

Name _____

Navigating the Maze of Bankruptcy and Debt Relief Services

Multiple Choice Questions

1. What is bankruptcy?
 - a) A way to accumulate more debt
 - b) A legal process to seek relief from debts
 - c) A method to increase your credit score
 - d) A type of investment

2. What is the primary goal of Chapter 7 bankruptcy?
 - a) Reducing debt amounts
 - b) Creating a repayment plan
 - c) Selling assets to pay off debts
 - d) Reorganizing a business

3. What is one advantage of debt relief services?
 - a) They always result in a better credit score
 - b) They offer immediate debt relief with no consequences
 - c) They help negotiate lower debt amounts or manageable repayment plans
 - d) They provide free financial education

4. What is a potential drawback of Chapter 13 bankruptcy?
 - a) It negatively impacts your credit score
 - b) It requires selling assets to pay off debts
 - c) It involves reorganizing a business
 - d) It doesn't offer any debt relief

5. Why might someone choose debt relief services over bankruptcy?
 - a) To avoid any fees
 - b) To get a fresh financial start
 - c) To accumulate more debt
 - d) To obtain legal protection from creditors

