

How do I apply for No Asset Procedure, Debt Repayment Order or Bankruptcy?

Go to www.insolvency.govt.nz

Information to have handy before you apply:

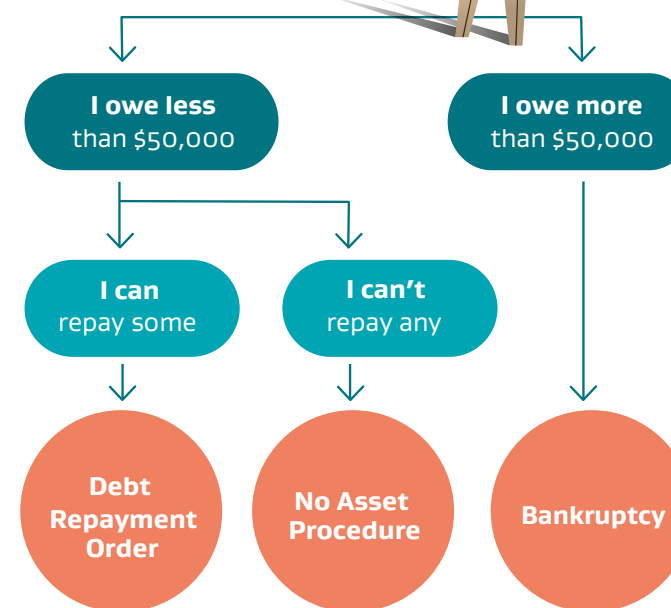
- › Bank statements
- › Bills
- › Payslips
- › IRD number
- › Passport (if you have one)
- › Car registration
- › Trust deeds
- › Business details
- › Life insurance/superannuation policies
- › Details of ongoing court cases
- › Weekly budget details

Entering a formal insolvency procedure will have significant consequences for you. Please consider seeking independent advice first.



▶ WHAT YOU NEED TO KNOW ABOUT

Your Insolvency Options



▶ For more information on formal insolvency options
Go to www.insolvency.govt.nz. For assistance Freephone **0508 467 658**.

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INSOLVENCY TYPE	DEBT REPAYMENT ORDER (DRO)	NO ASSET PROCEDURE (NAP)	BANKRUPTCY – DEBTOR’S OR CREDITOR’S APPLICATION
USUAL LENGTH OF INSOLVENCY:	3 years.	1 year.	3 years.
YOU ARE UNABLE TO ENTER IF:	<ul style="list-style-type: none"> You can pay debts immediately. You owe more than \$50,000 as unsecured debts. 	<ul style="list-style-type: none"> You owe less than \$1,000 or more than \$50,000 in total debts. You have realisable assets or can make repayments. You have been bankrupt or been in the NAP before. A creditor intends to bankrupt you and a better outcome for creditors is likely. 	You owe less than \$1,000.
WHILE IN THE PROCEDURE:	You must not incur \$1,000 credit or more without disclosing your insolvency status.	<ul style="list-style-type: none"> You must not incur \$100 credit or more without disclosing your insolvency status between applying for NAP and being accepted into NAP. You must not incur \$1,000 credit or more without disclosing your insolvency status after accepted. 	<ul style="list-style-type: none"> You must not incur \$1,000 credit or more without disclosing your insolvency status. You must get the Official Assignee’s consent to travel overseas. You must get the Official Assignee’s consent before you can manage a company or be self employed. You must get the Official Assignee’s consent before a relation can employ you.
PUBLICATION ON ITS WEBSITE:	Yes – On the public DRO register for the period of the Order.	Yes – On public Insolvency register for period of NAP + 4 years (or forever if you later go bankrupt).	Yes – On public Insolvency register for period of bankruptcy + 4 years (or forever if you have multiple insolvencies).
ADVERTISED IN GAZETTE:	No.	Yes.	Yes.
DEBTS THAT YOU REMAIN RESPONSIBLE FOR:	<ul style="list-style-type: none"> Maintenance Orders & Child Support. Court fines* & Criminal reparations*. Student Loans*. Secured debt if you wish to keep the goods*. <p>(*not included in the \$50,000 debt limit above)</p>	<ul style="list-style-type: none"> Maintenance Orders & Child Support*. Court fines* & Criminal reparations*. Student Loans*. Secured debt if you keep secured property. <p>(*not included in the \$50,000 debt limit above).</p>	<ul style="list-style-type: none"> Maintenance Orders & Child Support. Court fines & Criminal reparations. Secured debt if you keep secured property.
ASSETS:	Your assets are excluded unless you choose to include them in the DRO.	You can’t have any assets of value when you enter a NAP. KiwiSaver is not considered an asset unless you’re aged over 64.	All your realisable assets vest in the Official Assignee.
FEES & COSTS:	\$102.22 fee + 10% of the contributions (taken from your regular payments).	No fee.	<ul style="list-style-type: none"> \$204.44 (debtor’s application only). Official Assignee’s costs. <p>(All fees and costs are recovered from monies collected in the bankruptcy).</p>
EFFECT ON CREDIT RATING:	<ul style="list-style-type: none"> Your credit rating will be affected by your DRO and will show on credit reporting sites for up to 5 years. 	Your credit rating will be affected by your NAP and will show on credit checks and reporting sites for 5 years. This could affect your ability to get continued and new services (eg, banking, power, phone), or to find job security (including getting a job).	Your insolvency will show on credit reporting sites and credit checks for at least 7 years. This could affect your ability to get continued and new services (eg, banking, power, phone), or to find job security (including getting a job).