



Eighty-Eighth Congress, Session I
Public Law 88-17 — 77 Stat. 14 (H. R. 2833)
May 8, 1963

*AN ACT To amend subdivision d of section 60 of the Bankruptcy Act (11 U.S.C. 96d) so as to
give the court authority on its own motion to reexamine attorney fees paid or to be paid in a
bankruptcy proceeding.*

*Be it enacted by the Senate and House of Representatives of the United States of America in
Congress assembled, That subdivision d of section 60 of the Bankruptcy Act (11 U.S.C.
96d) is amended to read as follows:*

“d. If a debtor shall, directly or indirectly, in contemplation of the filing of a petition
by or against him, pay money or transfer property to an attorney at law, for services
rendered or to be rendered, the transaction may be examined by the court on its own
motion or shall be examined by the court on petition of the trustee or any creditor
and shall be held valid only to the extent of a reasonable amount to be determined by
the court, and the excess may be recovered by the trustee for the benefit of the estate.

“If, whether before or after filing, a debtor shall agree orally or in writing to pay
money or transfer property to an attorney at law after the filing, the transaction may
be examined by the court on its own motion or shall be examined by the court on
petition of the bankrupt made prior to discharge and shall be held valid only to the
extent of a reasonable amount to be determined by the court, and any excess
obligation shall be canceled, or if excess payment or transfer has been made, returned
to the bankrupt.”

APPROVED May 8, 1963.