

**DEBT MANAGERS**

We manage your debt so you can manage your life.

If I Choose Bankruptcy, What Can I Keep?



Call us Toll Free
1 800 774-5779

THE KEY IS EQUITY

Property exempt from seizure is set by the provinces and territories and applies to the equity in the asset.

Equity is the excess that the value of an asset has over any charges or encumbrances against that asset.

So if you have a car worth \$25,000 and there is a \$20,000 secured debt against it then the equity in the car is \$5,000. In BC the exemption for a car is \$5,000 so in this example you are entitled to keep the equity of \$5,000 and the unsecured creditors cannot take this.

Bankruptcy Exemptions for BC

Equity in a home in Greater Vancouver and Victoria: \$12,000. In the rest of the province: \$9,000

Equity in Household items: \$4,000

Equity in a Vehicle: \$5,000
The vehicle exemption drops to \$2,000 if the debtor is behind on child care payments (to facilitate the enforcement of Maintenance Orders)

Equity in work tools: \$10,000

Equity in essential clothing and medical aids is unlimited

Bankruptcy Exemptions for Alberta

Food required by the debtor and his/her dependants during the next 12 months

Necessary clothing of the debtor and his/her dependants: \$4,000

Household furniture and appliances: \$4,000

One motor vehicle: \$5,000

Medical and dental aids required by the debtor and his/her dependants

Where the debtor is a bona fide farmer and whose principal source of livelihood is farming 160 acres if the debtor's principal residence is located on that 160 acres and that the 160 acres is part of the debtor's farm

The equity in the debtor's principal residence, including a mobile home: \$40,000

If the debtor is a co-owner of the residence, the amount of the exemption is reduced to an amount that is proportionate to the debtor's ownership interest

Personal property (i.e. tools, equipment, books) required by the debtor to earn income from the debtor's occupation up to a value of \$10,000

Where the debtor's primary income is from farming operations, personal property required by the debtor for the proper and efficient conduct of the debtor's farming operations for the next 12 months

Bankruptcy is a big step. Before you choose to deal with your financial challenges through bankruptcy, you need to explore all of the options available to you.

Sometimes, simple support and guidance is all you need to avoid bankruptcy.

Our counselling professionals can help you choose which options may be best for you. We can deal directly with your creditors and eliminate the stress you're now under.

Take advantage of our free, no-obligation consultation today.

*Call us toll free at:
1 800 774-5779.*





DEBT MANAGERS

We manage your debt so you can manage your life.

Bankruptcy Exemptions for Saskatchewan

For Non-Farmers

Household furniture and personal effects: \$4,500 per person

Tools of the trade: \$4,500

A motor vehicle, if required for employment

Equity in personal residence
\$32,000 (\$64,000 if jointly owned)
to a maximum of \$128,000 if held
by four parties

Certain life insurance policies
RRSPs, RRI's and DPSPs are ex-
empt from seizure

For Farmers

Furniture, furnishings and appli-
ances: \$10,000

The cash equivalent of produce
sufficient to provide food and fuel
for heating until the next harvest
All livestock, farm machinery and
equipment, including one car or
truck, necessary for the next twelve
months operations

One motor vehicle, if required for
business or profession, but not in
addition to the one above

Tools and equipment used by a
farmer in his trade or profession:
\$4,500

Equity in personal residence to a
value of \$32,000 (\$64,000 if jointly
owned) to a maximum of \$128,000
if held by four parties

Seed grain equal to two bushels
per acre of land under cultivation
RRSPs, RRI's and DPSPs are ex-
empt from seizure

Certain life insurance policies

Cash equivalent of crop equal to
unpaid harvesting costs

Living expenses to next harvest

Necessary costs of farming until
next harvest

Bankruptcy Exemptions for Mani- toba

Furniture, household furnishings
and appliances: \$4,500

One motor vehicle, if necessary for
work or transportation to and from
work: \$3,000 in value

Actual residence of the bankrupt,
equity of \$1,500 each if in joint ten-
ancy, or \$2,500 if not in joint ten-
ancy

Tools, implements, professional
books and other necessities not
exceeding a total value of \$7,500
used in practice of trade, occupa-
tion or profession

Necessary and ordinary clothing of
the debtor and family

Health aids, including wheelchair,
air conditioner, elevator, hearing
aid, eye glasses, prosthetic or or-
thopaedic equipment, necessary to
debtor or family

Locked-in pension plans

Certain life insurance policies
Food and fuel necessary to family
for period of six months or cash
equivalent

*If debtor is a farmer animals necessary
for farming operation for 12 months*

Farm machinery, dairy utensils
and farm equipment necessary for
ensuing 12 months

One motor vehicle if required for
purposes of agricultural operations

Any 160 acres of farm land upon
which the debtor or his family re-
sides, or which he cultivates or
uses for grazing or other purposes,
as well as all the buildings thereon
Seed sufficient to seed all land of
debtor under cultivation

*When you work with
National Credit Coun-
sellors of Canada, we'll
deal directly with col-
lection agencies to im-
mediately stop the calls.
Our team has relation-
ships with every major
credit grantor in
Canada, along with the
expertise to arrange debt
settlements and debt
management programs.*

*In general, when collec-
tion agent and creditors
learn you have signed up
for a voluntary debt
management program,
they will be patient as
you pay down your out-
standing balances.*

*Call one of our coun-
selling pros today and
put an end to the stress.*

*Call us toll free at:
1 800 774-5779*



DEBT MANAGERS

We manage your debt so you can manage your life.

Bankruptcy Exemptions for Ontario

Clothing: \$5,650.00

Household Goods: \$11,300.00

Tools of the Trade: \$11,300.00

Farmers: \$28,300.00

Motor Vehicle: \$5,650.00

Note: These exemption amounts received a cost of living increase (reviewed every five years) and went into effect on Wednesday December 14, 2005.

Bankruptcy Exemptions for Quebec

The movable property which furnishes his main residence, used by and necessary for the life of the household: \$6,000

Food, fuel, linens and clothing necessary for the life of the household
Instruments of work needed for the personal exercise of his professional activity

Family papers and portraits, medals and other decorations
Property declared by a donor or a testament to be exempt from seizure except in certain cases
Judicially awarded support and sums given or bequeathed as support

Benefits payable under a supplemental pension plan to which an employer contributes on behalf of his employees, other amounts declared unseizable by an Act governing such plans and contributions paid or to be paid into such plans

Periodic disability benefits and expense reimbursements under a contract of accident and sickness insurance

Property of a person that he requires to compensate for a handicap

A certain portion of salaries and wages based on the number of dependants

Nevertheless, the property referred to in first and third items above may be seized and sold by a creditor holding a hypothec thereon

Bankruptcy Exemptions for Nova Scotia

Necessary wearing apparel, household furnishings and furniture

Necessary fuel and food

Necessary grain, seeds, cattle, hogs, fowl, sheep and other livestock

Necessary medical and health aids
Farm equipment, fishing nets, tools and implements used in debtor's chief occupation: \$1,000

Household goods: \$5,000

Motor vehicle: \$3,000

Motor vehicle if required for work or business: \$6,500

Bankruptcy Exemptions for New Brunswick

Furniture, household furnishings and appliances used by the debtor or a dependent \$5,000

Food, clothing and fuel necessary for the debtor and his family

Two horses and sets of harness, two cows, ten sheep, two hogs and twenty fowl, and food for six months

Necessary tools, equipment and books \$6,500

Necessary seed grain and potatoes required for planting purposes to the following quantities: forty bushels of oats, ten bushels of barley, ten bushels of buckwheat, ten bushels of wheat and thirty-five barrels of potatoes

In Canada, a person can file a consumer proposal as an alternative to bankruptcy. A consumer proposal is a negotiated settlement between a debtor and their creditors. A typical proposal would involve a debtor making monthly payments for a maximum of five years, with the funds distributed to their creditors. Even though most proposals call for payments of less than the full amount of the debt owing, in most cases the creditors will accept the deal, because if they don't, the next alternative may be personal bankruptcy, where the creditors will get even less money.

*To learn more, call us toll free at:
1 800 774-5779*



DEBT MANAGERS

We manage your debt so you can manage your life.

One motor vehicle: \$6,500

Necessary medical and health aids

Pets belonging to the debtor

Pension plans

Bankruptcy Exemptions for Prince Edward Island

Necessary and ordinary clothing of the debtor and his family

Motor Vehicle: \$3,000

Household furniture, utensils, equipment, food and fuel that are contained in and form part of the permanent home of the debtor: \$2,000

RRSPs are exempt (no limit) provided they have a defined beneficiary which is a specific member of direct family

In the case of a debtor other than a farmer, tools, instruments and other chattels ordinarily used by the debtor in his business, trade or calling: \$2,000

In the case of a debtor who is a farmer:

Livestock, fowl, agricultural machinery and equipment ordinarily used by the debtor in his farm operation: \$5,000

Sufficient seed to seed all his land under cultivation not exceeding 100 acres

Bankruptcy Exemptions for Newfoundland and Labrador

Food required by debtor and dependants during the next 12 months

Medical and dental aids required by debtor and dependants

Domesticated animals which are kept as pets and not used for business purpose

Fuel or heating as a necessity for the debtor and his or her dependants

Clothing of the debtor and his or her dependants: \$4,000

Appliances and household furnishings (which are defined as washing machine, clothes dryer, "reasonably necessary" bedroom suites and bedding, oven and stove top burners, "necessary" dishes and kitchen utensils, and "necessary" strollers, cribs and highchairs): \$4,000

Motor vehicle of the debtor \$2,000

Items of a sentimental value to the debtor: \$500

The debtor's equity in his or her principal residence: \$10,000

Personal property used by and necessary for debtor to earn income from occupation, trade, business or calling: \$10,000

Source: www.bankruptcycanada.com

Bankruptcy allows debtors to resolve debts through the division of non-exempt assets among creditors. Additionally the declaration of bankruptcy allows debtors to be discharged of most of the financial obligations, after their non-exempt assets are distributed, even if their debts have not been paid in full. During the pendency of a bankruptcy proceeding, the debtor is protected from extra-bankruptcy action by creditors by a legally imposed stay. The creditor will not be permitted to continue lawsuits, garnish wages, or contact the debtor by phone to demand payment.

*To learn more, call us toll free at:
1 800 774-5779*