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Unsecured debt

I'm no CPA but my understanding is that there are two kinds of debt, secured and unsecured. For example, a mortgage is secured because there is a specific asset that backs the debt. Your credit card gives you unsecured debt because there is no particular asset that guarantees that debt. Usually larger credits are secured by some asset while smaller ones depend on the general creditworthiness of the borrower.

So you see, there is nothing sinister about unsecured debt!

Denny