

# MINIMAL ASSET PROCESS

## All the facts and how to apply



## If you are struggling with debt you may be able to apply for a Minimal Asset Process Sequestration/Bankruptcy (MAP) to help manage the situation.

MAPs only apply if you are living in Scotland. If you live in England or Wales please refer to our Debt Relief Order Factsheet. If you live in Northern Ireland, please contact our Money Advice and Guidance Service for information on options in dealing with your debts.

### WHAT IS THE MINIMAL ASSET PROCESS?

A MAP is a formal insolvency solution for individuals that allows you to "write off" debts included in the application. A MAP lasts for approximately 6 months and details are held on the Register of Insolvencies. As this is a formal measure, your credit rating would be affected by an application. Don't forget that if you need time to consider what debt option is right for you, you can apply for a Moratorium. This will allow you protection from Sheriff Officer action while you work out the next steps with your money adviser.

### HOW DOES IT WORK?

You can only apply for a MAP through an "approved adviser" who is a specialist adviser trained to help you through the process of applying and submitting your application. Your adviser will be able to give you advice on whether you qualify for a MAP and look at whether there are other suitable options for your situation.

The application is sent to the Accountant in Bankruptcy (AIB) via an online portal by your adviser. The AIB will either approve or reject your application. If your application is approved, you will be subject to some restrictions for the period the MAP is in place.

There is a fee for applying for MAP which is usually £50, but this can be waived if you are on a qualifying benefit. The fee is non-refundable if your application is unsuccessful.

### Who Qualifies for a MAP?

- You must owe more than £1,500 but no more than £25,000
- You must have minimal assets. You must not own land or property. You must not own a vehicle valued over £3,000
- You must have been in receipt of certain benefits over the last 6 months, or your money adviser has assessed that you unable to make a contribution to your debts based on the Common Financial Tool
- Your approved adviser has signed a "Certification of Sequestration" on your behalf

### The main restrictions are:

- There are limits on how much credit you can obtain without telling the lender you are in a MAP
- You cannot be involved with the promotion, management or formation of a limited company, or act as a company director without the permission of the court
- You may not hold certain public offices
- You cannot apply for another MAP within 10 years

## HOW WILL MAP AFFECT ME?

- The MAP will be recorded on your credit file
- The MAP will be recorded on a public register -The Register of Insolvencies\*
- Your job could be affected
- Your tenancy could be affected
- Your bank account may be frozen

\* Where this would pose a risk to safety or welfare, you can request that your details are withheld from the register.

As long as you continue to meet the requirements for MAP, you will be discharged from the bankruptcy after 6 months.

## Change of circumstances

If your circumstances change before you are discharged from the MAP or if you are found to have given inaccurate information on your application, the term of your bankruptcy may be increased. Deliberately concealing information to be awarded MAP may result in you being subject to a Bankruptcy Restrictions Order.

If you acquire assets of a certain value within 4 years of your award date, you must inform your Trustee and these could be ingathered for the benefit of your creditors.

**If you would like further information, or would like to consider applying for a Minimal Asset Process Bankruptcy, you can [apply now](#) and speak to our money advisers, or call our helpline on 0800 056 2424**