

243A. Powers and duties of liquidator nominated by company

- (1) Except as provided in subsection (2), before a meeting of the creditors of the company is held under section 241, a person who is nominated by the company to be liquidator under section 242 (*the liquidator*) may exercise a power conferred by section 251(1) only with the sanction of the court.
- (2) The liquidator may, without sanction of the court—
 - (a) take into the liquidator's custody, or under the liquidator's control, all the property and things in action to which the company is or appears to be entitled;
 - (b) dispose of perishable goods and other goods that are likely to diminish in value if not immediately disposed of; and
 - (c) do anything that may be necessary to protect the company's assets.
- (3) The liquidator must—
 - (a) attend the meeting of creditors held under section 241; and
 - (b) report to the meeting on any exercise of the liquidator's powers, whether or not those powers are exercised under this section.
- (4) If section 241(1) is not complied with, the liquidator must apply to the court for directions as to the manner in which the default is to be remedied within 7 days of the later of the following—
 - (a) the day on which the liquidator was nominated by the company;
 - (b) the day on which the liquidator first became aware of the default.
- (5) If section 241(2), (3) or (4) is not complied with, the liquidator may apply to the court for directions as to the manner in which the default is to be remedied.
- (6) A liquidator who, without reasonable excuse, exercises a power conferred by section 251(1) in contravention of subsection (1) commits an offence and is liable on conviction to a fine.
- (7) A liquidator who, without reasonable excuse, fails to comply with subsection (3) or (4) commits an offence and is liable on conviction to a fine.

(Added 14 of 2016 s. 75)