

# Debtor's Petition

Bankruptcy Act 1966 Section 55(2)



Australian Government

Insolvency and Trustee Service Australia

## Contact Details

Title	Given Name/s	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Other names used in past 10 years

Title	Given Name/s	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Title	Given Name/s	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential Address	Postcode
<input type="text"/>	<input type="text"/>

Current Occupation	Date of Birth (DD/MM/YYYY)
<input type="text"/>	<input type="text"/>

Email Address
<input type="text"/>

**You must read the following information and sign the declaration on the next page.**

**Have you considered all your options?**

### Talk to your creditors or get help

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 can ask for help from a financial counselling service, community legal centre, a registered trustee, a registered debt agreement administrator, a lawyer or an accountant. They will talk to you about your options and may speak to creditors on your behalf, help with budgeting advice or give you advice about other sources of government assistance.

### Lodge a Declaration of Intention to Present a Debtor's Petition

This stops your creditors, the bailiff or sheriff taking action to recover debts for a period of 7 days. You could use that time to speak to your creditors, consider other options or seek advice. You can only lodge one Declaration every 12 months.

A creditor can use the fact that you have lodged a Declaration to apply to the Court to make you bankrupt.

### Propose a debt agreement

A debt agreement is a legally binding arrangement between you and your creditors which must be accepted by the majority of your creditors. You will be released from debts covered by the agreement once you have made all the payments or fulfilled your obligations.

You can offer to pay your creditors in instalments or with a lump sum payment which may be less than the full amount of your debts. You can also propose a freeze on your debts for a set time to let you get back on your feet. Your debts, assets and income must be under a certain limit to propose a debt agreement.

If you ask a registered debt agreement administrator to administer your debt agreement, they will charge a fee. Your debt agreement will automatically terminate if you do not make a payment for six months. You may find it hard to borrow money or buy things on credit.

A creditor can use the fact that you have lodged a debt agreement proposal to apply to the Court to make you bankrupt.

### Propose a personal insolvency agreement

A personal insolvency agreement is also a legally binding arrangement between you and your creditors which must be accepted by a majority of your creditors. There are no debt, asset or income limits to be eligible to propose a personal insolvency agreement.

The trustee of your personal insolvency agreement will charge a fee.

A creditor can use the fact that you have put forward a personal insolvency agreement proposal to apply to the Court to make you bankrupt.

**In order for this form to be accepted, you must sign and date the Petition over page**

**Debtor's Petition continued over page...**

**If you complete this Petition and it is accepted, the following consequences will apply.**

- § You will be bankrupt for a minimum of 3 years. In certain circumstances your trustee may extend your bankruptcy by a further 2 or 5 years.
- § Your name will be on the public register (NPII) forever and on a commercial credit reference record for 7 years even if your bankruptcy has been discharged.
- § 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 job opportunities may be affected, especially with jobs handling money or where a licence is required.
- § 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 an undischarged bankrupt. If you don't, you may be subject to a criminal prosecution.
- § You cannot manage a company.
- § You cannot hold certain public positions without permission.
- § You will be able to keep ordinary household goods, tools used to earn an income (up to a set limit) and a vehicle (up to a certain value) but other assets - including your house - will belong to your trustee and can be sold. You cannot conceal, remove or dispose of any property (whether inside or outside Australia) that could be used to pay your creditors.
- § If your income exceeds a set limit, you may be required to make contributions from your income.
- § You may find it hard to borrow money, buy things on credit or get, or renew, insurance.
- § You may find it hard to rent, get electricity, water or the telephone connected without paying a bond. Some banks will not let you operate an account or will restrict how you can use your account.
- § If you are applying for credit above a set limit, you must tell the credit provider you are bankrupt. If you are buying something by cheque, entering into a hire purchase agreement or promising to pay or swap goods and services for something that is worth more than a set limit, you must tell the seller you are bankrupt. If you don't, you may be subject to a criminal prosecution.
- § 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.

**About your trustee**

If you choose to become bankrupt, a trustee will administer your bankruptcy. You may ask a registered trustee or the Official Trustee (ITSA) to administer your bankruptcy.

If you do not choose a trustee, ITSA will be your trustee. However ITSA may ask a registered trustee to become your trustee. In addition, during your bankruptcy, your creditors may decide to change your trustee.

You may be charged a fee to administer your estate. Normally, a trustee will take their fees out of money in the bankrupt estate. If there is no money in your estate, a registered trustee is entitled to collect a minimum fee from you directly.

**You can get more information about your alternatives, sources of financial guidance and set limits/indexed amounts by contacting ITSA on 1300 364 785 or at [www.itsa.gov.au](http://www.itsa.gov.au).**

**By completing this Petition I acknowledge that I have read the above information about the alternatives to, and the consequences of bankruptcy, sources of financial advice and my right to choose a registered trustee should I proceed to present a Debtor's Petition for bankruptcy.**

**I am presenting this Debtor's Petition: Tick one of the following**

- As an individual debtor.
- Against a business partnership of which I am a partner.
- Jointly with another person and we are not in a business partnership.

Signature of Debtor

Date (DD/MM/YYYY)