

Restrictions in creditors' voluntary winding up and procedures in case of certain defaults

630. (1) This section applies where, in the case of a creditors' voluntary winding up, a liquidator has been nominated by the company.

(2) Subject to subsection (3), the powers conferred on the liquidator by section 627 shall not be exercised, except with sanction of the court, during the period before the holding of the creditors' meeting under section 587.

(3) Subsection (2) does not apply in relation to the exercise of a power specified in paragraph 9 of the Table to section 627.

(4) The liquidator shall attend the creditors' meeting held under section 587 and shall report to the meeting on any exercise by him or her of the powers under section 627 or 631.

(5) If default is made—

(a) by the company in complying with section 587 (1), (2) or (6), or

(b) by the directors of the company in complying with section 587 (7),

the liquidator shall, within 14 days after the relevant day, apply to the court for directions as to the manner in which that default is to be remedied.

(6) In subsection (5), the “relevant day” means the day on which the liquidator was nominated by the company or the day on which he or she first became aware of the default, whichever is the later.

(7) If a liquidator, without reasonable excuse, fails to comply with any provision of this section, he or she shall be guilty of a category 3 offence.