

Thinking of Bankruptcy? What are my options?

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1. Bankruptcy
2. Debt Agreements
3. Personal Insolvency Agreements

Comparison Chart

BKR = Bankruptcy DA = Debt Agreements PI = Personal Insolvency Agreements

Description	BKR	DA	PI	Additional Comments
Will Stop Creditor Action	✓	✓	✓	Unsecured creditors cannot take any further action
Credit Rating Damaged	✓	✓	✓	Your credit rating will be marked for 7 years
Essential Property Protected	✓	✓	✓	Household property, a modest car, tools of trade and superannuation
Employment Effected	✓	✓	✓	Builders may lose license, real estate licenses, solicitors, accountants
International Travel	✓	✓	✓	Travel is permitted, written approval must be obtained prior to departure
Can be annulled	✓	✗	✗	Annulment terminates bankruptcy, and restores property to the debtor
Protects Income	✓	✗	✗	Only BKR allows you to earn up to \$50,000 annually without penalty
Creditors have no say	✓	✗	✗	DA & PI are both subject to creditors vote. Bankruptcy they have no say.
Requires a trustee	✓	✗	✓	DA are self managed. PI and BKR are managed by trustees