

Will I get my money back, and if so, when?

What you need to know

Whether your debt will be paid depends largely on the assets (if any) the debtor or company has and the procedure entered into.

No Asset Procedure creditors

You are unlikely to receive any money. The NAP is designed specifically for debtors that do not have any assets to sell and have no means of making payments to creditors.

Summary Instalment Order creditors

It is likely that you will receive part or all of what you are owed over three to five (3-5) years.

SIOs are a formal arrangement between a debtor and their creditors allowing them to pay back all, or an agreed part, of the debts by instalments. SIOs are usually for three (3) years, but where there are special circumstances, five (5) years.

The proportion of the debt repaid will depend on the proposal put forward. The supervisor is required to make distributions every six (6) months. These will continue until the debts have been paid in accordance with the SIO, or the SIO is terminated.

Bankruptcy and liquidation creditors

You may receive part or all of what you are owed. If there are assets the Official Assignee can sell, or if the bankrupt has an income, a distribution may be made to creditors. However this is dependent on the number of creditors, amount of debt and preferential ranking (e.g. wages and employee claims, etc which must be paid ahead of other debts).

When will I get my money back?

In bankruptcy and liquidation distribution is made at the conclusion of administration which is dependant upon how complex the administration is. Where funds are collected during the administration the Official Assignee may decide to make an interim distribution to creditors if it is economic and practical to do so.

In SIOs funds are paid six monthly over three to five (3-5) years.