

**THE INSOLVENCY SERVICE
OA/OR (ENFORCEMENT)
CIRCULAR NO. 1 OF 1998**



**VEHICLES UNDER HIRE PURCHASE
AGREEMENT WHERE HIRER IS
A BANKRUPT OR WOUND UP COMPANY**

A CESSATION OF SEIZURE OF VEHICLES BY OA/OR

1 With effect from 15th August 1998, Official Receiver/Official Assignee **Will Not** seize any vehicle under Hire Purchase Agreement. The vehicle on Hire Purchase will be handed over directly to the Hire Purchase Company by the bankrupt or by the representative of the wound-up company on the Official Assignee/Official Receiver's directions. In the event, the Wound Up Company/Bankrupt surrenders the said vehicle to the Official Receiver/Official Assignee, the vehicle will be stored in the Official Assignee/Official Receiver's Warehouse and we will inform the Hire Purchase Company to takeover the said vehicle.

2 A Notice To Takeover the vehicle (see Appendix 'A') will be sent to the Hire Purchase Company and if the vehicle is not removed from Official Receiver/Official Assignee's warehouse within **Seven (7) Working Days**, from the date of the Notice the Official Assignee/Official Receiver reserves the right to charge **Storage Fees** which shall be borne by the Hire Purchase Company.

JAMIL BIN JAIDON
HEAD (ASSET MANAGEMENT DIVISION)
for OFFICIAL ASSIGNEE/OFFICIAL RECEIVER

**THE INSOLVENCY SERVICE
OA/OR (ENFORCEMENT)
CIRCULAR NO. 1 OF 2003
(AMENDMENTS MADE TO
CIRCULAR NO. 1 OF 1998)**



**DISPOSAL OF VEHICLE BY FINANCE COMPANY/BANK
UNDER HIRE PURCHASE AGREEMENT REPOSSESSED FROM
BANKRUPT OR WOUND-UP COMPANY**

Part B of Circular No. 1 of 1998 is replaced with the following:

1. The Hire Purchase Company must obtain three quotes for the vehicle. The vehicle must be sold to the highest bona fide offeror and the offer must be above the market valuation price of the vehicle. The market valuation price of the vehicle can be given by a used-car dealer. The vehicle must be sold immediately or as soon as practicable, upon its repossession by the Hire purchase company.
2. If the offer satisfies the conditions in paragraph 1, approval of the Official Assignee/Official Receiver for the sale of the said vehicle shall be deemed to have been given and you may proceed to accept the offer.
3. In the event the offer is below the market price of the vehicle, the Hire Purchase Company must first seek the return approval of the Official Assignee/Official Receiver before accepting the offer. The Official Assignee/Official Receiver will consider such cases on a case-by-case basis and inform the Hire Purchase Company of its decision accordingly.
4. Should the need arises for the vehicle to undergo repairs to be road worthy, a copy of the survey report and final repair bill must be forwarded to the Official Assignee/Official Receiver as soon as practicable.
5. The Hire Purchase Company must forward the following documents to the Official Assignee/Official Receiver within seven (7) days from the acceptance of the offer in the prescribed form (see Appendix B, C and D)
 - a) Form A
 - b) A copy of the Hire Purchase Agreement

- c) A copy of the Fifth Schedule
 - d) A copy of the Repossessed Certificate
 - e) A copy of the Vehicle Log Card/Log Book
 - f) Statement of outstanding amount
 - g) Market Valuation from used car dealers
 - h) Advertisement for sale
 - i) Copy of survey report (if applicable)
 - j) Copy of Final repair bill (if applicable)
6. Upon receipt of the documents, the Official Assignee/Official Receiver will inform the Land Transport Authority to 'untag' the vehicle and effect the transfer of the vehicle.

{Note: All vehicles will be double transferred}

APPENDIX B

VEHICLE UNDER HIRE PURCHASE AGREEMENT
SALE OF VEHICLE

Bankrupt's Name : _____
Bankruptcy No. : _____
Wound-Up Company's Name : _____
CWU No. : _____
Vehicle No. : _____
Make/Model : _____ Vehicle : New / 2nd Hand
Year of Manufacture : _____

Dear Sir/Madam

The above vehicle which is financed by us was put up for sale. Details of the offers are as follows:-

<u>Particulars of Offerors</u>	<u>Price</u>
_____	_____
_____	_____
_____	_____
_____	_____

We accepted the offer from _____ for _____ which is the highest offer.

Amount outstanding to date: _____

Valuation Price of Vehicle _____

APPENDIX C

To: Official Assignee/Official Receiver

Dear Sir

Bankrupt's Name	:	_____	
Bankruptcy No.	:	_____	
Wound-Up Company's Name	:	_____	
CWU No.	:	_____	
Vehicle No.	:	_____	
Make/Model	:	_____	Vehicle : New / 2 nd Hand
Year of Manufacture	:	_____	

1 The above vehicle which is financed by us was put up for sale. Details of the offers are as follows:

<u>Particulars of Offerors</u>	<u>Price</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2 The highest price offered is below the market valuation price of the vehicle. The market valuation price is \$_____.

3 We hereby seek your approval to accept the offer made by _____ for _____ even though it is below the market valuation price of the vehicle for the following reasons.

Signature of Representative
of Hire Purchase Company

FOR OFFICIAL USE

To: Hire Purchase Company

- * 1) The Official Assignee/Official Receiver hereby approves the sale of the vehicle to _____.
- 2) The Official Assignee/Official Receiver hereby disapproves the sale and instructs the Hire Purchase Company to(insert instructions here).....

ASSISTANT OA/OR

- Delete accordingly