

**206. Meetings of creditors and contributories to consider appointment of committee of inspection; constitution of committee of inspection**

*(Amended 14 of 2016 s. 42)*

- (1) When a winding-up order has been made by the court, it shall be the business of the separate meetings of creditors and contributories summoned for the purpose of determining whether or not an application should be made to the court for appointing a liquidator in place of the provisional liquidator, to determine further the following— *(Amended 3 of 1997 s. 42; 14 of 2016 s. 42)*
  - (a) whether or not an application is to be made to the court for the appointment of a committee of inspection to act with the liquidator; and
  - (b) if a committee of inspection is appointed—subject to subsections (3) and (4), who are to be the members of the committee.
- (2) Subject to subsections (3) and (4), the court may make any appointment and order required to give effect to any such determination, and if there is a difference between the determinations of the meetings of the creditors and contributories in respect of the matters referred to in subsection (1) the court shall decide the difference and make such order thereon as the court may think fit.
- (3) A committee of inspection appointed under this Ordinance must consist of not less than 3, and not more than 7 members. *(Added 14 of 2016 s. 42)*
- (4) However, a liquidator may apply to the court for an order to vary the minimum or maximum number of members mentioned in subsection (3) and the court may make an order that it thinks fit. *(Added 14 of 2016 s. 42)*
- (5) A committee of inspection appointed under this Ordinance must consist of creditors and contributories—
  - (a) in a proportion agreed on by the meetings of creditors and contributories; or
  - (b) in the event of a difference, in a proportion determined by the court. *(Added 14 of 2016 s. 42)*
- (6) A body corporate may be a member of the committee but cannot act as a member otherwise than by a representative authorized under section 207A. *(Added 14 of 2016 s. 42)*

*(Amended 14 of 2016 s. 42)*

*[cf. 1929 c. 23 s. 198 U.K.]*