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## Companies Act 2006 c. 46

### s. 899 Court sanction for compromise or arrangement

Law In Force

Version 4 of 4

26 June 2020 - Present

#### Subjects

Company law

#### Keywords

Applications; Classes of creditors; Companies; Consent orders; Meetings; Schemes of arrangement

#### 899 Court sanction for compromise or arrangement

(1) If a majority in number representing 75% in value of the creditors or class of creditors or members or class of members (as the case may be), present and voting either in person or by proxy at the meeting summoned under [section 896](#), agree a compromise or arrangement, the court may, on an application under this section, sanction the compromise or arrangement.

[

(1A) Subsection (1) is subject to [section 899A](#) (moratorium debts, etc).

] <sup>1</sup>

(2) An application under this section may be made by—

(a) the company,

(b) any creditor or member of the company, [...] <sup>2</sup>

[

(c) if the company is being wound up, the liquidator, or

(d) if the company is in administration, the administrator.

] <sup>2</sup>

(3) A compromise or [arrangement] <sup>3</sup> sanctioned by the court is binding on—

(a) all creditors or the class of creditors or on the members or class of members (as the case may be), and

(b) the company or, in the case of a company in the course of being wound up, the liquidator and contributories of the company.

(4) The court's order has no effect until a copy of it has been delivered to the registrar.

[...] <sup>4</sup>

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## Notes

- 1 Added by Corporate Insolvency and Governance Act 2020 c. 12 [Sch.9\(2\) para.35\(4\)\(a\)](#) (June 26, 2020)
  - 2 S.899(2)(c) and (d) substituted for s.899(2)(c) subject to savings specified in SI 2008/948 arts 11 and 12 by Companies Act 2006 (Consequential Amendments etc) Order 2008/948 [Sch.1\(2\) para.250\(2\)](#) (April 6, 2008)
  - 3 Word substituted by Companies Act 2006 (Consequential Amendments and Transitional Provisions) Order 2011/1265 [art.28\(3\)](#) (May 12, 2011)
  - 4 Repealed by Corporate Insolvency and Governance Act 2020 c. 12 [Sch.9\(2\) para.35\(4\)\(b\)](#) (June 26, 2020)
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*Part 26 ARRANGEMENTS AND RECONSTRUCTIONS: GENERAL > Court sanction  
for compromise or arrangement > s. 899 Court sanction for compromise or arrangement*

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