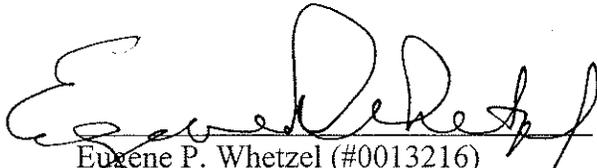
WHEREFORE, Relator alleges that Respondent is chargeable with misconduct as an Attorney at Law, which misconduct has brought disrepute to the legal profession, and by reason thereof, Relator requests that Respondent be disciplined pursuant to Rule V of the Rules for the Government of the Bar of Ohio.

Respectfully submitted,

OHIO STATE BAR ASSOCIATION
LEGAL ETHICS & PROFESSIONAL CONDUCT
COMMITTEE



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Counsel for Relator

CERTIFICATE

The undersigned CHAIRMAN

of the Certified Grievance Committee of the Ohio State Bar Association hereby certifies that Robert J. Gehring, Esq. and Eugene P. Whetzel, Esq. represent Relator in the premises and have accepted the responsibility of prosecuting the complaint to its conclusion. After investigation, Relator believes reasonable cause exists to warrant a hearing on such complaint.

Dated: December 18, 2014

Edward M. Smith

CHAIRMAN

Title

(Rule V of the Supreme Court Rules for the Government of the Bar of Ohio.)

Section (11)

(11) *The Complaint; Where Filed; By Whom Signed.* A complaint shall mean a formal written complaint alleging misconduct or mental illness of one who shall be designated as the Respondent. Six (6) copies of all such complaints shall be filed in the office of the Secretary of the Board. Complaints filed by a Certified Grievance Committee shall not be accepted for filing unless signed by one or more members of the Bar of Ohio in good standing, who shall be counsel for the Relator, and supported by a certificate in writing signed by the President, Secretary or Chairman of the Certified Grievance Committee, which Certified Grievance Committee shall be deemed the Relator, certifying that said counsel are duly authorized to represent said Relator in the premises and have accepted the responsibility of prosecuting the complaint to conclusion. It shall constitute the authorization of such counsel to represent said Relator in the premises as fully and completely as if designated and appointed by order of the Supreme Court of Ohio with all the privileges and immunities of an officer of such Court. The complaint may also, but need not, be signed by the person aggrieved.

Complaints filed by the Disciplinary Counsel shall be filed in the name of Disciplinary Counsel as Relator.

Upon the filing of a complaint with the Secretary of the Board, Relator shall forward a copy thereof to Disciplinary Counsel, to the Certified Grievance Committee serving the county or counties in which the Respondent resides and maintains his office and for the county from which the complaint arose.

CONTRACT FOR BANKRUPTCY SERVICES

EST. ASSET VALUE (EQUITY)

Real Prop. _____
Personal Prop. _____

EST. UNSECURED DEBT:

EST. SECURED DEBTS:

Mtg. Arrears _____
Mtg. Bal. _____
2d Mtg. Arrears _____
2d Mtg. Bal. _____
Veh. #1 Bal. _____
Veh. #2 Bal. _____
Other Secureds _____

NON-DISCHARGEABLE DEBTS

Taxes _____
Student Loans _____
Gov't Fines _____
Child Support _____ Ex. 1, Pg. 1
NSF _____
Other: _____

EXHIBIT

NOTICE: This Agreement contains provisions requiring arbitration of fee disputes. Before you sign the agreement you should consider consulting with another lawyer about the advisability of making an agreement with mandatory arbitration requirements. Arbitration proceedings are ways to resolve disputes without the use of the court system. By entering into agreements that require arbitration as the way to resolve fee disputes, you give up your right to go to court to resolve these disputes by a judge or jury. These are important rights that should not be given up without careful consideration.

I. PARTIES & PURPOSE: This is an agreement for legal services entered into on the date shown below between Jacoby Meyers Law, LLP or one of its wholly owned subsidiaries (hereinafter "JML") and the individual (or married couple) assigned to the record number indicated below (hereinafter "Client") relating to legal services in relation to bankruptcy and debt relief. The contract is solely between JML, any assigns, heirs, or related entities that may be formed in the future and not any individual, partner, member, or employee of JML. JML is a debt relief agency and law firm that files bankruptcy cases on behalf of its clients. **JML DOES NOT REPRESENT CLIENTS IN DEFENSE OF COLLECTION SUITS.**

II. CLIENT OBLIGATIONS: JML reserves the right to withdraw or terminate the representation in the event Client does not meet his/her obligations.

- **Active Participation and Communication.** Client agrees to actively participate and communicate with any and all JML staff during the duration of the bankruptcy case. This includes immediately providing updated contact information and any changes to Client's financial situation including, but not limited to, any state court hearing dates or foreclosure sale notices. Client's signature on this Contract shall be authorization for JML to file a bankruptcy petition for Client via the Bankruptcy Court's electronic filing system and all other subsequent filings through the Bankruptcy Court's electronic filing system. Client agrees to receive documents and/or correspondence from JML via either email or first class mail. Client agrees that JML can contact Client at any reasonable time in JML's sole discretion via email, text message, telephone, or postal mail.

- **Payment of Attorney Fees and Costs/Arbitration.** Client agrees to pay all attorney fees and costs as disclosed herein in a timely manner and that fees and costs, as disclosed must be paid **BEFORE** the case is filed with the bankruptcy court. JML only represents Client and Client controls the representation even if the fee is paid by a third-party. JML and Client expressly agree to resolve fee disputes via Arbitration (see Section IX).

The "flat fee" for representation in a **Chapter 7** case is **\$1,100**. This fee is a nonrefundable "advance payment retainer." In a Chapter 7 case, Client agrees to pay all fees and costs prior to the filing of the bankruptcy case with the bankruptcy clerk's office. Client acknowledges that Client will not have the protection of the Automatic Stay in Bankruptcy pursuant to 11 U.S.C. §362 until the bankruptcy case is filed. There may be additional fees charged by JML for delays caused by the Client, including Client's failure to pay fees in a timely manner, and failure to timely provide information and/or paperwork. Client expressly agrees that funds paid will be deposited in JML's operating account and are the property of JML. The flat fee for representation in a **Chapter 13** case is \$_____ plus costs. JML agrees to file the client's Chapter 13 case with the court for the payment of \$_____ and will accept the balance from Client's Chapter 13 payments. Any estimated chapter 13 monthly payment is subject to change and JML does not guarantee a particular chapter 13 payment. In addition, there is a court filing fee totaling **\$706** (subject to change without notice) and optional document retrieval and financial counseling facilitation totaling \$195 (subject to change without notice).

Client expressly agrees that chapter 7 and chapter 13 fees paid are an advance payment retainer and not a security retainer and such arrangement is an express condition of JML's willingness to handle the case. An advance payment retainer is appropriate because work is being performed from the moment the firm is hired and continues throughout the relationship, even if a case is never filed with the court. In Chapter 13, the fixed flat fees and advance payment retainer are for pre-filing and pre-confirmation work. All fees paid are the property of the attorney and will be deposited into JML's operating account and are earned upon receipt, subject to refund only as provided in Section IV. Though the fee is fixed, in chapter 13's JML may apply to the court for additional fees, paid through the chapter 13 plan if there are extraordinary circumstances, such as extended evidentiary hearings, contested adversary proceedings, or appeals. See Section III for further details. Advance payment of costs may be held in a safe deposit box, a locked safe, a trust account, or any other secure place in JML's sole discretion until incurred and used to reimburse JML for payment. ~~Client Initials~~

Dishonored payments incur a fee of \$25 + any additional fees and costs incurred by JML as a result of dishonored or stopped payments. Failure to pay can result in JML closing the file and terminating the attorney-client relationship (see Section IV). In the event Client's chapter 13 is dismissed prior to full payment of attorney fees, Client agrees and expressly authorizes the chapter 13 trustee to pay any money held to JML for payment of the balance owed. Client agrees that JML may retain counsel to collect any balances due and will be responsible for payment of any reasonable collection costs and fees, not less than \$400. Client authorizes the collection of any additional fees from the chapter 13 trustee (if applicable). Client expressly agrees that fees tendered to JML by personal check may be converted and processed as ACH transactions. JML agrees to pursue third parties who may be liable for payment of fees, but failure of JML to collect from third parties does not relieve Client of responsibility for payment. Client agrees that non-basic services are billed at the firm's customary hourly rate as described in Section IV. Billable hourly rates are subject to change. Some non-basic services may be provided at a flat fee rate, as agreed between the parties (see Section III).

- **Full Disclosure:** Client agrees to truthfully, completely and accurately disclose all assets and their value, liabilities and their amount, income, and expenses to JML and on any and all bankruptcy paperwork. In addition, client agrees to accurately answer any and all questions posed by JML and/or a representative or agent of the United States Trustee or as otherwise provided by law.

- **Provide Documentation & Follow Instructions.** Client agrees to provide copies of any and all documentation requested by JML in a timely and organized manner. Client expressly acknowledges and agrees that JML has duties to the Court that require JML to reasonably seek documentary evidence that supports Client's factual contentions before JML can sign off and file bankruptcy paperwork with the court. Such documentation includes, but is not limited to: pay advices for the six month time period before the filing of the bankruptcy case (client acknowledges that since the case is not filed immediately upon the signing of this contract that the six month time period changes as time passes), tax returns, property appraisals, recorded deeds (if applicable), recorded mortgages (if applicable), non-filing spouse's (or household member's) pay advices, and any other relevant information directly or indirectly related to the client's financial condition. Client further agrees that he/she will read and follow all Instructions provided to Client and incorporated by reference and made a part of this Contract for services.

III. LAW FIRM OBLIGATIONS:

- **Use Best Efforts:** In consideration for Client's obligations as stated in Section III, JML agrees to use its best efforts to obtain a satisfactory result for Client by providing basic legal services in connection with a bankruptcy case on an efficient and cost-effective basis. Client expressly agrees that JML makes no guarantee regarding the outcome of the bankruptcy case, including but not limited to: ability and qualification for filing chapter 7 or chapter 13 bankruptcy, successful discharge of any particular debt, the amount of a chapter 13 plan payment, and/or whether or not JML can successfully reduce the balance of secured liens. JML offers its advice based on the information as disclosed by Client and Client agrees that JML is not responsible and assumes no liability for changes in the law, changes in Client's financial situation, and/or facts as revealed after review of documentation that could affect in any way any advice JML gives Client.

- **Staffing:** JML structures its practice as a group practice. JML does not guarantee any minimum level of participation in a case by any individual employee, member, attorney, paralegal, or partner of the firm. Multiple attorneys and staff may work on various aspects of the case as assigned by JML in its sole discretion in compliance with all applicable rules of professional conduct. JML expects to perform the bulk of the work, but reserves the right to utilize other attorneys, paralegals, and litigation/clerical assistants where appropriate. In addition, Client authorizes JML, at its discretion, to have attorneys within the firm, or outside counsel, review client's file to explore other potential causes of action client may have.

- **Provide Basic Bankruptcy Services:** JML, in consideration for Client's obligations as stated in Section III, agrees to provide basic legal services as required to file either a Chapter 7 or Chapter 13 Bankruptcy case, the Chapter determined as mutually agreed and indicated below. Basic legal services include, but are not limited to: pre-filing verification of bankruptcy representation; post-filing and pre-discharge contact with creditors; pre-filing advice and counsel to Client; advice during the case concerning the nature and effect of the applicable bankruptcy rules, including up to 15 telephone calls or 4 additional in-person meetings; exemption advice and planning; preparation and filing of a bankruptcy petition; preparation and filing of schedules and statements as required by bankruptcy statutes, rules, local rules, and any applicable standing orders of courts of competent jurisdiction; representation at the meeting of creditors pursuant to §341 of the Bankruptcy Code; representation at

any confirmation hearings pursuant to §1324 (if appli); settling valuation disputes prior to confirmation in Cha 13, submitting information pursuant to requests from the trustee, including submitting information in response to case audits requested by the United States Trustee, negotiation and counsel in relation to reaffirmation agreements pursuant to 11 U.S.C. §524; and other regular and routine services not specifically stated, including additional terms as may be described in Section VIII, if applicable. Client expressly agrees that in Chapter 7, JML will not file the bankruptcy petition and schedules with the court until all fees and costs have been paid in full. In Chapter 13, JML will not file the bankruptcy petition and schedules with the court until the agreed pre-filing portion of the fees and all costs have been paid in full. In addition, JML will not file the bankruptcy case with the court until all required documentation has been provided, all required documents are timely signed, reviewed, and verified.

Client further agrees that the above-described fees cover basic services only. There may be additional fees for non-basic services in addition to those disclosed above. Subject to the applicability of any local rules, standing orders, or additional contracts, non-basic services for which additional fees may apply include, but are not limited to: Adversary proceedings pursuant to 11 U.S.C. §523 or §727; excessive phone calls (more than 15) or in-person consultations (more than 4); motions to dismiss for client's failure to attend court hearings or failure to provide requested documentation; actions to enforce the automatic stay pursuant to 11 U.S.C. §362; actions to enforce the discharge injunction; Rule 2004 Examinations; depositions; interrogatories or other discovery proceedings; contested objections to confirmation of a Chapter 13 plan; amended creditor schedules (typically \$150 in chapter 7 + \$30 filing fee in all chapters, subject to change); amended asset and/or income/expense schedules due to Client's failure to provide full disclosure; document retrieval services; facilitation of credit counseling and/or financial management courses; post-discharge services; appraisal services; contested matters; rescheduled §341 meetings because of Client's failure to appear at a scheduled meeting (typically \$150 in chapter 7); motions to avoid liens (typically \$260 per motion); proceedings to strip mortgages when applicable; and motions for redemption pursuant to 11 U.S.C. §722 (typically \$600); conversion of a case from one chapter to another (requires an additional in-person meeting and results in additional reasonable fees and costs as mutually agreed); and/or proceedings to reopen a closed case for any reason.

***IV. TERMINATION OF SERVICES (Refund Policy):** The parties may terminate services at any time. Termination of services by Client must be in writing. JML may terminate services for failure of Client to fulfill any of Client's contractual obligations as identified in Section II of this agreement. In either event, Client may be entitled to a refund of part of the nonrefundable fee based upon *quantum meruit*. The factors considered include: time spent, including time spent answering telephone calls, processing, organizing, and responding to any correspondence; case status; case progress; and the amount of work remaining to complete the case. Analysis of time is calculated in tenths of an hour increments, rounded up to the next tenth of an hour. Attorney time is worth \$250-\$450 per hour depending on the experience of the attorney performing the service. Non-attorney professional time is worth \$75 per hour. Hourly rates are subject to periodic review and revision. JML will also consider the progress of the case when determining a reasonable refund. It is impossible to determine a fair refund until a detailed analysis is performed on a case-by-case basis. By way of example, it is expected that a chapter 7 typically requires from 3-5 hours of attorney time and a chapter 13 typically from 10-12 hours of attorney time. Generally, by way of example, in a chapter 7, 20-25% of the total flat fee would be earned and retained upon the delivery of post-consultation instructions, file set-up, case conceptualization and advice, and the process of closing the file. Another 40-50% of the total fee would be earned between the time of the consultation and the preparation of the bankruptcy petition and schedules based on servicing the file, telephone calls and handling other correspondence. An additional 10-15% of the total fee would be earned upon drafting the petition and schedules for client review and comment. An additional 15-20% of the total fee would be earned upon the final review with client of the paperwork and the filing of the case. The last 15-20% of the total fee would be earned upon handling post-filing matters. In Chapter 13, these estimates would be adjusted as post-filing, pre-confirmation matters account for roughly 25-30% of the work in a case. Refunds, if any, will be sent to Client at Client's last known address within a reasonable amount of time. In the event Client is deceased or incapacitated, or if the fee was paid by a third party, refunds, if any, are the property of the Client and will only be released to the Client or an authorized representative of the Client's estate. In the event Client terminates services after a bankruptcy case has been filed, JML is given a reasonable time to file withdrawal and/or substitution of counsel documents with the clerk of court. JML expressly reserves the right to enforce a previous award of fees and to seek payment of any outstanding balance of legal fees. The parties expressly agree that JML's representation automatically terminates upon the closing of the case by the Clerk of Court. Client expressly agrees that JML is authorized to contact Client in the future, even after the conclusion of the case via mail, telephone, electronic mail or text message regarding any future JML products and/or services.

V. LIMITED POWER OF ATTORNEY: Client expressly agrees that signature on this contract grants JML a Limited Power of Attorney for the purposes of carrying out the bankruptcy representation. Such power includes, but is not limited to, the power to obtain Client's tax returns or transcripts from either the IRS or any person or entity consulted in regards to tax preparation; the ability to obtain information and discuss Client's situation with any of Client's secured creditors; and in the event the bankruptcy is dismissed or converted prior to completion, JML may apply funds on hand with the Chapter 13 trustee that would otherwise be forwarded to Client towards the balance owed JML, if any, and/or the Chapter 7 fee, if applicable, by granting JML the right to endorse Client's name upon checks from the trustee. JML will provide an accounting of all funds received from the trustee and applied.

VI. RETENTION AND DISPOSITION OF RECORDS: JML will retain records as required by applicable law in your state, generally at least (5) years. JML reserves the right to store records electronically. JML encourages Client to keep and maintain copies of all bankruptcy related matters. Client may request a copy of the file by sending a written request. JML reserves the right to charge a reasonable retrieval and duplication fee of at least \$35.

VII. RECEIPT OF MANDATORY NOTICE AND DISCLOSURE: The Bankruptcy Abuse and Prevention and Consumer Protection Act of 2005 requires JML to provide mandatory notices/disclosures to Client. Your signature on this contract is an acknowledgement that Client has received, read and understood the two (2) separate documents entitled "§527(a) Notice," and "Important Information About Bankruptcy Assistance Services From an Attorney or Bankruptcy Petition Preparer."

VIII. ENTIRE AGREEMENT: The entire contract between the Parties is contained in this instrument. Parties agree to all of the terms and conditions set forth herein and acknowledge that they have read and understand this Agreement. In the event Client is filing a case in a jurisdiction where the local bankruptcy court has adopted any rule, procedure or general order regarding the relationship between the Attorney and the Client, then such rule, procedure, Court Order, "Rights & Responsibilities Agreement," or "Model Retention Agreement" and its corresponding rights and obligations is specifically incorporated by reference into this Agreement, is made a part hereof as additional terms, and both parties understand they must comply with its terms which supercede and control all provisions of this contract. Client signature on this document serves as an acknowledgement and agreement by Client that Client has been informed of such a rule, procedure, Order, "Rights and Responsibilities Agreement," or "Model Retention Agreement" and has agreed to be bound by its additional terms and conditions. In the event provisions of this Agreement contradict with the provisions in any Rule, Procedure, Court Order, "Rights & Responsibilities Agreement," and/or "Model Retention Agreement" the provisions of the Rule, Procedure, Court Order, "Rights & Responsibilities Agreement," or "Model Retention Agreement" would control.

IX. BINDING ARBITRATION: In the event of any controversy, claim or dispute between the parties arising out of or relating to this agreement or the breach, termination, enforcement, interpretation, unconscionability or validity thereof, including the termination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in the county and state in which the consumer resides at the time of the agreement, in accordance with the laws of the state of consumer's residence at the time of the agreement, or agreements to be made in and to be performed in the state of the consumer's residence. The parties agree, the arbitration shall be administered by the American Arbitration Association ("AAA") pursuant to its rules and procedures and an arbitrator shall be selected by the AAA. The arbitrator shall be neutral and independent and shall comply with the AAA code of ethics. The award rendered by the arbitrator shall be final and shall not be subject to vacation or modification. Judgment on the award made by the arbitrator may be entered in any court having jurisdiction over the parties. If either party fails to comply with the arbitrator's award, the injured party may petition the circuit court for enforcement. The parties agree that either party may bring claims against the other only in his/her or its individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Further, the parties agree that the arbitrator may not consolidate proceedings of more than one person's claims, and may not otherwise preside over any form of representative or class proceeding. The parties shall share the cost of arbitration, including attorneys' fees, equally. If the consumer's share of the cost is greater than \$1,000.00 (One-thousand dollars), JML will pay the consumer's share of costs in excess of that amount. In the event a party fails to proceed with arbitration, unsuccessfully challenges the arbitrator's award, or fails to comply with the arbitrator's award, the other party is entitled to costs of suit, including a reasonable attorney's fee for having to compel arbitration or defend or enforce the award. Binding Arbitration means that both parties give up the right to a trial by jury. It also means that both parties give up the right to appeal from the arbitrator's ruling except for a narrow range of issues that can or may be appealed. It also means that discovery may be severely limited by the arbitrator. This section and arbitration requirement shall survive any termination.

X. SEVERABILITY: In the event any provision of this agreement is found to be unenforceable for any reason by a court of competent jurisdiction, only the offending clause shall be stricken from the agreement and the remainder of the agreement shall remain in full force and effect.

I/We hereby agree to and acknowledge all of the terms above and I/we retain and authorize JML to file a bankruptcy on my/our behalf:

EXHIBIT

CHAPTER 7 / CHAPTER 13 (circle one)

[Signature]
Debtor DATE 2/28/13

RECORD # 3019447

BY: [Signature]

X _____ DATE _____
Joint Debtor

Attorney on behalf of JML

JACOBY & MEYERS LAW LLP

NEW YORK • LOS ANGELES • CHICAGO • WASHINGTON, DC • MIAMI
& Over 135 Law Offices Throughout America
3131 South Dixie Drive Moraine, OH 45439
Christopher Owen, Managing Attorney

TAX REFUND DISCLAIMER

My attorney has explained to me, and I understand, that the income tax refunds that I receive can be considered an asset of my bankruptcy estate and that I may be required to surrender it to the interim trustee in whole or in part. *I fully understand that I cannot deposit, cash, or spend ANY portion of the tax refund without the express written consent of my attorney or the interim trustee assigned to my case.* If I disregard this advice and spend my tax refund, I understand that the interim trustee assigned to my case can demand full repayment of the tax refund and can withhold or revoke the bankruptcy discharge if I do not comply with the demand. I will supply my attorney with copies of my federal, state, and local income tax returns as soon as they are prepared. In the event I receive a refund from my federal, state and/or local tax returns, I will not take out any form of loan (e.g. Rapid Refund) from a lending institution on any income tax refund owed to me.

DISCLAIMER REGARDING REAFFIRMATION AGREEMENTS

My attorneys have explained to me that my secured creditors (i.e., mortgage holders, car lien holders, etc.) may offer me reaffirmation agreements on my secured loans. Whether or not a reaffirmation is signed, if I do not make payments as scheduled, the secured item could be foreclosed, repossessed or I could be sued after the bankruptcy for the return of the secured item.

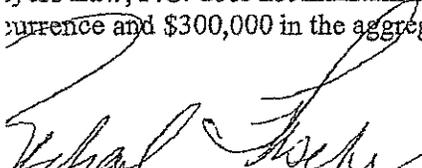
A signed and court-approved reaffirmation agreement will mean I am also personally obligated for the balance of the loan, despite having filed bankruptcy. In that case, I will be responsible for the balance of the loan even if the secured item is turned to the creditor (after a deduction is made for the car's current value).

My attorneys have explained that reaffirmation agreements operate to protect the interests of the creditor and that it may not be in my best interests to sign a reaffirmation agreement. My attorneys also have explained that they will not prepare reaffirmation agreements on my behalf and they will not sign reaffirmation agreements prepared by my creditor(s).

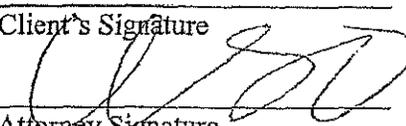
If I want to sign a reaffirmation agreement, I may sign a reaffirmation prepared by my creditor and return it to the creditor. A hearing may be held during which the court will inquire as to my ability to pay on the loan. The court will then determine whether it is in my best interests to keep the secured item. I understand that if the court decides it is not in my interests to keep the secured item, I may need to surrender it. I further understand that my attorneys will not accompany me to any such reaffirmation hearing as representation on this issue is not a part of Basic Services as defined by my contract with my attorneys, beyond advising me as to the legal effect of the agreement.

CLIENT ACKNOWLEDGEMENT

I acknowledge receipt of the notice required by DR 1-104 of the Ohio Code of Professional Responsibility that Jacoby & Meyers Law, P.C. does not maintain outside professional responsibility (malpractice) insurance of at least \$100,000 per occurrence and \$300,000 in the aggregate, rather Jacoby & Meyers Law, P.C. is wholly self-insured.


Client's Signature

Client's Signature


Attorney Signature

EXHIBIT

LEGAL HELPERS, P.C. a service of **MACEY & ALEMAN**

CONTRACT FOR BANKRUPTCY SERVICES

adba LEGAL HELPERS, LLP, MACEY & ALEMAN

ESTIMATED ASSET VALUE (TOTAL) Real Prop. _____ Personal Prop. _____	ESTIMATED SECURED DEBTS Mtg. Arrears _____ Mtg. Bal. _____ 2d Mtg. Arrears _____ 2d Mtg. Bal. _____ Veh. #1 Bal. _____ Veh. #2 Bal. _____ Other Secureds _____	NON-DISCHARGEABLE DEBTS Taxes _____ Student Loans _____ Gov't Fines _____ Child Support _____ NSF _____ Other _____
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EXHIBIT
Ex. 3, Pg. 1

I. PARTIES & PURPOSE: This is an agreement for legal services entered into on the date shown below between Legal Helpers, P.C., a service of Macey & Aleman, or one of its wholly owned subsidiaries (hereinafter "MA") and the individual (or married couple) assigned to the record number indicated below (hereinafter "Client") relating to advice, counseling, and filing for bankruptcy relief. The contract is solely between MA, any assigns, heirs, or related entities that may be formed in the future and not any individual, partner, member, or employee of MA. MA is a debt relief agency and law firm that files bankruptcy cases on behalf of its clients. **MA DOES NOT REPRESENT CLIENTS IN DEFENSE OF COLLECTION SUITS.**

II. CLIENT OBLIGATIONS: MA reserves the right to withdraw or terminate the representation in the event Client does not meet his/her obligations.

- Active Participation and Communication.** Client agrees to actively participate and communicate with MA during the duration of the bankruptcy case. This includes immediately providing updated contact information and any changes to Client's financial situation including, but not limited to, any state court hearing dates or foreclosure sale notices. Client agrees that MA is a **group practice**. Client agrees to utilize MA's call center and/or website for any and all inquiries regarding client's case. Client's signature on this Contract shall be authorization for MA to file a bankruptcy petition for Client via the Bankruptcy Court's electronic filing system and all other subsequent filings through the Bankruptcy Court's electronic filing system. Client agrees that the preferred method of receiving documents from MA is via first class mail. Client agrees that MA can contact Client at any reasonable time in MA's sole discretion via email, text message, telephone, or regular mail.
- Payment of Attorney Fees and Costs/Arbitration.** Client agrees to pay all attorney fees and costs as disclosed herein in a timely manner and that fees and costs, as disclosed must be paid BEFORE the case is filed with the bankruptcy court. Client agrees that the fee is earned upon receipt for representation in either Chapter 7 or Chapter 13 Bankruptcy for basic legal services. MA only represents Client and Client controls the representation even if the fee is paid by a third-party. MA and Client expressly agree to resolve fee disputes via Arbitration.

The nonrefundable* flat fee for representation in a **Chapter 7** case is **\$7,150.00**. This fee is a nonrefundable* advance payment retainer. In a Chapter 7 case, Client agrees to pay all fees and costs prior to the filing of the bankruptcy case with the bankruptcy clerk's office. Client acknowledges that Client will not have the protection of the Automatic Stay in Bankruptcy pursuant to 11 U.S.C. §362 until the bankruptcy case is filed. There may be additional fees charged by MA for delays caused by the Client, including Client's failure to pay fees in a timely manner, and failure to timely provide information and/or paperwork. Client expressly agrees that MA may deposit funds paid toward the flat fee in MA's operating account and will not hold them in a trust account.

The nonrefundable* flat fee for representation in a **Chapter 13** case is **\$5,000.00** plus costs. MA agrees to file the client's Chapter 13 case with the court for the payment of _____ and will seek payment of the balance from Client's Chapter 13 payments. Client expressly agrees that the fee arrangement provides for an advance payment retainer. In Chapter 13, it is presumed that half the total flat fee represents work to be performed pre-filing and the other half is presumed to represent work to be performed post-filing through confirmation (unless superseded by applicable local rule or standing order). Costs include, but are not limited to; postage and photocopying charges if applicable. Any estimated chapter 13 monthly payment is subject to change.

In addition, there is a court filing fee totaling **\$291.00** (subject to change without notice) and optional document retrieval and financial counseling facilitation as required by the bankruptcy code totaling **\$322.00** (subject to change without notice).

Client expressly agrees to the advance payment retainer and not a security retainer and such arrangement is an express condition of MA's willingness to handle the case. Given the nature of bankruptcy practice, this arrangement reduces administrative expenses and keeps fees more affordable. All fees paid are the property of the attorney and will be held in the attorney's operating account and are earned upon receipt, subject to reasonableness as described in Section IV. Advance payment of costs may be held in a safe deposit box, a locked safe, a trust account, or any other secure place in MA's sole discretion until incurred and used to reimburse MA for payment.

Client agrees to pay MA fees whether or not the bankruptcy case is successful. Client further agrees to pay **\$25.00** any additional fees and costs incurred **MA retains the right to discontinue or stop payments.** Failure to pay can result in MA in its sole discretion closing the file and terminating the attorney-client relationship (see Section V for termination provisions). In the event Client's chapter 13 case is dismissed prior to full payment of attorney fees, Client agrees and expressly authorizes the chapter 13 trustee to pay any balance of fees due under this agreement or any prior agreements directly to MA.

4. Any balance is due and payable within 10 days of dismissal of the case and Client agrees that MA may retain counsel to collect any balances due and will be responsible for payment of any reasonable collection costs and fees, not less than \$400. Conversion of the case from one chapter to another requires a new agreement and may result in additional attorney fees and court costs. Client authorizes the collection of any additional fees from the chapter 13 trustee (if applicable). Client expressly agrees that fees tendered to MA by personal check may be converted and processed by MA as **ACH transactions**.

Client further agrees that the above-described fees cover basic services and there are **additional fees for non-basic services** in addition to those disclosed above. Non-basic services for which additional fees apply include, but are not limited to: Adversary proceedings pursuant to 11 U.S.C. §523 §727, motions to dismiss for client's failure to attend court hearings or failure to provide requested documentation, actions to enforce the automatic stay pursuant to 11 U.S.C. §362, actions to enforce the discharge injunction, Rule 2004 Examinations, depositions, interrogatories or discovery proceedings, contested objections to confirmation of a Chapter 13 plan, amended creditor schedules (typically \$150 + \$26 filing subject to change), amended asset and/or income/expense schedules due to Client's failure to provide full disclosure, document retrieval services, facilitation of credit counseling and/or financial management courses, post-discharge services, appraisal services, contested matters, scheduled §341 meetings because of Client's failure to appear at a scheduled meeting (typically \$150), motions to avoid liens (typically \$250 per lien), and motions for redemption pursuant to 11 U.S.C. §722 (typically \$600), conversion of a case from one chapter to another (requires an additional in-person meeting and results in additional fees and costs as determined by MA, in its sole discretion), or proceedings to reopen a closed case for any reason. MA agrees to pursue third parties who may be liable for payment of fees, but failure of MA to collect from third parties does not constitute responsibility for payment. Client agrees that non-basic services are billed at the firm's customary hourly rate as described in Section V. Hourly rates are subject to change. Some non-basic services may be provided at a flat fee rate, as indicated or agreed between the parties.

Full Disclosure. Client agrees to truthfully, completely and accurately disclose all assets and their value, liabilities and their amount, income, and expenses to MA and on any and all bankruptcy paperwork. In addition, client agrees to accurately answer any and all questions posed by MA and/or representative or agent of the United States Trustee or as otherwise provided by law.

Provide Documentation & Follow Instructions. Client agrees to provide any and all documentation requested by MA in a timely manner.

manner. Client expressly acknowledges and agrees that MA has duties to the Court that require MA to reasonably seek documentary evidence that supports Client's factual contentions before MA can sign off and file bankruptcy paperwork with the clerk's office. Such documentation includes, but is not limited to: pay advices for the six month time period before the filing of the bankruptcy case (client acknowledges that since the case is not filed immediately upon the signing of this contract that the six month time period changes as time passes and client pays fees, costs, and gets documents together), tax returns, property appraisals, recorded deeds (if applicable), recorded mortgages (if applicable), spouse's pay advices, and any other relevant information directly or indirectly related to the client's financial condition. Client further agrees that he/she will read and follow the instructions provided to Client and incorporated by reference and made a part of this Contract for services.

III. LAW FIRM OBLIGATIONS:

• **Use Best Efforts:** In consideration for Client's obligations as stated in Section III, MA agrees to use its best efforts to obtain a satisfactory result for Client by providing basic legal services in connection with a bankruptcy case on an efficient and cost-effective basis. Client expressly agrees that MA makes no guarantee regarding the outcome of the bankruptcy case, including but not limited to: successful discharge of debt, the amount of a Chapter 13 plan payment, and/or whether or not MA can successfully reduce the balance of secured claims. MA offers its advice based on the information as disclosed by Client and Client agrees that MA is not responsible and assumes no liability for changes in the law, changes in Client's financial situation, and/or facts as revealed after review of documentation that could affect in any way any advice MA gives to Client.

• **Staffing:** MA structures its practice as a group practice. MA does not guarantee any minimum level of participation in a case by any individual employee, member, attorney, paralegal, or partner of the firm. MA agrees to assign qualified personnel, in its sole discretion, to various aspects of the case pursuant to its group practice and in compliance with all applicable rules of professional conduct. MA expects to perform the bulk of the work, but reserves the right to utilize other attorneys, paralegals, and litigation/clerical assistants where appropriate. In addition, Client authorizes LH, at its discretion, to have attorneys within the firm, or outside counsel, review client's file to explore other potential causes of action client may have against creditors.

• **Provide Basic Bankruptcy Services:** MA, in consideration for Client's obligations as stated in Section III, agrees to provide basic legal services as required to file either a Chapter 7 or Chapter 13 Bankruptcy case, the Chapter determined as mutually agreed and indicated below. Basic legal services include, but are not limited to: pre-filing verification of bankruptcy representation; post-filing and pre-discharge contact with creditors; pre-filing advice and counsel to Client; advice during the case concerning the nature and effect of the applicable bankruptcy rules; exemption advice and planning; preparation and filing of a bankruptcy petition; preparation and filing of schedules and statements as required by bankruptcy statutes, rules, local rules, and any applicable standing orders of courts of competent jurisdiction; representation at the meeting of creditors pursuant to §341 of the Bankruptcy Code; representation at any confirmation hearings pursuant to §1324 (if applicable); and other basic services. Other basic services may include settling valuation disputes prior to confirmation in Chapter 13, submitting information pursuant to requests from the trustee, including submitting information in response to case audits requested by the United States Trustee; negotiation and counsel in relation to reaffirmation agreements pursuant to 11 U.S.C. §524; and other regular and routine services not specifically stated, including services included pursuant to applicable local rules and/or standing orders of court. Client expressly agrees that in Chapter 7, MA will not file the bankruptcy petition and schedules with the court until all fees and costs have been paid in full. In Chapter 13, MA will not file the bankruptcy petition and schedules with the court until the agreed pre-filing portion of the fees and all costs have been paid in full. In addition, MA will not file the bankruptcy case with the court until all required documentation has been provided, all required documents are timely signed, reviewed, verified, and correct.

IV. TERMINATION OF SERVICES (Refund Policy): Even though this fee agreement provides for a nonrefundable flat fee for bankruptcy services and all bills are due upon receipt, Client is entitled to terminate services at any time. MA can terminate services for failure of Client to fulfill any of Client's contractual obligations as identified in Section III of this agreement. In either event, Client may be entitled to a refund of part of the nonrefundable fee based upon reasonableness. MA will determine what is reasonable based on the time spent on Client's matter. Termination of services by Client must be in writing. Client expressly agrees that the manner of the accounting is as follows: (1) time spent shall be calculated in tenths of an hour and rounded up to the next tenth of an hour increment; (2) attorney time shall be calculated at \$250 per hour for associates, \$350 per hour for senior associates (5 years of practice or more), and \$450 per hour for partners; Non-attorney professional time will be calculated at \$75 per hour. These hourly charges are subject to periodic review and revision without notice. Any refund MA determines is fair will be sent to Client at Client's last known address within a reasonable amount of time. In the event Client is deceased or incapacitated, or if the fee was paid by a third party, refunds, if any, are the property of the Client and will only be released to the Client or an authorized representative of the Client's estate. In the event Client terminates services after a bankruptcy case has been filed, MA is given a reasonable time to file withdrawal and/or substitution of counsel documents with the clerk of court. MA expressly reserves the right to enforce a previous award of fees and to seek payment of any outstanding balance of legal fees. The parties expressly agree that MA's representation automatically terminates upon discharge of a no asset chapter 7 or upon the closing of the case by the Clerk of Court, whichever is later. Client expressly agrees that MA is authorized to contact Client in the future, even after the conclusion of the case via mail, telephone, electronic mail or text message regarding any future MA products and/or services.

V. LIMITED POWER OF ATTORNEY: Client expressly agrees that signature on this contract grants MA a Limited Power of Attorney for the purposes of carrying out the bankruptcy representation. Such power includes, but is not limited to, the power to obtain Client's tax returns or transcripts from either the IRS or any person or entity consulted in regards to tax preparation; the ability to obtain information and discuss Client's situation with any of Client's secured creditors; and in the event the bankruptcy is dismissed or converted prior to completion, MA may apply funds on hand with the Chapter 13 trustee that would otherwise be forwarded to Client towards the balance owed MA, if any, and/or the Chapter 7 fee, if applicable, by granting MA the right to endorse Client's name upon checks from the trustee. MA will provide an accounting of all funds received from the trustee and applied.

VI. RETENTION AND DISPOSITION OF RECORDS: MA will retain records as required by applicable law in your state, generally at least (5) years.

MA reserves the right to store records electronically. MA encourages Client to keep and maintain copies of all bankruptcy related matters. Client may request a copy of the file by sending a written request. MA reserves the right to charge a reasonable retrieval and duplication fee of at least \$35.

VII. RECEIPT OF MANDATORY NOTICE AND DISCLOSURE: The Bankruptcy Abuse and Prevention and Consumer Protection Act of 2005 requires MA to provide mandatory notices/disclosures to Client. Your signature on this contract is an acknowledgement that Client has received, read and understood the two (2) separate documents entitled "§527(a) Notice," and "Important Information About Bankruptcy Assistance Services From an Attorney or Bankruptcy Petition Preparer."

VIII. ENTIRE AGREEMENT: The entire contract between the Parties is contained in this Instrument. Parties agree to all of the terms and conditions set forth herein and acknowledge that they have read and understand this Agreement. In the event Client is filing a case in a jurisdiction where the local bankruptcy court has adopted any rule, procedure or general order regarding the relationship between the Attorney and the Client, then such rule, procedure, Court Order, or "Model Retention Agreement" and its corresponding rights and obligations is specifically incorporated by reference into this Agreement and made a part hereof. The signature on this document serves as an acknowledgement and agreement by Client that Client has been informed of such a rule, procedure, Order, or "Model Retention Agreement" and has agreed to be bound by its additional terms and conditions.

IX. SEVERABILITY: In the event any provision of this agreement is found to be unenforceable for any reason by a court of competent jurisdiction, only the offending clause shall be stricken from the agreement and the remainder of the agreement shall remain in full force and effect.

I/We hereby agree to and acknowledge all of the terms above and I/we retain MA to file a bankruptcy under:

CHAPTER 7 / CHAPTER 13 (circle one)

[Signature]
Debtor

DATE _____

[Signature]
Joint Debtor

DATE 8/3/2010

RECORD # 1920479

BY: [Signature]

EXHIBIT

Attorney on behalf of MA

Owen Legal Services, LLC
Contract for Bankruptcy Services

1. **Parties and Purpose:** This is an agreement for legal services entered into on the date shown below between Owen Legal Services, LLC (hereinafter "OLS") and the individual (or married couple) assigned to the record number indicated below (hereinafter "Client") relating to legal services in relation to bankruptcy and/or debt relief services. This contract is solely between OLS, any assigns, heirs or related entities that may be formed in the future and not any individual, partner, member, or employee of OLS. OLS is a debt relief agency and law firm that files bankruptcy case on behalf of its clients. OLS does not represent clients for any other legal matter or in defense of collection suits unless specifically contractually agreed between OLS and client.
2. **Clients Obligations:** OLS reserves the right to withdraw or terminate the representation in the event Client does not meet his/her obligations.
 - a. **Active participation and communication:** Client agrees to actively participate and communicate with any and all OLS staff during the duration of the bankruptcy case. This includes immediately providing updated contact information and any changes to Client's financial situation including, but not limited to, any state court hearing dates or foreclosure sale notices. Client's signature on this Contract shall be authorization for OLS to file a bankruptcy petition for Client via the Bankruptcy Courts electronic filing system and all other subsequent filings through the Bankruptcy Court's electronic filing system. Client agrees to receive documents and/or correspondence from OLS via either email or first class mail. Client agrees that OLS can contact Client at any reasonable time in OLS's sole discretion via email, text message, telephone, or postal mail.
 - b. **Payment of Attorneys Fees and Costs:** Client agrees to pay all attorney fees and costs as disclosed herein in a timely manner and that fees and costs as disclosed must be paid for BEFORE the case is filed with the bankruptcy court. OLS only represents Client and Client controls the representation even if the fee is paid by a third party.
 - c. **The "flat fee" for representation in a Chapter 7 case is \$_____.** This fee is a nonrefundable "advance payment retainer." In a Chapter 7 case, Client agrees to pay all fees and costs prior to the filing of the bankruptcy case with the bankruptcy clerk's office. Client acknowledges that Client will not have the protection of the Automatic Stay in Bankruptcy pursuant to 11 U.S.C. §362 until the bankruptcy case is filed. There may be additional fees charged by OLS for delays caused by the Client, including Client's failure to pay fees in a timely manner, and failure to timely provide information and/or paperwork. Client expressly agrees that funds paid will be deposited into OLS' operating account and are the property of OLS. All fees paid shall be first applied to attorney fees for ongoing work being performed by attorney, next fees shall be applied to any additional third party services that are to be performed on behalf of client (i.e. credit reports, credit counselling services, or any other services); any additional fees paid shall be placed in the attorneys IOLTA trust account and shall be utilized to pay the Bankruptcy Court for the Debtors filing fee. The flat fee for representation in a Chapter 13 case is \$_____ plus costs. OLS agrees to file the Client's chapter 13 case with the court for the payment of \$_____ and will accept the balance from Client's chapter 13 payments from the trustee. Any estimated chapter 13 trustee payment is subject to change and OLS does not guarantee a particular chapter 13 payment. In addition, there is a court filing fee totaling \$_____ (subject to change without notice) and optional document retrieval and financial counselling facilitation totaling \$_____ (subject to change without notice). Client expressly agrees that chapter 7 and chapter 13 fees paid are an advance payment retainer and not a security retainer and such arrangement is an express condition of OLS' willingness to handle the case. An advance payment retainer is appropriate because work is being performed from the moment the firm is hired and continues throughout the relationship, even if a case is never filed with the court. In Chapter 13, the fixed flat fees and advance payment retainer are for pre-filing and pre-confirmation work. All fees paid are the property of the attorney and will be deposited into OLS operating account and are earned upon receipt subject to refund only as provided in section IV. Though the fee is fixed, in chapter 13's OLS may apply to the court for additional fees, paid through the chapter 13 plan if there are extraordinary circumstances, such as extended evidentiary hearings, contested adversary proceedings, or appeals. See section III for further details. Any advance payment of costs (i.e. filing fees) may be temporarily held in a locked safe until it is placed in the attorney's IOLTA trust account until said cost is incurred and used to reimburse OLS for electronic payment made to file Client's bankruptcy case. _____ Client's Initials
 - d. **Dishonored payments** incur a fee of \$25+ any additional fees and costs incurred by OLS as a result of dishonored or stopped payments. Failure to pay can result in OLS closing the file and terminating the attorney-client relationship (see Section IV). In the event Client's chapter 13 case is dismissed prior to full payment of attorney fees, Client agrees and expressly authorizes the Chapter 13 trustee to pay any money held to OLS for payment of the balance owed. Client agrees that OLS may retain counsel to collect any balances due and will be responsible for payment of any reasonable collection costs and fees, not less than \$400. Client authorizes the collection of any additional fees from the chapter 13 trustee (if applicable). Client expressly agrees that fees tendered to OLS by personal check may be converted and processed as ACH transactions. OLS agrees to pursue third parties who may be liable for payment of fees, but failure of OLS to collect from third parties does not relieve Client of responsibility for payment. Client agrees that non-basic services are billed at the firm's customary hourly rate as described in Section IV. Billable hourly rates are subject to change. Some non-basic services may be provided at a flat fee rate, as agreed between the parties (see Section III).
 - e. **Full Disclosure:** Client agrees to truthfully, completely and accurately disclose all assets and their value, liabilities, and their amount, income, and expenses to OLS and on any and all bankruptcy paperwork. In addition, Client agrees to accurately answer any and all questions posed by OLS and/or a representative or agent of the United States Trustee or as otherwise provided by law.
 - f. **Provide Documentation & Follow Instructions:** Client agrees to provide copies of any and all documentation requested by OLS in a timely and organized manner. Client expressly acknowledges and agrees that OLS has duties to the Court that require OLS to reasonably seek documentary evidence that supports Client's factual contentions before OLS can sign off and file the bankruptcy paperwork with the Court. Such documentation includes, but is not limited to: pay advices for the six month time period before the filing of the bankruptcy case (Client acknowledges that since the case is not filed immediately upon the signing of this contract that the six month time period changes as time passes), tax returns, property appraisals, recorded deeds (if applicable) recorded mortgages (if applicable), non-filing spouse's (or household member's) pay advices, and any other relevant information directly or indirectly related to the client's financial condition. Client further agrees that he/she will read and follow all instructions provided to Client and incorporated by reference and made a part of this Contract for services.
3. **Law Firm Obligations**
 - a. **Use Best Efforts:** In consideration for Client's obligations as stated in Section III, OLS agrees to use its best efforts to obtain a satisfactory result for Client by providing basic legal services in connection with a bankruptcy case on an efficient and cost-effective basis. Client expressly agrees that OLS makes no guarantee regarding the outcome of the bankruptcy case, including but not limited to ability and qualification for filing chapter 7 or chapter 13 bankruptcy, successful discharge of any particular debt, the amount of a chapter 13 plan payment, and/or whether or not OLS can successfully reduce the balance of secured liens. OLS offers its advice based on the information as disclosed by Client and Client agrees that OLS is not responsible and assumes no liability for changes in the law, changes in the Client's financial situation, and/or facts as revealed after review of documentation that could affect in any way any advice that OLS gives Client.
 - b. **Staffing:** OLS structures its practice as a group practice. OLS does not guarantee any minimum level of participation in a case by any individual. Client understands that a legal staff is critical for the proper operation of a law office. Client understands that all staff employed by OLS are held to the same ethical and professional rules regarding their information, and any information discussed within the law firm regarding a client's representation will be held in the strictest confidences as permitted under the rules of professional conduct except for disclosures that must be made to the bankruptcy court as required by statute, local rules or case law.
 - c. **Provide Basic Bankruptcy Services:** OLS, in consideration for Client's obligations as stated in Section III, agrees to provide basic legal services as required to file either a Chapter 7 or Chapter 13 Bankruptcy case, the Chapter determined as mutually agreed and indicated below. Basic legal services include, but are not limited to: pre-filing verification of bankruptcy representation; post-filing and pre-discharge contact with creditors; pre-filing advice and counsel to Client; advice during the case concerning the nature and effect of the applicable bankruptcy rules; exemption advice and planning; preparation and filing of a bankruptcy petition; preparation and filing of schedules and statements as required by bankruptcy statutes, rules,

EXHIBIT

local rules, and any applicable standing orders of courts of competent jurisdiction; representation at the meeting of creditors pursuant to §341 of the Bankruptcy Code; representation at any confirmation hearings pursuant to §1324 (if applicable); settling valuation disputes prior to confirmation in Chapter 13; submitting information pursuant to request from the trustee, including submitting information in response to case audits requested by the United States Trustee; negotiation and counsel in relation to reaffirmation agreements pursuant to 11 U.S.C. §524; and other regular and routine services not specifically stated, including additional terms as may be described in section VII, if applicable. Client expressly agrees that in Chapter 7, OLS will not file the bankruptcy petition and schedules with the court until all fees and costs have been paid in full. In chapter 13, OLS will not file the bankruptcy petition and schedules with the court until the agreed pre-filing portion of the fees and all costs have been paid in full. In addition, OLS will not file the bankruptcy case with the court until all required documentation has been provided and all required documents are timely signed, reviewed, and verified.

d. **Non Basic Services:** Client further agrees that the above described fees cover basic services only. There may be additional fees for non-basic services in addition to those disclosed above. Subject to the applicability of any local rules, standing orders, or additional contracts, non-basic services for which additional fees may apply include, but are not limited to: Adversary proceedings pursuant to 11 U.S.C §523 or §727; excessive phone calls (more than 15) or in-person consultations (more than 4); motions to dismiss for client's failure to attend court hearings or failure to provide requested documents (or in chapter 13 for failure to make payments); actions to enforce the automatic stay pursuant to 11 U.S.C §362; actions to enforce the discharge injunction; Rule 2004 Examinations; depositions; interrogatories or other discovery proceedings; contested objections to confirmation of a chapter 13 plan; amended creditor schedules (typically \$150 in chapter 7 +\$30 for filing fee in all chapters, subject to change); amended asset and/or income/expense schedules due to Client's failure to provide full disclosure; document retrieval services; facilitation of credit counseling and/or financial management courses; post-discharge services; appraisal services; contested matters; rescheduled §341 meetings because of Client's failure to appear at a scheduled meeting (typically \$150 and only in chapter 7); motions to avoid liens (typically \$260 per motion); proceedings to strip mortgages when applicable; and motions for redemption pursuant to 11 U.S.C. §722 (typically \$600); conversion of a case from one chapter to another (requires an additional in-person meeting and results in additional reasonable fees and costs as mutually agreed); and/or proceedings to reopen a closed case for any reason.

4. **Termination of Services (Refund Policy):** The parties may terminate services at any time. Termination of services by Client must be in writing. OLS may terminate services for failure of Client to fulfill any of Client's contractual obligations as identified in Section 2 of this agreement. In either event, Client may be entitled to a refund of part of the nonrefundable fee based upon *quantum meruit*. The factors considered include: time spent, including time spent answering telephone calls; processing, organizing, and responding to any correspondence; case status; case progress; and the amount of work remaining to complete the case. Analysis of time is calculated in tenths of an hour increments, rounded up to the next tenth of an hour. Attorney time is worth \$250 per hour. Hourly rates are subject to periodic review and revision. OLS will also consider the progress of the case when determining a reasonable refund. It is impossible to determine a fair refund until a detailed analysis is performed on a case-by-case basis. By way of an example, it is expected that a chapter 7 typically requires from 3-5 hours of attorney time and a chapter 13 typically from 12-14 hours of attorney time. Generally, by way of example, in a chapter 7, approximately one-third (1/3) of the total flat fee would be earned and retained prior to typing the petition (i.e., upon the delivery of the post-consultation instructions, file set-up, case conceptualization and advice, and the process of closing the file). Approximately three-quarters (3/4) of the total flat fee would be earned and retained upon the typing of the Client's petition. All of the Client's fees are earned upon the filing of the Client's chapter 7 case with the bankruptcy court, and no refunds will be issued after the filing of the Client's case occurs. In Chapter 13 these estimates would be adjusted as post-filing, pre-confirmation account for roughly 25-30% of the work in a case. Refunds, if any, will be sent to Client at Client's last known address within a reasonable amount of time. In the event Client is deceased or incapacitated, or if the fee was paid by a third-part, refunds, if any are the property of the Client and will only be released to the Client or an authorized representative of the Client's estate. In the event Client terminates services after a bankruptcy case has been filed, OLS is given a reasonable time to file a withdrawal and/or substitution of counsel documents with the clerk of court. OLS expressly reserves the right to enforce a previous award of fees and to seek payment of any outstanding balance of legal fees. The parties expressly agree that OLS's representation automatically terminated upon the closing of the case by the Clerk of Court. Client expressly agrees that OLS is authorized to contact Client in the future, even after the conclusion of the case via mail, telephone, electronic mail or text message regarding any future OLS products and/or services.

5. **Limited Power of Attorney:** Client expressly agrees that signature on this contract grants OLS a Limited Power of Attorney for the purposes of carrying out the bankruptcy representation. Such power includes, but is not limited to, the power to obtain Client's tax returns or transcripts from either the IRS or any person or entity consulted in regards to tax preparation; the ability to obtain information and discuss Client's situation with any of Client's secured creditors; and in the event the bankruptcy case is dismissed or converted prior to completion, OLS may apply funds on hand with the chapter 13 trustee that would otherwise be forwarded to Client towards the balance owed OLS, if any, and/or the Chapter 7 fee, if applicable, by granting OLS the right to endorse Client's name upon checks from the Trustee. OLS will provide and accounting of all funds received from the trustee and applied.

6. **Retention and Disposition of Records:** OLS will retain records as required by Ohio state law, generally at least (5) years. OLS reserves the right to store records electronically. OLS encourages Client to keep and maintain copies of all bankruptcy related matters. Client may request a copy of the file by sending a written request. OLS reserves the right to charge a reasonable retrieval and duplication fee of at least \$35.

7. **Receipt of Mandatory Notice and Disclosure:** The Bankruptcy Abuse and Prevention and Consumer Protection Act of 2005 requires OLS to provide mandatory notices/disclosures to Client. Your signature on this contract is an acknowledgment that Client has received, read and understood the two (2) separate documents entitled "§527(a) Notice," and "Important Information About Bankruptcy Assistance Services From an Attorney or Bankruptcy Petition Preparer."

8. **Entire Agreement:** The entire contract between the Parties is contained in this instrument. Parties agree to all of the terms and conditions set forth herein and acknowledge that they have read and understand this agreement. In the event Client is filing a case in a jurisdiction where local bankruptcy court has adopted any rule, procedure or general order regarding the relationship between the Attorney and the Client, then such rule, procedure, Court Order, "Rights & Responsibilities Agreement," or "Model Retention Agreement" and its corresponding rights and obligations is specifically incorporated by reference into this Agreement, is made a part hereof as additional terms, and both parties understand that they must comply with its terms which supersede and control all provision of this contract. Client's signature on this document serves as an acknowledgment and agreement by Client that Client has been informed of such rule, procedure, Order, "Rights & Responsibilities Agreement," or "Model Retention Agreement" and has agreed to be bound by its additional terms and conditions. In the event provisions of this Agreement contradict with the provisions in any Rule, Procedure, Court Order, "Rights & Responsibilities Agreement," and/or "Model Retention Agreement" the provisions of the Rule, Procedure, Court Order, "Rights & Responsibilities Agreement," or "Model Retention Agreement" would control.

9. **Severability:** In the event any provision of this agreement is found to be unenforceable for any reason by a court of competent jurisdiction, only the offending clause shall be stricken from the agreement and the remainder of the agreement shall remain in full force and effect.

I/We hereby agree to and acknowledge all of the terms above and I/we retain and authorize OLS to file a bankruptcy on my/our behalf.

Chapter 7/Chapter 13 (underline one)

X _____ Date _____ Record # _____
 Debtor

X _____ Date _____ By: _____
 Joint Debtor Attorney

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