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SCOTTISH STATUTORY INSTRUMENTS

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**2018 No. 347**

**The Insolvency (Scotland) (Receivership  
and Winding up) Rules 2018**

**PART 6**

**BLOCK TRANSFER OF WINDING UP PROCEEDINGS**

[Note: a document required by the Act or these Rules must also contain the standard contents required as set out in Part 1]

**Power to make a block transfer order**

**6.1.**—(1) Part 6 applies where it is expedient to transfer some or all of the cases in which an outgoing liquidator (“the outgoing liquidator”) holds office to one or more liquidators (“the replacement liquidator”) in a single transaction where the outgoing liquidator—

- (a) dies;
- (b) retires from practice; or
- (c) is otherwise unable or unwilling to continue in office.

(2) In a case to which this Part applies the Court of Session has the power to make an order (“a block transfer order”) appointing a replacement liquidator in the place of the outgoing liquidator.

(3) The replacement liquidator must be qualified to act as an insolvency practitioner in relation to the company.

**Application for block transfer order**

**6.2.**—(1) An application for a block transfer order may be made to the Court of Session for—

- (a) the removal of the outgoing liquidator by the exercise of any of the powers in paragraph (2);
- (b) the appointment of a replacement liquidator by the exercise of any of the powers in paragraph (3);
- (c) such other order or direction as may be necessary or expedient in connection with the matters referred to in sub-paragraphs (a) and (b).

(2) The powers referred to in paragraph (1)(a) are those in—

- (a) section 108(2) (voluntary winding up); and
- (b) section 172(2) and rule 6.1(2) (winding up by the court).

(3) The powers referred to in paragraph (1)(b) are those in—

- (a) section 108(2); and
- (b) rule 6.1(2).

(4) An application may be made by any of the following:—

- (a) the outgoing liquidator (if able and willing to do so);
  - (b) any person who holds the office of liquidator jointly with the outgoing liquidator;
  - (c) any person who is proposed to be appointed as the replacement liquidator;
  - (d) any creditor in a case subject to the application;
  - (e) the recognised professional body which was the source of the outgoing liquidator's authorisation (immediately before the application is made); or
  - (f) the Secretary of State.
- (5) The application must be served on—
- (a) the outgoing liquidator (if not the applicant or deceased);
  - (b) any person who holds office jointly with the outgoing liquidator; and
  - (c) such other person as the Court of Session directs.
- (6) The application must contain a schedule setting out—
- (a) identification details for the insolvency proceedings; and
  - (b) the capacity in which the outgoing liquidator was appointed.
- (7) The application must be supported by evidence—
- (a) setting out the circumstances as a result of which it is expedient to appoint a replacement liquidator; and
  - (b) exhibiting the consent to act of each person who is proposed to be appointed as replacement liquidator.

#### **Action following application for a block transfer order**

**6.3.—**(1) In deciding to what extent (if any) the costs of making an application under rule 6.2 should be paid as an expense of the case to which the application relates, the factors to which the Court of Session must have regard include—

- (a) the reasons for making the application;
  - (b) the number of cases to which the application relates;
  - (c) the value of the assets comprised in those cases; and
  - (d) the nature and extent of costs involved.
- (2) Where an appointment under rule 6.1 is made, the replacement liquidator must—
- (a) as soon as reasonably practicable give notice of the appointment to AiB;
  - (b) within 28 days give notice of the appointment to the creditors and contributories, or if the court so permits, advertise the appointment in accordance with the directions of the court; and
  - (c) give notice to such other persons, and in such form, as the Court of Session may direct.
- (3) In any notice given by the replacement liquidator under this rule the replacement liquidator must state—
- (a) that the outgoing liquidator has been removed; and
  - (b) whether the outgoing liquidator has been released.

**Changes to legislation:**

There are currently no known outstanding effects for the The Insolvency (Scotland) (Receivership and Winding up) Rules 2018, PART 6.