



Insolvency Act 1986

1986 CHAPTER 45

PART VI

MISCELLANEOUS PROVISIONS APPLYING TO COMPANIES WHICH ARE INSOLVENT OR IN LIQUIDATION

[^{F1}Decisions by creditors and contributories

[^{F1}246ZE] Decisions by creditors and contributories: general

- (1) This section applies where, for the purposes of this Group of Parts, a person (“P”) seeks a decision about any matter from a company's creditors or contributories.
- (2) The decision may be made by any qualifying decision procedure P thinks fit, except that it may not be made by a creditors' meeting or (as the case may be) a contributories' meeting unless subsection (3) applies.
- (3) This subsection applies if at least the minimum number of creditors or (as the case may be) contributories make a request to P in writing that the decision be made by a creditors' meeting or (as the case may be) a contributories' meeting.
- (4) If subsection (3) applies P must summon a creditors' meeting or (as the case may be) a contributories' meeting.
- (5) Subsection (2) is subject to any provision of this Act, the rules or any other legislation, or any order of the court—
 - (a) requiring a decision to be made, or prohibiting a decision from being made, by a particular qualifying decision procedure (other than a creditors' meeting or a contributories' meeting);
 - (b) permitting or requiring a decision to be made by a creditors' meeting or a contributories' meeting.
- (6) Section 246ZF provides that in certain cases the deemed consent procedure may be used instead of a qualifying decision procedure.

Status: Point in time view as at 15/03/2024.

Changes to legislation: Insolvency Act 1986, Section 246ZE is up to date with all changes known to be in force on or before 21 May 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)

- (7) For the purposes of subsection (3) the “minimum number” of creditors or contributories is any of the following—
- (a) 10% in value of the creditors or contributories;
 - (b) 10% in number of the creditors or contributories;
 - (c) 10 creditors or contributories.
- (8) The references in subsection (7) to creditors are to creditors of any class, even where a decision is sought only from creditors of a particular class.
- (9) In this section references to a meeting are to a meeting where the creditors or (as the case may be) contributories are invited to be present together at the same place (whether or not it is possible to attend the meeting without being present at that place).
- (10) Except as provided by subsection (8), references in this section to creditors include creditors of a particular class.
- (11) In this Group of Parts “qualifying decision procedure” means a procedure prescribed or authorised under paragraph 8A of Schedule 8.]

Textual Amendments

- F1** Ss. 246ZE-246ZG and cross-heading inserted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force, 6.4.2019 for S. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), **ss. 122(2)**, 164(1); S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(a) (with reg. 5) (as amended by S.I. 2017/363, reg. 3); S.I. 2019/816, reg. 4(a) (with reg. 5)

Modifications etc. (not altering text)

- C1** Ss. 246ZE, 246ZF modified by The Insolvent Partnerships Order 1994 (S.I. 1994/2421), Sch. 7A (as inserted (6.4.2017) by [The Deregulation Act 2015 and Small Business, Enterprise and Employment Act 2015 \(Consequential Amendments\) \(Savings\) Regulations 2017 \(S.I. 2017/540\)](#), reg. 1, **Sch. 2 para. 10** (with reg. 4))

Status:

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