

Official Receiver's Office

"Think before you file a petition" video transcript

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Presentation video contents

"THINK" before you file and know the consequences of bankruptcy

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Bankruptcy is a change of status & may affect your ability to take on certain roles or professions

You may NOT be able to practise in certain professions such as lawyer, estate agent, securities dealer or act as a director of a limited company.

You are required to inform your employer if you are working in the banking sector.

ALL of your property will be passed to your trustee for distribution amongst your creditors.

In principle, your debts will be met from your property and income. For this purpose, you must hand over ALL your assets, BOTH overseas and local, to the trustee immediately upon the making of the bankruptcy order. You MUST also inform the trustee of your income for assessment as mentioned above.

If you own a property or half share of a property it will pass to your trustee.

Your share of the property will vest in your trustee in bankruptcy, who will attempt to sell your share of the property during or after your discharge at the price based on the market value of the concerned property, which may fluctuate.

There is NO exemption for the family home.

Your pension may be affected.

Your provident fund may vest in your trustee subject to provisions of the individual provident fund.

Your accrued benefits payment out from MPF during bankruptcy may be claimed by your trustee.

Your pension will cease to be payable upon the making of the bankruptcy order.

Upon discharge your property will NOT be passed back to you

All of your property which vested in your trustee will remain vested in your trustee after the discharge of bankruptcy.

For the benefits of creditors, administration of your estate will continue until all of your assets have been distributed amongst your creditors and your trustee has been released.

Co-operation with your trustee is key to being automatically discharged

You will be automatically discharged from bankruptcy in 4 years /5 years from the date of the bankruptcy order for 1st time and multi-time bankruptcy if:-

1. you have physically attended the initial interview and provided the trustee with all of the information concerning your affairs, dealings and property;
2. you have fully co-operated with your trustee; and
3. there is no objection from your creditors or trustee for discharge.

There are alternatives to bankruptcy and you should consult a debt counsellor for more information

You can choose :-

1. entering into a formal individual voluntary arrangement (“IVA”) with your creditors;
2. approaching your major creditors, for example your bank and they may be able to help you with an informal arrangement; and
3. approaching the following commonly-known non-government organisations offering FREE debt counselling advice:-

Tung Wah Group of Hospitals

Healthy Budgeting Family Debt Counselling Centre

<http://fdcc.tungwahcsd.org/en/>

Caritas Family Crisis Line & Education Centre

<http://debt.caritas.org.hk/>

For details, please visit our website at <https://www.oro.gov.hk/>

Thanks for Watching

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