

## Pooling of assets of related companies

600. (1) Where 2 or more related companies are being wound up and the court, on the application of the liquidator, or any creditor or contributor, of any of the companies, is satisfied that it is just and equitable to do so, it may make the following order.

(2) That order is one that, to the extent specified in the order, the companies shall be wound up together as if they were one company, and if such an order is made, it shall, subject to the provisions of this section, have effect and all the relevant provisions of this Part shall apply accordingly.

(3) The court may specify that that order shall be subject to such terms and conditions as the court thinks fit.

(4) In determining those terms and conditions, the court shall have particular regard to the interests of those persons who are members of some, but not all, of the companies.

(5) Where the court makes an order under this section—

(a) the court may remove any liquidator of any of the companies, and appoint any person to act as liquidator of any one or more of the companies,

(b) the court may give such directions as it thinks fit for the purpose of giving effect to the order,

(c) nothing in this section or the order shall affect the rights of any secured creditor of any of the companies,

(d) debts of a company that are to be paid in priority to all other debts of the company pursuant to sections 621 and 622 shall, to the extent that they are not paid out of the assets of that company, be subject to the claims of holders of debentures under any floating charge created by any of the other companies,

(e) unless the court otherwise orders, the claims of all unsecured creditors of the companies shall rank equally among themselves.

(6) In deciding whether it is just and equitable to make an order under this section, the court shall have regard to the following matters:

(a) the extent to which any of the companies took part in the management of any of the other companies;

(b) the conduct of any of the companies towards the creditors of any of the other companies;

(c) the extent to which the circumstances that gave rise to the winding up of any of the companies is attributable to the acts or omissions of any of the other companies;

(d) the extent to which the businesses of the companies have been intermingled.

(7) Notwithstanding any other provision, it shall not be just and equitable to make an order under this section if the only ground for making the order is—

(a) the fact that a company is related to another company, or

(b) that creditors of a company being wound up have relied on the fact that another company is or has been related to the first-mentioned company.

(8) Notice of an application to the court for the purposes of this section shall be served on every company specified in the application, and on such other persons as the court may direct, not later than the end of the 8th day before the day the application is heard.

(9) Without prejudice to subsection (8), where a related company, the subject of an application for an order under this section, is a credit institution, a copy of the application shall be sent by the applicant to the Central Bank which shall be entitled to be heard by the court before an order is made.