

IN THE SUPREME COURT OF NOVA SCOTIA
IN BANKRUPTCY
Citation: Donald-Reagh (Re), 2008 NSSC 390

Date: December 19, 2008
Docket: B-31562
Registry: Halifax

District of Nova Scotia
Division No. 01
Court No. B-31562
Estate No. 51-880427

In the Matter of the Consumer Proposal of Heather Anne Donald-Reagh

LIBRARY HEADING

Registrar: Richard W. Cregan, Q.C.

Heard: July 11, 2008
September 12, 2008

Written Decision: December 19, 2008

Subject: Administrator's fees in a Consumer Proposal.

Summary: A consumer proposal was in default for more than three months and thus under the *Bankruptcy and Insolvency Act* was deemed annulled. However, the debtor later paid the administrator the balance owing on the proposal.

Issue: Whether the administrator was entitled to take fees on the balance as the proposal was annulled when the balance was paid.

Result:

There was no existing proposal under the *BIA* and thus no basis for entitlement to the fee. The money was paid to the administrator for the purpose of distribution to the creditors. Thus the administrator held it in trust for them and it should be paid to them without any deduction for fees.

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