

Supplemental provisions in relation to section 541

542. (1) Any amendments of the constitution of the company concerned which are specified in the relevant proposals shall, after confirmation of the proposals by the court under section 541 and notwithstanding any other provisions of this Act, take effect from a date fixed by the court.

(2) Where the court confirms proposals under section 541 it may make such orders for the implementation of its decision as it deems fit.

(3) A compromise or scheme of arrangement, proposals for which have been confirmed under section 541, shall come into effect from a date fixed by the court, which date (unless the court deems it appropriate to fix a later one) shall be a date falling no later than 21 days after the date of the proposals' confirmation.

(4) On the confirmation of proposals, a certified copy of any order made by the court under section 541 shall be delivered by the examiner, or by such person as the court may direct, to the Registrar.

(5) Where—

(a) the court refuses to confirm proposals under section 541, or

(b) the report of an examiner under section 534 concludes that, following the required meetings of creditors of a company under this Part, it has not been possible to reach agreement on a compromise or scheme of arrangement,

the court may, if it considers it just and equitable to do so, make an order for the winding up of the company, or any other order as it deems fit.

(6) Notwithstanding—

(a) subsection (4), or any other provision of this Part, nothing in this Part shall prevent the examiner from including in a report under section 534 proposals which will not involve the impairment of the interests of members or creditors of the company nor the court from confirming any such proposals, or

(b) any foregoing provision of this Part or any provision of Part 3, nothing in this Part or Part 3 shall prevent the examiner from including in a report under section 534 proposals which provide for a reduction of the company's company capital nor, subject to subsection (7), the court from confirming any such proposals.

(7) If the extent of the reduction of the company's company capital provided for in the proposals as referred to in subsection (6)(b) would, in the opinion of the court, and having regard to—

(a) the scale and nature of the business that the company carries on, and

(b) the likely liabilities it will incur on an on-going basis after the period of protection has expired,

result in the company's having an amount of company capital that is manifestly inadequate, the court shall not confirm the proposals or, where appropriate, shall confirm the proposals subject to a modification that a lower level of reduction, as determined by the court, of the company's company capital shall have effect under the compromise or scheme of arrangement.

(8) References in section 541 or any other provision of this Part to acceptance by a class of creditors or members of proposals are references to the proposals' acceptance at the relevant meeting held under section 540, that is to say acceptance signified by a resolution passed, at that meeting, by the requisite majority referred to in (in the case of creditors) section 540 (4) or (in the case of members) section 191 (1).