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## Administrative procedure for collecting uncontested debts

As from now on a bailiff can collect uncontested debts between companies. For uncontested financial debts a judge does not longer has to intervene. The administrative collecting of uncontested debts asked on demand of the creditor's lawyer consists out of several phases.

In order to deal with late payment of invoices, creditors can since 2 July 2016 make use of an administrative procedure. This administrative procedure applies to everyone which is registered with the crossroad bank for companies ("KBO"): companies, individuals, associations, liberal professions. Private individuals cannot apply this procedure.

#### Reminder to pay

The administrative collecting of uncontested debts consists out of different phases. It starts with reminding the debtor to pay by the bailiff on request of the creditor. The debtor has one month to react to the reminder by means of a reply form. He has three options:

- complete payment of the full amounts; or
- apply for a payment plan with the bailiff; or
- contest the debt, given the reasons why.

## **Minutes of non-contesting**

At the soonest eight days after expiry of the payment deadline the bailiff - on request of the creditor - drafts the minutes of non-contesting in which the current situation is described. The procedure is stopped when the debt is paid or by motivated contestation of the debt. In the latter case the debtor can collect the contested debt through legal procedures. In case payment facilities are agreed, the collection is suspended.

## **Enforceability of the minutes**

A magistrate of the management and supervision committee with the Central database of confiscation notices will then on request of the bailiff declare the minutes of non-contesting in conformity. This title implies that executable confiscation of the goods of the debtor is possible to the amount of the non-contested debt. Only in case the debtor contests the enforceable minutes, the execution is suspended. The enforceable minutes are sent in a secure way in order to assure the origin, confidentiality and integrity of the content.

# **Central register**

The National Chamber of bailiffs is in the meanwhile responsible for the organization and management of the 'central register for the collection of uncontested debts'. This register contains all data which is necessary to verify whether the procedures are followed correctly and to give enforceability to the minutes of non-contesting.