

## Entries of satisfaction and release of property from charge

416. (1) The Registrar may exercise the powers under subsection (2), on evidence being given to his or her satisfaction with respect to any charge registered under this Part—

(a) that the debt in relation to which the charge was created has been paid or satisfied in whole or in part, or

(b) that part of the property charged has been released from the charge or has ceased to form part of the company's property,

and, where the satisfaction or release has not been signed by or on behalf of the chargee, after giving notice to the person who, for the time being, stands registered as the person entitled to such charge or to the judgment creditor, as the case may be.

(2) Those powers are to enter on the register a memorandum—

(a) of satisfaction in whole or in part, or

(b) of the fact that part of the property has been released from the charge or has ceased to form part of the company's property,

as the case may be.

(3) Where the Registrar enters such a memorandum of satisfaction in whole, he or she shall, if required, furnish the company with a copy of it.

(4) The Registrar may accept as evidence of a satisfaction or release referred to in subsection (1)(a) or (b) a statement in the prescribed form signed by a director and secretary of the company, or by 2 directors of the company, stating that the satisfaction or release has occurred.

(5) Where a person signs a statement referred to in subsection (4) knowing it to be false, the person shall be guilty of a category 2 offence.

(6) Where a person signs a statement referred to in subsection (4) and in doing so did not honestly believe on reasonable grounds that the statement was true, and the court considers that the making of that statement—

(a) contributed to the company being unable to pay its debts,

(b) prevented or impeded the orderly winding up of the company, or

(c) facilitated the defrauding of the creditors of the company,

the court, on the application of the liquidator or examiner or receiver of the property of, or any creditor or contributor of, the company, may, if it thinks it proper to do so, make the following declaration.

(7) That declaration is that that signatory shall be personally liable, without limitation of liability, for all or such part as the court may specify of the debts and other liabilities of the company.