



**Reduced-Fee
Chapter 7
Bankruptcy Case
Referral Service©**

2018-2019

MERCER COUNTY BAR ASSOCIATION
REDUCED FEE BANKRUPTCY
REFERRAL SERVICE (BRS) RULES AND PROCEDURES

I. Preamble

Often persons with little to no income are unable to obtain the protections available to individuals under the United States Bankruptcy Code. Those individuals are forced to either represent themselves or forego the protections for which these laws were enacted. The purpose of the reduced-fee bankruptcy fee program of the Mercer County Bar Association (the “Program”) is to allow these individuals to have the benefit of competent counsel and to enable counsel to serve their community and receive compensation for their valuable services.

II. Services Location

Residents of Mercer County, New Jersey who qualify to file for bankruptcy in the United States Bankruptcy Court in Trenton, New Jersey.

III. Parameters

The Program only applies to individual Chapter 7 liquidation cases (includes joint cases by husband and wife). Individuals with household income of no more than 250% of the current Federal Poverty Guideline qualify to participate in the Program. The person’s qualification (s) is determined by the referred attorney at intake.

The discounted fee under the Program only includes legal services for the preparation and filing of the bankruptcy petition and representation of the client at the first meeting of creditors conducted pursuant to 11 U.S.C. § 341(a), and coordination of the client obtaining the required credit counseling and financial management certificates. The program expressly excludes the defense of (i) motions to dismiss a bankruptcy case; (ii) motions for relief from the automatic stay and; and (iii) complaints objecting to discharge or dischargeability of certain debts.

In the event any additional services are required or an individual does not qualify as a debtor under Chapter 7 of the Bankruptcy Code, a separate fee arrangement must be agreed upon between the attorney and client or the client will have to retain separate counsel or represent themselves in the bankruptcy case. This program does not include any appellate work.

IV. Requirements for Participation

Participating attorneys (the “Participant”) must be members of the Mercer County Bar Association (“MCBA”), be in good standing in the State and Federal Courts of New Jersey, have a minimum of three (3) years bankruptcy experience in the Bankruptcy Courts of New Jersey and have filed at least five (5) Chapter 7 petitions.

The Participant shall carry a minimum of the State requirements but no less than \$250,000.00 in

malpractice insurance. Proof of insurance shall be a condition precedent for being eligible to participate in the program.

The Participant warrants that he/she is a member of the New Jersey Bar in good standing, qualified to practice law in New Jersey, has complied with New Jersey's continuing legal education requirements and executes a waiver of confidentiality which authorizes the New Jersey District Ethics Committee to release to the MCBA any information on file with the District Ethics Committee against the attorney.

There is no fee for the Participants to participate in the program.

The Reduced-Fee Subcommittee of the Mercer County Bar Association (the "Subcommittee") shall have the authority to add attorneys and remove Participants. A removal of a Participant from the Program shall be determined by the Subcommittee after written notice of the reason(s) for removal from the Program is provided to the participant.

The Participant must submit an application for panel membership which supplies the Subcommittee with the above information, as well as his/her agreement to abide by the purpose, policies, procedures, and requirements of the program as set forth herein or as adopted by the Mercer County Bar Association Board of Trustees ("Board of Trustees") and the Subcommittee.

The Participant will advise the Subcommittee in promptly writing in the event he/she desires to be removed from the program, is convicted of a crime, is disciplined by a District Ethics Committee, is no longer a member in good standing of the Bar of the State of New Jersey or the MCBA, or is no longer covered by the required malpractice insurance.

Notice shall be sent to the MCBA at its offices listed on the first page of this Brochure, attention Discount Bankruptcy Fee Program.

The fiscal year for the program is March 1 to February 28 (or 29th, if applicable).

THE SUBCOMMITTEE HAS THE RIGHT TO DENY ANY APPLICATION FOR PARTICIPATION IN THE PROGRAM NOT OTHERWISE PROHIBITED BY LAW. IN THE EVENT A PARTICIPANT IS DENIED THE RIGHT TO PARTICIPATE IN THE PROGRAM HE/SHE MAY APPEAL, THAT DECISION TO THE BOARD OF TRUSTEES, WHOSE DECISION SHALL BE FINAL.

V. Compensation

Participants will receive compensation in the maximum amount of \$750 per bankruptcy case, whether a single or joint case. Clients will be required to pay the filing fee in the approximate amount of \$335 and will bear the costs associated with the completion of the required credit counseling and financial management courses. No other costs and or consultation fees may be sought for the services rendered under the program.

The Subcommittee will periodically review the maximum allowable fee as necessary, but any changes to the fee schedule shall take place only for matters referred on or after March 1 of the next calendar year.

VI. Panels

Participants in the Program will be assigned to a Panel. Referrals shall be made randomly based upon the name of the Participant on the list. In the event the Participant does not respond to the prospective client within 48 hours (or sooner if necessary as determined by the Subcommittee), then another Participant shall be referred.

VII. Rendition of Services

1. If the Participant agrees to undertake the representation of the person referred by the MCBA, he/she will be individually responsible for the matter and services rendered. All fee arrangements after the initial consultation will be those agreed to by the client and the Participant, subject to the parameters set forth herein. The Subcommittee, its members and the MCBA shall have no responsibility for the Participant's services or for the fee payments by the respective client.
2. The MCBA will make no representation to the public concerning the competence of the Participant. It will only advise those members of the public who inquire that the Participant has qualified to provide services as establish by the Subcommittee.
3. The MCBA, members of the Subcommittee and their employees, law firms, applicable, and their agents shall have no duty to the Participants or individuals to ensure the level of income, qualifications to participate in the Program, truthfulness of statements or any and all matters related thereto.
4. The Participant agrees that if, after the initial consultation, he/she will not be able to deliver the necessary services, the case will be returned to the MCBA for re-referral.

VIII. Program Review and Discipline

The Subcommittee will have the authority to examine a prospective Participant's application to determine the attorney's continuing eligibility, and to adjust panel membership when necessary. The Subcommittee may deny panel membership, or remove or suspend a Participant at any time for any of the following, non-inclusive violations:

1. Conviction of criminal charges involving moral turpitude, theft, embezzlement, drug abuse or fraudulent appropriation of property;
2. A finding of unethical conduct by the District Ethics Committee, or the imposition of disciplinary action, whichever comes first;
3. Violating the terms provided in this Brochure;
4. Suspension, disbarment, or resignation from the practice of law;
5. Failure to obtain or maintain the required legal malpractice insurance, or provide proof of same;
6. Falsification of data required by the MCBA;
7. Sharing referrals with members of the firm who are not Program members;
8. Not providing information to the MCBA or Subcommittee reasonably requested; or
9. As a result of complaints lodged with the MCBA by the referred client relating to the attorney's services, demeanor or and/or fees charged.

If the Subcommittee fails to approve a prospective Participant after consideration of his/her application and disciplinary record, or moves to remove or suspend a Participant, the Participant concerned will be notified in writing of the intention and reasons therefore, and will be offered the opportunity to make a written response to the Subcommittee.

In the event the Participant wishes to appeal the Subcommittee's decision to remove, suspend or otherwise deny an attorney the right to participate in the Program, he/she may appeal the Subcommittee decision by submitting his/her position in writing to the Board of Trustees. The Board of Trustees shall promptly decide the matter and its decision is final.

A Participant may withdraw from the Program at any time upon written notice to the MCBA, but he/she shall not thereby be relieved of the duty to dispose of any pending cases or obligation incurred during membership, in accordance with Rules and Procedures.

The Participant shall still be required to complete and return all periodic reports in a timely manner and pay the attorney's referral fees to the MCBA as provided for herein when there are pending referred cases.

IX. Advertisement

The cost for advertisement for the Program will be borne by the MCBA. Ads will be placed in the MCBA Bar Newsletter and through press releases in the New Jersey Law Journal and such other places and periodicals as determined by the Subcommittee in its sole and absolute discretion. It is the intent of the Subcommittee to seek permission from the Bankruptcy Court Clerk and/or such other person with authority to allow for the placement of notices for the program in the Bankruptcy Court in Trenton, New Jersey.

X. Termination

The MCBA reserves the right to terminate the Program on sixty days written notice to the Participants. All matters previously referred shall not be affected.



The Mercer County Bar Association

Reduced-Fee Chapter 7

Bankruptcy Referral Program©

- Created to serve qualifying individuals that cannot afford regular attorney rates and do not qualify for free legal services.
- Individuals with household income of no more than 250% of the current annual Federal Poverty Guidelines can apply to participate in the program. Please call the Bar Association office to see if you qualify.
- Clients must meet the requirements to seek relief under Chapter 7 of the Bankruptcy Code.
- Maximum fee to be charged by panel attorneys is \$750. Clients are also responsible for any applicable filing fees.

Applications are currently being accepted. The program will be effective March 15, 2018.

For more information, please contact:

**Mercer County Bar Association,
1245 Whitehorse-Mercerville Rd.
Suite 420
Hamilton, NJ 08619
(609) 585-6200 (FAX (609) 585-5537
Email: info@mercerbar.com
www.mercerbar.com**

Mercer County Bar Association

Reduced-Fee Chapter 7

Bankruptcy Referral Program©

1245 Whitehorse Mercerville Road, Suite 420, Mercerville, NJ 08619-3894

Application for Panel Membership

(Print or Type) Must Apply Every Year

NAME _____ **BAR ID No.** _____

FIRM _____ **E-MAIL** _____

ADDRESS _____

TELEPHONE _____ **FAX** _____

EOFFICE HANDICAPPED ACCESSIBLE? Yes _____ No _

SIGN LANGUAGE CAPABILITY? Yes ___ No _

IMPORTANT!

Insurance Declaration Page Must Be Attached to this Application

Liability Insurance

Each panel member must maintain professional liability insurance and submit the declarations page of the policy as proof. The minimum covered required is \$250,000 per claim.

Malpractice Carrier: _____

Limits Carried: _____

Deductible: _____

Renewal Date: _____

If your insurance coverage lapses or is discontinued for any reason, you must notify the Mercer County Bar Association, herein referred to as the Association, immediately. Failure to comply will result in removal from the panel.

I acknowledge that the Association has no responsibility whatsoever for collection of fees from clients, nor does the Association warrant my competence with respect to any matter referred. I certify that I will not accept representation or continue representation in a matter for which I am not qualified or competent. I will remain primarily responsible for the file of any case referred to me by the Association Bankruptcy Referral Service, herein referred to as the Bankruptcy Referral Service. I also agree to comply with the Rules and Procedures of the Bankruptcy Referral Service set forth by the Association.

I agree to indemnify and hold harmless the Association (and the Bankruptcy Referral Service Committee, Association Officers, and Association Trustees, and their agents) from any and all claims, demands, actions, liability or loss, including, but not limited to, costs of defense, including a reasonable attorney's fee, which may arise from or be incurred as a result of any loss and all referrals of a client to me through the Bankruptcy Referral Service.

I further hereby certify to the following:

I am in good standing with the Office of Attorney Ethics and am eligible to appear in the State and Federal Courts of New Jersey.

I am in full compliance with the State of New Jersey's continuing legal education requirements.

I have filed at least five (5) individual Chapter 7 bankruptcy petitions in the United States Bankruptcy Court, District of New Jersey in the last three (3) years.

I maintain malpractice insurance in the amount of \$250,000 or greater per claim.

I have reviewed the Bankruptcy Referral Service's Rules and Procedures in their entirety and agree to the terms in conditions presented therein. I am aware that if I violate any terms and conditions set forth in the Rules and Procedures I am subject to removal from the panel.

I am a member of the Association and in good standing.

Dated: _____

By: _____