

CHAPTER 10 Committee of inspection

Appointment of committee of inspection in court ordered winding up

666. (1) When a winding-up order has been made by the court, the liquidator may and, if directed to do so by a creditor or creditors representing not less than one-tenth in value of the creditors of the company shall, summon a meeting of the creditors of the company for the purpose of determining—

(a) whether or not a committee of inspection is to be appointed, and

(b) who are to be the members of the committee if so appointed.

(2) At a meeting summoned in accordance with subsection (1), the creditors may, if they think fit, appoint a committee of inspection consisting of not more than 5 persons appointed under this subsection.

(3) If such a committee is appointed the company may, at any time subsequently in general meeting, appoint not more than 3 persons to act as members of the committee, provided that the number of members of the committee shall not at any time exceed eight.

(4) The creditors may resolve that all or any of the persons appointed under subsection (3) by the company ought not to be members of the committee of inspection, and if the creditors so resolve, the persons mentioned in the resolution shall not, unless the court, on application to it, otherwise directs, be qualified to act as members of the committee.

(5) On an application to the court under subsection (4), the court may appoint other persons to act as members of the committee of inspection in place of the persons mentioned in the resolution concerned.

(6) Where a meeting of the creditors or members of the company is being summoned under this section, the notice of the meeting shall indicate who are proposed to be appointed as the members of the committee of inspection by the meeting concerned.