

WHAT IS A CHAPTER 7 BANKRUPTCY?

Chapter 7 bankruptcy, sometimes referred to as a "straight" bankruptcy, is a liquidation proceeding. The debtor must turn over all non-exempt property to the bankruptcy trustee who then converts that property to cash for distribution to creditors.* The debtor receives a discharge for all dischargeable debts usually within four months from the date of filing. In many cases, the debtor has no assets subject to turnover.

- * If you wish to keep an asset which is not exempt from turnover, there are alternatives which you will want to discuss at your initial office consultation.