

## SCHEDULES

### SCHEDULE 4

#### FORFEITURE ORDERS

##### PART IV

###### INSOLVENCY: UNITED KINGDOM PROVISIONS

###### *Protection of insolvency practitioners*

- 51 (1) This paragraph applies where an insolvency practitioner seizes or disposes of property which is subject to a forfeiture order or a restraint order and—
- (a) he reasonably believes that he is entitled to do so in the exercise of his functions, and
  - (b) he would be so entitled if the property were not subject to a forfeiture order or a restraint order.
- (2) The insolvency practitioner shall not be liable to any person in respect of any loss or damage resulting from the seizure or disposal except in so far as the loss or damage is caused by his negligence.
- (3) The insolvency practitioner shall have a lien on the property seized or the proceeds of its sale—
- (a) for such of his expenses as were incurred in connection with the insolvency proceedings in relation to which the seizure or disposal purported to take place, and
  - (b) for so much of his remuneration as may be reasonably assigned for his acting in connection with those proceedings.
- (4) Sub-paragraphs (1) to (3) are without prejudice to the generality of any provision contained in the Insolvency Act 1986 or the Bankruptcy (Scotland) Act 1985 or any other Act or the Insolvency (Northern Ireland) Order 1989.
- (5) In this paragraph “insolvency practitioner”, in any part of the United Kingdom, means a person acting as an insolvency practitioner in that or any other part of the United Kingdom.
- (6) For the purpose of sub-paragraph (5) any question whether a person is acting as an insolvency practitioner in England and Wales or in Scotland shall be determined in accordance with section 388 of the Insolvency Act 1986, except that—
- (a) the reference in section 388(2)(a) to a permanent or interim trustee in the sequestration of a debtor’s estate shall be taken to include a reference to a trustee in sequestration,
  - (b) section 388(5) shall be disregarded, and

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*Status: This is the original version (as it was originally enacted).*

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- (c) the expression shall also include the Official Receiver acting as receiver or manager of property.
- (7) For the purpose of sub-paragraph (5) any question whether a person is acting as an insolvency practitioner in Northern Ireland shall be determined in accordance with Article 3 of the Insolvency (Northern Ireland) Order 1989, except that—
- (a) Article 3(5) shall be disregarded, and
  - (b) the expression shall also include the Official Receiver acting as receiver or manager of property.