

## Circumstances in which compromise or arrangement becomes binding on creditors or members concerned

453. (1) If the following conditions are satisfied, a compromise or arrangement shall be binding, with effect from the date of delivery referred to in section 454 (1), on all the creditors or class of creditors referred to in section 450 (1)(a) or all the members or class of members referred to in section 450 (1)(b) (or both as the case may be) and also on—

(a) the company, or

(b) in the case of a company in the course of being wound up, on the liquidator and contributories of the company.

(2) The conditions referred to in subsection (1) are:

(a) a special majority at the scheme meeting, or, where more than one scheme meeting is held, at each of the scheme meetings, votes in favour of a resolution agreeing to the compromise or arrangement;

(b) notice—

(i) of the passing of such resolution or resolutions at the scheme meeting or scheme meetings, and

(ii) that an application will be made under paragraph (c) to the court in relation to the compromise or arrangement,

is advertised once in at least 2 daily newspapers circulating in the district where the registered office or principal place of business of the company is situated; and

(c) the court, on application to it, sanctions the compromise or arrangement.

(3) Section 192 shall apply to any such resolution as is mentioned in subsection (2)(a) which is passed at any adjourned scheme meeting.

(4) Where a State authority is a creditor of the company, such authority shall be entitled to accept proposals under this section notwithstanding—

(a) that any claim of such authority as a creditor would be impaired under the proposals, or

(b) any other enactment.

(5) In subsection (4) “State authority” means the State, a Minister of the Government, a local authority or the Revenue Commissioners.