

**327. Winding up of unregistered companies**

- (1) Subject to the provisions of this Part, any unregistered company may be wound up under this Ordinance, and all the provisions of this Ordinance with respect to winding up shall apply to an unregistered company, with the exceptions and additions mentioned in this section.
- (2) No unregistered company shall be wound up voluntarily under this Ordinance.
- (3) The circumstances in which an unregistered company may be wound up are as follows—
  - (a) if the company is dissolved, or has ceased to carry on business, or is carrying on business only for the purpose of winding up its affairs;
  - (b) if the company is unable to pay its debts;
  - (c) if the court is of opinion that it is just and equitable that the company should be wound up.
- (4) An unregistered company shall, for the purposes of this Ordinance, be deemed to be unable to pay its debts—
  - (a) if—
    - (i) a creditor, by assignment or otherwise, to whom the company is indebted in a sum then due that equals or exceeds the specified amount, has served on the company a written demand in the prescribed form requiring the company to pay the sum so due—
      - (A) by leaving the demand at the principal place of business of the company;
      - (B) by delivering the demand to any officer of the company; or
      - (C) by otherwise serving the demand in any manner that the court may approve or direct; and
    - (ii) the company has for 3 weeks after the service of the demand neglected to pay the sum, or to secure or compound for it to the reasonable satisfaction of the creditor;  
(Replaced 14 of 2016 s. 109)
  - (b) if any action or other proceeding has been instituted against any member for any debt or demand due, or claimed to be due, from the company, or from him in his character of member, and notice in writing of the institution of the action or proceeding having been served on the company by leaving the same at its principal place of business, or by delivering it to any officer of the company, or by otherwise serving the same in such manner as the court may approve or direct, the company has not within 10 days after service of the notice paid, secured or compounded for the debt or demand, or procured the action or proceeding to be stayed, or indemnified the defendant to his reasonable satisfaction against the action or proceeding, and against all costs, damages and expenses to be incurred by him by reason of the same;
  - (c) if execution or other process issued on a judgment, decree or order obtained in any court in favour of a creditor against the company, or any member thereof as such, or any person authorized to be sued as nominal defendant on behalf of the company, is returned unsatisfied; or (Amended 14 of 2016 s. 109)
  - (d) if it is otherwise proved to the satisfaction of the court that the company is unable to pay its debts.
- (5) For the purpose of subsection (4)(a), **specified amount** (指明款額) means the amount of \$10,000 or, where an amount is prescribed under subsection (6), the prescribed amount.  
(Added 28 of 2003 s. 103)

- (6) The Financial Secretary may, by regulation, prescribe any amount for the purposes of subsection (5). *(Added 28 of 2003 s. 103)*

*(Replaced 6 of 1984 s. 222)*

*[cf. 1948 c. 38 s. 399 U.K.]*