



Insolvency Act 1986

1986 CHAPTER 45

PART I

COMPANY VOLUNTARY ARRANGEMENTS

The Proposal

1 Those who may propose an arrangement.

- (1) The directors of a company [^{F1}(other than one which is in administration or being wound up)] may make a proposal under this Part to the company and to its creditors for a composition in satisfaction of its debts or a scheme of arrangement of its affairs (from here on referred to, in either case, as a “voluntary arrangement”).
- (2) A proposal under this Part is one which provides for some person (“the nominee”) to act in relation to the voluntary arrangement either as trustee or otherwise for the purpose of supervising its implementation; and the nominee must be a person who is qualified to act as an insolvency practitioner [^{F2F3}... in relation to the voluntary arrangement].
- (3) Such a proposal may also be made—
 - [^{F4}(a) where the company is in administration, by the administrator,]
 - (b) where the company is being wound up, by the liquidator.
- [^{F5}(4) In this Part “company” means—
 - [^{F6}(a) a company registered under the Companies Act 2006 in England and Wales or Scotland;]
 - (b) a company incorporated in an EEA State other than the United Kingdom; or
 - (c) a company not incorporated in an EEA State but having its centre of main interests in a member State other than Denmark.
- (5) In subsection (4), in relation to a company, “centre of main interests” has the same meaning as in the EC Regulation and, in the absence of proof to the contrary,

Status: Point in time view as at 01/10/2015. This version of this provision has been superseded.

Changes to legislation: Insolvency Act 1986, Section 1 is up to date with all changes known to be in force on or before 27 June 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)

is presumed to be the place of its registered office (within the meaning of that Regulation).

- (6) If a company incorporated outside the United Kingdom has a principal place of business in Northern Ireland, no proposal under this Part shall be made in relation to it unless it also has a principal place of business in England and Wales or Scotland (or both in England and Wales or Scotland).]

Textual Amendments

- F1** Words in s. 1(1) substituted (15.9.2003) by 2002 c. 40, ss. 248(3), 279, Sch. 17 para. 10(a) (with s. 249(1)-(3)(6)); S.I. 2003/2093, art. 2(1), Sch. 1 (subject to arts. 3-8 (as amended by S.I. 2003/2332, art. 2))
- F2** Words in s. 1(2) substituted (1.1.2003) by 2000 c. 39, s. 2, Sch. 2 Pt. I para. 2; S.I. 2002/2711, art. 2 (subject to transitional provisions in arts. 3-5)
- F3** Words in s. 1(2) omitted (1.10.2015) by virtue of Deregulation Act 2015 (c. 20), s. 115(7), Sch. 6 para. 20(2)(a); S.I. 2015/1732, art. 2(e)(vi)
- F4** S. 1(3)(a) substituted (15.9.2003) by 2002 c. 40, ss. 248(3), 279, Sch. 17 para. 10(b) (with s. 249(1)-(3)(6)); S.I. 2003/2093, art. 2(1), Sch. 1 (subject to arts. 3-8 (as amended by S.I. 2003/2332, art. 2))
- F5** S. 1(4)-(6) substituted (13.4.2005) for s. 1(4) by The Insolvency Act 1986 (Amendment) Regulations 2005 (S.I. 2005/879), reg. 2(2) (with reg. 3)
- F6** S. 1(4)(a) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009, (S.I. 2009/1941) arts. 2(1), 8, {Sch. 1 para. 71(2)} (with art. 10, Sch. 1 para. 84)

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