

CYPRUS

FRAUDULENT TRANSFERS AVOIDANCE

CHAPTER 62 OF THE LAWS

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CHAPTER 62.

FRAUDULENT TRANSFERS AVOIDANCE.

ARRANGEMENT OF SECTIONS.

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TO PROVIDE FOR THE SETTING ASIDE OF TRANSFERS OF
PROPERTY MADE TO HINDER CREDITORS.

1949 Cap. 95.

[24th April, 1886.]

Short title

1. This Law may be cited as the Fraudulent Transfers Avoidance Law.

Interpretation.

2. In this Law—

“creditors of a debtor” means not only the persons to whom he is actually indebted, but also every sheriff, and every person acting for a sheriff, who shall lawfully put into execution any judgment given against the debtor, and also every person (if any) in whom the property of the debtor or the right to sell and dispose of it shall either by his own act or by operation of law become vested for the common benefit of all the persons to whom he is indebted ;

“judgment debt” means not only a debt for the payment of which a judgment has been given by a competent Court, but also every debt in respect of which the person to whom it is due has duly established his right to rank as a creditor of the person from whom it is due on the distribution of the property of the last-mentioned person under any law providing for the distribution of the property of bankrupts or insolvent persons among their creditors.

Avoidance of fraudulent transfers.

3. (1) Every gift, sale, pledge, mortgage or other transfer or disposal of any movable or immovable property made by any person with intent to hinder or delay his creditors

or any of them in recovering from him, his or their debts shall be deemed to be fraudulent, and shall be invalid as against such creditor or creditors; and, notwithstanding any such gift, sale, pledge, mortgage or other transfer or disposal, the property purported to be transferred or otherwise dealt with may be seized and sold in satisfaction of any judgment debt due from the person making such gift, sale, pledge, mortgage or other transfer or disposal.

(2) In any application under the provisions of this Law to set aside a transfer or assignment of any property made to any parent, spouse, child, brother or sister of the transferor or assignor otherwise than in exchange for money or for other property of equivalent value or for good consideration the onus of proving that such transfer or assignment was *bona fide* and not made with intent to hinder or delay his creditors shall rest upon the transferor or assignor and upon the person to whom such transfer or assignment has been made. 2 of 10/27.

(3) No sale, mortgage, transfer or assignment made in exchange for money or other property of equivalent value shall be voidable under the provisions of this Law, unless the purchaser, mortgagee, transferee, or assignee shall be shown to have accepted it with knowledge that such sale, mortgage, transfer, or assignment, was made by the vendor, mortgagor, transferor, or assignor with intent to delay or defraud his creditors.

4. Any gift, sale, pledge, mortgage or other transfer or disposal of any movable or immovable property deemed to be fraudulent under the provisions of section 3 of this Law whether made before or after the commencement of an action or other proceeding wherein the right to recover the debt has been established may be set aside by an order of the Court, to be obtained on the application of any judgment creditor made in such action or other proceeding, and to the Court before which such action or other proceeding has been heard or is pending. Procedure
to set aside
transfer.
3 of 10/27.
4 of 10/27.

5. It shall be lawful for the proper officer of District Lands Office, on delivery to him of an office copy of any order made under the provisions of the last preceding section to make or cause to be made all such registrations in the books of the District Lands Office as may be necessary consequent on the order. Registration
to be
rectified.