

*These notes refer to the Enterprise Act 2002 (c.40)  
which received Royal Assent on 7 November 2002*

# **ENTERPRISE ACT 2002**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 10: Insolvency**

##### **General provisions**

Sanction of actions in relation to antecedent recoveries

##### ***Section 254: Application of insolvency law to foreign company***

732. This section will allow, for example, the Secretary of State to apply the rescue provisions of the Insolvency Act 1986 to foreign incorporated companies through detailed secondary legislation. Part V of the Insolvency Act 1986 allows unregistered companies to be wound up by the court, such companies include foreign registered companies. Once this secondary legislation has been approved then such companies (particularly those with assets, creditors and employees in this country) will be able to make use of the rescue provisions, whereas currently the only option available is to be wound up by the court as an unregistered company.