



Insolvency Act 1986

1986 CHAPTER 45

PART VIII

INDIVIDUAL VOLUNTARY ARRANGEMENTS

Consideration and implementation of debtor's proposal

^{F1}262 Challenge of meeting's decision.

- (1) Subject to this section, an application to the court may be made, by any of the persons specified below, on one or both of the following grounds, namely—
 - (a) that a voluntary arrangement approved by a creditors' meeting summoned under section 257 unfairly prejudices the interests of a creditor of the debtor;
 - (b) that there has been some material irregularity at or in relation to such a meeting.
- (2) The persons who may apply under this section are—
 - (a) the debtor;
 - (b) a person entitled, in accordance with the rules, to vote at the creditors' meeting;
 - (c) the nominee (or his replacement under section 256(3)(a) or 258(3)); and
 - (d) if the debtor is an undischarged bankrupt, the trustee of his estate or the official receiver.
- (3) An application under this section shall not be made after the end of the period of 28 days beginning with the day on which the report of the creditors' meeting was made to the court under section 259.
- (4) Where on an application under this section the court is satisfied as to either of the grounds mentioned in subsection (1), it may do one or both of the following, namely—
 - (a) revoke or suspend any approval given by the meeting;

Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation: Insolvency Act 1986, Section 262 is up to date with all changes known to be in force on or before 24 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)

- (b) give a direction to any person for the summoning of a further meeting of the debtor's creditors to consider any revised proposal he may make or, in a case falling within subsection (1)(b), to reconsider his original proposal.
- (5) Where at any time after giving a direction under subsection (4)(b) for the summoning of a meeting to consider a revised proposal the court is satisfied that the debtor does not intend to submit such a proposal, the court shall revoke the direction and revoke or suspend any approval given at the previous meeting.
- (6) Where the court gives a direction under subsection (4)(b), it may also give a direction continuing or, as the case may require, renewing, for such period as may be specified in the direction, the effect in relation to the debtor of any interim order.
- (7) In any case where the court, on an application made under this section with respect to a creditors' meeting, gives a direction under subsection (4)(b) or revokes or suspends an approval under subsection (4)(a) or (5), the court may give such supplemental directions as it thinks fit and, in particular, directions with respect to—
 - (a) things done since the meeting under any voluntary arrangement approved by the meeting, and
 - (b) such things done since the meeting as could not have been done if any interim order had been in force in relation to the debtor when they were done.
- (8) Except in pursuance of the preceding provisions of this section, an approval given at a creditors' meeting summoned under section 257 is not invalidated by any irregularity at or in relation to the meeting.

Textual Amendments

F1 S. 262 amended (1.12.2001) by 2000 c. 8, s. 357(5)(a); S.I. 2001/3538, art. 2(1)

Modifications etc. (not altering text)

C1 Ss. 256–263 applied with modifications by S.I. 1986/1999, art. 3, Sch. I Pt. III

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