

153. Discharge of costs before assets handed to liquidator

- (1) Where a liquidator is appointed by the court or under the Ordinance, and has notified his appointment to the registrar of companies, and given security to the satisfaction of the Official Receiver, the provisional liquidator shall forthwith put the liquidator into possession of all property of the company of which the provisional liquidator may have custody:

Provided that such liquidator shall have, before the assets are handed over to him by the provisional liquidator, discharged any balance due to the Official Receiver and provisional liquidator on account of fees, costs, and charges properly incurred by him, and on account of any advances properly made by him in respect of the company, together with interest on such advances at the rate of 8 per cent per annum; and the liquidator shall pay all fees, costs, and charges of the Official Receiver and provisional liquidator which may not have been discharged by the liquidator before being put into possession of the property of the company, and whether incurred before or after he has been put into such possession. (*L.N. 587 of 1995*)

- (2) The Official Receiver and provisional liquidator shall be deemed to have a lien upon the company's assets until such balance shall have been paid and the other liabilities shall have been discharged.
- (3) It shall be the duty of the Official Receiver and provisional liquidator, if so requested by the liquidator, to communicate to the liquidator all such information respecting the estate and affairs of the company as may be necessary or conducive to the due discharge of the duties of the liquidator.
- (4) This rule and rule 154 shall apply only in a winding up by the court.

(46 of 2000 s. 40)