



Companies Act 1989

1989 CHAPTER 40

PART VII

FINANCIAL MARKETS AND INSOLVENCY

Recognised investment exchanges and clearing houses

165 Adjustment of prior transactions

- (1) No order shall be made in relation to a transaction to which this section applies under—
 - (a) section 238 or 339 of the Insolvency Act 1986 (transactions at an under-value),
 - (b) section 239 or 340 of that Act (preferences), or
 - (c) section 423 of that Act (transactions defrauding creditors).
- (2) As respects Scotland, no decree shall be granted in relation to any such transaction—
 - (a) under section 34 or 36 of the Bankruptcy (Scotland) Act 1985 or section 242 or 243 of the Insolvency Act 1986 (gratuitous alienations and unfair preferences), or
 - (b) at common law on grounds of gratuitous alienations or fraudulent preferences.
- (3) This section applies to—
 - (a) a market contract to which a recognised investment exchange or recognised clearing house is a party or which is entered into under its default rules, and
 - (b) a disposition of property in pursuance of such a market contract.
- (4) Where margin is provided in relation to a market contract and (by virtue of subsection (3)(a) or otherwise) no such order or decree as is mentioned in subsection (1) or (2) has been, or could be, made in relation to that contract, this section applies to—
 - (a) the provision of the margin,
 - (b) any contract effected by the exchange or clearing house in question for the purpose of realising the property provided as margin, and

Status: This is the original version (as it was originally enacted).

- (c) any disposition of property in accordance with the rules of the exchange or clearing house as to the application of property provided as margin.