

1 Recovering What's Owed

Choosing the appropriate action for debt recovery can depend on various things such as:

- The size of the debt
- Your attitude towards the debt
- Whether you wish to maintain a good working relationship with the debtor
- Whether the debt is disputed

These are all factors you need to take into consideration before initiating formal debt recovery.

2 Knowing Your Debtor

At Curtis Law Solicitors we consider that before initiating debt recovery proceedings, it's important to establish why the debtor is not paying – for example they may have just defaulted due to lack of money or assets – this may be temporary. If this is the case, the best course of action is to maybe work out a mutual agreement for recovering what you're owed (even if this means taking payments over a longer period of time than you would normally accept). However you must always be wary of extending too much credit without any security for payment. Alternatively, you may have a senior defaulter and may wish to take a more proactive approach.

Debtors can be separated into two groups: businesses (including companies, partnerships, and sole traders, etc) and individuals.

At Curtis Law our experienced team can handle the intricate process of negotiating with your debtors, investigating whether they have any potential assets and issuing and conducting proceedings to pursue the debt on your behalf.

3 Starting Proceedings

Once we have taken your instructions and consulted with you, we will advise you on what we consider to be the best course of action. You have two options to pursue a debtor – Insolvency or County Court proceedings.

If the matter is straightforward, the debt is over £750.00 and there is no dispute, the most effective option may be to instigate Insolvency Proceedings.

Alternatively, if there is a potential dispute or the matter is complex (or the value of the claim is lower than £750.00), we can issue County Court Proceedings on your behalf.

We can guide you through both processes and full details can be provided on request.

4 Starting Insolvency Proceedings

If your debtor defaults on payment or fails to respond, you can issue a Statutory Demand and, if the debtor fails to respond, petition the court to begin winding-up proceedings or, if you are pursuing an individual, petition for bankruptcy. These may seem like harsh options but often times they are the only way to reclaim your outstanding funds effectively.

5 County Court Proceedings – Enforcing the Judgement

After securing a judgement by way of County Court proceedings, you have the option to enforce it, and at Curtis Law Solicitors we can advise you on the best way to do that to recover your funds:

- You can apply to the court for a **Charging Order** – this sees you placing the charge against any property the debtor owns and you can then either wait for the property to be sold, if the sum is substantial, or make a further application to the court for an order for sale.
- You can apply for a **Warrant of Execution** – this sees an enforcement officer instructed to seize and sell all goods until the debt is repaid. Of course, the success of this course of action depends entirely on the physical value of the assets.
- You can enforce an **Attachment of Earnings** order if the debtor is employed. This sees them pay a portion of their salary directly to you on a specified date.
- A **Third Party Debt Order** allows you to receive money from a third party which owes money to the debtor (such as a bank).
- A **Bankruptcy Petition** can also be issued.

6 What will it Cost for Fixed Fee Recovery on straight forward debts?

Our basic debt collection process is structured towards business users and operates on a 'fixed fee' basis, outlined below (these figures don't include VAT or disbursements such as court fees). When the debt is recovered, a further fee will be charged based on the amount recovered, by way of a percentage of sums recovered. Full details can be provided on request.

Debts covered under the Fixed Fee Recovery are specific to those debts that are outstanding by way of invoice only and this Scheme will not cover more complex and difficult matters.

Please contact us to discuss your debt recovery requirements and we are happy to provide advice and guidance on good credit control measures for business.

Fees for recovery can be produced on request.