



Insolvency Law Reform Act

Table comparing provisions
of the Insolvency Practice
Schedule (Bankruptcy) with
former provisions of the
Bankruptcy Act.



Australian Government

Australian Financial Security Authority

Table comparing the provisions of the Insolvency Practice Schedule (Bankruptcy)¹
with former provisions of the Bankruptcy Act ².

Reference key

Equivalent provision replaced in Act

No direct (only partial) equivalent provision

No equivalent provision in current Act

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
Provisions that commenced on 1 March 2017		
10-5: Inspector-General (IG) must work cooperatively with ASIC in performing functions and exercising powers	No equivalent	Requirement for the IG to work cooperatively with ASIC applies in relation to persons who are, have been or may become both registered trustees under the Bankruptcy Act and registered liquidators under the Corporations Act.
15-1: IG must establish a register of trustees	No direct equivalent - some trustee information was entered on the National Personal Insolvency Index	The register contains information relating to the trustee's registration, as well as contact details and certain disciplinary action taken against trustees. The information on the register will be publicly available.
20-5: Application to IG for registration as a trustee	154A	An application must be in the approved form and accompanied by the application fee.
20-10: IG may convene committee to consider registration application	155	The committee to consist of the IG; a registered trustee chosen by a prescribed body; and a person appointed by the Minister. The 'prescribed body' is the Australian Restructuring Insolvency & Turnaround Association (ARITA).
20-15: IG must refer application to the committee	No equivalent - 155 assumed referral of applications	The IG must refer an application within two months of receiving it.
20-20: Committee to consider applications	155A	The committee must decide within 45 business days of interviewing an applicant whether he/she should be registered.
20-25: Committee to report	155A(6)	A report must be given to the applicant and the IG.
20-30: Registration as a trustee	155B and 155C	The IG must register an applicant if the committee recommends it and if the applicant has produced evidence in writing that he/she has taken out adequate and appropriate professional indemnity and fidelity insurance, and has paid the registration fee. Registration has effect for three years, and the IG must give the trustee a certificate of registration (may be given electronically).
20-35: Insolvency Practice Rules (IP Rules) ³ may impose conditions on all registered trustees or on specified class of trustee	No equivalent	Provides for imposition of industry-wide conditions, or conditions limiting the kinds of activity in which a trustee may engage. Conditions include undertaking at least 40 hours of continuing professional education each year (10 hours of which must be capable of being objectively verified by an competent source) and maintaining adequate professional indemnity and fidelity insurance during any period of suspension of registration in relation to work carried out prior to the suspension taking effect. (see IP Rules 20-5)

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
20-40: Application to IG to vary or remove condition on registration	155E(1) to (3)	An application must be made in the approved form, but cannot be made if the trustee's registration is suspended; if the condition is of a prescribed kind; or in prescribed circumstances.
20-45: IG may convene committee to consider application to vary or remove condition	155E(4) & (5)	The committee to consist of the IG; a registered trustee chosen by a prescribed body, and a person appointed by the Minister. The 'prescribed body' is ARITA.
20-50: IG must refer application to the committee	No equivalent - 155E assumed referral of applications	The IG must refer an application within two months of receiving it.
20-55: Committee to consider application	155E(6) & 155F(1)	The committee must interview an applicant unless the applicant agrees otherwise, and within 20 business days thereafter decide whether the condition should be varied or removed.
20-60: Committee to report	155F(2)	A report is to be given to the applicant and the IG.
20-65: Committee's decision given effect	155F(4)	If the committee recommends removal or variation of condition, the condition is removed or varied in accordance with the decision.
20-70: Application for renewal of registration	155D(2) & (3)	Applications for renewal under 20-70 must be made in the approved form.
20-75: Renewal	155D(1)	The IG shall give a trustee a certificate of registration upon renewal.
20-80: False representation that a person is a registered trustee	No equivalent	This is an offence that carries a maximum penalty of 30 penalty units (1 penalty unit = \$180).
25-1: Registered trustees to maintain adequate insurance	No equivalent, however undertaking to maintain adequate insurance was a requirement for registration and failure to do so was grounds for the IG to issue a 'show cause' notice	It is an offence for a registered trustee to fail to maintain adequate professional indemnity and fidelity insurance. Maximum penalty of 1,000 penalty units (for false or reckless failure); or 60 penalty units (for failure in other circumstances – e.g. inadvertent failure). The IG may, by legislative instrument, determine what constitutes adequate insurance. No legislative instrument is currently proposed. Requirements relating to insurance are outlined in Inspector-General Practice Statement (IGPS) 13
30-1: Annual trustee return	No equivalent	Registered trustees must lodge an annual return in the approved form, including evidence that adequate insurance has been maintained. The return must be lodged annually within one month of the anniversary of the date of a trustee's registration. Maximum penalty for failure to lodge, 5 penalty units.

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
35-1: Notice of significant events to IG	161A	<p>Registered trustees must notify the IG in the approved form of events that include:</p> <ul style="list-style-type: none"> • being issued with a bankruptcy notice • being disqualified from managing a corporation • ceasing to have adequate insurance • being issued a 'show cause' notice in relation to registration as a liquidator, or having registration as a liquidator suspended or cancelled. <p>The notice must be filed in the approved form within 5 business days after the trustee could reasonably be expected to be aware that the event has occurred. Maximum penalty for failure to notify is 100 penalty units.</p>
35-5: Notification of other events to IG	No equivalent	Registered trustees notify the IG in the approved form if information in the annual trustee return or annual administration return is, or becomes, inaccurate in a material particular, and any other events prescribed (in the IP Rules). The notice must be lodged within 10 business days after the trustee could reasonably be expected to be aware that the event has occurred. Maximum penalty for failure to notify is 5 penalty units.
40-5: Registered trustee to remedy failure to lodge documents or give information or documents	No equivalent	The IG may direct a trustee in writing to comply with the requirement to lodge any document or give any information or document required to be given to a person under the Act or to be lodged with the IG. If a trustee fails to comply, the IG can direct the trustee not to accept further appointments and/or apply to the court for an order for compliance.
40-10: Registered trustee to correct inaccuracies etc.	No equivalent	If the IG suspects information provided by a trustee is incomplete or incorrect, the IG can direct the trustee in writing to confirm information is complete or correct, or to provide complete or correct information and/or notify persons of the addition or correction. If a trustee fails to comply, the IG can direct the trustee not to accept further appointments and/or apply to the court for an order for compliance.
40-15: Direction not to accept further appointments	No equivalent	<p>The IG may direct a trustee in writing not to accept further appointments if:</p> <ul style="list-style-type: none"> • the trustee has failed to comply with a direction under 40-5 or 40-10 • a committee convened to consider the trustee's ongoing registration decides the IG should give the direction • the trustee has failed to comply with a direction under 70-70 (to give information to debtor or creditors) or • the trustee has failed to comply with a direction under 75-20(1) or (2) to convene a meeting of creditors <p><i>note 70-70 and 75-20 commenced on 1 September 2017.</i></p> <p>When given, a direction not to accept further appointments becomes a condition on the trustee's registration.</p>
40-20: Automatic cancellation of registration	182	Cancellation of registration occurs on the death of a trustee or if he/she becomes an insolvent under administration.

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
40-25: IG may suspend registration	No equivalent	The IG may suspend a trustee's registration where the trustee: <ul style="list-style-type: none"> • is disqualified from managing a corporation • ceases to have adequate insurance • has had his/her registration as a liquidator suspended or cancelled (other than on request) • owes more than the prescribed amount of estate charges • fails to comply with a court order to repay remuneration to an estate • has been convicted of an offence involving fraud or dishonesty or • requests the IG to suspend the registration.
40-30: IG may cancel registration	No direct equivalent (155G provided that a trustee may request the IG that registration cease)	The IG may cancel a trustee's registration where a trustee requests it, or in circumstances equivalent to those mentioned in relation to the suspension of a registration under 40-25 (except registration as a liquidator must be cancelled, not merely suspended, before the IG can cancel a trustee's registration).
40-35: Notice of suspension or cancellation	No equivalent	If the IG decides to suspend (under 40-25) or cancel (under 40-30) a trustee's registration, the IG must give notice of the decision, along with reasons, to the trustee within 10 business days. The decision comes into effect the day after the notice is given. Failure to give the notice within 10 business days does not affect the validity of the decision.
40-40: IG may give a show-cause notice	155H(1)	A show-cause notice may be issued by the IG where the trustee: <ul style="list-style-type: none"> • no longer has the requisite qualifications, experience, knowledge and abilities • has committed an act of bankruptcy • is disqualified from managing a corporation • ceases to have adequate insurance • has breached a condition of registration • has breached a provision of the Bankruptcy Act • has had his/her registration as a liquidator cancelled or suspended (other than on request) • owes more than the prescribed amount of estate charges • fails to comply with a court order to repay remuneration to an estate • has been convicted of an offence involving fraud or dishonesty • is permanently or temporarily unable to perform the functions of a trustee due to physical or mental incapacity • fails to carry out adequately and properly the duties of a trustee • fails to carry out adequately and properly the duties of the administrator of a debt agreement • is not a fit and proper person • is not resident in Australia or • has failed to comply with a standard prescribed in the IP Rules.

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
40-45: IG may convene a committee	155H(2) & (3)	The committee is to consist of the IG; a registered trustee chosen by a prescribed body, and a person appointed by the Minister. The 'prescribed body' is ARITA.
40-50: IG may refer matter to a committee	155H(2)	The IG may refer a matter to the committee if no explanation is received within 20 business days after a show-cause notice is given; or if not satisfied by the explanation.
40-55: Decision of the committee	155I(1), (2) & (3)	The committee can decide one or more of the following: <ul style="list-style-type: none"> the trustee continue to be registered the trustee's registration be suspended or cancelled the IG direct the trustee not to accept further appointments the trustee be publicly admonished or reprimanded a condition be imposed on the trustee's registration a condition be imposed on the registration of all other trustees that they not allow the trustee in question to exercise powers or perform functions on their behalf the IG publish specified information in relation to the committee's decision.
40-60: Committee to report	155I(4)	A report must be given to the registered trustee and the IG.
40-65: IG must give effect to committee's decision	155I(6)	The IG must give effect to the decision made by the committee.
40-70: Application to lift or shorten suspension	No equivalent	A trustee may lodge an application with the IG in the approved form to lift, or shorten the period of a suspension.
40-75: IG may convene a committee to consider applications	No equivalent	The committee is to consist of the IG; a registered trustee chosen by a prescribed body; and a person appointed by the Minister. The 'prescribed body' is ARITA.
40-80: IG must refer applications to a committee	No equivalent	The IG must refer an application within two months of receiving it.
40-85: Committee to consider applications	No equivalent	The committee must interview an applicant unless the applicant agrees otherwise, and within 10 business days thereafter, decide whether the suspension should be lifted or shortened.
40-90: Committee to report	No equivalent	A report must be given to the applicant and the IG.
40-95: Committee's decision given effect	No equivalent	If the committee decides to lift or shorten the suspension, the suspension is lifted or shortened in accordance with that decision.
40-100: Notice by industry bodies of possible grounds for disciplinary action	No equivalent	An industry body may lodge with the IG a notice in the approved form stating that it reasonably suspects there are grounds for the IG to impose a condition on, or suspend or cancel the registration of, a trustee, or issue a show-cause notice to the trustee. The IG must consider the information but is not bound to act on it.

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
40-105: No liability for notice given in good faith etc.	No equivalent	An industry body is not liable civilly, criminally or under any administrative process for a notice given in good faith and where the suspicion that is the subject of the notice is a reasonable suspicion. That protection extends to persons who give information to the industry body that is contained in a notice to the IG and to persons who make a decision as a result of which the industry body gives a notice.
40-110: Meaning of industry body	No equivalent	The IP Rules may prescribe industry bodies—ARITA and the peak accounting and legal professional bodies are prescribed (see IP Rules 40-1).
45-1: Court oversight of registered trustees	No direct equivalent (some of the same subject matter was contained in 176 and 179.	A Court may make such orders as it thinks fit in relation to a registered trustee, either on its own initiative, or on application by the IG or the trustee. In making orders the court may take into account: <ul style="list-style-type: none"> • whether the trustee has faithfully performed his/her duties • whether an action or failure to act by the trustee complies with the Act or IP Rules, or the order of the court • whether any person has suffered, or is likely to suffer, loss or damage as a result of the trustee's act or failure to act • the seriousness of the consequences of any act or failure to act by the trustee, including the effect on public confidence in registered trustees as a group.
45-5: Court may make orders about costs	No direct equivalent, but some overlap with 176	Without limiting 45-1, the Court may make orders in relation to a registered trustee that deal with the costs of a matter considered by the Court.
50-5: Prescribed body appointing a person to a committee	No equivalent	The IP Rules may prescribe knowledge and experience requirements for members of a committee chosen by a prescribed body (at least 5 years' experience as a registered trustee is prescribed - see IP Rules 50-15). The 'prescribed body' is ARITA.
50-10: Minister appointing a person to a committee	No equivalent	The Minister must be satisfied that a person is qualified by virtue of his or her knowledge of, or experience in, one or more of: business; law; economics; accounting; public policy relating to bankruptcy.
50-15: Single committee may consider more than one matter	No equivalent	A single committee may consider one or more of the following: <ul style="list-style-type: none"> • matter(s) relating to one application for trustee registration • matter(s) relating to more than one applicant for registration • matter(s) relating to one or more registered trustees.
50-20: Ongoing consideration of matters by committee	No direct equivalent (but similar in some respects to former Bankruptcy Regs 8.05G and 8.23)	The committee's powers are not affected by a change in membership of the committee; the committee may adjourn consideration of a matter (and may do so more than once). A matter may be transferred to another committee.

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
50-25: Procedure and other rules relating to committees	No equivalent	The IP Rules may provide for (see division 50 of the IP Rules): <ul style="list-style-type: none"> the manner in which committees perform their functions including: (i) meetings (ii) quorum requirements (iii) disclosure of interests and (iv) how questions are decided the reconstitution of a committee and the termination of consideration of a matter by a committee and the transfer of matters to another committee.
50-30: Remuneration of committee members	No equivalent	Committee members are entitled to receive remuneration as determined by the Remuneration Tribunal. If no Tribunal Determination is in place, the members are entitled to receive such remuneration as the Minister determines in writing.
50-35: Committee must only use information etc. for purposes for which disclosed	No equivalent	A committee member commits an offence if he/she uses or discloses information or a document that was disclosed to him/her for the purposes of serving on the committee (50 penalty unit maximum penalty). Exceptions apply where the document or information is disclosed to: ASIC; other committees under this Part or the corresponding Part of the Insolvency Practice Schedule (Corporations); prescribed bodies; authorities in States, Territories or overseas exercising similar functions to the committee or the IG; or a court or tribunal.
96-1: Review by the Administrative Appeals Tribunal (AAT)	155A(7) – registration application 155F(3) – application to vary/remove condition 155I(5) – disciplinary action by committee	The following decisions are reviewable by the AAT: <ul style="list-style-type: none"> a committee decision under 20-20 (registration application) a committee decision under 20-55 (application to vary or remove condition on registration) IG decision under 40-15 (directing trustee not to accept further appointments) IG decision under 40-25 (suspending registration) IG decision under 40-35 (cancelling registration) Committee decision under 40-55 (disciplinary action by committee) Committee decision under 40-85 (application to lift or shorten a suspension).
100-5: Trustee may assign right to sue	No equivalent	Any right to sue conferred on a trustee by the Act may be assigned. Assignment can only occur with approval of the Court if the trustee's action has already begun. Before assigning any right to sue the trustee must give written notice to creditors.
105-1: The Insolvency Practice Rules	No equivalent	The Minister may, by legislative instrument, make rules providing for matters required or permitted by the Bankruptcy Act to be made by the Rules, or necessary or convenient to be provide for in order to carry out or give effect to the Act.

Table comparing the provisions of the Insolvency Practice Schedule (Bankruptcy) ¹
with former provisions of the Bankruptcy Act ²

Reference key

Equivalent provision replaced in Act

No direct (only partial) equivalent provision

No equivalent provision in current Act

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
Provisions that commenced on 1 September 2017		
60-5: Trustee's remuneration	No equivalent	Provides that a trustee is entitled to remuneration for necessary work properly performed
60-10: Remuneration determinations – creditors or committee of inspection	162(1)	The creditors or committee of inspection (COI) may determine the trustee's remuneration
60-11: Remuneration determinations – Inspector-General	162(4)-(4B)	The IG may determine trustee remuneration in prescribed circumstances, in accordance with the IP Rules – see ss60-5, 60-10 and 60-15 of the IP Rules
60-12: Remuneration determinations – general rules	No direct equivalent, but partially replicates 162(2)	Sets out the manner in which remuneration may be specified (time-cost basis; specified percentage etc). Time-costed remuneration must be capped. Maximum percentages are specified in s60-20 of the IP Rules
60-15: Maximum default amount	161B	Maximum default amount of remuneration is \$5000 (exclusive of GST) and is indexed
60-20: Trustee must not derive profit or advantage from the administration of the estate	165(1)(c)	Replaces and expands s165(1)(c), introducing a strict liability offence of 50 penalty units. The IP Rules may prescribe a payment made to the trustee by or on behalf of the Commonwealth to which s60-20 does not apply – see s60-25 of the IP Rules
60-21: Inducements to be appointed as trustee	No equivalent	Prohibits valuable consideration being given to secure a person's appointment or nomination as trustee, or to prevent the appointment or nomination of a third person. Strict liability offence of 50 penalty units or 3 months prison, or both
60-26: Payments in respect of performance by third parties	162(6)	Payments out of the trustee's remuneration to third parties for the performance of the trustee's ordinary duties are prohibited unless authorised by creditors or COI. Strict liability offence of 50 penalty units
65-5: Trustee must pay all money into the administration account	Partially replaces 169(1)	Trustee must pay all money received on behalf of, or in relation to, a regulated debtor's estate, into an administration account within 5 business days of receipt. Failure is a strict liability offence of 50 penalty units.
65-10: Administration accounts	Partially replaces 169(1)	Defines an <i>administration account</i> , which must comply with any prescribed requirements – see requirements in s65-1 of the IP Rules (account must be held with an ADI and must be interest-bearing)

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
65-15: Trustee must not pay other money into the administration account	168 and 169(1A)	Penalty for breach is 50 penalty units and the offence is one of strict liability
65-20: consequences for failure to pay money into administration account	Partially replaces 169(2)	Trustee to pay penalty interest of 20% per year on funds not paid into administration account in accordance with s65-5, unless trustee satisfies the Court that he/she had sufficient reason for non-compliance
65-25: Paying money out of administration account	No equivalent	Trustee may only pay money out of administration account for purposes related to administration of the estate; in accordance with the Act; or in accordance with Court direction. Strict liability offence 50 penalty units
65-31: Interest on administration account	169(1B)-(1D)	Trustee entitled to interest on administration account, subject to the <i>Bankruptcy (Estate Charges) Act 1997</i>
65-32: Reconciliation of administration account	No direct equivalent, although reconciliation formerly required by performance standards in schedule 4A to the Bankruptcy Regulations	Reconciliation of administration account required every 25 business days
65-40: Handling securities	No equivalent	Requires bills of exchange, promissory notes and other negotiable instruments or securities to be deposited into a bank. Strict liability offence 5 penalty units
65-45: Handling of money and securities – Court directions	No equivalent	Gives Court power, on application, to make directions regarding the payment, deposit or custody of money and securities. Application to the Court may be made by a person with a financial interest in the administration of the regulated debtor's estate
65-46: Review of payments to third parties	167(2) and part of 167(3)	The IP Rules may provide for review by the IG of the bill of costs for services provided by a person in relation to the administration of a regulated debtor's estate – see requirements in s65-20 of the IP Rules
65-50: Rules in relation to consequences for failure to comply with this Division	No equivalent	Provides for the IP Rules to impose sanctions for failure to comply with Division 65. Section 65-5 of the IP Rules imposes penalty interest on a trustee who pays money out of an administration account in contravention of s65-25(1)
70-5: Annual administration return	170A	Time limit for lodging annual administration return 25 <u>business</u> days after end of financial year. Note that the requirement to lodge an annual administration return commences from the 2018-19 financial year onwards (for financial years prior to this, trustees are required to lodge an 'annual estate return' within 35 calendar days after the end of the financial year)
70-6: Subdivision applies to the Official Trustee	No equivalent	Subdivision C of Division 70 – <i>Record keeping</i> (ss70-10 to 70-36) - applies to the Official Trustee in the same way as it applies to registered trustees
70-10: Administration books	173	Creditors have the right to inspect 'books' (previously 'accounts and records'). Strict liability offence 5 penalty units

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
70-11: Trustee's books when trading	174	Creditors have the right to inspect to 'books' (previously 'accounts and records'). Strict liability offence 5 penalty units
70-15: Audit of administration books – Inspector-General	175 (partially)	IG can request audit of his/her own initiative, or at request of regulated debtor or creditor. IG must determine the costs of the audit, which are borne by the estate
70-20: Audit of administration books – on order of the Court	No equivalent	Gives the Court power to order the IG to have an audit of books referred to in ss70-5, 70-10 or 70-11 conducted
70-25: Trustee to comply with auditor requirements	173 (partially)	Penalty for failure to comply - strict liability offence 5 penalty units
70-30: Transfer of books to new trustee	No equivalent	Where there is a change of trustee, the former trustee must hand over books within 10 business days or such longer period as agreed with the new trustee. Former trustee may take a copy of the books, and the new trustee must accept possession or control of the books and give the former trustee a right to inspect and/or copy. Failure to comply is an offence - 50 penalty units. A person is not entitled to claim, as against the new trustee, a lien on the books.
70-35: Retention, return or destruction of books	312	Introduces a single retention period for books of 7 years from the end of the administration of the estate, or earlier if creditors approve. Reckless or intentional failure to comply is an offence – 50 penalty units
70-36: Return or destruction of irrelevant books	312(1)	A trustee cannot return books to a debtor if another law prohibits the return, or if another person has a lien or right to possession of the books
70-37: Subdivision applies to the Official Trustee	No equivalent	Subdivision D of Division 70 - <i>Giving information etc. to creditors and others</i> (ss70-40 to 70-50) - applies to the Official Trustee in the same way that it applies to registered trustees
70-40: Right of creditors to request information etc. from trustee	No equivalent	Creditors have the right to pass a resolution requesting the trustee to give information, provide a report, or produce a document. The trustee does not have to comply if the information, report or document is not relevant to the administration; if compliance would breach the trustee's duties; or if the request is otherwise not reasonable. The IP Rules prescribe when a request is un/reasonable – see s70-10 of IP Rules
70-45: Right of individual creditor to request information etc. from trustee	19(1)(d) and 179(2)(partially)	Similar provision to s70-40, individual creditors have the right to request the trustee to give information, provide a report or produce a document. Same exceptions from compliance apply as in s70-40. The IP Rules prescribe when a request is un/reasonable – see s70-15 of IP Rules

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
70-50: Reporting to creditors	No equivalent	The IP Rules may provide for other circumstances in which the trustee must give information, provide a report or produce a document to creditors or the regulated debtor, including the timeframe for provision; the form and manner of provision; and who bears the cost – see ss70-1; 70-5; 70-30; 70-35; 70-45; 70-47; and 70-51 of the IP Rules
70-51: Subdivision applies to the Official Trustee	No equivalent	Subdivision E of Division 70 - <i>Other requests for information etc.</i> (ss70-55 and 70-56) - applies to the Official Trustee in the same way that it applies to registered trustees
70-55: Commonwealth may request information etc.	No equivalent	The Commonwealth has the right to seek information, reports or documents from a trustee where a former employee of the regulated debtor has made a claim for financial assistance from the Commonwealth in relation to unpaid employment entitlements, or such claim is considered likely. The IP Rules provide who is to bear the cost of providing the information, reports or documents – see s70-55 of the IP Rules
70-56: Right of regulated debtor to request information etc. from trustee	170(2)	The regulated debtor may request the trustee to give information, provide a report, or produce a document. The trustee does not have to comply if the information, report or document is not relevant to the administration; if compliance would breach the trustee's duties; or if the request is otherwise not reasonable. The IP Rules prescribe when a request is un/reasonable – see s70-17 of the IP Rules
70-60: Insolvency Practice Rules may provide for reporting to Inspector-General	No equivalent, although s179(2) required trustees to answer a query of the IG in relation to a debtor's estate or affairs	The IP Rules may provide for and in relation to the obligations of trustees to give information, provide a report, or produce a document to the IG, including the form and manner of provision; the timeframe; and who bears the cost. No IP Rules under this provision have been made to date
70-65: Application of this Subdivision	No equivalent	Subdivision G of Division 70 - <i>Trustee may be compelled to comply with requests for information etc.</i> (ss 70-70; 70-75; 70-80; 70-85; and 70-90) - applies where a trustee refuses to give information, provide a report or produce a document in response to a request made under: subdivision D (ss70-40 to 70-45); an IP Rule made under s70-50; subdivision E (ss70-51 to 70-56); or s80-40
70-70: Inspector-General may direct trustee to comply with the request for relevant material	No equivalent	The IG may direct a trustee to give information, provide a report or produce a document under the provisions mentioned in s70-65 within 5 business days after the direction is given
70-75: Inspector-General must notify trustee before giving a direction under section 70-70	No equivalent	The IG must give the trustee notice in writing that a direction is proposed to be issued under s70-70, identifying the material the direction will apply to and who it is to be given to, and invite the trustee to make a written submission within 10 business days after the notice is given whether the trustee objects to giving the material and, if so, the reasons for that objection

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
70-80: Inspector-General must not direct trustee to give the relevant material if trustee entitled not to comply with the request	No equivalent	The IG cannot give a direction to a trustee under s70-70 if the IG is satisfied that the trustee was entitled not to comply with the request, either under the Bankruptcy Act or any other law
70-85: Inspector-General may impose conditions on use of the relevant material	No equivalent	The IG may, by notice in writing to a person to whom the trustee is directed to provide material, impose conditions on the use or disclosure of the material by that person. Failure to comply is an offence carrying a penalty of 10 penalty units or 3 months prison, or both.
70-90: Court may order relevant material to be given	178 and 179(1) (partially)	The person making a request to the trustee to provide material; or the IG (where the IG has issued a direction under 70-70 and that request or direction has not been complied with) may to apply to the Court for an order that the material be provided, or such other order as the Court thinks fit
75-2: Division applies to the Official Trustee	No equivalent	Division 75 (ss75-5 to 75-50) applies to the Official Trustee in the same way that it applies to registered trustees
75-5: Other obligations to convene meetings not affected	No equivalent	Nothing in Division 75 limits the operation of any other provision of the Bankruptcy Act or any other law imposing an obligation to convene a meeting in relation to a regulated debtor, or the administration of a regulated debtor's estate.
75-10: Trustee may convene meetings	64(2)	The trustee of a regulated debtor's estate may convene a meeting of creditors at any time
75-15: Trustee must convene meeting in certain circumstances	64(1)	Sets out the percentage value of creditors who may direct the trustee to convene a meeting (below 10% in value cannot direct; 10-25% can direct if security for costs given prior to the meeting; 25% or above can direct without providing security for costs). However, the trustee is not required to comply with the direction if it is not reasonable. The IP Rules prescribe when a direction is unreasonable – see ss75-250 & 75-255 of the IP Rules
75-20: Trustee must convene meeting if required by the Inspector-General	No equivalent	The may direct a trustee to convene a meeting of creditors. The direction may include requirements as to notifying creditors and how the meeting is conducted. The trustee must comply with the direction.
75-25: Trustee's representative at meetings	63B	The trustee may appoint a person to represent the trustee at meetings, unless the meetings is a kind prescribed (no types of meetings have been prescribed to date)
75-30: Inspector-General may attend meetings	12(4)	The IG is entitled to attend meetings of creditors, and participate in those meetings, subject to any provision of the Act (including in relation to voting)
75-35: Commonwealth may attend certain meetings	No equivalent	A Commonwealth representative may attend a creditors' meeting if a former employee of the regulated debtor has made, or is likely to make, a claim for financial assistance regarding unpaid employment entitlements

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
75-40: Proposals to creditors without meeting	64ZBA	Replaces s64ZBA and provides that the IP Rules may provide for and in relation to proposals without a meeting including, but not limited to: when a proposal is taken to be passed; whether a proposal passed is to be taken to be passed as a resolution or special resolution; and costs and security for those costs in relation to a proposal – see ss75-130 and 75-137 of the IP Rules
75-50: Rules relating to meetings	No equivalent	The IP Rules may provide for and in relation to meetings of creditors, including but not limited to the list of matters set out in s75-50. Many of the sections in Division 75 of the IP Rules (ss75-1 to 75-270) are made pursuant to s75-50 of the Schedule.
80-2: Division applies to the Official Trustee		Division 80 (ss80-5 to 80-70) applies to the Official Trustee in the same way that it applies to registered trustees
80-5: Application of sections 80-10 to 80-25	No equivalent	Provides that ss80-10; 80-15; 80-20; and 80-25 apply to meetings called to determine whether to have a committee of inspection (COI) and, if so, who is to be appointed to it
80-10: Committee of inspection	70(1)	The creditors of a regulated debtor's estate may, by resolution, determine that there is to be a COI
80-15: Appointment and removal of members of committee of inspection by creditors generally	No direct equivalent, but partly replicates 71	Sets out rules regarding entitlement to vote on resolutions to appoint a person to a COI (a person or persons cannot vote if involved in an appointment under ss80-20 or 80-25)
80-20: Appointment of committee member by large creditor	No equivalent	Creditor/s representing at least 10% in value may appoint or remove a member of a COI (but not if they have already voted on an appointment or removal resolution under s80-15, or have appointed a member to the COI under s80-25 or s80-20 itself)
80-25: Appointment of committee member by employees	No equivalent	Employees of a regulated debtor representing at least 50% in value of amounts owed to, or in respect of, employees may appoint or remove a COI member (but not if they have already voted on a resolution to appoint or remove under s80-15, or have appointed a member to the COI under s80-20 or s80-25 itself)
80-30: Committees of inspection – procedures etc.	No equivalent	The IP Rules may provide for and in relation to COIs – see ss80-5 and 80-10 of the IP Rules. Subject to this, the COI may determine its own procedures
80-35: Functions of committee of inspection	No direct equivalent, but partly replicates 70(1)	Sets out COI functions (e.g. to advise/assist trustee; give trustee directions; monitor conduct of the administration). Trustee must have regard to COI directions but is not bound to follow them. If directions aren't followed, the trustee must document the reasons why.

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
80-40: Committee of inspection may request information etc.	No equivalent	A COI may request the trustee to give information, prepare a report or produce a document. The trustee is not required to comply if the information, report or document is not relevant to the administration of the regulated debtor's estate; the trustee would breach his or her duties if he/she complied with the request; or it is otherwise not reasonable to comply. The IP Rules prescribe what requests are un/reasonable – see ss80-15 and 80-25 of the IP Rules.
80-45: Reporting to committee of inspection	No equivalent	The IP Rules may prescribe other obligations on trustees to give information, prepare reports or produce documents to a COI (including the manner and form of provision; the timeframe; and who bears the cost) – see s80-20 of the IP Rules
80-50: Committee of inspection may obtain specialist advice or assistance	No equivalent	The COI must get trustee's approval before incurring expenses in obtaining specialist advice or assistance. The expense is borne by the estate unless Court orders otherwise
80-55: Obligations of members of committee of inspection	No equivalent	A COI member must not deriving profit or advantage from the estate unless creditors allow by resolution, or the Bankruptcy Act, another law, or court order, permits it. Failure to comply is a strict liability offence 50 penalty units
80-60: Obligations of creditor appointing a member of committee of inspection	72(2)	Prohibits the purchase of any part of the regulated debtor's estate by a creditor representing at least 10% in value who appoints a member to the COI under s80-20, unless the purchase is approved by creditors by resolution, or is permitted by the Bankruptcy Act or another law, or court order. Failure to comply is a strict liability offence 50 penalty units.
80-65: Inspector-General may attend committee meetings	No equivalent	The IG may attend COI meetings
80-70: The Court may inquire into conduct of the committee	No equivalent	The Court power to inquire into the COI's conduct and make such orders as it sees fit
85-2: Division applies to the Official Trustee	No equivalent	Division 85 (ss85-5) applies to the Official Trustee in the same way that it applies to registered trustees
85-5: Trustee to have regard to directions given by creditors	177(1)	The trustee is not obliged to comply with directions given by creditors, but must make a written record of non-compliance along with reasons why. Directions given by creditors override those given by a COI (under s80-35) if there is any conflict between the directions
90-2: Subdivision applies to the Official Trustee	No equivalent	Subdivision B of Division 90- <i>Court powers to inquire and make orders</i> (ss90-5 to 90-20) - applies to the Official Trustee in the same way that it applies to registered trustees
90-5: Court may inquire on own initiative	No equivalent, but some overlap with ss178 & 179	The Court may inquire into the conduct of an administration in the course of other proceedings before it

Schedule provision	Bankruptcy Act or Regulations provision replaced	Comment
90-10: Court may inquire on application of creditors etc.	179(1)	The IG, a COI, or <i>a person with a financial interest</i> in the administration of a regulated debtor's estate (defined in s5-30 to include the regulated debtor, a creditor, or the trustee) the right to apply to the court to inquire into the administration
90-15: Court may make orders in relation to estate administration	176, 178 & 179 and 156A & 157 (partially)	Sets out the types of orders the Court can make in relation to the administration of a regulated debtor's estate Note that where the application to the Court relates to an act, omission or decision of the trustee, a person (other than the IG) must make the application within 60 days from the date the person becomes aware of the trustee's act, omission or decision– see s90-80 of the IP Rules
90-20: Application for Court order	176, 178 & 179	The IG, a COI, or a person with a financial interest in the administration of the regulated debtor's estate may apply for an order under s90-15
90-21: Review by Inspector-General	167(1) and 167(6) (partially)	The IG may conduct a review of trustee remuneration claims at his/her own initiative, or at the request of a creditor or regulated debtor. Decisions of the IG may be appealed to the Court and factors the court must have regard to are listed in the section
90-22: Rules about reviews	No equivalent	The IP Rules may provide for, and in relation to, IG remuneration reviews – see ss90-5 to 90-65 of the IP Rules
90-30: Subdivision applies to the Official Trustee	No equivalent	Subdivision D of Division 90 – <i>Removal by creditors</i> (ss90-35) - applies to the Official Trustee in the same way that it applies to registered trustees
90-35: Removal by creditors	181	Creditors may, by resolution at a meeting, remove a trustee and appoint a replacement trustee. A trustee who is removed may apply to the Court for reappointment and on such application the court may make such orders as it sees fit including in relation to the costs of the application and the remuneration of the former trustee.

(Endnotes)

1 The Insolvency Practice Schedule (Bankruptcy) ('the schedule') was inserted as Schedule 2 to the *Bankruptcy Act 1966* by the [Insolvency Law Reform Act 2016](#).

2 This table does not describe the Schedule provisions in detail, but highlights their main features and/or points of difference with former provisions of the Bankruptcy Act. Transitional arrangements apply in respect of some provisions of the Schedule—the transitional arrangements are not covered by this table.

3 A reference to the IP Rules is a reference to the [Insolvency Practice Rules](#), which underpin the Insolvency Practice Schedule (Bankruptcy) and provide greater detail in relation to various requirements of the Schedule. ¹ A copy of the IP Rules can be found [here](#).