

**35. Mutual credit and set-off**

Where there have been mutual credits, mutual debts or other mutual dealings between a bankrupt against whom a bankruptcy order is made under this Ordinance and any other person proving or claiming to prove a debt under the bankruptcy order, an account shall be taken of what is due from the one party to the other in respect of such mutual dealings and the sum due from the one party shall be set off against any sum due from the other party and the balance of the account, and no more, shall be claimed or paid on either side respectively; but a person shall not be entitled under this section to claim the benefit of any set-off against the property of a bankrupt in any case where he had, at the time of giving credit to the bankrupt, notice that the petition had been presented.

*(Amended 33 of 1939; G.N. 840 of 1940 Supp. Schedule; 76 of 1996 ss. 26, 72 & 73)*

*[cf. 1914 c. 59 s. 31 U.K.]*