



Insolvency Act 1986

1986 CHAPTER 45

PART I

COMPANY VOLUNTARY ARRANGEMENTS

The Proposal

2 Procedure where nominee is not the liquidator or administrator.

- (1) This section applies where the nominee under section 1 is not the liquidator or administrator of the company [^{F1}and the directors do not propose to take steps to obtain a moratorium under section 1A for the company].
- (2) The nominee shall, within 28 days (or such longer period as the court may allow) after he is given notice of the proposal for a voluntary arrangement, submit a report to the court stating—
 - (a) [^{F2}whether, in his opinion, the proposed voluntary arrangement has a reasonable prospect of being approved and implemented,]
 - [^{F3}(b) whether, in his opinion, the proposal should be considered by a meeting of the company and by the company's creditors, and
 - (c) if in his opinion it should, the date on which, and time and place at which, he proposes a meeting of the company should be held.]
- (3) For the purposes of enabling the nominee to prepare his report, the person intending to make the proposal shall submit to the nominee—
 - (a) a document setting out the terms of the proposed voluntary arrangement, and
 - (b) a statement of the company's affairs containing—
 - (i) such particulars of its creditors and of its debts and other liabilities and of its assets as may be prescribed, and
 - (ii) such other information as may be prescribed.

[^{F4}(4) The court may—

Status: Point in time view as at 13/03/2018. This version of this provision has been superseded.

Changes to legislation: Insolvency Act 1986, Section 2 is up to date with all changes known to be in force on or before 07 August 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)

- (a) on an application made by the person intending to make the proposal, in a case where the nominee has failed to submit the report required by this section or has died, or
- (b) on an application made by that person or the nominee, in a case where it is impracticable or inappropriate for the nominee to continue to act as such,
- direct that the nominee be replaced as such by another person qualified to act as an insolvency practitioner^{F5}... in relation to the voluntary arrangement.]

Textual Amendments

- F1** Words in s. 2(1) added (1.1.2003) by 2000 c. 39, s. 1, **Sch. 1 para. 3**; S.I. 2002/2711, **art. 2** (subject to transitional provisions in **arts. 3-5**)
- F2** Words in s. 2(2) inserted (1.1.2003) by 2000 c. 39, s. 2, **Sch. 2 Pt. I para. 3(a)**; S.I. 2002/2711, **art. 2** (subject to transitional provisions in **arts. 3-5**)
- F3** S. 2(2)(b)(c) substituted for s. 2(2)(aa)(b) (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by **Small Business, Enterprise and Employment Act 2015 (c. 26), s. 164(1), Sch. 9 para. 2**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)
- F4** S. 2(4) substituted (1.1.2003) by 2000 c. 39, s. 2, **Sch. 2 Pt. I para. 3(b)**; S.I. 2002/2711, **art. 2** (subject to transitional provisions in **arts. 3-5**)
- F5** Words in s. 2(4) omitted (1.10.2015) by virtue of **Deregulation Act 2015 (c. 20), s. 115(7), Sch. 6 para. 20(2)(b)**; S.I. 2015/1732, art. 2(e)(vi)

Modifications etc. (not altering text)

- C1** **Ss. 2-6** applied (with modifications) by 2009 c. 1, s. 154(3A) (as inserted (13.3.2018) by **The Small Business, Enterprise and Employment Act 2015 (Consequential Amendments, Savings and Transitional Provisions) Regulations 2018 (S.I. 2018/208), regs. 1(3), 5(6)(c)**)

Status:

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