

Distribution of the amounts deposited

The amounts deposited at the court office are distributed among all the creditors whose names you gave the court office. If necessary, you can modify the list.

The share of each creditor is proportional to the amount of the creditor's claim compared to the total amount of all the claims. For example, if all your debts total \$1,000, a creditor to whom you owe \$100 will receive 10% of the deposits paid. In other words, the amounts are proportional to the size of each claim. However, if one of the creditors is owed support, the distribution will be made on a different basis.

Frequency of distribution

The money must be distributed at least once every three months, or at least once every month in the case of a support payment.

If you receive a notice of execution

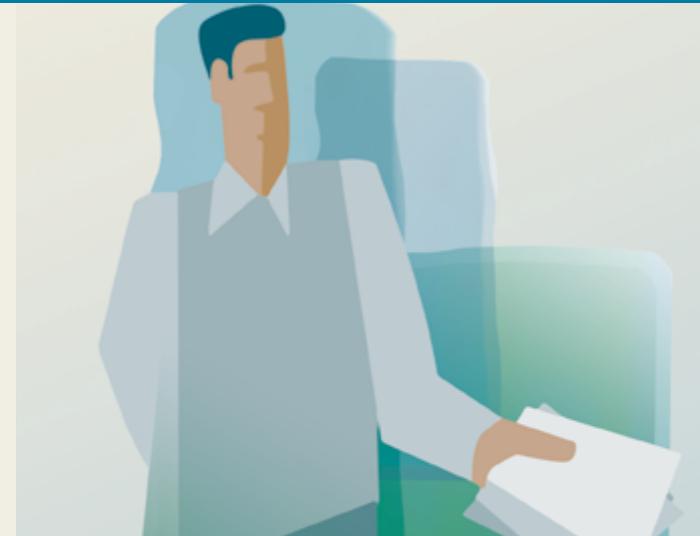
If your property is seized while you are registered with the voluntary deposit service, contact the person who sent you the notice of execution immediately so that the appropriate steps can be taken.

VOLUNTARY DEPOSIT

For more information

The information summarized in this document was valid at the time of printing. For more information, go to the website of the Ministère de la Justice at www.justice.gouv.qc.ca, or contact

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Your bills are piling up, there is no money to pay them, and your creditors are beginning to lose patience. One solution to this problem is the measure known as voluntary deposit.

Voluntary deposit exists only in Québec. It allows you to pay off your debts by voluntarily depositing a percentage of your income (fixed by law) at the office of the Court of Québec.

The office then distributes the money proportionately to all your creditors, based on the amount owed to each creditor.

Protection provided

By making a voluntary deposit:

- you avoid having to declare bankruptcy;
- you are protected from the seizure of your work income following a court judgment;
- you cannot be sued by your creditors;
- you pay the agreed rate of interest or the legal rate of 5%, whichever is lower, regardless of the creditor involved.

Limits on the protection provided

Voluntary deposit does not protect you from the seizure of your immovable property, your motor vehicle, or any furniture in your family residence on which you still owe money to the vendor.

You can sign up for voluntary deposit even if you have a debt arising from unpaid support payments.

Registration for voluntary deposit

To register for voluntary deposit, you must file a declaration at the office of the Court of Québec (Civil Division) in your nearest courthouse.

In your declaration, you must indicate:

- your full name;
- your home address;
- your income;
- the address of your employer or workplace;
- the number of your dependants;
- the name and address of all your creditors;
- the nature and amount of all your debts, along with supporting documents;
- the amount you commit to paying to the court office for distribution to your creditors.

Changes to your information

You must inform the court office, within 10 days, if any of the information in your declaration needs to be changed.

You must also update your information every year.

Contestation of your voluntary deposit declaration

A creditor or any interested party may contest your declaration at the court where it was filed, for example if you failed to declare all your income. The contestation must be filed within 15 days after the

creditor or interested party becomes aware of your declaration.

You will be informed of any contestation.

Amount deposited

The amount deposited cannot be less than the part of your income that could otherwise be seized to pay your debts. To calculate this amount, you must add up all your income, including income received as cash, in kind or as services.

However, certain amounts are excluded from this calculation, such as:

- property (or support) declared by the donor or testator to be exempt from seizure;
- judicially awarded support, if intended to provide for a minor child.

Once you have established your income, you must subtract the amount of the exemption provided for by law, taking into account, in particular, the number of your dependants.

The seizable portion of your income is 30% of the remainder. However, the percentage is 50% if one of your debts is for a support payment.

Suspension of deposits

You cannot delay or suspend a deposit of the seizable portion of your income, or reduce the amount of the deposit.

A failure to comply with your undertaking could lead to the loss of the protection granted when you agreed to make voluntary deposits.