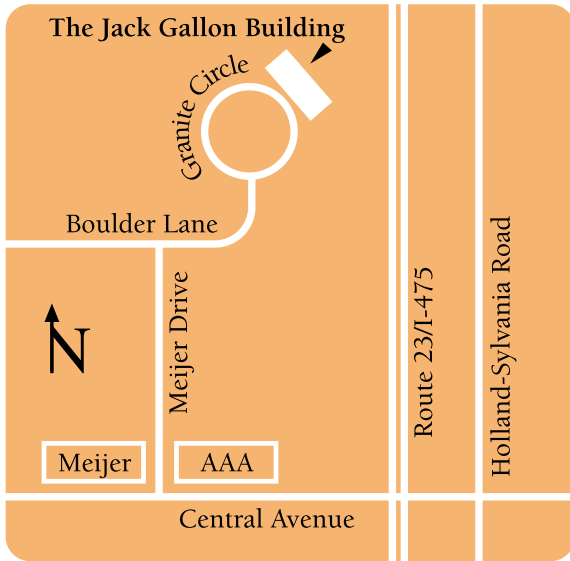


GENERAL
PRACTICE

BANKRUPTCY MYTHS

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SIX COMMON BANKRUPTCY MYTHS

As people struggle financially, the subject of bankruptcy is often discussed. Those discussions encompass a bit of truth and some fiction. There are two common procedures open to most consumer debtors: Chapter 7 and Chapter 13.

Chapter 7– Chapter 7 is known as a “standard” bankruptcy. It is designed to give relief to individuals whose debts are primarily consumer debts. It may require the surrender of certain property which exceed the limits allowed by state law. However, most property is exempt and most debtors will not lose anything.

Chapter 13– Chapter 13 is known as a “wage earner’s reorganization.” It is designed for individuals with regular income who would like to pay all or part of their debts over a period of time. A Chapter 13 may be effective in stopping a foreclosure on a debtor’s home.

Here are answers to a few common misconceptions:

1 *I cannot file for bankruptcy since the law changed.*

The Bankruptcy Law that went into effect in 2005 has created additional hurdles for consumer debtors looking to file a case. However, these additional requirements have not eliminated Chapter 7 and Chapter 13 bankruptcy cases.

2 *I’ll lose everything I own in bankruptcy.*

This is a common misconception. Most people who file for Chapter 7 bankruptcy can claim exemptions (legal protection) to protect their real and personal property. The exemptions are limited and vary from state to state.

3 *Everyone will know I’ve filed for bankruptcy.*

The only people who will definitely find out about your case are your creditors. Although bankruptcy is a public legal proceeding, it is unlikely that your family, friends, neighbors and co-workers will find out about your case.

4 *You cannot get rid of income tax liability in bankruptcy.*

This is generally true. However, if you have filed your income tax returns and the liability due is greater than

three (3) years old, you may be able to discharge your income tax liability for those older returns.

5 *If you are married, both spouses must file.*

It is not required that both spouses file for bankruptcy relief. If one spouse has significant individual debt, that spouse may file an individual case without his/her spouse. The case will also not affect the non-filing spouse’s credit.

6 *You can only file for bankruptcy once.*

This is not true. Under the Bankruptcy Code, a consumer may file a new Chapter 7 case once every eight (8) years. A Chapter 13 case may be filed more frequently than a Chapter 7 case.

Our Commitment to You

GTB&S is a full-service law firm that has a longstanding commitment to excellence. Although you may know us by our Workers’ Compensation, Personal Injury and Social Security Disability practices, we also help individuals obtain debt relief under the United States Bankruptcy Code through Chapter 7 and Chapter 13 proceedings.

In a free, no-obligation consultation, our attorneys will explain the various legal options available to you. We will advise you on the appropriate course of action to enable you to deal with your financial problems in an honorable and dignified way.

At GTB&S, our attorneys and staff are committed to assisting our clients in getting the relief they need in a considerate manner. We provide high quality legal services and experienced counsel. We also will return your phone calls, answer your questions and pay close attention to the details of your case. Your financial future depends on our commitment.

If you have questions or concerns about your current financial situation, contact attorney Michael P. Dansack, Jr. at (419) 843-2001 or (800) GALLON1 for a free initial consultation. We have several convenient locations to serve you. Evening and weekend appointments are available.

We are Attorneys. We help people file for relief under the Bankruptcy Code.

Experienced. Exceptional. Commitment you deserve.