



Insolvency Act 1985

1985 CHAPTER 65

PART III

INDIVIDUAL INSOLVENCY

CHAPTER V

ADMINISTRATION BY TRUSTEE

Vesting of property in trustee etc.

155 Vesting in trustee of tools, clothes etc. that exceed value of reasonable replacement

(1) Where—

- (a) property is excluded by virtue of section 130(2) above from the bankrupt's estate; and
- (b) it appears to the trustee that the realisable value of the whole or any part of that property exceeds the cost of a reasonable replacement for that property or that part of it,

the trustee may by notice in writing claim that property or, as the case may be, that part of it for the bankrupt's estate.

- (2) Upon the service on the bankrupt of a notice under subsection (1) above, the property to which the notice relates shall vest in the trustee as part of the bankrupt's estate; and, except against a purchaser in good faith, for value and without notice of the bankruptcy, the trustee's title to that property shall have relation back to the commencement of the bankruptcy.
- (3) Except with the leave of the court, a notice under subsection (1) above shall not be served after the end of the period of forty-two days beginning with the day on which the property in question first came to the knowledge of the trustee; and subsection (6)

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of section 154 above shall apply for the purposes of this subsection as it applies for the purposes of subsection (5) of that section.

- (4) The trustee shall apply funds comprised in the bankrupt's estate to the purchase by or on behalf of the bankrupt of a reasonable replacement for any property vested in the trustee under this section ; and the duty imposed by this subsection shall have priority over the obligation of the trustee to distribute the bankrupt's estate.
- (5) For the purposes of this section property shall be a reasonable replacement for other property if it is reasonably adequate for meeting the needs met by the other property.