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STATUTORY INSTRUMENTS

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**1986 No. 1925**

**The Insolvency Rules 1986**

THE FIRST GROUP OF PARTS

PART 1

COMPANY VOLUNTARY ARRANGEMENTS

CHAPTER 5

PROCEEDINGS ON A PROPOSAL MADE BY THE DIRECTORS,  
OR BY THE ADMINISTRATOR, OR BY THE LIQUIDATOR

*SECTION B: VOTING RIGHTS AND MAJORITIES*

**Voting rights (creditors)**

**1.17.**—(1) Subject as follows, every creditor who was given notice of the creditors' meeting is entitled to vote at the meeting or any adjournment of it.

(2) Votes are calculated according to the amount of the creditor's debt as at the date of the meeting or, where the company is being wound up or is subject to an administration order, the date of its going into liquidation or (as the case may be) of the administration order.

(3) A creditor shall not vote in respect of a debt for an unliquidated amount, or any debt whose value is not ascertained, except where the chairman agrees to put upon the debt an estimated minimum value for the purpose of entitlement to vote.

(4) At any creditors' meeting the chairman has power to admit or reject a creditor's claim for the purpose of his entitlement to vote, and the power is exercisable with respect to the whole or any part of the claim.

(5) The chairman's decision on a creditor's entitlement to vote is subject to appeal to the court by any creditor or member of the company.

(6) If the chairman is in doubt whether a claim should be admitted or rejected, he shall mark it as objected to and allow the creditor to vote, subject to his vote being subsequently declared invalid if the objection to the claim is sustained.

(7) If on an appeal the chairman's decision is reversed or varied, or a creditor's vote is declared invalid, the court may order another meeting to be summoned, or make such other order as it thinks just.

The court's power to make an order under this paragraph is exercisable only if it considers that the matter is such as gives rise to unfair prejudice or material irregularity.

(8) An application to the court by way of appeal against the chairman's decision shall not be made after the end of the period of 28 days beginning with the first day on which each of the reports required by section 4(6) has been made to the court.

(9) The chairman is not personally liable for any costs incurred by any person in respect of an appeal under this Rule.