Weltman

Probate Recovery FAQ's

1. **Can a creditor collect from an estate?**

A creditor may seek payment from a decedent's estate through the probate process by filing a timely claim pursuant to the local jurisdiction's requirements. Deadlines are very strict, so claims should be placed promptly in order to preserve your rights as a creditor. Valid claims are paid from estate assets before distributions to heirs or beneficiaries.

2. **When should an account be referred for probate recovery?**

Referral is appropriate once the creditor becomes aware of the debtor's death and confirms that a balance remains due and potentially recoverable through probate.

3. **What happens if the estate has insufficient assets to pay creditors?**

If the estate is insolvent, claims are paid according to statutory priority. Lower-priority creditors may receive only partial payment or no payment. However, only creditors who file claims would be eligible for this "pro rata" payment.

4. **What happens if the personal representative disputes a claim?**

The specific process varies by jurisdiction, but if an Estate rejects, objects, or otherwise attempts to disallow your claim, the specific jurisdiction will define how that litigation will move forward. Weltman can guide creditors through this process on a national level to ensure valid claims associated with Estates. Which may likely contain assets sufficient to generate a payment to creditors if pursued when such litigation is warranted.

5. **What reporting and updates can I expect throughout the probate process?**

We can provide updates throughout the process as needed. At estate location, claim filing, claim acceptance, and the request from the Estate to close would be the high points that are most generally applicable for updates.