



Insolvency Act 1985

1985 CHAPTER 65

PART III

INDIVIDUAL INSOLVENCY

CHAPTER V

ADMINISTRATION BY TRUSTEE

Control and realisation of bankrupt's estate etc.

160 General powers of trustee

- (1) The trustee may—
 - (a) sell any part of the property for the time being comprised in the bankrupt's estate, including the goodwill and book debts of any business ;
 - (b) give receipts for any money received by him, being receipts which effectually discharge the person paying the money from all responsibility in respect of its application ;
 - (c) prove, rank, claim and draw a dividend in respect of such debts due to the bankrupt as are comprised in the bankrupt's estate;
 - (d) exercise in relation to any property comprised in the bankrupt's estate any powers the capacity to exercise which is vested in the trustee under this Part;
 - (e) deal with any property comprised in the bankrupt's estate to which a bankrupt is beneficially entitled as tenant in tail in the same manner as the bankrupt might have dealt with it.
- (2) With the permission of the committee established under section 148 above or the court, the trustee may—
 - (a) carry on any business of the bankrupt so far as may be necessary for winding it up beneficially and so far as he is able to do so without contravening any requirement imposed by or under any enactment;

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- (b) bring, institute or defend any action or legal proceedings relating to the property comprised in the bankrupt's estate;
 - (c) accept as the consideration for the sale of any property comprised in the bankrupt's estate a sum of money payable at a future time subject to such stipulations as to security or otherwise as the committee or the court thinks fit;
 - (d) mortgage or pledge any part of the property comprised in the bankrupt's estate for the purpose of raising money for the payment of his debts;
 - (e) where any right, option or other power forms part of the bankrupt's estate, make payments or incur liabilities with a view to obtaining, for the benefit of the creditors, any property which is the subject of the right, option or power;
 - (f) refer to arbitration, or compromise on such terms as may be agreed on, any debts, claims or liabilities subsisting or supposed to subsist between the bankrupt and any person who may have incurred any liability to the bankrupt;
 - (g) make such compromise or other arrangement as may be thought expedient with creditors, or persons claiming to be creditors, in respect of bankruptcy debts ;
 - (h) make such compromise or other arrangement as may be thought expedient with respect to any claim arising out of or incidental to the bankrupt's estate made or capable of being made on the trustee by any person or by the trustee on any person.
- (3) With the permission of the committee established under section 148 above or the court, the trustee may appoint the bankrupt
- (a) to superintend the management of the bankrupt's estate, or any part of it;
 - (b) to carry on his business (if any) for the benefit of his creditors; or
 - (c) in any other respect to assist in administering that estate in such manner and on such terms as the trustee may direct.
- (4) A permission given for the purposes of subsection (2) or (3) above shall not be a general permission but shall relate to a particular proposed exercise of the power in question; and a person dealing with the trustee in good faith and for value shall not be concerned to enquire whether any permission required by either of those subsections has been given.
- (5) Where the trustee has done anything without the permission required by subsection (2) or (3) above, the court or the committee established under section 148 above may, for the purpose of enabling him to meet his expenses out of the bankrupt's estate, ratify what the trustee has done; but that committee shall not do so unless it is satisfied that the trustee has acted in a case of urgency and has sought its ratification without undue delay.
- (6) For the purposes of, or in connection with, the exercise of any of his powers under this Part, the trustee shall be able, by his official name, to hold property of every description, to make contracts, to sue and be sued, to enter into engagements binding on himself and, in respect of the bankrupt's estate, on his successors in office, to employ an agent, to execute any power of attorney, deed or other instrument and to do any other act which is necessary or expedient for the purposes of or in connection with the exercise of those powers.
- (7) Where the trustee (not being the official receiver) in exercise of the powers conferred on him by this Part—
- (a) disposes of any property comprised in the bankrupt's estate to an associate of the bankrupt; or

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- (b) employs a solicitor,
he shall, if there is for the time being a committee established under section 148 above, give notice to the committee of that exercise of his powers.
- (8) Without prejudice to the generality of subsection (6) above, the trustee may, if he thinks fit, at any time summon a general meeting of the bankrupt's creditors; and, subject to the preceding provisions of this Part, the trustee shall summon such a meeting if he is requested to do so by a creditor of the bankrupt and the request is made with the concurrence of not less than one-tenth, in value, of the bankrupt's creditors (including the creditor making the request).
- (9) Nothing in this Act shall be construed as restricting the capacity of the trustee to exercise any of his powers outside England and Wales.