

123. Notice of intended dividend

- (1) Not more than 4 months before declaring a dividend, the trustee shall gazette notice of his intention to do so and at the same time give notice to such of the creditors mentioned in the bankrupt's statement of affairs as have not proved their debts. Such notice shall specify the latest date up to which proofs must be lodged, which shall be not less than 14 days from the date of such notice.
- (2) Where any creditor, after the date mentioned in the notice of intention to declare a dividend as the latest date upon which proofs may be lodged, appeals against the decision of the trustee rejecting a proof, such appeal shall be commenced, and notice thereof given to the trustee, within 7 days from the date of the notice of the decision against which the appeal is made, and the trustee shall in such case make provision for the dividend upon such proof, and the probable costs of such appeal in the event of the proof being admitted. Where no appeal has been commenced within the time specified in this rule, the trustee shall exclude all proofs which have been rejected from participation in the dividend.
- (3) Immediately after the expiration of the time fixed by this rule for appealing against the decision of the trustee, he shall proceed to declare a dividend and gazette the same and shall also send a notice of dividend to each creditor whose proof has been admitted.
- (4) If it becomes necessary, in the opinion of the trustee or the creditors' committee, to postpone the declaration of the dividend beyond the prescribed limit of four months, the trustee shall gazette a fresh notice of his intention to declare a dividend, but it shall not be necessary for such trustee to give a fresh notice to such of the creditors mentioned in the bankrupt's statement of affairs as have not proved their debts. In all other respects the same procedure shall follow the fresh notice as would have followed the original notice.

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