

An IVA as an option

debt advice

If you are struggling to pay your debts, don't hesitate to contact us at debtadvice.co.uk.

WHAT IS AN IVA?

An IVA is a Government solution created to help people clear their debts of £15,000 and over. With an IVA you only pay back what you can afford to pay, over a fixed period of time (from 1-60 months). At the end of this period any remaining debt is written off.

DEBTS WRITTEN OFF?

A lot of companies claim to be able to write off up to 90% of your debts. This is not very likely and these firms are usually not reputable IVA Providers.

You could write off up to 60 - 70% of your debts (based on our average client cases). However, the total debt written off will be unique to your circumstances.

TYPES OF IVA

There are different types of IVA to suit many people who are in different circumstances.

- ▶ Single IVAs
- ▶ Joint IVAs
- ▶ Lump Sum IVAs
- ▶ Business IVAs
- ▶ Assisted Payment IVAs

WHAT ABOUT FEES?

An IVA is structured in such a way that your creditors decide the fee structure for us for setting up and supervising your IVA. The fee is taken from your monthly IVA payment when it has been agreed. You will never receive a bill from us and your payments don't begin until your IVA has started. We have a no upfront fees and a no win, no fee policy.

IVA CASE EXAMPLES

SINGLE IVA DEBTS: £38,000

Miss N was struggling with monthly bills of £785 on approx £38k of debt. We reduced this to £260 per month with an IVA and in 60 months she will be DEBT FREE.

JOINT/LUMP SUM IVA DEBTS: £106,000

A couple were struggling to pay creditors £2,500 monthly. In Feb '03 they started an IVA. Monthly payments were reduced to £350. In Feb '04 they remortgaged, surrendered endowments and raised £47k. Creditors accepted this as full and final settlement. They are now DEBT FREE.

BUSINESS IVA DEBTS: £82,500

A Self Employed client was struggling to repay creditors and in fear of losing his business. He entered into an IVA with repayments of £550 per month. Mr J will be DEBT FREE in 60 months and has protected his business from demanding creditors.

IVA TESTIMONIALS

"To all the staff, I would like to say a big thank you for all your help and understanding during my recent IVA. Everyone was always so helpful and reassuring during a very stressful time, there was never a time when I contacted you that someone did not quickly help and sort things out, explain or simply reassure me. I could never thank you all enough for such a professional and understanding approach you all provide.

Thank you."

Miss H from Southampton

"Just wanted you to know how grateful we both are! A huge thank you for all the wonderful work you've done to help us. Thank you just doesn't seem enough for the peace of mind."

Mr and Mrs A from Kent



ADVANTAGES OF AN IVA

- ▶ 1 easily affordable monthly payment based on your income and expenses
- ▶ Unlike some of our competitors, we do not charge upfront fees, saving you £100's
- ▶ An IVA offers you protection from creditors
- ▶ Creditor Pressure is stopped as creditors will have to deal with issues through us
- ▶ An IVA can be complete in as little as 1 year if you can offer a lump sum payment
- ▶ All interest is frozen immediately
- ▶ An IVA is suitable for tenants, homeowners, individuals, couples and even business owners
- ▶ We can set up an IVA in as little as 4 weeks

DISADVANTAGES OF AN IVA

- ▶ If you are a homeowner with equity in your property you may be required to introduce your share of this equity in the final year of the arrangement. If you can't get a remortgage your arrangement can be extended for up to another year.
- ▶ If your circumstances change, and your insolvency practitioner can't get creditors to accept amended terms, the IVA is likely to fail. You will still owe your creditors the full amount of what you owed them at the start, less whatever has been paid to them under your IVA. If your IVA fails, your creditors may request that you be made bankrupt. This will always be discussed before your arrangement commences
- ▶ Your credit rating may be impacted for up to six years from the commencement of your IVA.

*Debtadvice.co.uk is owned by McCambridge Duffy, who provide free debt advice on a variety of debt solutions. A fee is only payable where further services are requested. All fees will be explained in detail and discussed prior to commencement of any debt repayment plan. In the IVA our fees are included in your monthly payment to your creditors so you will not have to pay any more than you can afford. More suitable debt solutions may be offered which may result in different fees applying and we will discuss those with you during your initial consultation. Creditors may still contact you with promotional material or to fulfil contractual obligations to you but they should deal with us in all aspects relating to the outstanding debts. Acceptance of your IVA cannot be guaranteed but we will do our best. You must meet certain criteria which will be discussed with National Debt Relief advisors. Where we put a client forward for an IVA we believe they have an excellent chance of being accepted. Debts will only be written off where a client has made an agreed payment for a fixed period. In return the creditors agree to write off the remaining balance. Typically, our clients average debt write off is between 60-70% of the debt. What debt you have written off will depend on your individual circumstances and is subject to creditor approval and completion of the IVA. Your credit rating may be impacted for up to six years from the commencement of your IVA. Homeowners may be required to introduce equity if available.

Phonecalls: Calls from a landline are normally free. Please consult your provider if you are unsure. Calls from a mobile may be subject to charges. If you get charged just ask us to call you back for free. In the UK, consumer credit activities are covered by the Institute of Chartered Accountants in Scotland, Group Licence number G/900011