

FORM 40

Report of Trustee on Proposal  
(Section 59(1) and paragraph 58(d) of the Act)

(Title Form 1)

I, \_\_\_\_\_, of \_\_\_\_\_, the trustee acting in the proposal of \_\_\_\_\_, hereby report to the Court as follows:

*(Paragraph 1 is to be used only in the case of a proposal by a bankrupt. In all other cases, go directly to paragraph 2.)*

1. That on the \_\_\_\_\_ day of \_\_\_\_\_, the debtor did make an assignment (or a bankruptcy order was, on the \_\_\_\_\_ day of \_\_\_\_\_, made against the above-named debtor) and that I was appointed trustee of the estate of the debtor (or, if a substitute trustee has been appointed, I was substituted as trustee for \_\_\_\_\_ by the creditors) on the \_\_\_\_\_ day of \_\_\_\_\_.

2. That a proposal was filed with me on the \_\_\_\_\_ day of \_\_\_\_\_ a copy of which is attached and marked as Exhibit "A", and that I filed a copy of the proposal with the official receiver on the \_\_\_\_\_ day of \_\_\_\_\_.

3. That on the \_\_\_\_\_ day of \_\_\_\_\_ I gave notice to the debtor, to the division office and to every known creditor affected by the proposal, whose names and addresses are shown in Exhibit "B" to this report, of the calling of a meeting of creditors to be held on the \_\_\_\_\_ day of \_\_\_\_\_ to consider the proposal.

4. That with the notice was included a condensed statement of the assets and liabilities of the debtor, a list of the creditors affected by the proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the proposal, a form of proof of claim and proxy in blank and a voting letter. Copies of the notice, the condensed statement and the list of creditors are attached and marked as Exhibits "C1", "C2" and "C3", respectively.

5. That prior to the meeting of creditors I made a detailed and careful inquiry into the liabilities of the debtor, the debtor's assets and their value, the debtor's conduct and the causes of the debtor's insolvency.

6. That the meeting of creditors was held on the \_\_\_\_\_ day of \_\_\_\_\_, and was presided over by \_\_\_\_\_.

7. That the proposal was accepted by the required majority of creditors (or the proposal was amended by \_\_\_\_\_ at the meeting and as so amended was accepted by the required majority of creditors).

8. That a copy of the minutes of the meeting is attached and marked as Exhibit "D".

FORM 40 – *Concluded*

9. That I am of the opinion that:

a) the assets of the debtor and their fair realizable value are as follows:

*(Set out assets in detail, giving for each its value as carried on the books of the debtor and its realizable value as estimated by you.)*

b) the liabilities of the debtor are as follows:

*(Set out the liabilities, state whether secured, preferred or unsecured, and point out any discrepancies between the liabilities as declared by the debtor and as subsequently proved and admitted by you.)*

10. That I am also of the opinion that:

a) the causes of the insolvency of the debtor are as follows:

*(Set out fully the causes of the insolvency of the debtor as you have, on careful inquiry, ascertained them to be.)*

b) the conduct of the debtor is subject to censure in the following respects:

*(Set out the reasons for this opinion, considering the conduct of the debtor both before and after the filing of the proposal.)*

c) the following facts, mentioned in section 173 of the Act, may be proved against the debtor:

*(Set out the relevant facts mentioned in section 173 of the Act.)*

11. That I am further of the opinion that the debtor's proposal is an advantageous one for the creditors (or is not an advantageous one for the creditors), for the following reasons:

*(Set out fully the reasons for your opinion.)*

12. That I forwarded a copy of this report to the official receiver on this day.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Licensed Insolvency Trustee

NOTE: If a copy of this Form is sent electronically by means such as email, the name and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.