



OFFICIAL RECEIVER'S OFFICE

破 產 管 理 署

10TH-12TH FLOORS, HIGH BLOCK,
QUEENSWAY GOVERNMENT OFFICES,
66 QUEENSWAY, HONG KONG.
香港金鐘道六十六號金鐘道政府合署高座十樓至十二樓

FAX (852) 2536 9963 (Case Management)
(852) 2501 0698 (Case Management)
(852) 2104 7151 (Case Management)
(852) 2104 7150 (Finance)
(852) 3105 1814 (Admin.)
(852) 3105 0435 (Legal Services)
(852) 3106 0347 (Personnel)

圖文傳真 (852) 2536 9963 (個案處理)
(852) 2501 0698 (個案處理)
(852) 2104 7151 (個案處理)
(852) 2104 7150 (財務)
(852) 3105 1814 (行政)
(852) 3105 0435 (法律事務)
(852) 3106 0347 (人事)

Internet Homepage Address
互聯網網址
<http://www.oro.gov.hk>

來函請註明本署檔號

IN REPLY PLEASE QUOTE THIS REF.: ORO CMD/1-80/30/2

來函檔號 YOUR REF.:

電 話 TEL. NO.: 2867 2515

圖文傳真 FAX NO.: 2110 0315

- (i) **The Hong Kong Institute of Certified Public Accountants**
- (ii) **The Law Society of Hong Kong**
- (iii) **The Hong Kong Chartered Governance Institute**

23 May 2024

Dear Sirs,

Professional Conduct and Duties of Private Insolvency Practitioners

The Official Receiver noted that there have been two recent judgments from the Court concerning the conduct of private insolvency practitioners (“PIPs”). Links to the judgments are set out below.

https://legalref.judiciary.hk/lrs/common/ju/ju_frame.jsp?DIS=159542&currpage=T

https://legalref.judiciary.hk/lrs/common/ju/ju_frame.jsp?DIS=155506&currpage=T

In these cases the Court have raised concerns about full and frank disclosure where there was a prior agreement in place concerning the fees to be paid to PIPs, as well as concerns about incorrect information being set out in disclosure statements required pursuant to Section 262D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Cap. 32.

In Insolvency proceedings, PIPs, whether as trustees in bankruptcy, provisional liquidators or liquidators, are officers of the Court, and owe a duty of full and frank disclosure to the Court. There is also a duty to avoid any conflict of interest, and a duty to act impartially in compliance with all relevant statutory provisions as well as codes of professional conduct when performing their duties.

This letter serves to draw to the attention of PIPs the comments made by the Court in the above judgments and to remind them of these fundamental duties of full and frank disclosure in all insolvency proceedings. PIPs are reminded to set out all matters required to be disclosed in a disclosure statement in compliance with section 262D of Cap. 32 and to avoid disclosing any relationship required to be disclosed under section 262D(1)(b) and (2) of Cap. 32 by way of a separate letter.

Please circulate this letter to your members who are insolvency practitioners. For any query please contact the undersigned.

Yours faithfully,

Signed
(Michael T S Cheung)
for Official Receiver