

20L. Default in connection with voluntary arrangement

- (1) The court shall not make a bankruptcy order on a petition under section 3(1)(c) (nominee of, or person bound by, voluntary arrangement proposed and approved) unless it is satisfied—
 - (a) that the debtor has failed to comply with his obligations under the voluntary arrangement;
or
 - (b) that information which was false or misleading in any material particular or which contained material omissions—
 - (i) was contained in any statement of affairs or other document supplied by the debtor under sections 20 to 20K to any person; or
 - (ii) was otherwise made available by the debtor to his creditors at or in connection with a meeting summoned under those sections; or
 - (c) that the debtor has failed to do all such things as may for the purposes of the voluntary arrangement have been reasonably required of him by the nominee of the arrangement.
- (2) Where a bankruptcy order is made on a petition under section 3(1)(c), any expenses properly incurred as expenses of the administration of the voluntary arrangement in question shall be a first charge on the bankrupt's estate.

(Added 76 of 1996 s. 13)