
STATUTORY INSTRUMENTS

1986 No. 1925

The Insolvency Rules 1986

THE FIRST GROUP OF PARTS

PART 4

COMPANIES WINDING UP

CHAPTER 12

THE LIQUIDATION COMMITTEE

Membership of committee

4.152.—(1) Subject to Rule 4.154 below, the liquidation committee shall consist as follows—

- (a) in any case of at least 3, and not more than 5, creditors of the company elected by the meeting of creditors held under section 141 of the Act, and
- (b) also, in the case of a solvent winding up, where the contributories' meeting held under that section so decides, of up to 3 contributories, elected by that meeting.

(NO CVL APPLICATION)

(2-CVL) The committee must have at least 3 members before it can be established.

(3) Any creditor of the company (other than one whose debt is fully secured) is eligible to be a member of the committee, so long as—

- (a) he has lodged a proof of his debt, and
- (b) his proof has neither been wholly disallowed for voting purposes, nor wholly rejected for purposes of distribution or dividend.

(4) No person can be a member as both a creditor and a contributory.

(5) A body corporate may be a member of the committee, but it cannot act as such otherwise than by a representative appointed under Rule 4.159.

(6) Members of the committee elected or appointed to represent the creditors are called “creditor members”; and those elected or appointed to represent the contributories are called “contributory members”.

(7) Where a representative of the Deposit Protection Board exercises the right (under section 28 of the Banking Act 1979) to be a member of the committee, he is to be regarded as an additional creditor member.