

49. Transactions at an undervalue

- (1) Subject to this section and sections 51 and 51A, where a debtor is adjudged bankrupt and he has at a relevant time (defined in section 51) entered into a transaction with any person at an undervalue, the trustee may apply to the court for an order under this section.
- (2) The court shall, on such an application, make such order as it thinks fit for restoring the position to what it would have been if that debtor had not entered into that transaction.
- (3) For the purposes of this section and sections 51 and 51A, a debtor enters into a transaction with a person at an undervalue if—
 - (a) he makes a gift to that person or he otherwise enters into a transaction with that person on terms that provide for him to receive no consideration;
 - (b) he enters into a transaction with that person in consideration of marriage; or
 - (c) he enters into a transaction with that person for a consideration the value of which, in money or money's worth, is significantly less than the value, in money or money's worth, of the consideration provided by the debtor.

(Replaced 76 of 1996 s. 36)