

SCHEDULE 1

PART 6

AMENDMENTS TO PART 6 OF THE PRINCIPAL RULES

Insertion of new Chapter 16A of Part 6 of the principal Rules

39. After Chapter 16 of Part 6 of the principal Rules there is inserted—

“CHAPTER 16A

INCOME PAYMENTS AGREEMENTS

Approval of income payments agreements

6.193A.—(1) An income payments agreement can only be entered into prior to the discharge of the bankrupt.

(2) Where an income payments agreement is to be entered into between the official receiver or trustee and the bankrupt under section 310A(1), the official receiver or trustee shall provide an income payments agreement to the bankrupt for his approval.

(3) Within 14 days or such longer period as may be specified by the official receiver or trustee (whichever is appropriate) from the date on which the income payments agreement was sent, the bankrupt shall—

- (a) if he decides to approve the draft income payments agreement, sign the agreement and return it to the official receiver or trustee (whichever is appropriate); or
- (b) if he decides not to approve the agreement, notify the official receiver or trustee (whichever is appropriate) in writing of his decision.

Acceptance of income payments agreements

6.193B.—(1) On receipt by the official receiver or trustee of the signed income payments agreement, the official receiver or trustee shall sign and date it.

(2) When the official receiver or the trustee signs and dates the income payments agreement, it shall come into force. A copy shall be sent to the bankrupt.

(3) Where the agreement provides for payments by a third person to the official receiver or trustee who is not the official receiver in accordance with section 310A(1)(b), a notice of the agreement shall be sent by the official receiver or trustee to that person.

(4) The notice shall contain—

- (a) the full name and address of the bankrupt;
- (b) a statement that an income payments agreement has been made, the date of it, and that it provides for the payment by the third person of sums owed to the bankrupt (or a part thereof) to be paid to the official receiver or trustee;
- (c) the full name and address of the third person;
- (d) a statement of the amount of money to be paid to the official receiver or trustee from the bankrupt’s income, the period over which the payments are to be made, and the intervals at which the sums are to be paid; and
- (e) the full name and address of the official receiver or trustee and the address or details of where the sums are to be paid.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(5) When making any payment to the official receiver or the trustee a person who has received notice of an income payments agreement with reference to income otherwise payable by him to the bankrupt may deduct the appropriate fee towards the clerical and administrative costs of compliance with the income payments agreement. He shall give to the bankrupt a written statement of any amount deducted by him under this paragraph.

Variation of income payments agreements

6.193C.—(1) Where an application is made to court for variation of an income payments agreement, the application shall be accompanied by a copy of the agreement.

(2) Where the bankrupt applies to the court for variation of an income payments agreement under section 310A(6)(b), he shall send a copy of the application and notice of the venue to the official receiver or trustee (whichever is appropriate) at least 28 days before the date fixed for the hearing.

(3) When the official receiver or trustee applies to the court for variation of an income payments agreement under section 310A(6)(b), he shall send a copy of the application and notice of the venue to the bankrupt at least 28 days before the date fixed for the hearing.

(4) The court may order in Form 6.81 the variation of an income payments agreement under section 310A.

(5) Where the court orders an income payments agreement under section 310A(1)(a) to be varied, so as to take the form of an agreement under section 310A(1)(b) as an agreement providing that a third person is to make payments to the trustee or the official receiver, the official receiver or trustee shall send a notice in accordance with Rule 6.193B(3).

(6) When making any payment to the official receiver or the trustee a person who has received notice of an income payments agreement with reference to income otherwise payable by him to the bankrupt may deduct the appropriate fee towards the clerical and administrative costs of compliance with the income payments agreement. He shall give to the bankrupt a written statement of any amount deducted by him under this paragraph.”.