



Insolvency Act 1985

1985 CHAPTER 65

PART II

COMPANY INSOLVENCY ETC

CHAPTER I

DISQUALIFICATION AND PERSONAL LIABILITY OF DIRECTORS AND OTHERS

19 Summary remedy against delinquent directors, liquidators etc.

- (1) This section applies if in the course of the winding up of a company it appears that a person who—
- (a) is or has been an officer of the company ;
 - (b) has acted as liquidator, administrator or administrative receiver of the company ; or
 - (c) not being a person falling within paragraph (a) or (b) above, is or has been concerned, or has taken part, in the promotion, formation or management of the company,
- has misapplied or retained, or become accountable for, any money or other property of the company, or been guilty of any misfeasance or breach of any fiduciary or other duty in relation to the company.
- (2) The reference in subsection (1) above to any misfeasance or breach of any fiduciary or other duty in relation to the company includes, in the case of a person who has acted as liquidator or administrator of the company, a reference to any misfeasance or breach of any fiduciary or other duty in connection with the carrying out of his functions as liquidator or administrator of the company.
- (3) The court may, on the application of the official receiver or the liquidator, or of any creditor or contributory, examine into the conduct of the person falling within subsection (1) above and compel him—

Status: This is the original version (as it was originally enacted).

- (a) to repay, restore or account for the money or property, or any part of it, with interest at such rate as the court thinks just; or
 - (b) to contribute such sum to the company's assets by way of compensation in respect of the misfeasance or breach of fiduciary or other duty as the court thinks just.
- (4) The power to make an application under subsection (3) above in relation to a person who has acted as liquidator or administrator of the company shall not be exercisable, except with the leave of the court, after that person has had his release.
- (5) The power of a contributory to make an application under subsection (3) above shall not be exercisable except with the leave of the court but shall be exercisable notwithstanding that he will not benefit from any order the court may make on the application.