



EMPLOYEE CLAIMS

The tph Difference

Employee claims are dealt with usually in conjunction with the FEG (Fair entitlements guarantee scheme) where the government essentially pays the employees. They get paid first before other creditors when a liquidator distributes money.

FEG has demonstrated they want Liquidators to act in a certain way with the funds Liquidators collect where the FEG scheme has paid employees.

They also tend to review any legal recovery actions Liquidators may have, which if successful could repay FEG the monies paid to employees. Every situation is different; however all stakeholders should be aware as to FEGs involvement and influence on Liquidations (and Voluntary Administrations and Receiverships).

Common Alternative Approaches adopted by Insolvency Firms

All practitioners should have regard for FEG's influence as a primary stakeholder/priority creditor in many liquidations and receiverships.

Because FEG is the government and have the most to gain from any actions liquidators may have for recovery they are the first to be considered when 'funding' maybe required to pursue legal actions that need funding to be commenced.

It is fair to say most practitioners do not ignore FEGs influence in the industry or over its practices.



The tph Smart Solution

tph respects and appreciates when a company goes into liquidation other than the directors of the business employees are heavily impacted, this requires empathy and appreciation for the employees ensuring that they remain a primary stakeholder throughout the process.