

Controlling Trustee Authority

Bankruptcy Act 1966 Section 188, Section 189A(2), Reg 10.02(3)



Australian Government

Australian Financial
Security Authority

By completing this Authority you are appointing a controlling trustee. Only a registered trustee or an eligible solicitor can be appointed as a controlling trustee. The Official Trustee can be appointed if you have obtained a prior consent from the Official Receiver.

This is the first step towards setting up a personal insolvency agreement. There are consequences to appointing a controlling trustee and entering into a personal insolvency agreement. Your details will be recorded on the National Personal Insolvency Index forever and on a record held by a commercial credit reference organisation for 7 years.

If you appoint a controlling trustee and your creditors do not agree to a personal insolvency agreement you can neither appoint another controlling trustee for 6 months without permission from a Court, nor can you make a proposal to enter into a debt agreement under the Bankruptcy Act for 10 years.

Part A - To be completed by the Debtor/s

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"/>

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

Putting forward a personal insolvency agreement proposal

The controlling trustee you appoint will:

- take control of your property
- put your proposal for a personal insolvency agreement to your creditors
- make enquiries into your affairs
- make a recommendation to creditors as to whether it is in their interest to accept your proposal
- charge a fee for undertaking this work.

If the controlling trustee has any connection with you, they must also disclose this to creditors. You must also disclose any relationship between you and any of your creditors.

The controlling trustee will hold a meeting of your creditors within 25 working days of their appointment (30 working days if appointed in December). Notice of the meeting is given to each of your creditors and published on AFSA's website (www.afsa.gov.au). You must attend the meeting unless excused by the trustee. The creditors may ask you questions before deciding how to vote.

If you do not attend the meeting, a creditor can use that fact to apply to a Court to make you bankrupt. At the meeting, your creditors will consider your proposal and decide by special resolution (a 'yes' vote from a majority of creditors present and voting who represent at least 75% of the dollar value of the debts) whether to accept or reject it.

A creditor can use the fact that the controlling trustee has called a meeting of your creditors to apply to a Court to make you bankrupt but they cannot apply to the Court before the creditors vote on your proposal.

What happens if your proposal is accepted? What happens if your proposal is rejected?

The creditors will vote to appoint a trustee who will administer your personal insolvency agreement. The trustee may be different to the controlling trustee. The trustee of your personal insolvency agreement must be a registered trustee or the Official Trustee (AFSA).

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

You and your trustee must sign the agreement within 21 days of the special resolution being passed. If you do not sign the personal insolvency agreement, a creditor can use that fact to apply to a Court to make you bankrupt.

You must assist the trustee and do everything you have promised to do according to the terms of the personal insolvency agreement.

If the proposal is rejected, creditors may vote in favour of you becoming bankrupt. If you do not comply with the creditors' vote, a creditor can use that fact to apply to a Court to make you bankrupt.

Terminating or setting aside a Personal Insolvency Agreement (PIA)

A Court can set aside an agreement if it finds that the agreement is unreasonable, does not comply with the Bankruptcy Act or Regulations, or was based on false or misleading information.

Your personal insolvency agreement can be terminated:

- by creditors if you fail to comply with its terms, or
- if something happens that is specified in the personal insolvency agreement as being a reason for terminating it, or
- by a Court in certain circumstances (for example if there is a likely injustice or delay to creditors).

If your personal insolvency agreement is terminated or set aside, a creditor can use that fact to apply to a Court to make you bankrupt.

You can get more information about your alternatives, sources of financial guidance and set limits/indexed amounts by contacting AFSA on 1300 364 785 or at www.afsa.gov.au.

I acknowledge having read the above information about personal insolvency agreements and the consequences of signing this authority and entering a PIA if my proposal is accepted by my creditors. I authorise,

Name of Registered Trustee/Solicitor/Official Trustee

Title

Given Name/s

Surname

Title

Given Name/s

Surname

to call a meeting of my creditors to consider my proposal for a PIA and to take control of my property in accordance with Part X of the Bankruptcy Act.

Signature of Debtor

Date (DD/MM/YYYY)

Part B - To be completed by the Controlling Trustee/s

The primary contact for AFSA should complete their details first

Title

Given Name/s

Surname

Title

Given Name/s

Surname

Firm Name and Address

Postcode

Email Address

Contact Number

Fax Number

Tick applicable items below

☐ I/We consent to exercise the powers conferred by the above authority.

Declaration of relationship (tick applicable item below)

☐ I/We declare that my/our related entities are **not related entities** of the abovenamed debtor.

☐ I/We declare that my/our related entities are **related entities** of the above debtor (*attach details of relationship*).

Fee Payment: ☐ Cash ☐ Cheque ☐ Charge my account ☐ Credit card ☐ Visa ☐ MasterCard

Card Number

Expiry Date (MM/YYYY)

Name of Card Holder

Signature of the Controlling Trustee

Date (DD/MM/YYYY)

Signature of the Controlling Trustee

Date (DD/MM/YYYY)