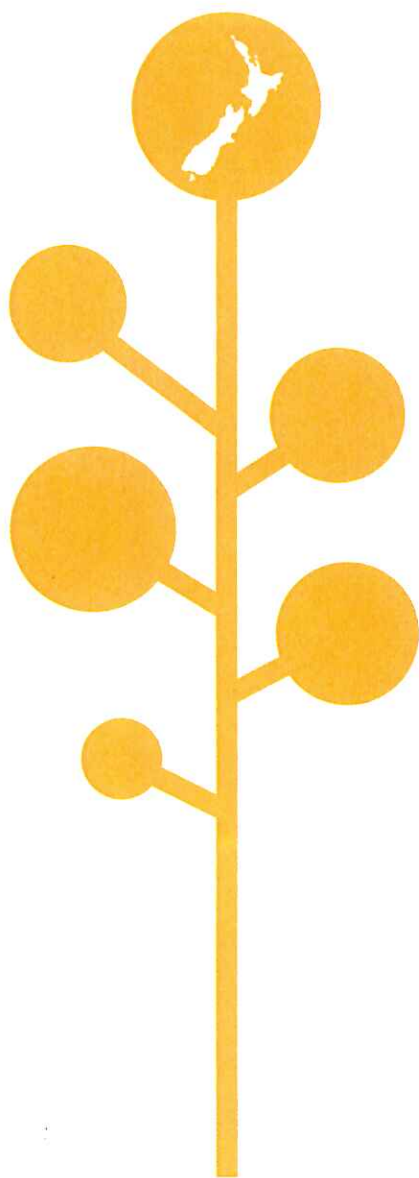


What you need to know about

Your Insolvency Options



[New Zealand Government](#)

Ministry of Economic
Development



Manatū ōhanga

Insolvency and
Trustee Service

INSOLVENCY TYPE	SUMMARY INSTALMENT ORDER	NO ASSET PROCEDURE	BANKRUPTCY – DEBTOR'S OR CREDITOR'S APPLICATION
TYPICAL LENGTH OF INSOLVENCY:	→ 3-5 years	→ 1 year	→ 3 years
YOU ARE UNABLE TO ENTER INSOLVENCY IF YOU:	→ Are able to immediately pay debts	<ul style="list-style-type: none"> → Have realisable assets → Have previously been bankrupt/No Asset Procedure → Have concealed assets → Have committed possible offences under Insolvency Act → Have incurred debts with no intention to repay → Bankruptcy proceedings have begun 	→ None
WHILE INSOLVENT, YOU ARE RESTRICTED FROM:	→ Incurring \$1,000 credit or more without disclosing your insolvency status	→ Incurring \$1,000 credit or more without disclosing your insolvency status	<ul style="list-style-type: none"> → Incurring \$1,000 credit or more without disclosing your insolvency status → Overseas travel without approval → Self-employment without approval → Company management / Employment by family without approval
DEBT LIMITS:	→ \$40,000 maximum	→ \$1,000 minimum, \$40,000 maximum	→ \$1,000 minimum
PUBLICATION ON WEBSITE:	→ Yes – appears on Summary Instalment Order register on website for term of order only	<ul style="list-style-type: none"> → Yes – appears on bankruptcy register on website for duration of No Asset Procedure + 4 years → Appears permanently if later go bankrupt 	<ul style="list-style-type: none"> → Yes – appears on bankruptcy register on website for duration of bankruptcy + 4 years after discharge → Appears permanently if multiple insolvencies
ADVERTISED IN GAZETTE:	→ No	→ Yes	→ Yes
DEBTS THAT YOU REMAIN RESPONSIBLE FOR:	<ul style="list-style-type: none"> → Maintenance Orders → Child Support → Student loan → Court fines → Criminal reparations → Secured debts → Any not included in Order 	<ul style="list-style-type: none"> → Maintenance Orders → Child Support → Student loans → Court fines → Criminal reparations → Debts based on fraud → Some WINZ debt – check with WINZ → Secured debt if you keep secured property 	<ul style="list-style-type: none"> → Maintenance Orders → Child Support → Court fines → Criminal reparations → Debts based on fraud → Some WINZ debt – check with WINZ → Secured debt if you keep secured property
ASSETS:	→ Excluded unless choose to include in Order	→ Can't have any realisable assets, including funds in superannuation/KiwiSaver account	→ All realisable assets vest in Official Assignee, including income
FEES & COSTS:	→ \$102.22 fee + 7.5% to Supervisor + 2.5% to Official Assignee	→ No fee	<ul style="list-style-type: none"> → \$204.44 (debtor's application only) → Official Assignee's costs – to be paid from assets realised, if any
WHAT CREDITORS GET PAID:	→ The amount specified in the order	→ Nothing	→ Only what can be paid from assets realised or collected by the Official Assignee
EFFECT ON CREDIT RATING:	→ Will show on credit reporting sites / credit checks & may affect credit rating, but must show that debts have been repaid. Likely to be more positive than for No Asset Procedure or Bankruptcy	→ Will show on credit reporting sites / credit checks for 7 years & may affect credit rating. Could affect ability to get continued/new services (eg banking, power, phone) job security or future job prospects	→ Will show on credit reporting sites / credit checks for 7 years minimum & may affect credit rating. Could affect ability to get continued/new services (eg banking, power, phone) job security or future job prospects

How do I apply for **No Asset Procedure**, **Summary Instalment Order**, **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.



For more information on formal insolvency options, go to www.insolvency.govt.nz
For assistance freephone 0508 467 658