

37. Priority of costs and charges

- (1) The assets remaining after payment of the expenses properly incurred in preserving, getting in or realizing any of the assets of the bankrupt shall, subject to any order of the court, first be liable to the following payments, which shall be made in the following order of priority, namely— (*Amended 18 of 2005 s. 11*)
 - (a) the fees, charges and percentages prescribed in the Bankruptcy (Fees and Percentages) Order (Cap. 6 sub. leg. C) and payable to the Official Receiver, and costs, charges and expenses incurred or authorized by, the Official Receiver, whether acting as trustee or otherwise, including the costs of any person properly employed by him; (*Replaced 18 of 2005 s. 11*)
 - (b) the taxed costs of the petition, including the taxed costs of any person appearing at the hearing of the petition whose costs are allowed by the court but excluding the interest on such costs; (*Replaced 18 of 2005 s. 11*)
 - (c) the remuneration of, and fees, disbursements and expenses properly incurred by the special manager, if any; (*Replaced 18 of 2005 s. 11*)
 - (d) the costs and expenses of any person who makes the bankrupt's statement of affairs; (*Replaced 18 of 2005 s. 11*)
 - (e) the taxed charges of any shorthand writer appointed to take any examination under this Ordinance, except expenses properly incurred in preserving, getting in or realizing the assets of the bankrupt; (*Added 18 of 2005 s. 11*)
 - (f) the necessary disbursements of any trustee other than the Official Receiver, except expenses properly incurred in preserving, getting in or realizing the assets of the bankrupt; (*Added 18 of 2005 s. 11*)
 - (g) the costs of any person properly employed by any trustee other than the Official Receiver; (*Added 18 of 2005 s. 11*)
 - (h) the remuneration of any trustee other than the Official Receiver; and (*Added 18 of 2005 s. 11*)
 - (i) the actual out-of-pocket expenses necessarily incurred by the creditors' committee subject to the approval of the trustee. (*Added 18 of 2005 s. 11*)
- (2) Whenever the court is satisfied that property of a bankrupt in respect of whose estate a bankruptcy order has been made has been preserved for the benefit of the creditors by means of legal proceedings brought by a creditor against the bankrupt without notice of presentation of the petition, the court may in its discretion order the payment of the costs of such legal proceedings or any part of them (taxed as between party and party) out of the estate, with the same priority as to payment as is herein provided in respect of the taxed costs of the petitioner. (*Amended 76 of 1996 s. 27*)
- (3) For the purposes of subsection (1)(e), if the shorthand writer is appointed or authorized by the Official Receiver, the cost of the shorthand notes shall be regarded as an expense properly incurred in getting in or realizing the assets of the bankrupt. (*Added 18 of 2005 s. 11*)

(*Amended 76 of 1996 ss. 72 & 73*)