

Filing Bankruptcy Without a Lawyer is Risky Business

When assessing risk, we must weigh the potential benefit of a specific action against the potential consequences. Think on it.

Would you jump out of an airplane without a functioning parachute? Would you get on a boat knowing there were no rafts or life preservers?

These two examples demonstrate very little benefit (if any at all) in the face of potentially fatal consequences.

This is exactly how I view filing bankruptcy without a lawyer. While [pro se filings have risen over the previous few years](#), success rates are extremely low.



Potential Benefit

As with the above examples, there is really very little benefit to filing bankruptcy without a lawyer. Financially, you will avoid paying an attorney fee.

Typically, attorney fees for bankruptcy are reasonable and most attorneys offer payment plans to help ease the financial burden.

In addition to this small financial benefit, some people are private and protective of their personal information. Not having to meet with an attorney and disclose personal and private information to a third party could be seen as a benefit, if you are this type of individual. [Finding the right attorney](#) who makes you feel comfortable is an easy remedy for this situation.

Unfortunately, like jumping out of that airplane, once you file “pro se” (without an attorney), you’re going to wish you had that parachute.

Potential Risk

The decision to file bankruptcy without a lawyer could be financially fatal. The bankruptcy laws and local rules are extremely technical. There are various deadlines and filing requirements that need to be met throughout the duration of a case.

One small trip up can jeopardize your entire bankruptcy case and cause financial disaster.

Failure to file a required document or meet a certain deadline could result in the dismissal of your case and potentially prevent you from re-filing again in the future.

In addition, without a strong understanding of the bankruptcy law and property exemption laws, you risk losing your real and personal property in a pro se bankruptcy. An experienced bankruptcy lawyer understands what assets are subject to seizure in bankruptcy. With some planning and use of the available exemptions, most property seizure can be avoided or minimized.

That money you saved by not paying an attorney is but a drop in the bucket when the trustee is attempting to seize and sell your home.

Do it Safe, Do it Right

If you are considering bankruptcy and are thinking about going at it alone, don't. Be safe, responsible and hire an experienced bankruptcy lawyer.

Even the [United States Bankruptcy Court warns against filing without representation](#). Saving money on up-front attorney fees may seem enticing but the long term financial impact could be devastating.

Hire a lawyer, strap on your chute and jump with confidence.

Image courtesy of [Laura Hadden](#) (Flickr).

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