Bankruptcy Adversary Proceedings in California

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http://palmspringsestateplanningandbankruptcyattorney.com/

If you are considering filing for <u>bankruptcy protection</u>, it is likely that your case will move through the process without any major issues arising. However, there are a minority of cases that are disrupted by what is known as an <u>"adversary proceeding."</u> An adversary proceeding is a mini trial held within the bankruptcy case that is typically initiated by a creditor.

A creditor generally files an adversary proceeding to lodge an objection to all or a portion of the bankruptcy petition. More specifically, the creditor is objecting to the amounts owed to that creditor from being discharged. It is uncommon for creditors to file these types of objections to your discharge, however, because it is time-consuming and expensive. In addition, few debtors have the funds to repay the debt even if it is not discharged.

So, when does a creditor file an adversary proceeding? A creditor will only seek this type of relief if they believe the debtor has acted improperly and the creditor will be able to recover what is owed to it. For example, a creditor may file an objection if there is evidence that a debtor has been taking actions to remove significant assets from the bankruptcy process. This includes giving away or hiding assets in the months prior to the bankruptcy filing.

If you are honest in your bankruptcy petition and make full disclosure in your pleadings filed with the court, you should have little to worry about. If an adversary proceeding is filed in your case, however, you should immediately retain legal counsel (if you haven't already done so) to represent you.

If you are considering filing a bankruptcy case or you are concerned an adversary proceeding may be initiated in your case, contact <u>Robert L. Firth</u> to assist you.

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About the law office of Robert L. Firth

If you want to obtain a fresh start that will allow you to save for your retirement or your children's college, contact <u>Robert L. Firth</u> to discuss the option of filing for bankruptcy protection.

If you live in the area of <u>Coachella Valley of California</u> (Palm Springs, Cathedral City, Palm Desert, Indio, etc.) and you need to speak with an attorney about bankruptcy, estate planning and probate, real estate tax deferred exchanges, small business services or another important legal matter, contact the law office of <u>Robert L. Firth at (760) 770-4066</u>. We are committed to

providing quality legal representation to individuals and businesses facing difficult legal challenges. Our firm believes in providing compassionate service at reasonable rates.