

Case Study – Part X (of the Bankruptcy Act 1966) Personal Insolvency Agreement

Facts

1. The debtor (person in financial difficulty) makes a proposal to creditors which will result in a greater return than would be achieved if the debtor became bankrupt.
2. Creditors accept the proposal.

Reason for this type of Appointment

1. Creditors will receive more than they would if the debtor became bankrupt
2. The debtor avoids bankruptcy

Outcome

1. The debtor complies with their proposal and creditors receive a greater return than they would had the debtor become bankrupt

Please note that the above is general information only, a meeting with R.E. Murphy & Co staff should be arranged as soon as possible should a client of yours be experiencing any current or possible future financial difficulty. Further information in relation to R.E. Murphy & Co and insolvency in general is available at this firm's web site at www.remurphy.com.au.