

IN THE HIGH COURT OF JUSTICE

IN BANKRUPTCY

No: 3678 of 1998

Re: FREDERICK MARK SLEMECK

A BANKRUPT

THE OFFICIAL RECEIVER'S REPORT TO THE COURT IN SUPPORT OF HIS APPLICATION FOR AN ORDER SUSPENDING THE OPERATION OF THE RELEVANT PERIOD UNDER SECTION 279(3) OF THE INSOLVENCY ACT 1986

(Application ordered to be heard on 2nd March 2001)

I, ALLEN SOON HENG GOH, Deputy Official Receiver of 21 Bloomsbury Street, London, WC1B 3SS hereby report to the Court as follows:-

1. The Bankruptcy Order was made on 14th July 1998 on the petition of a creditor filed on 27th May 1998.
2. The bankrupt remains undischarged from the proceedings.
3. The bankrupt attended upon the Official Receiver on 11th August 1998 to comply with his statutory duties at which time he completed the required questionnaire (Form B40.01) and provided an historical narrative concerning his financial affairs. He disclosed unencumbered assets valued at £117,000 and gross liabilities estimated at £32,550 with a resultant surplus of £84,450.
4. At the said interview on 11th August 1998 the bankrupt also signed Form B20.01 (and was given a copy) which drew his attention to certain specific obligations whilst he remained undischarged, including his duty to deliver up his assets to the Official Receiver and/or trustee and to keep the trustee informed of any change of address during the period of his bankruptcy.
5. At an adjourned meeting of creditors held on 20th October 1998 Mr J N R Pitts of Wilson Pitts, Salisbury House, London Wall, London EC3N 5PS was appointed trustee of the bankrupt's estate.
6. The bankrupt attempted to implement an Individual Voluntary Arrangement (IVA) but on 26th October 1998 his proposals were rejected by a majority of creditors.
7. By letter dated 29th October 1999 the trustee requested the Official Receiver to consider reporting the bankrupt's non-co-operation to this Honourable Court with a view to suspending the running of his discharge period. The trustee also stated that he proposed making application pursuant to Section 310 of the Insolvency Act 1986 for an Income Payments Order for £300 each month from the bankrupt. A copy of the trustee's letter dated 29th October 1999 is shown at page 1 of the attached bundle of correspondence exhibited hereto and marked "ASHG1".
8. As a result of a detailed telephone conversation on 11th November 1999 between the trustee's administrator and one of my Examiners it was mutually agreed that action to suspend the bankrupt's discharge would not be taken for at least another four months to

enable the trustee to obtain the required Income Payments Order and to give the bankrupt time to comply with the said order.

9. The Official Receiver wrote to the bankrupt on 12th November 1999 warning him that *unless he commenced co-operating with his trustee immediately his behaviour would be reported to the Court*. Also on that date the Official Receiver wrote to the trustee confirming the arrangements mentioned in the previous paragraph (pages 2 and 3 of "ASHG1").
10. The trustee wrote again to the Official Receiver on 25th September 2000 saying that although he had obtained an Income Payments Order against the bankrupt on 14th February 2000 for £300 each month the bankrupt had only made one such payment. The trustee also stated that the bankrupt had requested details of the sum required to pay all his creditors in full together with all legal costs and that information had been provided to him. The trustee went on to say that he believed the bankrupt's automatic discharge should be suspended because of his lack of co-operation (page 4 of "ASHG1").
11. On 31st October 2000 the Official Receiver wrote once again to the bankrupt informing him that unless he contacted his trustee within the following 10 days and provided an explanation for his failure to comply with the terms of the Income Payments Order his default would definitely be reported to the Court (page 5 of "ASHG1").
12. Also on 31st October 2000 the Official Receiver copied his letter of that date to the bankrupt to the trustee asking for copies of the trustee's previous correspondence to the bankrupt and requesting the trustee to confirm whether or not the bankrupt had contacted him (page 6 of "ASHG1").
13. On 1st November 2000 the trustee supplied to the Official Receiver copies of all the relevant correspondence (page 7 of "ASHG1").

Date

Brief details

Copies attached at "ASHG1" pages marked

1998

3rd December

Trustee notifies debtor of his appointment and arranges a meeting to discuss the administration.

7

1999

18th January


Detailed letter from trustee summarising all the matters discussed with bankrupt at their recent meeting and confirming acceptance of bankrupt's offer of £300 per month by way of voluntary contribution.

8 and 9

Date**Brief details****Copies attached at
"ASHG1" pages marked**

22nd January Bankrupt provides detailed reply to trustee's previous letter and confirms he has made arrangements with his bank to make monthly payments of £300. 10 and 11

12th February Trustee asks debtor for details of various pension policies and also reminds him that his first voluntary contribution of £300 not yet received. 12

 9th ~~th~~ March Bankrupt replies to trustee's previous letters. 13 and 14

8th June Trustee provides bankrupt with a summary of his receipts and payments account and asks bankrupt to commence making the promised voluntary monthly payment of £300 immediately. 15

22nd June Trustee requests reply to previous correspondence regarding proposed voluntary payment and also requires information regarding life policies and pension schemes. 16

23rd July Trustee informs bankrupt that he is still awaiting replies to earlier correspondence and has not yet received any voluntary contributions. 17

12th August Trustee requests a reply to previous letter dated 23rd July 1999. 18

29th October Trustee informs bankrupt that because of his lack of co-operation his behaviour will be reported to the Official Receiver who will be asked to request the Court to suspend his discharge and bankrupt also informed that because of his failure to make the agreed voluntary monthly payments application will be made for an Income Payments Order against him. 19

2000

5th June Bankrupt informs trustee he is now in a position to settle all his outstanding debts and asks for a full settlement figure. 20

<u>Date</u>	<u>Brief details</u>	<u>Copies attached at "ASHG1" pages marked</u>
13 th July	The trustee provides the bankrupt with details of the sum required for a payment in full to creditors together with all costs and charges.	21 and 22
4 th August	Trustee notes that bankrupt has not responded to his earlier letter and reminds him that the arrears outstanding under the Income Payments Order dated 14 th February 2000 now stands at £900. Again he is warned of possible suspension of discharge due to his non-co-operation.	23
23 rd August	Trustee tells bankrupt that because he will not comply with the said Income Payments Order, the trustee intends applying for an attachment of earnings order.	24
14.	By letters dated 29 th November 2000 and 18 th December 2000 the Official Receiver asked the trustee if there had been any further response from the bankrupt (pages 25 and 26 of "ASHG1").	
15.	By letter dated 3 rd January 2001 the trustee confirmed they had not had any recent response from the bankrupt. The trustee also stated that his solicitors had written to the bankrupt asking for details of his current employers but they had not received any reply either (page 27 of "ASHG1").	
16.	The Official Receiver is of opinion that the bankrupt is failing in his statutory duty to co-operate with his trustee by not replying to his letters and failing to comply with the terms of the Income Payments Order made against him on 14 th February 2000 (page 28 of "ASHG1").	

In view of the foregoing the Official Receiver hereby applies to this Honourable Court for the relevant period under Section 279(3) of the Insolvency Act 1986 to be suspended until such time as the Official Receiver shall report that the bankrupt has complied with his obligation under the said Act by co-operating fully with his trustee in all matters relating to the administration of his estate, in particular, paying the arrears currently totalling £2,700 under the terms of the original Income Payments Order dated 14th February 2000.

Dated this day of January 2001

ASH Goh
Deputy Official Receivers

X

RE: FREDERICK MARK SLEMECK

EXHIBIT

This is the bundle marked "ASHG1" referred to in the Report of ALLEN SOON HENG GOH

Dated this day of January 2001