

## What happens to Joint Debts or debts that have been cosigned by someone else?

A bankruptcy or a proposal can only deal with your liability for a debt. If there is a second party linked to the debt (by a guarantee, a joint application, a cosigner, a spousal or secondary card being issued on an account, etc.) they will continue to be responsible for the debt. Most debts have what is called joint and several liability. What this means is that each responsible party is responsible for 100% of the debt. The debt will not be divided in two if one party files a bankruptcy or a proposal.