



Insolvency Act 1985

1985 CHAPTER 65

PART II

COMPANY INSOLVENCY ETC

CHAPTER III

ADMINISTRATION ORDERS

Miscellaneous

44 Protection of interests of creditors and members

- (1) At any time when an administration order is in force, a creditor or member of the company may apply to the court by petition for an order under this section on the ground—
 - (a) that the company's affairs, business and property are being or have been managed by the administrator in a manner which is unfairly prejudicial to the interests of its creditors or members generally or of some part of its creditors or members (including at least himself); or
 - (b) that any actual or proposed act or omission of the administrator is or would be so prejudicial.
- (2) On an application for an order under this section the court may, subject to subsection (3) below, make such order as it thinks fit for giving relief in respect of the matters complained of, or adjourn the hearing conditionally or unconditionally, or make an interim order or any other order that it thinks fit.
- (3) An order under this section shall not prejudice or prevent—
 - (a) the implementation of any composition or scheme approved under section 23 above or any compromise or arrangement sanctioned under section 425 of the 1985 Act; or

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- (b) where the application for the order was made more than twenty-eight days after the approval of any proposals or revised proposals under section 41 or 42 above, the implementation of those proposals or revised proposals.
- (4) Subject to subsection (3) above, an order under this section may in particular—
- (a) regulate the future management by the administrator of the company's affairs, business and property ;
 - (b) require the administrator to refrain from doing or continuing an act complained of by the petitioner or to do an act which the petitioner has complained he has omitted to do;
 - (c) require the summoning of a meeting of creditors or members for the purpose of considering such matters as the court may direct;
 - (d) discharge the administration order and make such consequential provision as it thinks fit.
- (5) Where the administration order is discharged, the administrator shall, within fourteen days after the making of the order effecting the discharge, send an office copy of that order to the registrar of companies.
- (6) If the administrator without reasonable excuse fails to comply with subsection (5) above, he shall be liable on summary conviction to a fine not exceeding one-fifth of the statutory maximum and, for continued contravention, to a fine not exceeding one-fiftieth of the statutory maximum.