

Constitution and proceedings of committee of inspection

668. (1) A committee of inspection appointed in pursuance of this Act (the “committee”) shall meet at such times as they from time to time appoint, and the liquidator or any member of the committee may also call a meeting of the committee as and when he or she thinks necessary.

(2) The committee may act by a majority of their members present at a meeting but shall not act unless a majority of the committee is present.

(3) A member of the committee may resign by notice in writing signed by him or her and delivered to the liquidator.

(4) A person's office as member of the committee becomes vacant if and upon any of the following happening:

(a) the person is adjudicated bankrupt or compounds or arranges with his or her creditors;

(b) the person is absent from 2 consecutive meetings of the committee without the leave of those persons who, together with himself or herself, were appointed as members of the committee by the creditors or, as the case may be, members of the company.

(5) A member of the committee may be removed by resolution at a meeting of—

(a) creditors of the company if he or she was appointed as member of the committee by those creditors,
or

(b) the company if he or she was appointed as member of the committee by the company,

being a meeting of which 7 days' notice has been given and which notice stated the object of the meeting.

(6) Subject to subsection (7), on a vacancy occurring in the committee, the liquidator shall forthwith summon a meeting of—

(a) creditors of the company, or

(b) if the person who vacated office had been appointed by the company, of the company,

to fill the vacancy, and the meeting may, by resolution, reappoint the person who vacated office or appoint another person to fill the vacancy.

(7) If the liquidator, having regard to the position in the winding up, is of the opinion that it is unnecessary for a vacancy occurring in the committee to be filled, he or she may apply to the court and the

court may make an order that the vacancy shall not be filled or shall not be filled except in such circumstances as may be specified in the order.

(8) The continuing members of the committee, if not less than 2, may act notwithstanding any vacancy in the committee.

(9) A member of the committee shall not make a profit from the winding up, except with the leave of the court or the sanction of—

(a) in the case of a members' voluntary winding up, a resolution of the company, or

(b) in the case of a creditors' voluntary winding up, a resolution of the creditors of the company.

(10) At a meeting of creditors, a resolution shall, for the purposes of this section (other than subsection (9)(b)), be deemed to be passed when a majority in number of the creditors present personally or by proxy and voting on the resolution have voted in favour of the resolution.