

12. Effect of bankruptcy order

- (1) On the making of a bankruptcy order, the Official Receiver shall thereby become the provisional trustee of the property of the bankrupt, and thereafter, except as directed by this Ordinance, no creditor to whom the bankrupt is indebted in respect of any debt provable in bankruptcy shall have any remedy against the property or person of the bankrupt in respect of the debt, nor shall proceed with or commence any action or other legal proceedings, unless with the leave of the court and on such terms as the court may impose. (*Amended 76 of 1996 ss. 8 & 72; 18 of 2005 s. 3*)
- (1A) In the case of a debtor's petition, the Official Receiver as the provisional trustee may at any time appoint any person to act as the provisional trustee of the property of the bankrupt in his place if he considers that—
 - (a) the value of the property of the bankrupt is unlikely to exceed \$200,000; and
 - (b) the person has the qualifications prescribed in Schedule 3. (*Added 18 of 2005 s. 3*)
- (1B) The power of the Official Receiver to appoint a person as provisional trustee includes power to appoint 2 or more persons as joint provisional trustees; but such an appointment must make provision as to the circumstances in which the provisional trustees must act together and the circumstances in which one or more of them may act for the others. (*Added 18 of 2005 s. 3*)
- (1C) The Secretary for Financial Services and the Treasury may, by notice published in the Gazette, amend Schedule 3. (*Added 18 of 2005 s. 3*)
- (2) This section shall not affect the power of any secured creditor to realize or otherwise deal with his security.

[*cf. 1914 c. 59 s. 7 U.K.*]