



# How are Probate Cases conducted in the District Court?

# Probate Cases in the District Court

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## Meetings in Probate Cases

You may be summoned to three different types of estate administration cases, also known as insolvency cases. The meetings take place as follows:

## Debt restructuring

### First Meeting

The probate court has summoned you because you have applied for debt restructuring (in Danish: *gældssanering*). The meeting takes place in a regular meeting room. The probate court lawyer (in Danish: *jurist*) leads the meeting, and only the two of you are present in the meeting room. If you have a support person, he/she is welcome to accompany you. The probate court lawyer has already read your application and will ask questions about your financial and family situation. You are obligated to answer the probate court lawyer's questions truthfully. If the probate court believes that a debt restructuring case can proceed, you will be informed immediately. If the probate court lawyer is uncertain, you will be informed when a decision can be made. If the probate court lawyer believes that you do not meet the requirements, you will receive an explanation. The meeting will take no more than one hour.

## Second Meeting

At the second meeting, a final decision is made regarding whether your debt can be restructured or not. The probate court lawyer (in Danish: *jurist*) leads the meeting. After the first meeting, the probate court lawyer has appointed an attorney who has prepared a proposal for your debt restructuring. This attorney will be present at the meeting as well. All your creditors have also been invited, and you can see who are participating at the start of the meeting. The probate court lawyer will review your proposal, and you must declare under penalty of perjury that the information provided is true and correct. Creditors are allowed to ask you questions and can also object to your proposal. It is essential that you answer the questions as truthfully as possible, even if you perceive it as an intrusion to your privacy. The final decision is made by the probate court lawyer. Often, this decision is made during the meeting, but it may also be made later if any modifications are required to your proposal. The meeting will take no more than one hour.

## Bankruptcy

The probate court has summoned you because you or one of your creditors has submitted a bankruptcy request to the court. The meeting takes place in a regular meeting room. The probate court lawyer (in Danish: *jurist*) leads the meeting. If you have submitted the request, only the two of you will be present at the meeting. If your creditor has submitted the request, the creditor (the petitioner) will attend the meeting, often accompanied by an attorney. At the beginning of the meeting, the probate court lawyer will inform you that you have an obligation to answer questions truthfully. After that, the probate court lawyer and the creditor/attorney will ask questions about your financial situation. Usually, during the meeting, the probate court will decide whether to proceed with bankruptcy proceedings. If so, the probate court will appoint an attorney (the trustee) to handle the bankruptcy estate. The probate court lawyer will advise you during the meeting on the implications of bankruptcy. The meeting will usually take no more than one hour. After the bankruptcy case is fully concluded, there will be a final meeting in the probate court. Your participation in this meeting is voluntary.

## Compulsory Dissolution of Companies

The probate court has summoned you because the Danish Business Authority (in Danish: *Erhvervsstyrelsen*) has initiated compulsory dissolution proceedings for your company, and you are registered as the director. The meeting takes place in a regular meeting room. The probate court lawyer (in Danish: *jurist*) leads the meeting. A representative from the Danish Tax Agency (in Danish: *SKAT*) may also be present. The probate court lawyer has the company's latest annual financial statements and will ask you questions about the company's finances. You are obligated to answer the lawyer's questions truthfully.

The meeting will typically result in one of the following outcomes:

1. If the company is solvent, or there is uncertainty about its financial situation, the probate court may place the company under liquidation. The probate court will then appoint an attorney as the liquidator.
2. If the company is insolvent but owns some assets, the probate court will initiate bankruptcy proceedings and appoint an attorney as the trustee.
3. If the probate court believes that all relevant information has been provided and deems the company insolvent and without assets, it may immediately choose to dissolve the company and conclude the case.

Before the meeting is ended, the probate court will always advise on what implications its decision will have for you and the company.