
STATUTORY INSTRUMENTS

2021 No. 1178

The Payment and Electronic Money Institution
Insolvency (England and Wales) Rules 2021

PART 3

Process of Special Administration

CHAPTER 4

Meetings generally

Meetings generally

35. Except where different provision is made in the Regulations or these Rules, this Chapter applies to meetings summoned by the administrator under—

- (a) paragraph 51;
- (b) paragraph 54(2);
- (c) paragraph 62;

or following a request or a direction from the court under paragraph 56.

Venue

36.—(1) In fixing the venue for a meeting, the convener must have regard to the convenience of those attending.

(2) Meetings must be summoned for commencement between 10.00 and 16.00 hours on a business day (subject to any direction by the court).

(3) In this rule, “meeting” includes an adjourned meeting.

Notice of meeting by individual notice: when and where sent

37.—(1) This rule applies except where the court orders under rule 39 that notice of a meeting be given by advertisement only.

(2) Notice summoning a meeting must be delivered at least fourteen days before the day fixed for the meeting as provided in paragraph (3).

(3) Notice must be sent—

- (a) for a meeting involving the creditors, to all the creditors of whose address the administrator is aware and who had claims against the institution at the date when it entered special administration (except for those who have subsequently been paid in full);
- (b) for a meeting involving the customers, to all customers of whose relevant funds claim the administrator is aware and has a means of contacting (except for those who have no outstanding relevant funds claims);

- (c) for a meeting of contributories, to every person appearing (by the institution's books or otherwise) to be a contributory of the institution and of whose address the administrator is aware.
- (4) The FCA must also be notified of any such meeting.

Notice of meeting by individual notice: content and accompanying documents

38.—(1) This rule applies except where the court orders under rule 39 that notice of a meeting be given by advertisement only.

(2) Notice summoning a meeting must specify the purpose of and venue for the meeting and state that a creditor or customer wishing to vote at the meeting must lodge claims (including relevant funds claims) or proofs and (if applicable) proxies at a specified place not later than 12.00 hours on the business day before the date fixed for the meeting.

(3) A blank proxy complying with rule 90 must be sent out with every notice summoning a meeting.

Notice of meeting by advertisement only

39.—(1) The court may order that notice of any meeting under these Rules be given by advertisement and not by individual notice to the persons concerned.

- (2) In considering whether so to order, the court must have regard to:
 - (a) the cost of advertisement,
 - (b) the amount of assets available, and
 - (c) the extent of the interest of creditors, customers, members and contributories or any particular class of them.

Content of notice for meetings

40.—(1) Notice of a meeting of the creditors, the customers or a meeting of creditors and customers, must contain the following information—

- (a) a statement that the proceedings are being held in the court and the court reference number;
- (b) the full name, registered address, registered number and any other trading names of the institution;
- (c) the full name and business address of the administrator;
- (d) details of the venue of the meeting;
- (e) whether the meeting is—
 - (i) an initial creditors' and customers' meeting under paragraph 51,
 - (ii) to consider revisions to the administrator's proposals under paragraph 54(2),
 - (iii) a further creditors', or creditors and customers', or customers' meeting under paragraph 56, or
 - (iv) a meeting under paragraph 62,

unless the court orders that it be given by advertisement only in accordance with rule 39.

(2) Where the court orders an extension to the period set out in paragraph 51(2)(b), the administrator must notify each person who was sent notice in accordance with paragraph 49(4).

Gazetting and advertisement of meetings

41.—(1) The administrator, in convening a meeting under these Rules, must have gazetted a notice which, in addition to the standard contents, must state—

- (a) that a meeting of:
 - (i) creditors,
 - (ii) customers,
 - (iii) creditors and customers,
 - (iv) members, or
 - (v) contributories

is to take place,

- (b) the venue fixed for the meeting,
- (c) the purpose of the meeting, and
- (d) the time and date by which, and place at which, those attending who wish to vote must lodge proxies and (in the case of a meeting of creditors, customers or both) claims or proofs.

(2) Notice under this rule must be gazetted before or as soon as is reasonably practicable after notice is given to those attending.

(3) Information to be gazetted under this rule may also be advertised in such other manner as the administrator thinks fit.

Non-receipt of notice of meeting

42. Where, in accordance with the Regulations or these Rules, a meeting is summoned by notice, the meeting is presumed to have been duly summoned and held, even if not all those to whom the notice is to be given have received it.

Requisition of meetings

43.—(1) A request for a requisitioned meeting must contain the following information—

- (a) a statement that the proceedings are being held in the court and the court reference number,
- (b) the full name, registered address and registered number of the institution,
- (c) the full name and address of the creditor requesting the meeting, and
- (d) the full amount of that creditor's claim.

(2) The request for a requisitioned meeting must include a statement of the purpose of the proposed meeting and—

- (a) either—
 - (i) a list of the creditors concurring with the request and of the amounts of their respective claims, and
 - (ii) written confirmation of concurrence from each creditor concurring, or
- (b) a statement that the requesting creditor's debt alone is sufficient without the concurrence of other creditors.

(3) A requisitioned meeting must be held within twenty-eight days of the date of the administrator's receipt of the notice.

(4) The administrator—

- (a) must notify the FCA of the details and purpose of the requisitioned meeting, and

- (b) may, if the administrator thinks appropriate, also summon customers to the requisitioned meeting.

Expenses of requisitioned meetings

44.—(1) The expenses of summoning and holding a requisitioned meeting must be paid by the person who makes the request, who must deposit with the administrator security for their payment.

(2) The security to be deposited must be such sum as the administrator may determine, and the administrator must not act without the security having been deposited.

(3) The meeting may resolve that the expenses of summoning and holding it are to be payable out of the assets of the institution as an expense of the special administration.

(4) To the extent that any deposit made under this rule is not required for the payment of expenses of summoning and holding the meeting, it must be repaid to the person who made it.

Quorum at meetings

45.—(1) A meeting of creditors, customers, creditors and customers or contributories is not competent to act unless a quorum is present.

(2) A quorum is—

- (a) in the case of a meeting of creditors, at least one creditor entitled to vote;
- (b) in the case of a meeting of customers, at least one customer entitled to vote;
- (c) in the case of a meeting of creditors and customers, at least one creditor and one customer who are each entitled to vote;
- (d) in the case of a meeting of contributories, at least two contributories so entitled, or all the contributories, if their number does not exceed two.

(3) Where—

- (a) the provisions of this rule as to a quorum being present are satisfied by the attendance of—
 - (i) the chair alone, or
 - (ii) one other person in addition to the chair, and
- (b) the chair is aware, by virtue of claims or proofs and proxies received or otherwise, that one or more additional persons would, if attending, be entitled to vote,

the meeting must not commence until at least the expiry of 15 minutes after the time appointed for its commencement.

Chair at meetings

46.—(1) At any meeting of the creditors, the customers, or creditors and customers summoned by the administrator, either the administrator must be the chair, or a person nominated by the administrator in writing to act in the administrator's place.

(2) A person so nominated must be either—

- (a) one who is qualified to act as an insolvency practitioner in relation to the institution, or
- (b) an employee of the administrator or the administrator's firm who is experienced in insolvency matters.

(3) Where the chair holds a proxy which includes a requirement to vote for a particular resolution and no other person proposes that resolution—

- (a) the chair must propose it unless the chair considers that there is good reason for not doing so, and

- (b) if the chair does not propose it, the chair must as soon as is reasonably practicable after the meeting notify the principal of the reason why not.

Adjournment by chair

47.—(1) The chair may, and must if the meeting so resolves, adjourn the meeting to such time and place as seems to the chair to be appropriate in the circumstances.

(2) An adjournment under this rule must not be for a period of more than fourteen days, subject to any direction by the court.

(3) If there are further adjournments, the final adjournment must not be to a day later than fourteen days after the date on which the meeting was originally held.

(4) Rule 36 applies with regard to the venue fixed for a meeting adjourned under this rule.

(5) This rule does not apply to the initial meeting of creditors and customers.

Adjournment in absence of chair

48.—(1) If within 30 minutes from the time fixed for commencement of a meeting there is no person present to act as chair, the meeting stands adjourned to the same time and place in the following week or, if that is not a business day, to the business day immediately following.

(2) If within 30 minutes from the time fixed for the commencement of the meeting those persons attending the meeting do not constitute a quorum, the chair may adjourn the meeting to such time and place as the chair may appoint.

Claims, proofs and proxies in adjournment

49. Where a meeting under these Rules is adjourned, claims, proofs and proxies may be used if lodged at any time up to 12.00 hours on the business day immediately before the adjourned meeting.

Suspension

50. Once only in the course of a meeting, the chair may, without an adjournment, declare it suspended for any period up to one hour.

Venue and conduct of company meetings

51.—(1) Where the administrator summons a meeting of members of the institution, the administrator must fix a venue for it having regard to their convenience.

(2) The chair of the meeting must be the administrator or a person nominated by the administrator in writing to act in the administrator's place.

(3) A person so nominated must be—

(a) one who is qualified to act as an insolvency practitioner in relation to the institution, or

(b) an employee of the administrator or the administrator's firm who is experienced in insolvency matters.

(4) If within 30 minutes from the time fixed for commencement of the meeting there is no person present to act as chair, the meeting stands adjourned to the same time and place in the following week or, if that is not a business day, to the business day immediately following.

(5) Subject to anything to the contrary in the Regulations and these Rules, the meeting must be summoned and conducted in accordance with the law of England and Wales, including any applicable provision in or made under CA 2006.

(6) The chair of the meeting must ensure that minutes of its proceedings are entered in the company's minute book.