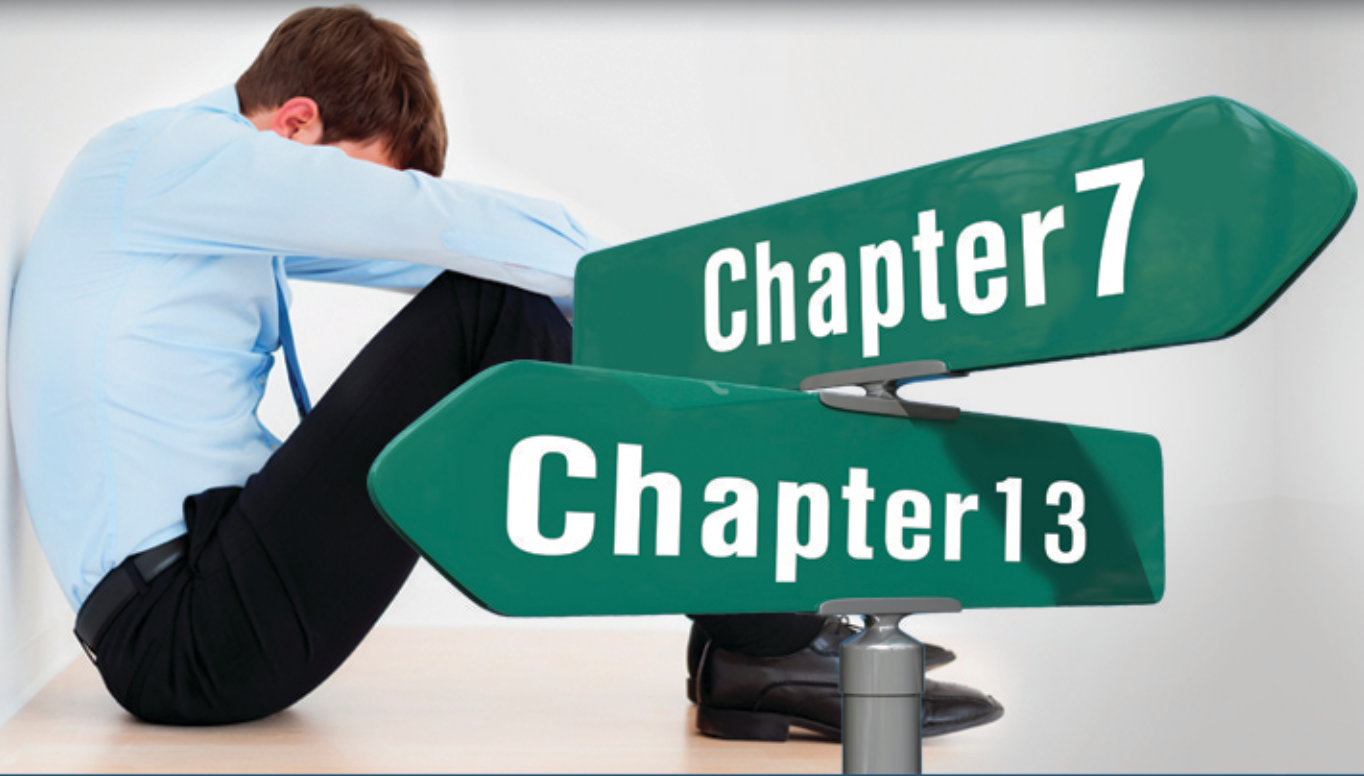


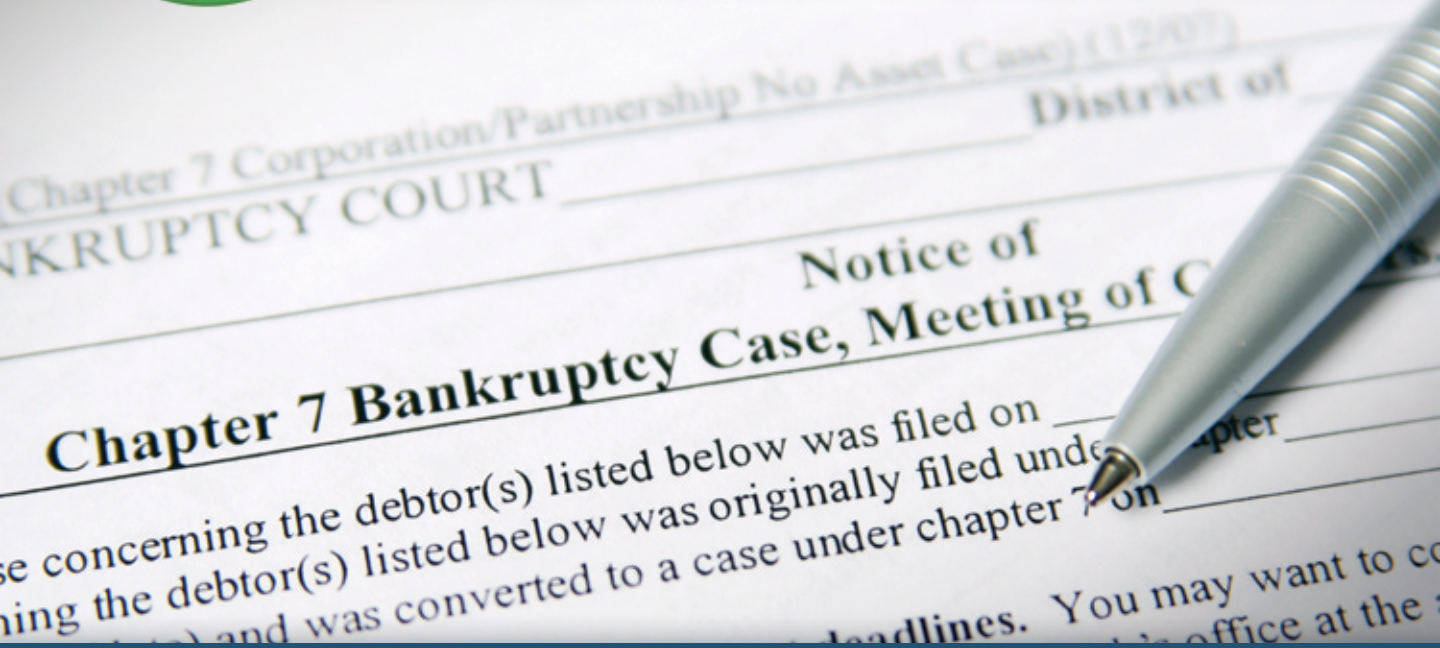
THE PROS AND CONS OF FILING A **CHAPTER 7** VS. **CHAPTER 13** BANKRUPTCY PROCEEDING



The decision to file for bankruptcy can be an overwhelming one. Once you've decided to do so, you then have to determine which type of bankruptcy to file. Chapter 7 vs. Chapter 13 bankruptcies have a variety of pros and cons that can help you.



PROS OF A CHAPTER 7 BANKRUPTCY

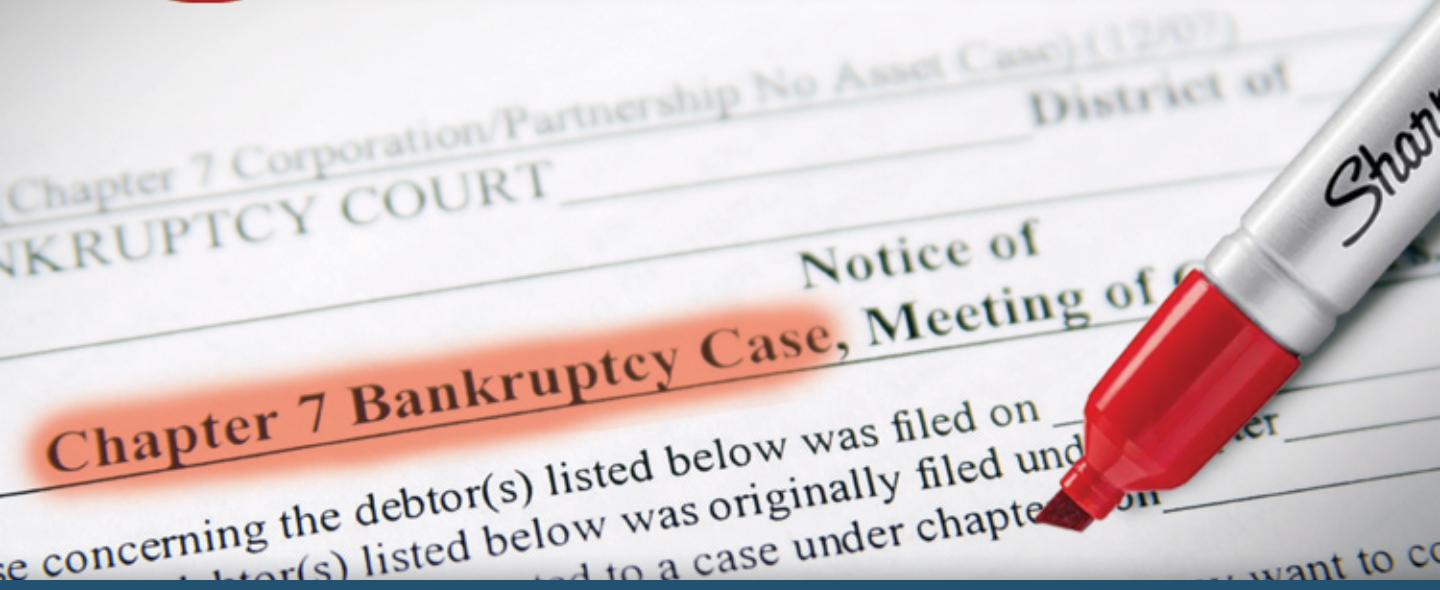


Some benefits of a Chapter 7 filing include:

- Chapter 7 allows you to have much if not all of your debt forgiven
- There's no limit on the amount of debt you potentially have discharged
- Chapter 7 is usually a quicker and cheaper option



CONS OF A CHAPTER 7 BANKRUPTCY



Disadvantages may include:

- Not everyone qualifies (your income can't exceed certain limits)
- You may lose some of your property to pay off debts that can't be discharged
- Co-signers of loans you've taken out may be left on the hook
- Not all debts are dischargeable



PROS OF A CHAPTER 13 BANKRUPTCY



Chapter 13 includes these advantages:

- You have a greater chance of holding on to your property
- More types of debts are dischargeable than in a Chapter 7
- You can file multiple times



CONS OF A CHAPTER 13 BANKRUPTCY



Be aware of these potential disadvantages in a Chapter 13 proceeding:

- The process takes longer and your assets may be tied up for the duration
- You may still have debt at the conclusion
- Higher legal fees
- There is a limit to the amount of debt that qualifies

A bankruptcy lawyer can sit down with you, review your finances, and help you decide which type of proceeding best fits your needs.