



Insolvency Act 1986

1986 CHAPTER 45

PART VIII

INDIVIDUAL VOLUNTARY ARRANGEMENTS

Consideration and implementation of debtor's proposal

[^{F1}261 Additional effect on undischarged bankrupt

- (1) This section applies where—
 - (a) [^{F2}the creditors' meeting summoned under section 257 approves][^{F2}pursuant to section 257 the debtor's creditors decide to approve] the proposed voluntary arrangement (with or without modifications), and
 - (b) the debtor is an undischarged bankrupt.
- (2) Where this section applies the court shall annul the bankruptcy order on an application made—
 - (a) by the bankrupt, or
 - (b) where the bankrupt has not made an application within the prescribed period, by the official receiver.
- (3) An application under subsection (2) may not be made—
 - (a) during the period specified in section 262(3)(a) during which the [^{F3}decision of the creditors' meeting][^{F3}creditors' decision] can be challenged by application under section 262,
 - (b) while an application under that section is pending, or
 - (c) while an appeal in respect of an application under that section is pending or may be brought.
- (4) Where this section applies the court may give such directions about the conduct of the bankruptcy and the administration of the bankrupt's estate as it thinks appropriate for facilitating the implementation of the approved voluntary arrangement.]

Status: Point in time view as at 26/05/2015. This version of this provision has been superseded.

Changes to legislation: Insolvency Act 1986, Section 261 is up to date with all changes known to be in force on or before 27 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

- F1** S. 261 substituted (1.4.2004) by 2002 c. 40, ss. 264(1), 279, Sch. 22 para. 1 (with s. 249(6)); S.I. 2003/2093, **art. 2(2)**, Sch. 2 (subject to arts. 3-8 (as amended by S.I. 2003/2332, art. 2))
- F2** Words in s. 261(1)(a) substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by **Small Business, Enterprise and Employment Act 2015 (c. 26)**, s. 164(1), **Sch. 9 para. 68(2)**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)
- F3** Words in s. 261(3)(a) substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by **Small Business, Enterprise and Employment Act 2015 (c. 26)**, s. 164(1), **Sch. 9 para. 68(3)**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)

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