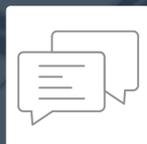


Debt Solutions Guide

M^cCAMBRIDGE DUFFY
ACCOUNTANCY & INSOLVENCY



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Introduction

Introduction

The purpose of this guide is to provide you with useful Insolvency information and a summary of the various options through which you may be able to deal with your secured and/or unsecured debts.

What are my options?

What are my options?

When you first take on debt of any kind, such as a mortgage, loan or credit card, you do so in the knowledge that you are able to afford repayments. However, debt problems can arise for anyone, at any time. Even just one significant change in circumstances (e.g. job loss, illness, marital problems, or a new addition to the family), can put strain on the household budget.

When you encounter debt problems, it can become difficult to make ends meet. It may cause a great deal of stress and can lead to an unfair standard of living. It can be difficult to get back on track when this happens.

In some cases, debt problems can spiral causing severe financial difficulty, leading to missed payments on your mortgage or other debts. It doesn't take long for the situation to get out of control.

If you reach this level of financial distress, it is important that you seek some advice. Help is available and you shouldn't suffer alone.



Initial debt advice

The first step to addressing a financial problem is to reach out for advice.

Speaking with a qualified Personal Insolvency Practitioner (PIP) or an Approved Intermediary will help you figure out how to get control of the situation and determine if you are

- **Solvent** (able to afford your debts) and need some advice and guidance on how to regain control of your situation, or
- **Insolvent** (unable to repay your debts) and need to avail of the debt solutions available to help address your debts.

You shouldn't be nervous about seeking advice. With the correct advice and guidance you will be able to get some peace of mind, find out the options available and regain control of your finances.

What are my options?



Personal Insolvency Arrangement (PIA)

For someone with unmanageable secured and unsecured debt.*

A Personal Insolvency Arrangement (PIA) is a formal debt solution designed to help people with secured debts (such as a mortgage) and unsecured debts (loans, credit cards etc...), that they can no longer afford to repay. If this sounds like you, then a PIA might be a suitable option. The main purpose of a PIA is to try and help you remain in your home wherever possible.

A PIA usually lasts for 6 years. The mortgage/secured debt is normally restructured in some way to make it affordable, whilst unsecured debts are usually written off.

**Subject to a cap of €3Million secured debt, unless secured creditors consent to a higher level*

The Benefits of a PIA

If and when creditors agree to a PIA proposal, it becomes legally binding, which means you will have:

Protection from
creditors

Interest &
charges frozen

Affordable
repayments

A reasonable
standard of living

Peace of
mind

A clear plan for
dealing with debt

What are my options?

Example of a PIA

Below is an example of one of our client PIA cases, which will give you an idea of how a PIA might work for you.

Clients

A married couple with 3 children.

Story

Clients ran into financial difficulty after a period of incapacity and unemployment. They struggled to maintain contractual payments on the mortgage and other debts. Unable to address any arrears outstanding, they got in touch with us to see how we could help. After assessing their situation, it was evident that they were eligible for a PIA. They decided to proceed with this option and their PIA was successfully approved.

The PIA

In the PIA, their mortgage interest rate was reduced, lowering the monthly repayments to an affordable amount. The mortgage balance was also reduced in the PIA, with €165,647 debt written off on completion.

The mortgage payments were lowered to a manageable amount of €474 per month, down from €1,436 per month, for the duration of the PIA (6 years). On completion, the mortgage payments will be set at €582 per month.

Monthly unsecured debt payments were also lowered to an affordable amount for the duration of the PIA. Any remaining unsecured debt will be written off on completion of the PIA (€82,900).

Mortgage amount
outstanding

€285,647

Before PIA

Mortgage amount
written off

€165,647

After PIA

New mortgage
amount

€120,000

What are my options?

How to apply for a PIA

The first thing you should do is seek debt advice from an appropriate provider, in order to determine if a PIA is the right choice for you, and to make your PIA application if so. You cannot apply for a PIA without the help of a specialist advisor called a Personal Insolvency Practitioner (PIP). This is the person responsible for arranging and negotiating the PIA with your creditors.

How much does it cost to apply?

Initial Consultation Fees

Some PIPs charge a fee for initial consultation and some PIPS offer a free consultation service. At McCambridge Duffy, we do not charge for this.

PIA Application Fees

The Insolvency Service of Ireland (ISI) have waived application fees for a PIA, so there is no cost for this.

PIA Arrangement Fees

If and when the PIA is approved, any PIP fees for managing the plan are usually built into the arrangement.

Find out more about a PIA

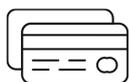


Click here to fill in a form and speak to an advisor



Click here to read about a PIA in more detail

What are my options?



Debt Settlement Arrangement (DSA)

For someone with unmanageable unsecured debt.

A Debt Settlement Arrangement (DSA) is a formal debt solution designed to help people with unsecured debts (loans, credit cards etc.), that they can no longer afford to repay. If this sounds like you, then a DSA might be a suitable option for addressing the debts.

In a DSA, you make affordable monthly payments towards your debts, usually for a period of 5 years. On completion of the DSA, any remaining unsecured debt is written off.

The Benefits of a DSA

If and when creditors agree to a DSA proposal, it becomes legally binding, which means you will have:

Protection from
creditors

Interest &
charges frozen

Affordable
repayments

A reasonable
standard of living

Peace of
mind

A clear plan for
dealing with debt

What are my options?

Example of a DSA

Below is an example of one of our client DSA cases, which will give you an idea of how a DSA might work for you.

Client

A married retiree from County Wicklow.

Story

Our client, a retiree from County Wicklow, was struggling to make payments on her outstanding loans, with her pension income. She contacted us for help and advice. We were able to identify that she was in fact insolvent and a DSA looked like her best option. We put forward a DSA Proposal on her behalf, which the majority of her creditors agreed to and so her DSA was approved. She is now making payments that she can afford to her lenders.

The DSA

In the DSA, the plan was to reduced her total debts of €46,296 down to an amount that she could afford.

Her total monthly repayments were lowered from €667.12 per month to a more affordable monthly payment of €235 for the duration of the DSA (5 years).

On completion of her DSA, our client will have paid €14,100 towards her debts. The remaining unsecured debt balance of €32,196 will be written off.

Total debts
outstanding

€46,296

Before DSA

Total debt
written off

€32,196

After DSA

Total repaid
in DSA *

€14,100

* including all fees

What are my options?

How to apply for a DSA

The first thing you should do is seek debt advice from an appropriate provider, in order to determine if a DSA is the right choice for you, and to make your DSA application if so. You cannot apply for a DSA without the help of a specialist advisor called a Personal Insolvency Practitioner (PIP). This is the person responsible for arranging and negotiating the DSA with your creditors.

How much does it cost to apply?

Initial Consultation Fees

Some PIPs charge a fee for initial consultation and some PIPs offer a free consultation service. At McCambridge Duffy, we do not charge for Initial consultation.

DSA Application Fees

The ISI have waived application fees for a DSA, so there is no cost for this.

DSA Arrangement Fees

If and when the DSA is approved, any PIP fees for managing the plan are usually built into the arrangement.

Find out more about a DSA

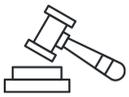


Click here to fill in a form and speak to an advisor



Click here to read about a DSA in more detail

What are my options?



Debt Relief Notice (DRN)

For someone with few assets and unmanageable debt under €35,000

A Debt Relief Notice (DRN) is a formal solution designed to help someone on a low income, with minimal assets and unsecured debts totalling less than €35,000. If this sounds similar to your situation, then a DRN might be a suitable option for you.

A DRN usually lasts for up to 3 years. On completion, all debts are written off in full.

You may be eligible for a DRN if you:

Have debts
under €35,000

Have €60 or less, left over each month, after
all household expenses have been considered

Have no assets / very
few assets

Have never had
a DRN before

How to apply for a DRN

The first thing you should do is seek debt advice from an appropriate provider, in order to determine if a DRN is the right choice for you. You can only apply for a DRN with the help of an Approved Intermediary (AI). This is the person or organisation qualified to submit your DRN Application. To find an AI you can contact your local Money Advice and Budgeting Service (MABS) office or visit the ISI website for a list.

When your DRN is in place, it becomes legally binding, so you will have:

Protection from
creditors

Debts written off
on completion

A reasonable
standard of living

Peace of
mind

A clear plan for
dealing with debt

What are my options?

How much does it cost to apply for a DRN?

There is no fee for a DRN. The AI cannot charge a fee and the ISI have waived application fees.

Find out more about a DRN



Click here to fill in a form and speak to an advisor



Click here to read about a DRN in more detail

What are my options?



Bankruptcy

For someone with debts over €20,000 that has explored all other options

Bankruptcy is a formal High Court process designed to help people that are Insolvent and who are not suitable for any of the alternative solutions available (PIA, DSA and DRN). You cannot go bankrupt unless you have explored these alternative solutions first.

When you are declared bankrupt, your assets, including your property will transfer and vest with the Official Assignee. This is an independent statutory officer of the Court who administers the estate of a bankrupt person.

With Bankruptcy you will have:

Protection from
creditors

A clear defined plan of addressing the
secured / unsecured debts

A reasonable standard
of living

Peace of
mind

If you have any money left over after all household expenses have been considered, you will be subject to an Income Payments Order, where you have to contribute this money to the Official Assignee for up to 3 years, so that it can be distributed to your creditors.

On successful completion of your Bankruptcy (usually after 1 year), you will be discharged from your Bankruptcy and all debts will be written off.

How to apply for Bankruptcy

The first thing you should do is seek debt advice from an appropriate provider, in order to determine if any of the alternative solutions are suitable, before applying for Bankruptcy. A PIP will be able to help you identify the best course of action for addressing your debts and signpost you in the right direction for Bankruptcy.

If it is found that Bankruptcy is your best option, you can apply yourself or find an appropriate provider who is qualified and regulated to help you apply. Bankruptcy application forms and information on how to fill them in can be found on the ISI website - https://www.isi.gov.ie/EN/ISI/PAGES/DOCUMENTS_REQUIRED

What are my options?

How much does it cost to apply for Bankruptcy?

When making your application there is:

- a fee of €200 that must be paid to the Official Assignee.
- a fee of €45-€75 for your notice to be posted in the Iris Oifigiúil (The state Gazette).
- a fee for placement in a national daily newspaper (their own rates would apply).
- Should you avail of any Professional advice or Bankruptcy application assistance, there will likely be a fee involved for this service. Fees will vary for each provider, so be careful in choosing the right one in regards to cost, reputation and regulation.

Find out more about Bankruptcy



Click here to fill in a form and speak to an advisor



Click here to read about Bankruptcy in more detail

The role of a PIP

The role of a PIP

A Personal Insolvency Practitioner or PIP is a qualified specialist who is regulated and authorised by the ISI to act on your behalf, should you wish to enter into some sort of Insolvency Agreement with your creditors. You cannot avail of an Insolvency Solution without engaging the services of a PIP.

A PIP will discuss various options to addressing your debts, including a negotiated agreement with your creditors and the various formal Insolvency solutions that are now enshrined in the Law under the Personal Insolvency Act 2012. The solutions available are:

- DSA
- PIA
- DRN, and
- Bankruptcy (which is usually seen as a last resort solution)

The PIPs job is to make you aware of all options available, including your best option and then guide you safely through the Insolvency Process from start to finish.

At McCambridge Duffy, we have 5 professionals in-house who are all authorised to act as Personal Insolvency Practitioners by the ISI.

Initial PIP Consultation

When you are in difficulty with mortgage repayments, arrears and/or unsecured debts, the best thing to do is seek advice and information from a professional about what options are available for addressing the debts. The first step is to arrange a meeting with a debt advisor or a PIP.

It is helpful to have details of your debts, any assets, living expenses and income before your consultation, as well as back up documentation relating to creditors, mortgage (if applicable), missed payments and arrears. The PIP/advisor will tell you what is needed. During your consultation, you can ask questions just as the PIP will do.

Many Insolvency firms charge for an Initial PIP consultation, however we do this for free.

The Insolvency Process

The Insolvency Process

After Initial consultation and if you decide to proceed with a Insolvency Solution, the PIP will be responsible for working out what the best approach is with regards to your solution. We've outlined a general guide to the steps involved, from start to finish below:

STEP 1 - Prescribed Financial Statement (PFS)

If you opt for one of the Insolvency arrangements discussed in this guide, the PIP (for a DSA or PIA) or the AI (for a DRN) will need to complete a Prescribed Financial Statement (PFS).

The PFS summarises your assets, liabilities, income and expenditure. The PIP/AI will advise as to what debts will be included and not included in your insolvency solution.

You must make a declaration that everything is true and accurate in the PFS. The PFS allows the PIP/AI to determine which, if any of the solutions are suitable for you. They will explain all options to you and make a note in writing of what they think is the recommended course of action for you to take and that in their opinion everything in the PFS is true and accurate.

The AI can proceed with your DRN application to the ISI at this stage, but there are some further steps to be taken if you are applying for a PIA or DSA.

STEP 2 - Protective Certificate (For a PIA & DSA)

At this stage if all parties are happy including both you and your PIP, then the PIP will submit your application to the ISI and the Court. If the ISI and the Court are happy with your application then they will grant your Protective Certificate.

A Protective Certificate stops your creditors from taking any legal proceedings against you.

A Protective Certificate usually remains in force for 70 days, but it can be extended in some circumstances. Once a Protective certificate has been issued, another cannot be issued for at least 12 months, without order of the Court.

The Insolvency Process

STEP 3 - Proposal and Creditor Negotiation

After the Certificate has been issued, your PIP will engage with your creditors during the preparation of your PIA or DSA proposal, culminating in a meeting with your creditors to decide if they accept your proposal for your solution.

Proposals may vary hugely between clients, but they usually contain an element of debt write-off as well as your offer of repayment of the balance of your debt.

At least 65% of your creditors must vote in favour of your proposal in order for it to be approved.

STEP 4 - Final Review

If your proposal is accepted, the ISI and Court carry out a final review. Once approved your Insolvency Arrangement will become legally binding and you can start your new agreed repayments and plan for addressing your debts.

If your proposal is rejected, you may be eligible to appeal for a Court review, where the rejection could be overturned and your Insolvency solution granted.

STEP 5 - Supervision and Completion

The final role of the PIP is to supervise your arrangement for the agreed term, ensuring payments are made and distributing funds to creditors as agreed, while retaining funds as also agreed to cover your PIP's fees and expenses.

Your PIP's post approval duties are extensive with a high level of oversight and administration. The operation of the arrangement is reviewed regularly and reports issued to creditors at least annually.

If the arrangement needs to be significantly varied due to changes in your financial circumstances then the PIP will convene further meetings of your creditors and report the outcome to you, your creditors, the ISI and the Court.

On successful completion of your arrangement, your PIP reports to the ISI, to your creditors and to you that all the terms of your arrangement have been complied with and all dividends to creditors have been distributed, and that you are now debt free and can start to repair your credit file and resume normal financial activities.

The Insolvency Process

You will have a case manager for the duration of the solution.

On completion of the solution you will be discharged from your unsecured debts. Any remaining debts will be cleared allowing you to start over.

If you are in a PIA, you may be released from a secured debt or the secured debt may continue to be payable (depending on the terms of the PIA).

The Abhaile Scheme

The Abhaile Scheme – Free Mortgage Arrears Support

If you are having difficulty in keeping up with Mortgage Payments, MABS can give you practical advice and information to help you regain control.

If you are behind on your mortgage payments and dealing with arrears, MABS offer Free Mortgage Arrears Support under Abhaile, where you may be entitled to any of the below:

**Financial
advice**

**Legal
advice**

**Insolvency
advice**

A dedicated advisor will work with you and your lender to find out the best solution for your situation. Contact your local MABS office for more information.

Contact MABS to find out if you qualify for Free Mortgage Arrears Support - <https://mabs.ie/>

Why choose McCambridge Duffy?

Why choose McCambridge Duffy?



Free Confidential Advice / Consultation

Unlike some Insolvency companies, we offer free & confidential advice for people who are experiencing financial difficulty.



No upfront Fees

We never charge upfront fees to our clients for setting up your plan.

If your PIA or DSA is not approved, you will never receive a bill from us.



Highly Regulated

We have 5 full time highly regulated PIPs authorised by the Insolvency Service of Ireland.

We also have a dedicated team of staff who possess a wealth of knowledge and experience in insolvency.



High Acceptance Rate

We will only put forward a proposal if we believe it has a good chance of being accepted.

We also fight very hard for every client to make sure their proposal is carefully considered by the creditors with the best outcome for all.



Excellent Customer Service

We are a long-standing family run company that has been in the industry for well over 80 years.

We have a good reputation with both debtors and creditors and our advisors are knowledgeable, friendly and non-judgemental.



Insolvency Experts

Ronan Duffy, one of our PIPs has had input in the drafting of the legislation for the Insolvency Solutions in Ireland.

He has also been involved in recommending ways of streamlining the new processes to improve the current Insolvency Solutions.

What our clients think

What our clients think

Have a look at what some of our clients think of the services we provide. These reviews are collected on independent review site TrustPilot, from clients that are currently in plans or have completed plans with us and are now debt free.

“



Fantastic Team

Fantastic team who kept us up to date with what was happening.

Took away all our worries with the information they gave us.

No more sleepless Nights. Thank you All at McCambridge Duffy.

| Kevin

”

“



Expertise

McCambridge Duffy's expertise allowed us to breath again after years of financial strain. A fantastic team lead by Ronan Duffy, an expert in PIA.

| Anon Customer

”

“



Great Company

Great company to deal with. From start to finish they done all the hard work. Would highly recommend to anyone. Really helped me out of a bad situation. Thanks again guys for all your hard work.

| Anon Customer

”

What our clients think

“



Great Service

Great service from start to finish. Really helped me out, thanks for everything. 5 star all day.

| Anon Customer

”

“



Given us our lifes back

McCambridge duffy have given us our lifes back after years of debt from the recession. Very professional and understanding and non judgemental. I would recommend them without hesitation if your are struggling with debt . There is light at end of tunnel.

| Christopher

”

“



Professional Understanding People

When we were under constant pressure from debtors, threatening letters, calls etc causing life to be hell I was advised to contact McCambridge Duffy. I never looked back, so helpful understanding and professional, from then on all nasty calls stopped, they dealt with everything. Now 5 years later all debts cleared. Was reluctant to tell anyone about my financial problems for ages, what a fool I was not to contact them sooner. Highly recommend contacting them if you have financial debt issues.

| J Lonergan

”

Company stats

Company stats

Below is some interesting statistical company information about McCambridge Duffy Limited

Statistics included are from the end of 2013 (The Introduction of the New Insolvency Solutions, such as the PIA and DSA) up until end of 2021.

*Information is correct as of time of production of this guide (End of year 2021).

Total amount of debts dealt with (as part of our Insolvency arrangements)

€326,151,978

Total amount of unsecured debts dealt with (including mortgage write-offs)

€175,007,207

Total amount of secured debts dealt with (after any write downs)

€151,144,771

Total amount of dividends paid to creditors (to date), via arrangements

€8,450,000

Total amount of debt written off (to date) in arrangements (in secured & unsecured debts)

€166,550,000

Additional information

Additional information

Did you know:

- Our very own PIP, Ronan Duffy, has had input in the drafting of the legislation for the Insolvency Solutions in Ireland. He has also been involved in recommending ways of streamlining the new processes to improve the current Insolvency Solutions.
- We were the first company in Ireland to gain approval of an Insolvency Arrangement.
- We were the first company in Ireland to have an Arrangement approved in the High Court.
- We were the first company in Ireland to have a rejected Insolvency Arrangement successfully overturned, via the Court appeals process.

We continue to be one of the leading Insolvency companies in Ireland and hope that we can continue to do so in the future. We aim to stay at the forefront of developments in the Industry.

Contact us

Contact us

There are many ways to get in touch with us.



www.mccambridgeduffy.ie



info@mccambridgeduffy.ie



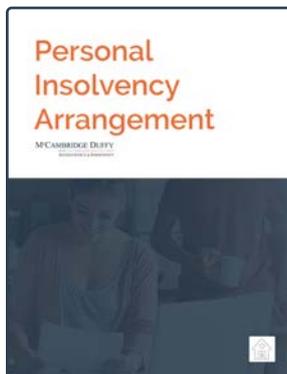
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McCambridge Duffy Limited is a Limited Company registered in Ireland | Registered number 527584

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Ronan Duffy, Daragh Duffy, Daniel Rule, James Green and Judy Mooney are authorised by the Insolvency Service of Ireland to carry on practice as personal insolvency practitioners.

Ronan Duffy, Daniel Rule, James Green and Judy Mooney are authorised to act as insolvency practitioners by Institute of Chartered Accountants Scotland.