

Understanding the bankruptcy process

1 Review and sign documents with Trustee

Bankruptcy is filed with the **Office of the Superintendent of Bankruptcy (OSB)**.
Stay of Proceedings now in place

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3 Trustee informs creditors of bankruptcy

5 **Automatic discharge (no court involvement) if:**

- You meet all duties; and
- Your Trustee, creditors or OSB don't object

Trustee issues "**Certificate of Discharge**" – debts owed up to the date of bankruptcy are cleared

General bankruptcy information

A bankruptcy stays on your credit report for 6 (Equifax) or 7 years (TransUnion) after discharge—14 years if you've declared bankruptcy more than once.

Alimony, fraud/embezzlement, court fines, civil assault claims, misrepresentation, and student loans (newer than 7 years) don't go away in your bankruptcy.

Timelines to discharge (completion)

1st time filing

9 months
without surplus income
21 months
with surplus income

2nd time filing

24 months
without surplus income
36 months
with surplus income

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Complete duties:

- Attend a meeting of creditors, if requested
- Complete two financial counselling sessions
- Provide tax information for prior year and/or current year
- Submit proof of income as required
- Pay monthly payments as agreed
- Generally, do all things required and requested by Trustee

OR

Discharge decided by the Courts if:

- Duties not met and Trustee objects
- Creditor or OSB objects
- High tax debtor (CRA tax debt is >\$200,000 and represents 75% of total proven claims) or
- 3rd time or more bankruptcy