

SCHEDULES

SCHEDULE 12

TAKING CONTROL OF GOODS

PART 2

THE PROCEDURE

Passing of title

- 51 (1) A purchaser of controlled goods acquires good title, with two exceptions.
- (2) The exceptions apply only if the goods are not the debtor's at the time of sale.
- (3) The first exception is where the purchaser, the creditor, the enforcement agent or a related party has notice that the goods are not the debtor's.
- (4) The second exception is where a lawful claimant has already made an application to the court claiming an interest in the goods.
- (5) A lawful claimant in relation to goods is a person who has an interest in them at the time of sale, other than an interest that was assigned or transferred to him while the property in the goods was bound for the purposes of the enforcement power.
- (6) A related party is any person who acts in exercise of an enforcement power, other than the creditor or enforcement agent.
- (7) "The court" has the same meaning as in paragraph 60.