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Bankruptcy Questionnaire

Many people believe that bankruptcy is a process where by you go to court and all your debts are discharged. In fact, there are two types of bankruptcies. Liquidation, Chapter 7 bankruptcy, where your debts are wiped out completely and Chapter reorganization bankruptcy, where you partially or fully repay your debts. Chapter 11 bankruptcy is for businesses and for individuals with debts over one million dollars. In general, a bankruptcy filing can be reported on your credit record for ten years, and all other negative information can be reported for seven but in about two years you can probably rebuild your credit to the point that you won't be turned down for a major credit card or loan.

OVERVIEW OF CHAPTER 7

This bankruptcy cancels most of your debts. In exchange, you might have to surrender some of your property. The process takes about three to six months and the court filing fees is \$175. Basically, you file a petition with several other forms with the bankruptcy court. The filing puts into effect something called an "automatic stay." The automatic stay immediately stops your creditors from trying to collect what you owe them. So, at least temporally, creditors cannot legally grab (garnish) your wages, empty your bank account, go after your car, house or other property, or cut off your utilities or welfare benefits.

The bankruptcy court assumes control of the property you own and the debts you owe on the date you file. Nothing can be paid or sold without the courts consent. The court controls your interest through a court appointed person called a "bankruptcy trustee." The trustee's main duty is to see that creditors are paid as much as possible on what you owe them. The more assets the trustee recovers for creditors the more the trustee is paid.

The first and only meeting you should attend is called the "creditors meeting" or "341 Hearing." At this meeting the trustee goes through your papers and asks a couple of questions. The meeting could be as short as five minutes. After this meeting, the trustee collects the property that can be sold (non exempt property) to be sold to pay your debts. At the end of the bankruptcy process, most of your debts are wiped out (discharged). Generally, you can ask the court to dismiss your case during the bankruptcy process, but you have to wait another 180 days if you want to file again.

OVERVIEW OF CHAPTER 13

There are many reasons to choose Chapter 13 bankruptcy instead of Chapter 7 bankruptcy. Here is a checklist of factors you that would suggest you choose Chapter 23 over Chapter 7:

You are behind on your mortgage or car loan and want to

make:

missed payments over time and reinstate the original agreement

You have a tax debt and you did not meet the five conditions required for chapter 7 discharge.

You want to repay your debts, but you need the bankruptcy court's assistance.

You need help repaying your debts, but want the option of filing for Chapter 7 bankruptcy in the future.

You have valuable nonexempt property.

You received a Chapter 7 discharge within the previous six years. You cannot file for Chapter 7 again until the six years are up.

You have a codebtor on a personal debt.

Are you interested in more information or would like to file for bankruptcy? YES NO, If yes, please complete the following and we will send more information or contact you for a consultation.

Name:

Address:

City: State: Zip Code:

Tele-Home:

Are you interested in a consultation on the legal issues listed below? Then please check your choice(s) below and we will schedule a meeting with an attorney.

Tax & Financial Planning For Individuals & Businesses

Save Your Home From Foreclosure

Estate Planning & Wills

How to get a green card

COMMENTS: _____

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