

**Bills Committee on Bankruptcy (Amendment) Bill 2004  
Seventh meeting on 21 April 2005**

**List of follow-up actions to be taken by the Administration**

1. The Administration undertakes to endeavour to present the following information to the Bills Committee at the next meeting on 10 May 2005:

Tendering scheme for outsourcing summary bankruptcy cases to private-sector insolvency practitioners (PIPs)

- (a) As agreed at the meeting on 1 April 2005, the Administration will provide a sample of the tender document to be used in the tendering scheme for outsourcing summary bankruptcy cases. The detailed qualification criteria for appointment as provisional trustees or trustees for summary bankruptcy cases will be set out in the tender document; and
- (b) As agreed at the meeting on 1 April 2005, the Administration will present to the Bills Committee its detailed proposals for setting out in subsidiary legislation the basic qualification criteria for appointment as provisional trustees or trustees for summary bankruptcy cases; and

Handling of summary bankruptcy cases

- (c) As requested by the Bills Committee at the meeting on 1 April 2005, the Administration undertakes to provide the Official Receiver's Office's internal guidelines for handling summary bankruptcy cases.

2. Clause 11 – proposed section 37(1) of the Bankruptcy Ordinance

To address the concern expressed by members and depositions that the remuneration and necessary disbursements of PIPs are accorded almost the lowest priority for payment (the proposed subsections (1)(f), (g) and (h) of section 37), the Administration is requested to take the following actions:

- (a) To provide justifications for according a higher priority to the Official Receiver (OR)'s remuneration, commissions, percentages and charges than the remuneration and necessary disbursements of PIPs in outsourced summary bankruptcy cases;
- (b) To consider a member's suggestion of recasting the proposed subsection (1)(a) of section 37 to the effect that only the necessary

fees and charges incurred by the OR in handling outsourced summary bankruptcy cases would be accorded higher priority, and to review whether the commissions and percentages payable to the OR should be included in the proposed subsection (1)(a); and

- (c) To address the concern that there is no assurance for PIPs that they would be paid their remuneration and would recover their necessary disbursements for handling outsourced summary bankruptcy cases.

Council Business Division 1  
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