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It may not seem like the best solution, but filing for bankruptcy protection from Bruce Baldinger LLC is very often the best idea for businesses that find themselves in serious debt and unable to repay their creditors. There are many benefits of bankruptcy protection that Chapter 13 can afford to companies from Bruce Baldinger LLC.

For businesses, bankruptcy protection can provide a much needed opportunity to restructure to pay down debts that are owed, without worrying about creditors seizing assets. Many companies have invested heavily in many overhead costs, employees, suppliers, start up costs, inventory and labor costs, therefore declaring bankruptcy is not an immediate option.

Under Chapter 11, sole proprietorship, partnership companies as well as corporations have the opportunity to become profitable and restructure their companies organization while being granted a temporary immunity from asset seizure. While under bankruptcy protection, day to day operations continue as normal, however any major decisions made by the company require the bankruptcy court's approval. The company has at its disposal time to formulate a business plan that is acceptable to creditors and includes a debt payment and restructuring plan. If it cannot provide an acceptable restructuring plan, its assets will be liquidated.

Companies can emerge from bankruptcy protection in three different ways. A company can emerge fully restructured and in time even profitable, partially sold or partially liquidated, or entirely bankrupt.

The Procedure

Once a bankruptcy petition is filed through a bankruptcy court, a trustee is appointed to the case and issues a court order in order to freeze debt collection in process and asset seizure. The trustee is also responsible for scheduling a 341 meeting, a meeting with the debtor and creditors' attorneys within a month. At the 341 meeting facilitated by the trustee, the debtor's attorney must present the debtors reorganization plans to the creditors' legal representatives.

Creditors as well as shareholders (if there are any) must find the plan satisfactory. If the plan is accepted, creditors normally assume the management of the new company's operation and become actively involved in running the new enterprise. This generally ensures that the new company will be more profitable and able to pay of outstanding debts.

Any deal that is agreed upon in the 341 meeting cancels out old contractual obligations between the two parties. The new organization repays creditors according to the new terms agreed upon in the meeting.

The decision to seek out bankruptcy protection from Bruce Baldinger LLC is a complex legal one that requires professional and accurate legal advice. Anyone contemplating bankruptcy protection should seek out the legal counsel of a bankruptcy protection attorney for sound advice.

For more info or queries about Bankruptcy Protection or [Bruce Baldinger LLC](#) please see the [Bruce Baldinger LLC](#) team at www.baldingerlaw.com