

39. Preferential claims in case of apprenticeship

- (1) Where at the time of the presentation of the bankruptcy petition any person is apprenticed or is a trainee solicitor to the bankrupt, the adjudication of bankruptcy shall, if either the bankrupt or the apprentice or trainee solicitor gives notice in writing to the trustee to that effect, be a complete discharge of the indenture of apprenticeship or trainee solicitor contract; and if any money has been paid by or on behalf of the apprentice or trainee solicitor to the bankrupt as a fee, the trustee may, on the application of the apprentice or trainee solicitor or of some person on his behalf, pay such sum as the trustee, subject to an appeal to the court, thinks reasonable, out of the bankrupt's property, to or for the use of the apprentice or trainee solicitor, regard being had to the amount paid by him or on his behalf and to the time during which he served with the bankrupt under the indenture or trainee solicitor contract before the commencement of the bankruptcy and to the other circumstances of the case.
- (2) Where it appears expedient to a trustee, he may, on the application of any apprentice or trainee solicitor to the bankrupt or any person acting on behalf of such apprentice or trainee solicitor, instead of acting under the provisions of subsection (1), transfer the indenture of apprenticeship or trainee solicitor contract to some other person.

(Amended 70 of 1991 s. 14)

[cf. 1914 c. 59 s. 34 U.K.]