
STATUTORY INSTRUMENTS

2016 No. 1024

The Insolvency (England and Wales) Rules 2016

PART 14

**CLAIMS BY AND DISTRIBUTIONS TO CREDITORS IN
ADMINISTRATION, WINDING UP AND BANKRUPTCY**

CHAPTER 3

Distribution to creditors in administration, winding up and bankruptcy

Supplementary provisions as to dividends and distributions

14.40.—(1) A creditor is not entitled to disturb the payment of any dividend or making of any distribution because—

- (a) the amount claimed in the creditor's proof is increased after payment of the dividend;
- (b) in an administration, a creditors' voluntary winding up or a winding up by the court the creditor did not prove for a debt before the declaration of the dividend; or
- (c) in a members' voluntary winding up, the creditor did not prove for a debt before the last date for proving or increases the claim in proof after that date.

(2) However the creditor is entitled to be paid a dividend or receive a distribution which the creditor has failed to receive out of any money for the time being available for the payment of a further dividend or making a further distribution.

(3) Such a dividend must be paid or distribution made before that money is applied to the payment of any further dividend or making of any further distribution.

(4) If, after a creditor's proof has been admitted, the proof is withdrawn or excluded, or the amount of it is reduced, the creditor is liable to repay to the office-holder, for the credit of the insolvency proceedings, any amount overpaid by way of dividend.