

PRESCRIBED INFORMATION

Your options to deal with unmanageable debt

Talk to your creditors: Some creditors could give you more time to pay, agree to renegotiate repayments or accept a smaller payment to settle the debt. Some creditors have hardship provisions which you can use to vary the terms of your contract. You should call your creditors and ask about their hardship provisions.

Lodge a Declaration of Intention to Present a Debtor's Petition: This stops your creditors, the bailiff or sheriff taking action to recover unsecured debts for a period of 7 days. You could use that time to speak to your creditors, consider other options or seek advice.

Propose a Debt Agreement (DA): A DA is a legally binding arrangement between you and your creditors which must be accepted by the majority of your creditors. The agreement is administered by a debt agreement administrator who will charge a fee. Your debts, assets and income must be under a certain limit* to propose a DA. You can offer to pay your creditors by instalments or in a lump sum which may be less than the full amount of your debts. You will be released from debts covered by the agreement once you have completed all obligations and payments in your agreement. Your name will be on the public register (NP11) forever and on a commercial credit reference record for 7 years even if you have completed your agreement.

Propose a Personal Insolvency Agreement (PIA): A PIA is also a legally binding arrangement between you and your creditors which must be accepted by a majority of your creditors. The PIA must be administered by a trustee who will charge a fee. There are no debt, asset or income limits. You can offer to pay your creditors by instalments or in a lump sum which may be less than the full amount of your debts. You will be released from debts covered by the agreement once you have completed all obligations and payments in your agreement. Your name will be on the public register (NP11) forever and on a commercial credit reference record for 7 years even if you have completed your agreement.

Sources of further information: You can ask for help from a financial counselling service, registered trustee, registered debt agreement administrator, lawyer or an accountant. They will talk to you about your options and may speak to creditors on your behalf.

You can get more information about the above options or sources of financial guidance by contacting ITSA on 1300 364 785 or at www.itsa.gov.au. You should read the ITSA publication titled *Personal Insolvency Information for Debtors*.

Consequences of proceeding with a petition for bankruptcy

A trustee will administer your bankruptcy: You may ask a registered trustee to administer your bankruptcy. If you do not choose a trustee, ITSA may ask a registered trustee to become your trustee, otherwise the Official Trustee (ITSA) will become your trustee. Your creditors can change your trustee. You must assist your trustee at all times. You must immediately notify your trustee in writing of any change in your personal circumstances (including name, address or income). Your trustee can extend the 3 year period of bankruptcy to 5 or 8 years under certain circumstances. Usually a trustee will take his/her fee for administering your bankruptcy out of the assets or income they recover. If there is insufficient money to recover the fee, a registered trustee may collect a minimum fee* from you directly.

Your assets may be sold: You will be able to keep ordinary household goods, tools (up to a certain value)* used to earn an income and a vehicle (up to a certain value)* but other assets - including your house - can be sold by your trustee. You cannot conceal, remove or dispose of any property inside or outside Australia. If you do, you may be subject to criminal prosecution.

Your income, employment and business may be affected: If your income exceeds a set limit*, you may be required to make contributions from your income. You cannot be a director of and/or manage a company. Some professional/licensing bodies may restrict or prevent you from continuing in that trade or profession. You may not be able to hold certain public positions. If you are in business and trade under a business name different to your own, you must tell everyone you deal with that you are bankrupt. If you don't, you may be subject to criminal prosecution.

You may not be released from all debts: You are released from most of your unsecured debts (eg credit cards, personal loans, store cards) once you are discharged from bankruptcy. Some types of debts are not covered by bankruptcy, eg debts incurred by fraud, penalties/fines and child support debts - you have to continue paying those debts. If a debt is secured against an asset (eg mortgage on a house or a car) and you do not maintain repayments that creditor can repossess and sell the asset; however the shortfall, if any, will be covered by bankruptcy.

Your ability to obtain credit and certain services may be affected: You may find it hard to borrow money and buy things on credit. You may find it hard to rent, get electricity, water or the telephone connected without paying a bond. Some banks may not let you operate an account or may restrict how you can use your account. If you obtain credit of \$3,000 or more* then you must tell the credit provider that you are bankrupt. If you enter into a hire purchase agreement or a contract for the hiring or leasing of any goods whereby the amount is or totals \$3,000 or more* then you must tell the seller or the property owner that you are bankrupt. If you obtain goods and services by giving a bill of exchange, cheque or promissory note whereby the amount is or totals \$3,000 or more* then you must tell the supplier of the goods or services that you are bankrupt. If you obtain goods and services by promising to pay an amount of \$3,000 or more* then you must tell the supplier of the goods or services that you are bankrupt. If you obtain money or payment of \$3,000 or more* by promising to supply goods or render services, you must tell the purchaser that you are bankrupt. If you don't disclose your bankruptcy in these circumstances, you may be liable to criminal prosecution.

Your ability to travel overseas will be affected: You will not be able to travel overseas without the written permission of your trustee and you may be asked to surrender your passport to your trustee.

Your name will be on the public register (NP11) forever: Your name will be on the public register (NP11) forever and on a commercial credit reference record for 7 years even if your bankruptcy has been discharged.

**This is an indexable amount and therefore increases periodically (see s304A of the Bankruptcy Act). For the current monetary amounts see Current Amounts at www.itsa.gov.au or call ITSA on 1300 364 785 for a copy.*

Acknowledgement: I have read and understood this Prescribed Information.

Name: _____

Signature: _____

Date: _____



Debt Agreement Statement of Affairs

We are concerned to see that you have chosen the right option to help you manage your debts.

Have you read ITSA's "[Personal Insolvency Information for Debtors](#)" on options and consequences?

Have you spoken with your creditors? Creditors have dedicated telephone numbers to assist with hardship provisions which you could use to vary the terms of your contract.

If you have only one creditor, other than your debt agreement administrator, you must explain in your Debt Agreement Proposal and Explanatory Statement the actions you have taken with your creditor to deal with your unmanageable debt. Your explanation must include what has followed from these actions.

If you need more information about debt agreements or you have questions about completing this document, contact the ITSA Information Service on 1300 364 785 for the cost of a local call or visit our website www.itsa.gov.au

Please print

Title	Surname	Given Name/s
Date of Birth	<input type="text"/> / <input type="text"/> / <input type="text"/>	Gender Male <input type="checkbox"/> Female <input type="checkbox"/>

List all other names used in the last 10 years	Other Surname/s Used	
	Other Given Name/s Used	
Residential Address		
		Postcode
Postal Address		
		Postcode

If you do not speak, read or write English, the Interpreting Service is available for the cost of a local call on 131450.

How the information is used

The information that you provide on the Debt Agreement Proposal, Explanatory Statement and Statement of Affairs is collected under, and for the purposes of, the Bankruptcy Act and Bankruptcy Regulations.

- i. A copy of these forms will be used by the administrator to help administer your debt agreement.
- ii. The information you provide (except Part A of the Statement of Affairs which records certain personal details) is available to your creditors.
- iii. The information may be used for the purpose of investigating offences committed under the Bankruptcy Act or other legislation.

Some of the information will be recorded on the National Personal Insolvency Index ("NPII") which is a permanent public record. It records personal information including the type of administration, your name (including previous names and aliases), your address, date of birth and occupation. Credit reporting businesses have access to the NPII and lodging a debt agreement may affect your ability to obtain credit.

Have you answered every question in Parts A, B, and C? Yes

If you have not answered every question, your proposal cannot be accepted to send to creditors for their vote.

Office Use Only	Date Lodged	
	Event Number	
	Administration Number	

PART A – PERSONAL DETAILS**1 Your personal details**

Contact Numbers	Home ()	Work ()
	Mobile	Fax ()
Email Address		

Do you wish to receive correspondence by email? Yes No

1a This question is optional. If you do answer, the information will help us to continue improving services to people of Aboriginal and Torres Strait Islander origin, and people of non-English speaking backgrounds

Are you of Aboriginal or Torres Strait Islander origin?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Were you born overseas?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If so, what country?		
What languages do you speak at home?		

2 Your spouse or partner

Do you have a spouse or partner? Yes *please give details* No

Your spouse or partner's full name		
What is your spouse or partner's separate annual gross income	\$	

3 Your current employment

	Job 1	Job 2
Type of Industry		
Employed as		
Occupations Code (ANZSCO)		
Employer Name		
Employer Address		
Pay period (week/fortnight/month)		
Hours worked per week		

4 Your employment status

If unemployed, how long have you been unemployed? Years Months

PART B – PERSONAL DETAILS

5 Your property

Your current residential address (*tick one only*)

Do you own? Are you buying? Are you renting/boarding? Receiving free accommodation?

How long have you lived in the property you now reside? Years Months

Your previous addresses	Did/Do you own? Y / N	Date sold, if applicable

Other real estate owned or purchased in the last two years	Do you still own? Y / N	Date sold, if applicable

6 Your insolvency

Are you currently up to date with payments to your creditors? Yes No

When did you first have difficulty paying your debts? Month Year

Where did you obtain information about bankruptcy, debt agreements and other options?

- ITSA office Financial Counsellor Accountant
- ITSA pamphlets Registered Trustee Solicitor
- ITSA website Debt Agreement Administrator Other
- ITSA Information Service on telephone 1300 364 785

Have you previously been bankrupt or entered into a debt agreement or a formal arrangement with creditors? Yes No Year

7 Cause of your financial difficulties

What do you believe is the main cause of your financial difficulties?

Tick one cause only in either 7A or 7B that best describes the main cause of your financial difficulties.

7A Non-Business Related

- Unemployment or loss of income Adverse legal action
- Liabilities due to guarantees Domestic discord or relationship breakdowns
- Gambling, speculation & extravagance in living Ill health or absence of health insurance
- Excessive use of credit facilities including losses on repossessions, high interest payments and pressure selling

7B Business Related (*only applies if you have personally operated a business*)

- Economic conditions affecting industry, including competition, credit restrictions, fall in prices or increases in costs
- Lack of business ability including underquoting or failure to assess potential of business
- Excessive interest payments on loan monies and capital losses on repayments
- Excessive drawings including failure to provide for taxation
- Inability to collect debts due to disputes, faulty work or bad debts
- Failure to keep proper books of account and costing records
- Lack of sufficient initial working capital
- Gambling or speculation
- Seasonal conditions including floods and drought

If other reason not listed please specify.

PART C – BUSINESS, COMPANY AND TRUST DETAILS

8 Business as sole trader or partnership

Are you currently in business as a sole trader or in partnership?

Yes *please give details*

No Go to **Q9**

Business Name	
Business Address	
Business Partner's Name <i>(if applicable)</i>	
What is the nature of this business?	
When did the business start operating?	/ /

Are all your business assets shown on the Explanatory Statement?

Yes

9 Companies

Have you been a director or had a management role in a company at any time in the last 2 years?

Yes *please give details*

No Go to **Q10**

Company Name	
Registered Address	
Trading Name	
Nature of Company Activity	

Have you sold any shares in this company the last 2 years? Yes *please give details*

No

No. of shares	Date sold	Sale proceeds
	/ /	\$
	/ /	\$
	/ /	\$
	/ /	\$

If the company has ceased trading, is it in liquidation or under administration?

Yes

No

10 Trusts

Have you been a unit holder in or beneficiary of a trust in the last 2 years?

Yes

No

please give details

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Have you transferred any assets to a trust in the last 2 years?

Yes

No

please give details

--

Trust Name	
Trustee's Name	
Trustee's Address	

Has the trust made any income or capital distribution to you in the last 2 years?

Yes *please give details*

No

If yes, did you receive a distribution?

Yes *details must be included on Explanatory Statement*

No

DECLARATION

Complete the Declaration:

Offence: Section 267 of the *Bankruptcy Act 1966* provides that a person must not sign a declaration that the person knows to be false.

Penalty: Imprisonment for 12 months.

I acknowledge that I have received from the administrator the Prescribed Information document published by the Insolvency and Trustee Service Australia (ITSA) and I have read about the options available to help manage debt and the consequences of entering into a debt agreement.

I declare that the particulars set out in this statement are correct.

<i>Debtor's Name</i>	
<i>Signature</i>	<i>Date signed</i> / /

The documents must be filed with ITSA **within 14 days of signing and dating** or they **will not be accepted** to send to creditors for their vote.

If you received assistance completing this form, the person providing the assistance should give the reason the person required assistance and the statement below.

Reason the person required your assistance?

Person assisting in completion of Statement of Affairs

I declare that before this statement of affairs was completed, I carefully read and interpreted the questions on this form to the person named above in a language with which we are both familiar; and the responses provided in this form are that of the person named above.

To be completed by any person or interpreter who assisted a person to complete this form.

<i>Signature</i>	<i>Date signed</i> / /
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Full Name

Address

	Postcode

Paragraph 185C(2)(aa) <i>Bankruptcy Act 1966</i>	 Australian Government Insolvency and Trustee Service Australia	
23/12/09		
Office Use Only		
Date Lodged	Event No.	Admin No.

Debt Agreement Proposal and Explanatory Statement

The terms of this debt agreement proposal include the provisions of section 185C of the Bankruptcy Act. Dishonour charges incurred in the administration of the agreement with an authorised deposit-taking institution, such as a bank, will be recovered from the debtor's payments.

Personal details

Surname		Title
Given Name/s		
Other Surnames Used	Other Given Name/s Used	
Date of Birth	Drivers Licence Number	
Residential Address	Postcode	
Postal Address	Postcode	

Debtor's debt agreement proposal to creditors

If the proposal involves making periodic payments or lump sums, please detail below.			Total value of payments
Number of payments	Weekly/fortnightly/monthly	Amount of each payment	
			\$
			\$
			\$
			\$
			\$
Total amount offered in the proposal			\$
less Realisations charge payable to Australian Government		%	\$
less Fees for administrator to administer debt agreement		%	\$
less Allowable expenses payable to third party		%	\$
equals TOTAL amount to be distributed proportionately for unsecured debts			\$

Date of debtor's first payment to administrator	
Date first dividend will be paid to creditors	
Dividend frequency	
Date debtor will complete debt agreement (all payments and obligations completed)	
Estimated dividend based on debtor's list of unsecured debts – secured debt shortfall included	%
Estimated dividend excluding secured creditors choosing not to participate until loss incurred	%
Secured creditors choosing not to be paid a dividend on their estimated shortfall prior to loss incurred	
Source of lump sum payment or details of property to be sold (description, value and expected net proceeds)	

Conditions

Is proposal subject to conditions to be met within seven days of the deadline for voting? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide details

Debtor. I understand I will be released from my debts only when I have made all payments and completed all my obligations under the debt agreement. **I authorise** the administrator identified below to deal with any property under the agreement, to act as my agent in seeking access to information held by creditors about me, and to give and receive personal information in connection with my financial affairs. I approve the fees payable to the administrator as shown above.

Debtor Name (<i>please print</i>)	
Signature	Date signed
Name of administrator	
Signature	Registration number
	Date signed

There are penalties under the Bankruptcy Act and Criminal Code for providing false or misleading information.

Explanatory Statement

The purpose of the Explanatory Statement is to give the necessary information to your creditors for them to consider your proposal and make a decision on their vote.

A. Set up fees paid or payable to administrator and broker for the provision of information and preparation of this debt agreement proposal to the time of lodgement.

\$	
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B. Are you insolvent? i.e. unable to pay your debts as and when they fall due

Yes No

What circumstances led you to become unable to pay your debts?

- | | | |
|--|--|--|
| <input type="checkbox"/> Loss of employment | <input type="checkbox"/> Loss of employment by partner | <input type="checkbox"/> Over commitment of credit |
| <input type="checkbox"/> Reduction of overtime | <input type="checkbox"/> Lost second job | <input type="checkbox"/> Birth of child |
| <input type="checkbox"/> Illness | <input type="checkbox"/> Relationship breakdown | <input type="checkbox"/> Death of a relative |

<input type="checkbox"/> Other: please specify

What steps have you taken to manage your debt?

- | | |
|---|---|
| <input type="checkbox"/> Spoken with financial counsellor | <input type="checkbox"/> Spoken with debt agreement administrator |
| <input type="checkbox"/> Contacted your major creditors to obtain relief or hardship assistance | <input type="checkbox"/> Applied for refinancing |

<input type="checkbox"/> Other: please specify

Do you expect a substantial change to your income or household expenses in the next 12 months?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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If yes, explain how and when

C. Assets and Secured Creditors

Unsecured Assets – Description (eg. shares, real estate address details, vehicle details)	Estimated Total Value	Percentage Owned
		%
		%
		%
		%
Secured Assets – Description (eg. shares, real estate address details, vehicle details)	Estimated Total Value	Percentage Owned
1		%
2		%
3		%
4		%

Secured Creditor Name	Secured Creditor Postal Address / Email Address	Reference/ Account Number	Joint Debt?	Amount Owed	Surplus/ Shortfall
1 Creditor Type Nature of debt	Status		<input type="checkbox"/>		
		Participating in dividends on estimated shortfall? <input type="checkbox"/> Yes <input type="checkbox"/> No			
2 Creditor Type Nature of debt	Status		<input type="checkbox"/>		
		Participating in dividends on estimated shortfall? <input type="checkbox"/> Yes <input type="checkbox"/> No			
3 Creditor Type Nature of debt	Status		<input type="checkbox"/>		
		Participating in dividends on estimated shortfall? <input type="checkbox"/> Yes <input type="checkbox"/> No			
4 Creditor Type Nature of debt	Status		<input type="checkbox"/>		
		Participating in dividends on estimated shortfall? <input type="checkbox"/> Yes <input type="checkbox"/> No			

Item C - Total amount of unsecured shortfall	\$
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D. Unsecured debts (List all creditors)

Unsecured Creditor Name	Unsecured Creditor Postal Address / Email Address	Reference/Account Number	Status	Joint Debt?	Amount Owed
1				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
2				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
3				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
4				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
5				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
6				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
7				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
8				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
9				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
10				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
11				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
12				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
13				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
14				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
15				<input type="checkbox"/>	
	Creditor Type	Nature of debt			
Item D - Total amount of unsecured debt					\$



18/6/07

Certificate by Debt Agreement Administrator

Debt Agreement Proposal

Debtor's Family Name	Title
Debtor's Given Names	

The Debt Agreement Administrator,

- (a) consents to administering the debt agreement of the debtor; and
- (b) has given the debtor the information prescribed by the regulations; and
- (c) having regard to:
 - i. the circumstances in existence at the time when the debtor's statement of affairs was signed by the debtor;
and
 - ii. any other relevant matters;has reasonable grounds to believe that the debtor is likely to be able to discharge the obligations created by the agreement as and when they fall due; and
- (d) has reasonable grounds to believe that all information required to be set out in the debtor's statement of affairs has been set out in that statement; and
- (e) has reasonable grounds to believe that all information required to be set out in the debtor's explanatory statement has been set out in that statement.

Name of administrator	Registration number
Name of person signing	Position
Signature	Date signed

This certificate must accompany the debt agreement proposal, explanatory statement and statement of affairs and must be completed and signed by the debt agreement administrator, if that person is not the debtor.