
STATUTORY INSTRUMENTS

1989 No. 2405

The Insolvency (Northern Ireland) Order 1989

^{F1}PART V

**WINDING UP OF COMPANIES REGISTERED
UNDER [^{F1}the Companies Act 2006]**

CHAPTER I

PRELIMINARY

Contributories

Liability of past directors and shareholders

63 ^{F1}—(1) This Article applies where a company is being wound up and—

- (a) it has under [^{F2}Chapter 5 of Part 18 of the Companies Act 2006 (acquisition by limited company of its own shares: redemption or purchase by private company out of capital)] made a payment out of capital in respect of the redemption or purchase of any of its own shares (the payment being referred to in this Article as “the relevant payment”), and
- (b) the aggregate amount of the company's assets and the amounts paid by way of contribution to its assets (apart from this Article) is not sufficient for payment of its debts and liabilities, and the expenses of the winding up.

(2) If the winding up commenced within one year from the date on which the relevant payment was made, then—

- (a) the person from whom the shares were redeemed or purchased, and
- (b) the directors who signed the [^{F3}statement] made in accordance with [^{F4}section 714(1) to (3) of the Companies Act 2006] for the purposes of the redemption or purchase (except a director who shows that he had reasonable grounds for forming the opinion set out in the [^{F3}statement]),

are, so as to enable that insufficiency to be met, liable to contribute to the following extent to the company's assets.

(3) A person from whom any of the shares were redeemed or purchased is liable to contribute an amount not exceeding so much of the relevant payment as was made by the company in respect of his shares; and the directors are jointly and severally liable with that person to contribute that amount.

(4) A person who has contributed any amount to the assets in pursuance of this Article may apply to the High Court for an order directing any other person jointly and severally liable in respect of that amount to pay him such amount as the Court thinks just and equitable.

(5) [^{F5}Article 61 does not apply] in relation to liability accruing by virtue of this Article.

(6) ^{F6}.....

Status: Point in time view as at 12/05/2011. This version of this provision has been superseded.

Changes to legislation: The Insolvency (Northern Ireland) Order 1989, Section 63 is up to date with all changes known to be in force on or before 08 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- F1** mod. by SR 2004/307
- F2** Words in art. 63(1)(a) substituted (1.10.2009) by Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), arts. 2(1), 8, **Sch. 1 para. 111(6)(a)** (with art. 10)
- F3** Word in art. 63(2)(b) substituted (12.5.2011) by Companies Act 2006 (Consequential Amendments and Transitional Provisions) Order 2011 (S.I. 2011/1265), arts. 1(2), **7(2)**
- F4** Words in art. 63(2)(b) substituted (1.10.2009) by Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), arts. 2(1), 8, **Sch. 1 para. 111(6)(b)** (with art. 10)
- F5** Words in art. 63(5) substituted (1.10.2009) by Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), arts. 2(1), 8, **Sch. 1 para. 111(6)(c)** (with art. 10)
- F6** Art. 63(6) omitted (1.10.2009) by virtue of Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), arts. 2(1), 8, **Sch. 1 para. 111(6)(d)** (with art. 10)

Status:

Point in time view as at 12/05/2011. This version of this provision has been superseded.

Changes to legislation:

The Insolvency (Northern Ireland) Order 1989, Section 63 is up to date with all changes known to be in force on or before 08 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.