
CHAPTER 308
COMPANIES
COMPANIES LIQUIDATION RULES

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CHAPTER 308**COMPANIES****COMPANIES LIQUIDATION RULES***S.I. 81/2012***(SECTION 252)***[Commencement 31st July, 2012]***ORDER 1****CITATION AND APPLICATION**

- (1) These Rules may be cited as the Companies Liquidation Rules. Citation (O.1, r.1)
- (2) (1) These Rules shall apply to — Application (O.1, r.2)
- (a) every winding up petition presented on or after the commencement date;
- (b) every other application made under Part VII of the Companies Act on or after the commencement date in a winding up proceeding which was pending on that date; Ch. 308.
- (c) every application made on or after the commencement date in a winding up proceeding which was pending on that date;
- (d) any step taken or required to be taken after the commencement date in any winding up proceeding which was pending on that date; and
- (e) any step taken or required to be taken on or after the commencement date in any voluntary liquidation which was in progress on that date, except that a voluntary liquidator shall not be required to apply for a supervision order under section 219 of the Act in respect of a voluntary liquidation which commenced prior to the commencement date.
- (2) The Companies (Winding up) Rules 1 shall cease to have any application with effect from the commencement date. Ch. 308.
- 3.** (1) No application, order or direction made under Part VII of the Companies Act before the commencement date shall be treated as a non-compliance with Transitional provisions (O.1, r.3) Ch. 308.

these Rules provided that it complied with the rules, practice directions or procedure then in force.

(2) No action taken by a liquidator, creditor or contributory in a compulsory liquidation or voluntary liquidation before the commencement date shall be treated as a non-compliance with these Rules provided that it complied with the rules, practice directions or procedure then in force.

Application of
Supreme Court
Rules (O.1, r.4)

4. (1) Every petition, summons, order or other document required to be served by these Rules, shall be served in accordance with RSC Orders 10 and 61, unless some other method of service is expressly required or permitted by these Rules.

(2) Every affidavit or other document filed in the court office shall comply with the requirement of RSC Orders 41 and 62.

(3) Every order or direction made in a winding up proceeding shall comply with the requirements of RSC Order 42.

(4) All funds required to be paid into or out of court in connection with any winding up proceedings shall be lodged, paid, invested and dealt with in accordance with RSC Order 22.

Interpretation
(O.1, r.5)

5. (1) The words and expressions defined by section 183 of the Act shall have the same meaning when used in these Rules.

(2) The words and expressions defined by section 2 of the Act shall have the same meaning when used in these Rules.

(3) The words and expressions defined by RSC Order 1, rule 4 shall have the same meaning when used in these Rules.

(4) In these Rules, unless the context otherwise requires —

“court reporter” means any person who is professionally engaged in the business of transcribing and reporting court proceedings, whether or not such person is employed by the court;

“liquidation” or “winding up” shall mean a company that is being wound up;

“Registrar” means the Registrar of the Court;

“Registrar of Companies” has the same meaning ascribed in section 2 of the Act; and

“regulator” includes a person acting under the regulator’s authorisation.

(5) An individual rule may be cited using the abbreviation “CLR” (Companies Liquidation Rule).

6. (1) References to “the Act” means the Companies Act.

Construction of references to the law, orders, rules and regulations (O.1, r.6) Ch. 308.

(2) Any reference in these Rules to a specified order or rule is a reference to that order or rule of these Rules.

(3) The Insolvency Practitioners’ Rules may be cited in these Rules as the Insolvency Practitioners’ Rules and an individual rule may be cited using the abbreviation “IPR”.

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7. (1) The forms contained in the Appendix to these Rules shall be used where applicable, with such variations as the circumstances of the particular case requires.

Prescribed forms (O.1, r.7)

(2) The forms contained in the English Companies (Winding-up) Rules shall cease to have any application with effect from the commencement date¹.

S.I. No. 330 of 1949

ORDER 2 STATUTORY DEMAND

1. A demand for payment of a debt made by a creditor in accordance with section 188(a) of the Act is referred to in these Rules as a “statutory demand”.

Introduction (O.2, r.1).

2. (1) A statutory demand shall be in CLR Form No. 1.

Form and content of statutory demand (O.2, r.2).

(2) A statutory demand must be signed by —

(a) the creditor;

(b) if the creditor is a firm, any partner of the firm; or

¹ Commencement date is 31st July, 2012.

(c) if the creditor is a body corporate, any director or officer who is duly authorised to make the demand.

(3) A statutory demand must state the amount, the date on which the debt fell due, the currency of the debt and the consideration for it.

(4) If the amount claimed includes —

(a) any charge by way of interest not previously notified to the company as included in its liability; or

(b) any other charge accruing from time to time,

the statutory demand must state the grounds upon which the company is liable to pay such interest or charges and contain particulars of the way in which such interest or charges are calculated.

(5) A statutory demand must contain the creditor's address and, if it is signed by anyone other than the creditor himself, the contact details of the partner, director or officer who signed it on behalf of the creditor.

(6) A statutory demand must include a statement that if payment is not made within 21 days of the date upon which it was served on the company, the company will be deemed to be insolvent and a winding up petition may be presented against the company in accordance with section 186(c) of the Act.

(7) A statutory demand must contain information about ways in which the company may make payment, including details of a bank account to which the amount owing may be wire transferred.

Service of
statutory demand
(O.2, r.3)

3. (1) The original hard copy of a statutory demand must be delivered by hand to the company's registered office.

(2) Transmission of a copy by facsimile or e-mail shall not, by itself, be sufficient to constitute good service for the purposes of the law.

(3) There is no requirement that a copy of a statutory demand must be drawn to the attention of the company's directors by the creditor.

(4) A statutory demand shall not be invalidated by reason only of the fact that a company's professional service providers have failed to draw it to the attention of the directors or failed to take any other appropriate steps on

behalf of the company in response to the receipt of the statutory demand.

ORDER 3
WINDING UP PETITIONS AND ORDERS
PART I-GENERAL PROVISIONS

- 1.** (1) A winding up petition shall be presented by filing it in court in accordance with RSC Order 9. Presentation and filing of petition (O.3, r.1)
- (2) The petitioner shall pay such fees as may be prescribed by court rules.
- 2.** (1) Subject to any directions given under rule 11(2)(a) and (b), every winding up petition shall be in CLR Form No. 2. Form and content of petition (O.3, r.2)
- (2) Every winding up petition shall contain —
- (a) particulars of the company’s incorporation;
 - (b) a description of the company’s business, including a statement about the countries in which it carries on its business;
 - (c) if the company is a foreign company, particulars of the matters contained in section 185(d) of the Act;
 - (d) a concise statement of the grounds upon which the winding up order is sought; and
 - (e) the name and address of the qualified insolvency practitioner (and any foreign practitioner) whom the petitioner nominates for appointment as official liquidator.
- 3.** (1) The petition shall be verified by an affidavit that the statements in the petition are true, or are true to the best of the deponent’s knowledge, information and belief. Verification of petition (O.3, r.3)
- (2) A creditor’s petition in respect of debts due to two or more different creditors must be separately verified by or on behalf of each creditor.
- (3) The verifying affidavit shall be sworn by —
- (a) the petitioner; or
 - (b) a director, officer or agent of the petitioner who has been concerned in and has personal knowledge of the matters giving rise to the petition.

Nominated
official
liquidator's
consent to act
(O.3, r.4)

4. (1) Every petition shall be supported by an affidavit sworn by a person or persons nominated for appointment as official liquidator stating that —

- (a) he is a qualified insolvency practitioner and meets the residency requirement contained in IPR 5;
- (b) having made due enquiry, he believes that he and his firm meet the independence requirement contained in IPR 6;
- (c) he and/or his firm are in compliance with the insurance requirement contained in IPR 7; and
- (d) he is willing to act as official liquidator if so appointed by the court.

(2) If the petition seeks an order for the appointment of a qualified insolvency practitioner jointly with a foreign practitioner, it shall be supported by an affidavit sworn by the foreign practitioner stating —

- (a) his professional qualifications;
- (b) the country in which he is qualified to perform functions equivalent to those performed by official liquidators under the Act or by trustees under the Bankruptcy Act;
- (c) his professional experience;
- (d) he will have the benefit of professional indemnity insurance in respect of his acts and omissions done in his capacity as an official liquidator of the company meeting the requirements of IPR 7;
- (e) if he has been appointed by a foreign court or authority as a liquidator, trustee, receiver or administrator of the company or a related party of the company, full particulars of such appointment; and
- (f) that, having made due enquiry, he and his firm meet independence requirement contained in IPR 6.

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PART II CREDITOR'S PETITION

Service of
creditor's
petition (O.3, r.5)

5. (1) Upon presenting a creditor's petition, the Registrar shall fix a date for the hearing of the petition in open court and the hearing date shall be endorsed upon the

petition or stated in a notice of hearing served with the petition.

(2) Every creditor's petition shall be served, together with the verifying and supporting affidavits and notice of hearing (if the hearing date is not endorsed upon the petition itself), upon the company by delivering them to the company's registered office immediately after the petition has been presented.

(3) In the event that the company is carrying on a regulated business, copies of the petition and affidavits shall be served upon the regulator.

(4) An affidavit of service shall be filed within 7 days of the presentation of every creditor's petition.

6. (1) Unless the court otherwise directs, every creditor's petition shall be advertised once in a newspaper having a circulation in The Bahamas.

Advertisement of
creditor's
petition (O.3, r.6)

(2) In addition, unless the court otherwise directs, if the company is carrying on business outside The Bahamas, every creditor's petition shall be advertised once in a newspaper having a circulation in a country in which it is most likely to come to the attention of the company's creditors and contributories, in which case the advertisement must be published in the official language of such country.

(3) The advertisements shall be made to appear not less than 7 business days after service of the petition upon the company and not less than 7 business days before the hearing date.

(4) An advertisement published in accordance with this rule shall be in CLR Form No. 3 and shall contain —

- (a) the title of the petition, including the name of the company;
- (b) the registered office of the company;
- (c) the name, address and other contact details of the petitioner and the petitioner's counsel and attorneys;
- (d) the hearing date;
- (e) a statement that copies of the petition and affidavits may be obtained, free of charge, from the petitioner's counsel and attorneys; and

- (f) a statement that any creditor intending to appear and be heard on the petition shall give 3 days' notice to the petitioner's counsel and attorneys.

Leave for
petition to be
withdrawn (O.3,
r.7)

7. (1) An application for leave to withdraw a creditor's petition may be made *ex parte* by summons.

(2) The court shall grant leave for a creditor's petition to be withdrawn on such terms as have been agreed between the petitioner and the company if it is satisfied that —

- (a) the petition has not been advertised;
- (b) no notice of intention to appear and be heard on the petition (whether in support or opposition) has been received from any creditor; and
- (c) the company consents to an order being made under this rule.

(3) If a creditor's petition has been advertised, any application for leave to withdraw the petition must be made at the advertised hearing and in any such case the court will consider making an order for substitution in accordance with rule 10.

Notice of
appearance (O.3,
r.8)

8. (1) Every person who intends to appear and be heard on the hearing of a petition shall give 3 days' notice of his intention to the petitioner's counsel and attorneys.

(2) The notice shall be in CLR Form No. 4 and shall specify —

- (a) the name, address and other contact details of the person giving notice and his counsel and attorneys;
- (b) whether he intends to support or oppose the petition;
- (c) the amount and nature of his debt; and
- (d) in the event that a winding up order is made, whether he intends to support or oppose the appointment as official liquidator of the person(s) nominated by the petitioner.

(3) If a creditor intends to oppose the appointment of the petitioner's nominee, he must —

- (a) nominate an alternative qualified insolvency practitioner who is willing to act as official liquidator if so appointed by the court;
- (b) file a supporting affidavit in accordance with rule 4; and

- (c) serve his notice of appearance and supporting affidavit upon —
- (i) the company;
 - (ii) the petitioner’s counsel and attorneys; and
 - (iii) in the event that the company is carrying on a regulated business, the regulator,

not less than 3 days before the hearing date.

(4) If a creditor’s petition is presented against a company which is licensed to carry on a regulated business, the regulator may appear and be heard provided that it has been given 3 days’ notice of its intention to appear to the company and to the petitioner’s counsel and attorneys.

(5) The regulator’s notice of appearance under this rule shall specify —

- (a) what, if any, regulatory action has been taken by the regulator against the company;
- (b) whether it supports or opposes the petition;
- (c) in the event that a winding up order is made, whether it intends to support or oppose the appointment as official liquidator of the person(s) nominated by the petitioner.

9. (1) If the company intends to oppose the petition, its affidavit in opposition must be filed and served upon the petitioner within 14 days from the date upon which the petition was served upon the company.

Evidence in opposition to petition (O.3, r.9)

(2) The petitioner may serve a notice, at least 3 days prior to the hearing date, requiring that any deponent attend the hearing for cross-examination.

10. (1) This rule applies where a creditor petitions and subsequently found not to have been entitled to do so or where the petitioner —

Substitution of petitioner (O.3, r.10)

- (a) fails to advertise his petition;
- (b) consents to his petition being withdrawn;
- (c) fails to appear on the hearing of his petition;
- (d) allows his petition to be adjourned or dismissed; or
- (e) appears, but does not apply for an order in terms of the prayer of his petition.

(2) The court may, on such terms as it thinks just, substitute as petitioner, any creditor who in its opinion

would have a right to present a petition and who is desirous of doing so.

PART III CONTRIBUTORY'S PETITION

Summons for
directions (O.3,
r.11)

11. (1) Upon the presentation of a petition by a contributory seeking a winding up order or an order for alternative relief under section 191(3) of the Act on the ground contained in section 186(e), the petitioner must at the same time issue a summons for directions in respect of the matters contained in this rule.

(2) Upon hearing the summons for directions, the court shall give such directions as it thinks appropriate in respect of the following matters —

- (a) whether or not the company is properly able to participate in the proceeding or should be treated merely as the subject matter of the proceeding;
- (b) whether the proceeding should be treated as a proceeding against the company or as an *inter partes* proceeding between one or more members of the company as petitioners and the other member or members of the company as respondents;
- (c) service of the petition;
- (d) whether, and if so by what means, the petition is to be advertised;
- (e) whether the petitioner should serve any further particulars of his claim;
- (f) service of a defence by the company or the respondents (as may be appropriate in the light of the directions given under paragraphs (a) and (b) of this rule);
- (g) the manner in which evidence is to be given;
- (h) if evidence is directed to be given by affidavit, directions relating to cross-examination of the deponents;
- (i) discovery and inspection of documents;
- (j) oral discovery; and
- (k) such other procedural matters as the court thinks fit.

(3) A summons for directions under this rule shall be in CLR Form No. 5 and shall be served upon the

company and upon every member whom the petitioner has named or intends to name as a respondent to the petition.

12. (1) An order fixing a date for the trial of a contributory's petition may be made upon the summons for directions issued pursuant to rule 11.

Hearing of contributory's petition (O.3, r.12)

(2) If it is not appropriate for the court to fix a trial date upon hearing the summons for directions, the petitioner shall apply subsequently to the Registrar in accordance with RSC Order 9, rule 4.

PART IV REGULATOR'S PETITION

13. (1) Every petition presented by a regulator shall be served, together with the verifying and supporting affidavits and summons for directions issued (pursuant to rule 14) upon the company by delivering them to its registered office immediately after the petition has been presented.

Service of regulator's petition (O.3, r.13)

(2) An affidavit of service shall be filed within 7 days of the presentation of every regulator's petition.

14. (1) Upon the presentation of a petition by a regulator, the regulator must at the same time issue a summons for directions in respect of the matters contained in this rule.

Summons for directions (O.3, r.14)

(2) Upon hearing the summons for directions, the court shall either —

- (a) make a winding up order, if the court is satisfied that the company consents or does not object to an order being made; or
- (b) fix a hearing date and make such directions as the court thinks appropriate in respect of the following matters —
 - (i) whether the petition should be served upon the company's members, directors or professional service providers;
 - (ii) the manner in which evidence is to be given;
 - (iii) if evidence is to be given by affidavit, directions relating to cross-examination of the deponents;
 - (iv) if the regulator has appointed a receiver, whether such receiver should produce any

documents belonging to the company or attend for cross-examination on his report or prepare any further report; and

(v) such other procedural matters as the court thinks fit.

(3) A petition presented by a regulator is not required to be advertised unless the court otherwise directs.

Hearing of
regulator's
petition (O.3,
r.15)

15. (1) Unless a winding up order is made pursuant to rule 14(2)(a), the hearing of every petition presented by a regulator shall take place in open court.

(2) Any member, director or professional service provider of the company may appear and be heard on the petition, whether or not the court has directed that such person be served.

(3) Every member, director or professional service provider of the company who intends to appear and be heard on the hearing of the petition shall give 3 days' notice of his intention to the regulator's counsel and attorneys.

(4) No other person may appear and be heard without the leave of the court.

PART V WINDING UP ORDERS

Form and content
of winding up
orders (O.3, r.16)

16. (1) Every winding up order shall be in CLR Form No. 6.

(2) Every winding up order shall state the full name, address and contact details of the official liquidator.

(3) Any order made at the hearing of the petition by which directions are given to the official liquidator may be set out in a separate order.

Filing, service
and registration
of winding up
orders (O.3, r. 17)

17. (1) Every winding up order shall be drawn up and filed in accordance with RSC Order 42, rule 5.

(2) The petitioner shall be responsible for ensuring that the winding up order is drawn up and filed immediately after the hearing.

(3) The petitioner shall serve copies of the winding up order upon —

(a) the company at its registered office;

-
- (b) every person who appeared and was heard at the hearing;
 - (c) the official liquidator; and
 - (d) the regulator, if the company is or was licensed to carry on a regulated business,

within 2 business days after the order is made.

(4) The official liquidator shall within 7 business days after the order is made —

- (a) file the order with the Registrar of Companies;
- (b) cause such notice to be published in the *Official Gazette*; and
- (c) send copies of the order to every person who appears to him to have been a director or professional service provider of the company at the time the winding up petition was presented.

(5) When a winding up order is made in respect of a foreign company, the official liquidator shall also send copies of the order to —

- (a) the foreign authority responsible for its incorporation;
- (b) any foreign court or authority which has made an order that the company or any branch thereof be reorganised or liquidated or wound up; and
- (c) any person or authority who is performing functions in respect of the company in any foreign country equivalent to those performed by an official liquidator.

ORDER 4
APPLICATION FOR APPOINTMENT OF
PROVISIONAL LIQUIDATOR

PART 1
APPLICATION BY CREDITOR, OR
CONTRIBUTORY OR REGULATOR

Application by
summons (O.4,
r.1)

1. (1) An application by a creditor, contributory or the regulator for the appointment of a provisional liquidator on one or more of the grounds contained in section 199(2) of the Act shall be made by summons on notice to the company.

(2) The company shall be entitled to at least 4 clear days' notice of the application unless the court is satisfied that there is some exceptional circumstance which justifies the application being made *ex parte*.

(3) An application under this rule may be heard in chambers.

Supporting
affidavits (O.4,
r.2)

2. (1) The application shall be supported by an affidavit or affidavits containing all the evidence upon which the applicant relies, to which all the documents intended to be relied upon must be exhibited.

(2) If the applicant seeks an order that someone other than the person nominated in the petition as official liquidator be appointed as provisional liquidator, he must file an affidavit complying with the requirements of Order 3, rule 4.

Security (O.4,
r.3)

3. (1) The applicant shall give an undertaking to the court to pay —

(a) any damage suffered by the company by reason of the appointment of the provisional liquidator; and

(b) the remuneration and expenses of the provisional liquidator,

in the event that the winding up petition is ultimately withdrawn or dismissed.

(2) The court may require the applicant to give security for his undertaking in such manner as the court thinks fit.

4. (1) Every order for the appointment of a provisional liquidator made on the application of a creditor, contributory or regulator pursuant to section 199(2) of the Act shall be in CLR Form No. 7.

Order for the appointment of provisional liquidator (O.4, r.4)

(2) The order shall state the full name, address and contact details of the provisional liquidator.

(3) The order shall specify the powers conferred upon the provisional liquidator, any limitations upon the specified powers and the powers, if any, remaining with the company's directors.

(4) Every order for the appointment of a provisional liquidator shall be filed, served and registered in accordance with the requirements of Order 3, rule 17 (and references therein to "the petitioner" and "the official liquidator" shall be read as references to the applicant and the provisional liquidator respectively).

5. (1) An order for the appointment of a provisional liquidator may be varied or discharged upon the application of —

Variations or discharge of order (O.4, r.5)

- (a) the person on whose application the order was made;
- (b) the petitioner, if he was not the person on whose application the order was made;
- (c) in the case of a creditor's petition, any other creditor;
- (d) in the case of a contributory's petition, any other contributory;
- (e) the company, acting by its directors; or
- (f) the regulator.

(2) A provisional liquidator shall be entitled to apply to the court for directions, including a direction which constitutes a variation of the order by which he was appointed.

(3) An application under this rule shall be made by summons, supported by an affidavit, and shall be served upon the provisional liquidator and every person who was entitled to be served with the original order in accordance with rule 4(4).

(4) An order under this rule shall be filed, served and registered in accordance with rule 4(4).

PART II
APPLICATION BY THE COMPANY

Application by
summons (O.4,
r.6)

6. (1) Whenever a winding up petition is presented by the company itself, the company may apply by summons for an order for the appointment of a provisional liquidator on the grounds contained in section 199(3) of the Act.

(2) An application under this rule may be made *ex parte*.

(3) The company's summons shall be supported by an affidavit sworn by or on the authority of the company's board of directors containing —

- (a) a description of the company's business;
- (b) a statement that, having made due enquiry and taken appropriate advice, the company's board of directors believes that the company is or is likely to become unable to pay its debts within the meaning of section 188 of the Act and the reasons for their stated belief;
- (c) a statement of the company's financial position, specifying to the best of the directors' belief, details of the company's assets and liabilities, including contingent and prospective liabilities;
- (d) details of the security, if any, held by the creditors of the company;
- (e) a statement of the reasons why the company's directors believe that the appointment of a provisional liquidator would be in the best interests of the company's creditors;
- (f) a statement that the directors intend to formulate or assist the provisional liquidator to formulate an arrangement which can be presented to the company's creditors, either pursuant to section 158 of the Act or otherwise.

(4) The company's summons shall also be supported by an affidavit sworn by the person or persons nominated for appointment as provisional liquidator and containing the matters specified in Order 3, rule 4.

Order for
appointment of
provisional
liquidator (O.4,
r.7)

7. (1) Every order for the appointment of a provisional liquidator made on the application of the company pursuant to section 199(3) of the Act shall be in CLR Form No. 8.

(2) The order shall state the name, address and contact details of the provisional liquidator.

(3) The court may make orders and directions in respect of the following matters —

- (a) that the remuneration and expenses of the provisional liquidator be paid out of the assets of the company in any event;
- (b) the powers of the provisional liquidators;
- (c) the powers of the directors (if any) and any consequential limitation upon the powers of the provisional liquidators;
- (d) the preparation by the provisional liquidators of reports about the financial condition of the company and such other subjects as the court thinks fit;
- (e) the service or publication of such reports;
- (f) the appointment of a liquidation committee;
- (g) the preparation of a scheme of arrangement pursuant to section 158 of the Act;
- (h) the adjournment of the winding up petition; and
- (i) such other matters as the court thinks fit.

8. (1) The provisional liquidator shall register the order with the Registrar of Companies within 7 business days after the order is made.

Filing, service and registration of order (0.4.,r.8)

(2) The provisional liquidator shall give notice of his appointment and the intended purpose of his appointment to the company's creditors either as directed by the court or in whatever manner appears to him to be most expedient.

(3) The provisional liquidator shall provide a copy of the order, upon request, to any person who is or claims to be a creditor of the company.

ORDER 5

APPOINTMENT, RESIGNATION, DEATH AND REMOVAL OF OFFICIAL LIQUIDATORS

1. (1) A liquidator of a company appointed by the court is referred to as an “official liquidator” and is treated as an officer of the court.

Introduction (0.5, r.1)

(2) The court will not make a winding up order or a supervision order without at the same time making an order for the appointment of one or more qualified insolvency practitioners as official liquidator of the company.

(3) The court may appoint a foreign practitioner and a qualified insolvency practitioner to act as joint official liquidators of a company, but a foreign practitioner cannot be appointed as sole official liquidator of a company.

(4) In this Order, references to “official liquidator” includes a foreign practitioner unless the context otherwise requires.

Order for
appointment of
official liquidator
(O.5, r.2)

2. (1) The court will not appoint any person as official liquidator unless and until he has sworn an affidavit which complies with the requirements of Order 3, rule 4.

(2) An order for the appointment of an official liquidator shall not take effect unless and until the order has been drawn up and filed in accordance with RSC Order 42.

(3) An order for the appointment of an official liquidator must state —

- (a) the full name of each liquidator;
- (b) the full postal address and physical address of each liquidator; and
- (c) all relevant contact details including telephone numbers and e-mail addresses.

Notice of
appointment to
be advertised (O.
5, r.3)

3. (1) The official liquidator shall, within 28 days of his appointment, give notice of it to all the creditors and contributories of the company of whom he is aware.

(2) Notice under this rule shall be given —

- (a) to creditors in whatever manner is considered by the official liquidator to be most effective and economic; and
- (b) to contributories in whatever manner is authorised by the company’s articles of association or considered by the official liquidator to be more effective and economic.

(3) Unless the court otherwise directs, the official liquidator shall within 28 days of his appointment, publish notice of his appointment —

- (a) in the *Gazette*; and

(b) in whatever newspaper(s) the winding up petition or supervision petition was advertised.

(4) The notice of appointment shall be in CLR Form No. 9.

4. (1) An official liquidator who wishes to resign shall —

Resignation of
official liquidator
(O.5, r.4)

(a) prepare a report and accounts in accordance with Order 10, rule 2;

(b) give notice of resignation to the company's liquidation committee; and

(c) apply to the court for an order that he be released from the performance of any further duties.

(2) An application to the court under this rule shall be served on —

(a) each member of the liquidation committee; or

(b) counsel to the liquidation committee, if a counsel and attorney has been appointed by the liquidation committee with authority to act generally; and

(c) such other creditors or contributories as the court may direct.

(3) It shall be the responsibility of the liquidation committee to nominate a qualified insolvency practitioner whom the court can appoint in succession to the resigning liquidator and every person so nominated shall swear an affidavit which complies with the requirements of Order 3, rule 4.

(4) If two or more qualified insolvency practitioners have been appointed as joint official liquidators, one or more of them may resign by giving notice to each member of the liquidation committee without the need to prepare any report and accounts (unless required to do so either by the liquidation committee or the continuing liquidator) or apply to the court for the appointment of a successor, provided that at least one qualified insolvency practitioner remains in office.

(5) If a qualified insolvency practitioner has been appointed jointly with a foreign practitioner, the foreign practitioner may resign by giving notice to each member of the liquidation committee without the need to prepare any report and accounts (unless required to do so either by the

liquidation committee or by the continuing liquidator) or apply to the court for the appointment of a successor.

(6) If an official liquidator wishing to resign is acting in his capacity as a partner or employee of a firm, the court may make an order that —

- (a) he be released from the performance of any further duties; and
- (b) another partner or employee of the same firm be appointed as successor liquidator,

without the need for any report and accounts to be prepared.

Death of official liquidator (O.5, r.5)

5. (1) Where the official liquidator dies in office, it is the duty of his personal representative to give notice of his death (including the date of death) to each member of the liquidation committee and to 'the Registrar of Companies.

(2) Alternatively, if the official liquidator was a partner or employee of a firm, his firm may give notice of his death.

(3) Following the death of the official liquidator (where he was acting as sole liquidator or jointly with a foreign practitioner), the liquidation committee shall, within 28 days of the notification of his death, apply to the court for an order appointing a new liquidator, failing which any creditor or contributory of the company or the firm of which the deceased liquidator was a partner or employee may apply to the court for an order appointing a new liquidator.

(4) If the deceased liquidator was appointed jointly with a qualified insolvency practitioner, the survivor shall continue to act as sole liquidator unless and until the court appoints an additional liquidator.

Application for removal and appointment of new official liquidator (O.5, r.6)

6. (1) An application by a creditor or contributory for an order that the official liquidator be removed shall be made by summons (referred to in this rule as a “removal summons”).

- (2) A removal summons shall be served upon —
 - (a) the official liquidator; and
 - (b) each member of the liquidation committee; or
 - (c) counsel for the liquidation committee, if a counsel and attorney has been appointed by the

liquidation committee with authority to act generally; and

(d) such other creditors or contributories as the court may direct.

(3) A removal summons shall be supported by an affidavit containing all the facts and matters relied upon.

(4) A removal summons must also nominate a qualified insolvency practitioner whom the court can appoint in succession to the removed liquidator and every person so nominated must swear an affidavit which complies with the requirements of Order 3, rule 4.

(5) The official liquidator shall be entitled to at least 14 days notice of a removal summons.

(6) An official liquidator who is removed by order of the court shall —

(a) forthwith deliver to his successor the company's books and records and a copy of his liquidation files (maintained in accordance with Order 26, rule 2); and

(b) within 28 days prepare a report and accounts for which purpose he shall be allowed unrestricted access to the company's books and records.

ORDER 6

COMPANY'S STATEMENT OF AFFAIRS

1. (1) A notice under section 196 of the Act shall be in CLR Form No. 10 (requiring a relevant person to make a statement of affairs) or CLR Form No. 11 (requiring a relevant person to state whether or not he concurs with a statement of affairs prepared by someone else).

Notice requiring submission of statement of affairs (O.6, r.1)

(2) A person to whom a notice under this rule is addressed is referred to in this Order as "a deponent".

(3) A notice under this rule must inform the deponent of —

(a) the name and address of every other deponent upon whom the official liquidator has served or intends to serve a notice under this rule;

(b) the time within which the statement of affairs must be delivered;

- (c) the manner in which the deponent will be provided with access to the company's books and records;
- (d) the fact that he may apply to the official liquidator for reimbursement of expenses reasonably and properly incurred in complying with the notice; and
- (e) the effect of section 196(7) of the Act.

(4) The notice must be served upon the deponent personally, together with the documents referred to in rule 2.

Form and content of statement of affairs (O.6, r.2)

2. (1) The statement of affairs shall be prepared in the form prescribed by the official liquidator having regard to the nature of the company's business.

(2) The official liquidator shall provide the deponent with —

- (a) a draft or template which clearly identifies the information to be included in the statement of affairs and explains the form in which it is to be prepared; and
- (b) guidance notes for the assistance of the deponent.

(3) Every statement of affairs must be exhibited to an affidavit by which the deponent swears that —

- (a) he made all such enquiries and reviewed all such documents which he considered reasonably necessary to enable him to make a complete and accurate statement of affairs; and
- (b) the content of his statement of affairs is complete and accurate to the best of his knowledge and belief.

(4) The official liquidator may at any time require a deponent to submit in writing further information for the purpose of amplifying, modifying or explaining any matter contained or omitted from the deponent's statement of affairs.

Time for delivering statement of affairs (O.6, r.3)

3. (1) A statement of affairs shall be delivered to the official liquidator within 21 days after receipt of the notice or such longer period as may be stated in the notice.

(2) The official liquidator may extend the deponent's time for complying with the notice.

(3) The official liquidator may release a deponent from his obligation to prepare a statement of affairs, either unconditionally or on terms that he swears an affidavit stating that he concurs with the statement of affairs prepared by someone else.

4. (1) The official liquidator may pay the expenses reasonably and properly incurred by a deponent in connection with the preparation of a statement of affairs out of the assets of the company as an expense of the liquidation.

Expenses of preparing a statement of affairs (O.6, r.4)

(2) Any deponent who is dissatisfied with the official liquidator's refusal to reimburse all or part of the expenses claimed by him shall be entitled to apply to the court for a direction that such expenses be paid.

5. (1) Every statement of affairs shall be filed with the court.

Disclosure of statement of affairs (O.6, r.5)

(2) The official liquidator shall provide a copy of every statement of affairs and any concurring affidavits to the liquidation committee and, upon request, to any creditor or contributory of the company.

ORDER 7

ORDER FOR EXAMINATION

1. (1) An application under section 198(3)(a) and/or (b) of the Act shall be made by an *ex parte* summons supported by an affidavit sworn by the official liquidator stating —

Application for order for examination (O.7, r.1)

- (a) his grounds for believing that the person(s) against whom an order is sought (referred to in this Order as “the examinee”) are relevant persons within the meaning of section 198(1) of the Act;
- (b) if the application seeks an order for the delivery up of documents or other property belonging to the company, his grounds for believing that the examinee has such documents or property in his possession, custody or control;
- (c) if the application seeks an order that an examinee answer interrogatories and/or attend for an oral examination, the nature and scope of the intended examination and his ground for believing that the examinee is or ought to be in possession of relevant information.

(2) In the case of an application against a professional service provider which is a firm or corporation, the summons may be issued —

- (a) against such firm or corporation itself; and/or
- (b) against any individual partners, directors or employees of such firm or corporation,

and it shall be the duty of the professional service provider to identify to the official liquidator those of its partners, directors or employees who have or ought to have knowledge of the company's affairs acquired in the course of performing work on behalf of the professional service provider.

(3) In the case of an application made upon the requisition of creditors or contributories of the company, the official liquidator's supporting affidavit shall —

- (a) identify the requisitions and state the total amount of their debts or the total number of their shares, as the case may be;
- (b) state whether or not their debts have been admitted to proof;
- (c) exhibit a copy of the requisition (which should contain a statement of the requisitioner's grounds for the application); and
- (d) express the official liquidator's opinion about the reasonableness and usefulness of the proposed order.

2. (1) An order under this rule shall be in CLR Form No. 12.

(2) An order for the delivery up of documents may be made in respect of specific documents or generally in respect of all documents belonging to the company which are in the examinee's possession, custody or control.

(3) In the case of an order that the examinee answer written interrogatories, the order shall require that the answers be contained in or verified by affidavit which shall be delivered to the official liquidator within 28 days after service of the order or at such other time as may be agreed between the examinee and the official liquidator.

(4) In the case of an order for oral examination, the order shall —

Order for
examination
(O.7, r.2)

- (a) contain a statement which discloses to the examinee the matters about which he will be examined;
- (b) specify the time and place of the examination; and
- (c) specify the maximum duration of the examination.

(5) An order for an oral examination must be served upon the examinee not less than 11 days before the date of the examination.

(6) The court may order that the examinee pays the whole or part of the costs of an oral examination on the ground that it was necessary by reason of a breach by the examinee of his duty to cooperate with the official liquidator.

(7) An examinee may, within 7 days of the date upon which the order is served upon him, apply to the court for the order to be set aside on the ground that he is or was not a relevant person.

3. (1) The examination may be conducted by —

- (a) the official liquidator;
- (b) a qualified insolvency practitioner or other person acting with the authority of the official liquidator; or
- (c) a counsel and attorney instructed by the official liquidator.

Procedure upon
an oral
examination
(O.7, r.3)

(2) The examination shall take place in private at the time and place specified in the order or at such other time and place as may be agreed between the examinee and the official liquidator.

(3) If the examinee is out of the jurisdiction, the examination may be conducted in the form of a video conference.

(4) The examinee shall be entitled to have his counsel and attorney present at the examination, but such counsel and attorney shall not be entitled to participate in the examination by putting questions to the examinee unless permitted to do so by the official liquidator.

(5) The examinee shall take all such steps as may be reasonably necessary to inform himself of the matters about which he is to be examined and the official liquidator may adjourn the examination for this purpose.

(6) The examinee shall be given an opportunity to review all the documents intended to be put to him in advance of the examination, for which purpose the official liquidator may —

- (a) provide the examinee with copies; and/or
- (b) require the examinee to review the originals at his office.

(7) The examination shall be taken down by a court reporter in the form of questions and answers and the transcript shall be certified as an accurate transcription by the court reporter.

(8) The court reporter shall record the names and addresses of all the persons present and the time(s) at which the examination commenced and finished.

(9) The examination shall be done under oath and the court reporter shall be empowered to administer the oath.

(10) The documents referred to during the examination must be identified but need not be exhibited to the transcript unless the official liquidator requires that some or all of them be exhibited.

(11) The examinee shall answer all the questions put to him (subject to any claim of self-incrimination or legal professional privilege) which are within his knowledge or means of knowledge regarding any matter within the scope of the order and is compellable to give the names and addresses of all persons who reasonably might be expected to have knowledge.

(12) Where an examinee objects to answering any questions put to him, he must state the grounds of his objection and the official liquidator may apply to the court for an order that the question be answered.

(13) If the court determines that the examinee had no valid ground for objection, it may order him to submit to a further examination and pay the costs occasioned by his objection.

ORDER 8

MEETINGS OF CREDITORS AND CONTRIBUTORIES

1. (1) For the purpose of convening meetings and establishing a liquidation committee, the official liquidator shall summarily determine whether, in his opinion, the company should be regarded as being —

Meetings
convened by
official liquidator
(O.8, r.1)

- (a) solvent;
- (b) insolvent; or
- (c) of doubtful solvency,

and the official liquidator's determination shall be final and binding upon the company's creditors and contributories for the purposes of this Order and Order 9 unless and until it is changed by the official liquidator in accordance with this rule.

(2) If and when the official liquidator considers that his initial determination about the company's solvency may no longer be justified he shall reconsider the matter and may change his determination if he considers that it is appropriate to do so and his changed determination shall also be final and binding upon the company's creditors and contributories for the purposes of this Order and Order 9.

(3) The official liquidator's initial determination under this rule shall be certified in CLR Form No. 13 and filed in court within 28 days of the date on which, the winding up order is made and any subsequent change in his determination shall be certified in CLR Form No. 14 and filed in court immediately after it is made.

(4) If, and so long as the official liquidator determines that the company should be regarded as insolvent, he shall convene meetings of its creditors only.

(5) If, and so long as the official liquidator determines that the company is solvent, he shall convene meetings of its contributories only.

(6) If, and so long as the official liquidator determines that the company is of doubtful solvency, he shall convene meetings of both creditors and contributories and such meetings shall be held on the same day, either concurrently or consecutively.

(7) A meeting is deemed to have been convened on the day upon which the official liquidator gives notice of it and it shall not be invalidated if, for whatever reason, the

official liquidator inadvertently fails to give notice to any creditor or contributory.

- (8) References in this Order to —
- (a) “a meeting or meetings” shall mean a creditors’ meeting or a contributories’ meeting or both, depending upon the determination made by the company’s official liquidator in accordance with this rule;
 - (b) “a creditors’ meeting” shall mean a meeting of creditors convened when the official liquidator has certified that, in his opinion, the company should be regarded as insolvent; and
 - (c) “a contributories’ meeting” shall mean a meeting of contributories convened when the official liquidator has certified that, in his opinion, the company should be regarded as solvent.

First meeting of creditors or contributories and subsequent meetings (O.8, r.2)

2. (1) Unless the court otherwise directs, the official liquidator shall convene a first meeting within 90 days of the date upon which the winding up order is made.

(2) The first meeting shall be convened for the purpose of electing a liquidation committee and dealing with such other matters or resolutions as the official liquidator thinks fit or the court may direct.

(3) Thereafter, the official liquidator shall convene meetings whenever —

- (a) he considers that it is appropriate to do so;
- (b) the court directs him to do so; or
- (c) he receives a valid requisition under rule 3; and
- (d) in any event, not less than once a year.

(4) Subsequent meetings may be held via electronic means.

Requisitioned meetings (O.8, r.3)

3. (1) A creditors’ meeting may be requisitioned by anyone or more creditors whose debts are valued in total at \$500,000 or 5% of the company’s total unsecured liabilities whichever is the lesser.

(2) A contributories’ meeting may be requisitioned by one or more contributories who together are entitled to cast at least 5% of the votes capable of being cast at a contributories’ meeting.

(3) A requisition must be made in writing, signed by each requisitioner, and must specify the full terms of each resolution intended to be put to the meeting.

(4) A requisition must be delivered to the official liquidator.

(5) If the official liquidator is satisfied that the requisitioners are entitled to requisition a meeting in accordance with this rule, he shall convene the meeting within 30 days of the date upon which the requisition was received.

(6) If a meeting is requisitioned (whether by creditors or contributories) in respect of a company at a time when the official liquidator has determined it to be of doubtful solvency, he shall convene meetings of both creditors and contributories to be held on the same day, either concurrently or consecutively.

4. (1) Notice of a creditors' meeting shall be given to —

- (a) every person who appears to the official liquidator to be a creditor; and
- (b) every person who has submitted a proof of debt which has not been rejected.

Notice and advertisement of meetings (O.8, r.4)

(2) Notice of contributories' meeting shall be given to —

- (a) every person who appears to the official liquidator to be a contributory; and
- (b) every person recorded as a member in the company's register of members.

(3) In addition to giving notice in accordance with rule 4(1), a creditor's meeting shall be advertised —

- (a) on any website established by the official liquidator; and/or
- (b) in one or more newspapers having circulations in a country or countries in which the company appears most likely to have creditors and any such advertisement shall be published at least 14 days prior to the date of the creditors' meeting.

(4) The official liquidator shall give 21 days' notice of a creditors' meeting and such notice may be —

- (a) sent by pre-paid post; or
- (b) transmitted by facsimile or e-mail.

(5) The official liquidator shall give notice of a contributories' meeting in whatever manner may be required or authorised by the company's articles of association.

(6) The official liquidator may dispense with notice of a creditors' meeting with the unanimous consent of the creditors.

Venue (O.8, r.5)

5. (1) Meetings convened under this Order may be held at the official liquidator's office or at any other convenient place, either in The Bahamas or any other country.

(2) A meeting may take the form of a telephone conference call in which case —

- (a) all notices and advertisements of the meeting must specify the dial in number and codes; and
- (b) any person intending to participate in the meeting must send written notice of his intention to do so to the official liquidator at least 3 days prior to the date of the meeting unless the official liquidator agrees to dispense with notice.

Proceedings at meetings (O.8, r.6)

6. (1) The chairman of the meeting shall be —

- (a) the official liquidator;
- (b) a qualified insolvency practitioner or other person who is authorised to act on his behalf; or
- (c) a counsel and attorney instructed by the official liquidator to act on his behalf.

(2) The chairman may adjourn the meeting to such time and place as seems to him to be appropriate in the circumstances.

(3) The chairman may suspend a meeting from time to time for periods not exceeding two hours.

(4) The official liquidator shall be responsible for taking the minutes of the meeting.

(5) A meeting is not competent to act in the absence of a quorum for any purpose except for the purpose of being adjourned or suspended.

(6) The quorum for a creditors' meeting is at least 3 creditors or all of the creditors if there are less than 3 in number.

(7) The quorum for a contributories' meeting is whatever number is specified in the company's articles of

association as the quorum for a general meeting of the company.

(8) References to creditors and contributories are to those present at the meeting in person or by proxy.

7. (1) A person is entitled to vote as a creditor if —

Entitlement to vote at creditors' meeting (0.8, r.7)

(a) he has lodged a proof of debt by the date specified in the notice convening the meeting and such proof has been admitted for voting purposes; or

(b) he appears to the official liquidator to be recorded in the company's books and records as a member of any class of creditors entitled (pursuant to Order 16, rule 7) to vote without need to lodge a proof of debt.

(2) A creditor may not vote in respect of a claim for an unliquidated amount of any debt whose value is not ascertained except where the chairman agrees to put an estimated minimum value upon it for the purpose of entitlement to vote and admits his proof for that purpose.

(3) A secured creditor is entitled to vote only in respect of the balance of his debt, after taking account of the value of his security.

8. (1) A person is entitled to vote as a contributory if —

Entitlement to vote at contributories' meeting (0.8, r.8)

(a) he is recorded as a member of the company in its register of members; or

(b) the official liquidator is satisfied that he is liable to contribute to the assets of the company.

(2) When a custodian or clearing house is recorded as a member of the company in its register of members, such custodian or clearing house may appoint two representatives to act on its behalf for the purpose of addressing the meeting and voting shares both for and against a resolution in accordance with the instructions received from its clients.

9. (1) At a creditors' meeting, a resolution is passed when a majority (in value) of those present and voting, in person or by proxy, have voted in favour of the resolution.

Voting on resolutions (0.8, r.9)

(2) At a contributories' meeting a resolution is passed when a majority in value (determined in accordance

with rule 9(3)) of those present and voting, in person or by proxy, have voted in favour of the resolution.

(3) At a contributories' meeting, the number of votes attributed to each contributory shall be —

- (a) in the case of contributories holding voting shares, the number of votes attributed to them under the company's articles of association;
- (b) in the case of contributories holding non-voting shares, their voting rights shall be based upon the par value of the shares held; or
- (c) if there are no par value shares, the contributories' voting rights shall be determined in accordance with the net asset value of the company; and
- (d) any shares (whether voting or non-voting) which do not carry the right to participate in any distribution shall have no vote.

(4) If the official liquidator has determined (in accordance with rule 1) that the company should be regarded as of doubtful solvency, a resolution is passed when a majority (in value) of creditors and a majority of contributories (by value determined in accordance with rule 9(3)) have both voted in favour of the resolution.

Recording of
proceedings
(O.8, r.10)

10. (1) The official liquidator shall be responsible for taking the minutes of every meeting, whether or not he is acting as chairman of the meeting.

(2) The official liquidator shall also be responsible for making up a list of all those present or participating in the meeting, including a statement of the capacity in which they were acting.

(3) The minutes of the meeting shall include a record of every resolution passed and shall be signed by the chairman of the meeting.

(4) The minutes of every meeting shall be circulated to the creditors and contributories (in whatever manner is considered by the official liquidator to be most effective and economic) and kept by the official liquidator as part of the records of the liquidation.

ORDER 9
LIQUIDATION COMMITTEES

1. (1) A liquidation committee may be established in respect of a company which is being wound up by the court; and application to the court for the establishment of such a committee may be made in the case of —

Establishment of liquidation committee (O.9, r.1)

- (a) a solvent liquidation, by a liquidator or any shareholder; and
- (b) an insolvent liquidation, by a creditor.

(2) The provisions of this Order shall also apply to a liquidation committee required to be established pursuant to an order made under Order 4, rule 7(3)(f).

(3) If the official liquidator has determined that the company —

- (a) should be regarded as insolvent, a liquidation committee shall comprise not less than three, nor more than five creditors;
- (b) should be regarded as solvent, a liquidation committee shall comprise of not less than three, nor more than five contributories,

and where there are less than three creditors or contributories, a liquidation committee shall comprise of all the creditors or contributories.

(4) The liquidation committee of an insolvent company shall be elected at the first meeting of creditors convened in accordance with Order 8, rule 2.

(5) The liquidation committee of a solvent company shall be elected at the first meeting of the contributories convened in accordance with Order 8, rule 2.

(6) In the case of a company determined by its official liquidator to be of doubtful solvency, the liquidation committee shall comprise not less than three nor more than six members, of whom a majority shall be creditors elected at a meeting of creditors and at least one of whom shall be a contributory elected at a meeting of contributories.

(7) After the liquidation committee has been established, the official liquidator may, with the consent of a majority of the remaining members of the committee, appoint a creditor or contributory (as the case may be) to fill any vacancy.

(8) The liquidation committee does not come into being, and accordingly cannot act, until the official liquidator has issued a certificate in CLR Form No. 15 of its due constitution, which shall state the name, address and contact details of each member.

(9) The official liquidator's certificate shall be filed in court.

Membership of
liquidation
committee (O.9,
r.2)

2. (1) A liquidation committee cannot be established unless and until it has the minimum number of members required by rule 1.

(2) Any creditor of the company (other than one whose debt is fully secured) is eligible to be a member of a liquidation committee, so long as —

- (a) he has lodged a proof of his debt; and
- (b) his proof has neither been wholly disallowed for voting purposes nor wholly rejected for purposes of distribution or dividend.

(3) If some or all of the shares of a company are registered in the name of a custodian or clearing house, a beneficial owner of the shares may be elected as a member of the liquidation committee provided that the custodian or clearing house certifies in writing that it is holding the shares (the number of which must be specified) as custodian or nominee on behalf of such person.

(4) A corporate member of the liquidation committee must be represented by an individual who is duly authorised in writing by a letter sent to the official liquidator at least 2 days before any meeting in which he intends to participate unless the official liquidator agrees to dispense with notice.

(5) If an individual member of the liquidation committee becomes bankrupt, his trustee in bankruptcy shall be recognised as a member of the committee in his place.

(6) If a corporate member of the liquidation committee is put into liquidation under this Act or made the subject of a bankruptcy or reorganisation proceeding under the law of a foreign country, it shall continue to be a member of the committee if and so long as its official liquidator, trustee, receiver or administrator or other appointee consents to act as its representative.

3. (1) It is the duty of the official liquidator to report to the members of the liquidation committee all such matters as appear to him to be, or as the members have indicated to him as being of concern to them with respect to the winding up.

Official liquidator's duty to report (O.9, r.3)

(2) The official liquidator need not comply with a request for information where it appears to him that —

- (a) the request is frivolous or unreasonable;
- (b) the cost of complying would be excessive, having regard to the relative importance of the information;
- (c) there are not sufficient assets to enable him to comply; or
- (d) the request is not compliant with the law or other legal obligation.

(3) The official liquidator shall communicate information to members of the liquidation committee in whatever way may be agreed between them, including —

- (a) orally by telephone;
- (b) in writing, transmitted by facsimile or e-mail; or
- (c) by accessing a website.

(4) The official liquidator shall provide each member of the liquidation committee with a written report and accounts and convene a first meeting within 3 months of the committee's establishment and thereafter he shall convene a meeting —

- (a) on such dates or at such intervals as may be resolved by the committee; or
- (b) if so requested in writing by any two members of the committee; and
- (c) in any event, not less than once every six months.

(5) A “meeting” of the liquidation committee may take the form of —

- (a) a physical meeting at the official liquidator's office or such other place as may be resolved upon by the committee, in which case the official liquidator must give at least 10 business day's notice of the meeting and any member who cannot attend in person must be allowed to participate by telephone; or

- (b) a telephone conference call, in which case the official liquidator must give at least 5 business day's notice of the meeting.

Proceedings of
Liquidator
committee (O.9,
r.4)

4. (1) The official liquidator shall attend every meeting of the liquidation committee, either in person or by a duly authorised representative who must be a partner or employee of the official liquidator's firm having experience in insolvency matters.

(2) The quorum for a meeting of the liquidation committee shall be the official liquidator (or his representative) and at least two members.

(3) The chairman of the meeting shall be the official liquidator (or his representative) unless the members resolve that one of their number should act as chairman.

(4) The chairman at any meeting may call upon a person claiming to act as a committee member's representative to produce his letter of authority and may exclude him if it appears that his authority is defective.

(5) The official liquidator shall prepare an agenda for each meeting including —

- (a) all the matters which the official liquidator intends to put before the meeting;
- (b) any matter which a committee member intends to put before the meeting; and
- (c) any resolutions which the official liquidator or any committee member intends to put to a vote.

(6) The official liquidator shall be responsible for taking the minutes of the meeting, a draft of which shall be prepared and circulated to all the members within 14 days after the meeting.

(7) Each committee member shall have one vote and a resolution is passed when a majority of members present or represented (either in person or by telephone) have voted in favour of it.

(8) If the liquidation committee comprises both creditors and contributories, a resolution is passed only when a majority of the creditor members and a majority of contributory members present or represented (either in person or by telephone) have voted in favour of it.

(9) Whenever the official liquidator considers that it would be impractical or unnecessary to convene a meeting of the liquidation committee for the purpose of considering

any resolution, he may send a copy of it to each member, inviting them to deal with it as a written resolution, and it shall be treated as passed if every member of the committee signs it within 14 days.

5. (1) The liquidation committee may resolve to appoint a counsel and attorney to give legal advice to the committee, either generally or in respect of any specific matter arising in connection with the liquidation.

Counsel to the
Liquidation
Committee (O.9,
r.5)

(2) The counsel and attorney appointed in accordance with this rule is referred to as “counsel to the liquidation committee”.

(3) The legal fees and expenses reasonably and properly incurred by the liquidation committee shall be paid out of the assets of the company as an expense of the liquidation.

(4) If the official liquidator or any committee member considers that the amount of the fees and expenses charged by counsel to the liquidation committee is excessive, he may require that such fees and expenses be taxed on the indemnity basis in accordance with Order 25.

(5) Conversely, if counsel to the liquidation committee considers that the amount which the official liquidator offers to pay is inadequate, he may require that his bill of costs be taxed on the indemnity basis in accordance with Order 25.

(6) Counsel to the liquidation committee shall be entitled to be paid out of the assets of the company as an expense of the liquidation the amount(s) stated in the costs certificate and the official liquidator shall have no authority to pay more than that amount.

6. (1) Travelling expenses and/or telephone charges reasonably and properly incurred by committee members or their representatives in attending meetings of the liquidation committee shall be reimbursed by the official liquidator out of the assets of the company.

Travel and other
expenses of
committee
members (O.9,
r.6)

(2) No other expenses incurred by any committee member in connection with the liquidation shall be reimbursed unless such expense was incurred —

- (a) pursuant to a resolution of the liquidation committee; and
- (b) with the prior approval of the liquidator.

Resignation and removal of the committee members (0.9, r.7)

7. (1) A committee member may resign by notice in writing delivered to the official liquidator.

(2) A creditor's membership of the liquidation committee is automatically terminated if he ceases to be a creditor by reason of the fact that —

- (a) his proof of debt has been wholly rejected; or
- (b) his claim has been paid in full.

(3) A contributory's membership of the liquidation committee is automatically terminated if —

- (a) he ceases to be a registered member of the company; or
- (b) the custodian or clearing house withdraws the certificate issued pursuant to rule 2(3).

(4) Any person's membership of the liquidation committee is automatically terminated if he (or his representative) fails to attend three successive committee meetings either in person or by telephone.

(5) Any member of the liquidation committee may be removed by a resolution passed at a meeting of which the member in question has been given at least 14 days prior notice (referred to in this rule as a "removal resolution").

(6) A removal resolution may be proposed by the official liquidator or any committee member.

(7) It shall not be necessary to give any reasons for proposing a removal resolution, nor shall the liquidation committee or the official liquidator be required to give the former member any reasons for passing a removal resolution.

ORDER 10

OFFICIAL LIQUIDATOR'S REPORTS AND ACCOUNTS

Official liquidator's reporting obligations (O.10, r.1)

1. (1) The official liquidator shall prepare reports and accounts with respect to his conduct of the liquidation and the state of the company's affairs.

(2) It is the duty of an official liquidator to report to —

- (a) the liquidation committee in compliance with the requirements of Order 9, rule 3;
- (b) the contributories, in the event that the official liquidator has determined (pursuant to Order 8,

rule 1) that the company should be regarded as solvent; or

- (c) the creditors, in the event that the official liquidator has determined (pursuant to Order 8, rule 1) that the company should be regarded as insolvent; or
- (d) the contributories and creditors, if and for so long as the official liquidator has determined that the company should be regarded as being of doubtful solvency; and
- (e) the court.

(3) Whenever the official liquidator convenes a meeting pursuant to Order 8, rule 2, the official liquidator shall send a report and accounts to every person entitled to receive notice of the meeting.

(4) Whenever the official liquidator convenes a meeting in response to a requisition made pursuant to Order 8, rule 3, he may send a report and/or accounts to every person entitled to receive notice of the meeting.

(5) The official liquidator of an insolvent company has no continuing duty to report to the contributories, but he shall provide copies of his reports and accounts to any contributory upon request.

2. (1) Every official liquidator's report shall provide a description and analysis of —

- (a) the steps taken and, in the case of an interim report, the further steps intended to be taken in the liquidation generally;
- (b) a discrete matter which, in the opinion of the official liquidator is or ought to be of particular concern to the company's creditors and/or contributories;
- (c) a discrete matter upon which the official liquidator seeks a direction of the court;
- (d) a discrete matter which, by its nature, ought to be kept confidential.

(2) The official liquidator shall report upon —

- (a) the steps taken in the liquidation since the date of the winding up order or the date of his previous report;

Form and content of liquidators' reports and accounts (O.10, r.2)

-
- (b) the matters which are relevant to any resolutions intended to be put to the next meeting of contributories or creditors;
 - (c) any matters upon which he is asked to report by the liquidation committee;
 - (d) any matters upon which he is directed to report by the court;
 - (e) any matters upon which he seeks a direction of the court; and
 - (f) any other matters which, in the opinion of the official liquidator, are or ought to be of concern to the contributories or creditors of the company.

(3) Except in the case of a report expressed to relate to a discrete matter, every official liquidator's report and accounts shall provide the company's creditors and/or contributories with the information necessary (when read with previous reports) to enable them to make an informed decision about the company's financial condition and their prospects of recovery, to the extent that it is reasonably possible to do so.

(4) The official liquidator's accounts shall be presented in the currency of the liquidation and shall include details of —

- (a) the nature and estimated realizable value of the company's assets;
- (b) any security over the company's assets;
- (c) the nature and amount of the company's liabilities, including future and contingent liabilities;
- (d) the nature and amount of the company's income;
- (e) the expenses of the liquidation;
- (f) the amount of liquidator's remuneration approved by the court;
- (g) the work done by or on behalf of the official liquidator and the amount of remuneration claimed by him;
- (h) the distributions made to creditors and contributories; and
- (i) such other information which is required in order to provide the contributories or creditors with a proper understanding of the company's affairs and financial position.

3. (1) Every official liquidator's report and accounts shall be filed in court.

Publication of reports and accounts (0.10, r.3)

(2) Except as provided in sub-rule (3), every official liquidator's report and accounts shall be sent to the company's creditors by pre-paid post or transmitted to them by facsimile or e-mail and shall be sent to contributories in whatever manner may be required or authorised by the company's articles of association.

(3) In the case of a report expressed to relate to a discrete matter, the court may direct that it should be kept confidential for a specific period or until the occurrence of a specified event.

(4) In the case of a company which carried on a regulated business or was put into liquidation upon the petition of the regulator the official liquidator shall send a copy of every report and accounts to the regulator.

(5) In addition, the official liquidator may post his reports and accounts (or a summarised version) on a website established for this purpose.

ORDER 11

SANCTION APPLICATIONS

1. (1) Any application to the court made by —

Introduction (O.11, r.1)

- (a) the official liquidator for an order sanctioning his exercise or proposed exercise of any power conferred upon him by Part I of the Fourth Schedule to the Act or otherwise; or
- (b) a creditor or contributory for an order directing the official liquidator to exercise or refrain from exercising any of his powers in a particular way,

is referred to in these Rules as a “sanction application”.

(2) Sanction applications shall be made by summons in CLR Form 16.

2. (1) Every sanction application made by the official liquidator shall be served on —

Service of sanction applications (O.11, r.2)

- (a) each member of the liquidation committee;
- (b) counsel to the liquidation committee, if a counsel and attorney has been appointed by the liquidation committee with authority to act generally; and

(c) such other creditors or contributories as the court may direct.

(2) Every sanction application made by the liquidation committee shall be served on —

- (a) the official liquidator; and
- (b) such creditors or contributories as the court may direct.

(3) Every sanction application made by a creditor or contributory (other than the liquidation committee) shall be served on —

- (a) the official liquidator; and
- (b) each member of the liquidation committee; or
- (c) counsel to the liquidation committee, if a counsel and attorney has been appointed by the liquidation committee with authority to act generally; and
- (d) such other creditors or contributories as the court may direct.

(4) A sanction application shall not be heard on less than 4 clear day's notice.

(5) The court may direct that the hearing of a sanction application be advertised.

3. (1) Sanction applications shall be heard in chambers unless —

- (a) the court has directed that the application be advertised, in which case it must be heard in open court; or
- (b) the court directs, for some special reason, that it should be heard in open court.

(2) The official liquidator has the right to be heard on every sanction application and it is the official liquidator's duty to attend and be prepared to assist the court in respect of any sanction application made by the liquidation committee or any creditor or contributory.

(3) In addition to those who are entitled to be served in accordance with rule 2, the court may allow the following classes of persons to be heard —

- (a) any other creditor, if the company is insolvent;
- (b) any other contributory, if the company is solvent;

Hearing of
sanction
applications
(O.11, r.3)

- (c) any other creditor or contributory, if the official liquidator has determined that the company should be regarded as of doubtful solvency.
4. (1) When a sanction application is made by the official liquidator — Evidence for use in sanction applications (O.11, r.4)
- (a) he may rely upon affidavit evidence; and/or
- (b) he may rely upon the whole or part of any report or reports which have been filed in court, whether or not such reports were prepared specifically for the purpose of the application.
- (2) When a sanction application is made by the liquidation committee or any creditor or contributory —
- (a) the application must be supported by an affidavit containing full particulars of the grounds upon which the application is made; and
- (b) it shall be the duty of the official liquidator to swear an affidavit in reply or make a report which states whether he —
- (i) supports the application,
- (ii) opposes the application, in which case his affidavit or report must contain the evidence and analysis upon which he relies in opposition to the application, or
- (iii) adopts a neutral position, in which case his affidavit or report must contain any evidence, not already before the court, which he considers to be relevant to the court's decision.
- (3) An affidavit sworn by the official liquidator may contain statements of his opinions.

ORDER 12

SETTLING LIST OF CONTRIBUTORIES

1. (1) The official liquidator is required by section 207 of the Act to settle a list of contributories for the purposes of — Introduction (O.12, r.1)
- (a) identifying those members who are liable to contribute to the assets of the company and ascertaining the amount of their respective contributions; and
- (b) identifying those members who are entitled to participate in the distribution of surplus assets

available after the company's creditors have been paid in full and ascertaining the amount of their respective entitlements.

(2) The official liquidator need not settle any list for the purpose stated in rule 1(1)(a) unless the company was incorporated on the basis that its members' liability is unlimited or is limited by guarantee or it appears to him that the company has issued partly paid shares.

(3) The official liquidator shall not settle any list for the purpose stated in rule 1(1)(b) unless and until he is satisfied that the company is or will become solvent.

Rectification of
the register of
members (O.12,
r.2)

2. (1) The official liquidator shall exercise his power to rectify the company's register of members under section 207(2) of the Act if he is satisfied that —

- (a) the company is or will become solvent;
- (b) the company has from time to time issued redeemable shares at prices based upon a misstated net asset value which is not binding upon the company and its members by reason of fraud or default, with the result that the company has issued an excessive or inadequate number of shares in consideration for the prices paid by one or more subscribers; and/or
- (c) the company has redeemed shares at prices based upon a misstated net asset value which is not binding upon the company and its members by reason of fraud or default, with the result that the company has paid out excessive or inadequate amounts to former members in consideration for the redemption of their shares.

(2) For the purposes of rectifying the register of members in accordance with this rule, the official liquidator shall determine the true net asset value of the company as at each relevant redemption date.

(3) The true net asset value of the company shall be determined in accordance with the accounting principles specified for this purpose in its articles of association or, if none are specified, in accordance with whatever generally accepted accounting principles are adopted by the official liquidator.

(4) The register of members, when rectified by the official liquidator in accordance with section 207(2) of the Act, shall state, as at each relevant redemption date —

- (a) the identity of each subscriber, the amount of money subscribed and the number of shares which ought to have been issued to him (applying the true net asset value per share);
- (b) the identity of each member who redeemed shares, the number of shares redeemed and the amount of redemption proceeds which ought to have been paid to him (applying the true net asset value per share);
- (c) the identity of the company's members and the number of shares which ought to have been held by each member, had the subscriptions and redemptions been done at the true net asset value per share,

and the company's share register shall be rectified accordingly.

3. (1) When the official liquidator rectifies the register of members of a company (other than a company incorporated under the International Business Companies Act in accordance with rule 2, a notice of rectification in CLR Form No. 17 and a copy of the rectified register of members shall be filed in court and served upon every person who is or was a member of the company at any relevant time.

Notification of rectification (O.12, r.3)

Ch. 309.

(2) The official liquidator's notice shall be served together with an explanatory report which shall —

- (a) state the grounds upon which the official liquidator exercised his powers;
- (b) explain how the official liquidator's determination of the company's true net asset value differs from that published from time to time by authority of the company's directors;
- (c) contain the rectified register of members; and
- (d) explain the methodology adopted by the official liquidator for the purpose of rectifying the register of members.

4. (1) Any member or former member of the company who is dissatisfied with the official liquidator's decision to exercise his powers under section 207(2) of the Act and/or the manner in which he has rectified the register of members may appeal to the court.

Appeal against rectification (O.12, r.4)

(2) An appeal under this rule shall take the form of a sanction application made by summons in CLR Form No. 18.

(3) Every summons under this rule shall be served on the official liquidator within 28 days of the date upon which the rectification notice is filled in court and, unless the court otherwise directs, the official liquidator shall serve the summons upon every member or former member identified in the rectified register.

(4) If the appeal is put on the basis that the official liquidator was not properly entitled to exercise his power under section 207(2), it must be supported by an affidavit containing all the facts and matters upon which the appellant relies.

(5) If the appeal is put on the basis that the official liquidator was admittedly entitled to exercise his power, but he exercised it in a manner in which no liquidator could reasonably have exercised it in all the circumstances, it must be supported by an expert report which addresses the valuation and/or methodology issues raised in the summons.

(6) It shall be the duty of the official liquidator to swear an affidavit in reply or make a report which states whether he —

- (a) supports any aspect of the appeal;
- (b) opposes the appeal, in which case his affidavit or report must contain the evidence, analysis and statements of opinion upon which he relies in opposition to the appeal;
- (c) adopts a neutral position, in which case his affidavit or report must contain any evidence, analysis or opinion, not already before the court, which he considers to be relevant to the court's decision.

(7) Order 11, rules 2(5) and 3 shall apply to an appeal under this rule as they apply to a sanction application.

ORDER 13**VOLUNTARY (SOLVENT) LIQUIDATIONS**

1. (1) The liquidation of a company is referred to as a “voluntary liquidation” or “voluntary winding up” if it were commenced in accordance with one or other of the circumstances under section 211 of the Act. Introduction
(O.13, r.1)

(2) The liquidator appointed by the company in accordance with section 214 of the Act is referred to as the “voluntary liquidator” unless and until he is appointed as an official liquidator pursuant to a supervision order.

(3) The liquidation of a company which has commenced voluntarily may continue as a voluntary liquidation if, and only if, a declaration of solvency has been made by all its directors and filed with the Registrar of Companies in accordance with Order 14.

(4) If the company’s directors have failed to make a declaration of solvency within 28 days from the commencement of the liquidation, the voluntary liquidator must apply to the court for a supervision order within 7 days thereafter.

2. (1) Within 7 days of the commencement of a voluntary liquidation, the voluntary liquidator or, in the absence of any liquidator, the directors shall — Notice of
voluntary
winding up (0.13,
r.2)

- (a) file with the Registrar of Companies a notice of the winding up in CLR Form No. 19;
- (b) file with the Registrar of Companies the voluntary liquidator’s consent to act in CLR Form No. 20;
- (c) in the case of a company carrying on a regulated business, send to the regulator copies of the notices and any declaration registered with the Registrar of Companies pursuant to paragraphs (a), (b) and (c) of this sub-rule; and
- (d) publish notice of the voluntary winding up (in CLR Form No. 19) in the *Gazette*.

(2) Within 35 days of the commencement of a voluntary liquidation, the voluntary liquidator shall file with the Registrar of Companies the directors’ declaration(s) of solvency or, in the absence of any declaration of solvency, a notice in CLR Form No. 21 stating that a supervision petition has been presented to the court.

(3) The voluntary liquidator shall provide copies of the documents specified in sub-rules (1) and (2) on request to any member or creditor of the company and any person who was a director or professional service provider of the company immediately prior to the commencement of the liquidation.

Appointment of
voluntary
liquidator (O.13,
r.3)

- 3.** (1) A voluntary liquidator may —
- (a) be appointed by a resolution of the company; or
 - (b) assume office automatically pursuant to section 214(2)(a) of the Act.

(2) The appointment of a voluntary liquidator by resolution of the company shall not take effect unless and until a consent to act in CLR Form No. 20 has been signed by the person appointed and filed with the Registrar of Companies.

(3) If two or more persons have been appointed as voluntary liquidators jointly, the consent to act must be signed by all of them.

(4) If two or more persons have been appointed as voluntary liquidators with power to act either jointly or severally, any one whose consent to act has been filed with the Registrar of Companies may act alone unless and until the others have consented to act.

(5) If, for whatever reason, the office of voluntary liquidator is vacant and the directors fail to convene a general meeting or the members fail to pass a resolution appointing a voluntary liquidator, any contributory or creditor of the company may apply to the court for an order appointing a voluntary liquidator.

Resignation of
voluntary
liquidator (O.13,
r.4)

- 4.** (1) A voluntary liquidator who wishes to resign shall —
- (a) prepare a report and accounts complying with the requirements of rule 8; and
 - (b) convene a general meeting of the company for the purpose of approving his report and accounts, accepting his resignation, releasing him from the performance of any further duties and appointing a successor.

(2) In the event that the company fails to pass any resolution (either because there is no quorum or the resolution is voted upon but not passed), the voluntary

liquidator may apply to the court for an order that he be released from the performance of any further duties.

(3) Where two or more persons have been appointed as joint voluntary liquidators (whether empowered to act only jointly or jointly and severally) one may resign by filing a notice of resignation with the Registrar of Companies (without the need to prepare any report and accounts) and the remaining liquidator(s) shall continue in office, whether or not the outgoing liquidator is replaced.

5. (1) Where the voluntary liquidator dies in office, it is the duty of his personal representative to give notice of his death (including the date of death) to the company's directors and to the Registrar of companies.

Death of
voluntary
liquidator (O.13,
r.5)

(2) Alternatively, if the voluntary liquidator was a partner or employee of a firm, his firm may give notice of his death.

(3) Following the death of the voluntary liquidator (where he was acting as sole liquidator), the directors shall, within 28 days of the notification of his death, convene a meeting of the company for the purpose of appointing a new liquidator, failing which any director or member of the company may apply to the court for an order appointing a new liquidator.

(4) If a deceased liquidator was appointed jointly, the survivor shall continue to act as sole liquidator unless and until the company resolves to appoint an additional person to act jointly with him.

6. (1) A voluntary liquidator may be removed from office by an ordinary resolution passed at a general meeting of the company convened especially for the purpose of any member or members holding not less than one fifth of the company's issued share capital or entitled to not less than one fifth of the votes if the company does not have a share capital.

Removal of
voluntary
liquidator (O.13,
r.6)

(2) The voluntary liquidator shall be entitled to receive notice of any meeting convened in accordance with sub-rule (1).

(3) At a meeting convened in accordance with sub-rule (1) the company shall also consider and resolve upon —

(a) whether the outgoing voluntary liquidator should be released from the performance of any

further duties without the need to prepare and distribute any further report or accounts; and

(b) the appointment of a successor liquidator.

(4) If the company fails to pass a resolution that the outgoing voluntary liquidator be released from the performance of any further duties, he shall prepare a report and accounts within 28 days from the date of his removal and may apply to the court for an order that he be released from the performance of any further duties.

Voluntary liquidator's reporting obligations (O.13, r.7)

7. (1) The voluntary liquidator shall prepare reports and accounts with respect to his conduct of the liquidation and the state of the company's affairs.

(2) In addition to preparing annual reports and accounts (in compliance with section 221 of the Act) and the final report and accounts (in compliance with section 222 of the Act), the voluntary liquidator shall prepare and send to the company's members such other reports and accounts as he considers appropriate.

(3) The voluntary liquidator's reports and accounts shall be sent to the company's members (by whatever means is authorised by its articles of association) together with notice of a general meeting convened for the purpose of considering and, if thought fit, approving such report and accounts.

(4) The voluntary liquidator shall, on request, send copies of his reports and accounts to any creditor of the company whose debt has not been paid in full.

Form and content of reports and accounts (0.13, r.8)

8. (1) The voluntary liquidator's report shall constitute a narrative description and analysis of the steps taken and, the case of an interim report, the further steps intended to be taken in the liquidation.

(2) The voluntary liquidator's report and accounts shall provide the company's members with all the information necessary to enable them to make an informed decision about the company's financial condition.

(3) The voluntary liquidator's accounts shall be presented in the company's functional currency and include details of —

(a) the nature of the company's assets;

(b) any security over the company's assets;

- (c) the amount realised upon sale of the company's assets and the estimated realisable value of any unsold assets;
- (d) the nature of the company's liabilities including contingent liabilities, the amounts paid in satisfaction of the liabilities and the amount remaining unpaid;
- (e) the nature and amount of the company's income;
- (f) the expenses of the liquidation;
- (g) the amount of the liquidator's remuneration; and
- (h) the amount distributed and the amount available for distribution to members.

9. (1) The basis of the voluntary liquidator's remuneration and the amount of his remuneration shall be authorised by resolution of the company.

Voluntary liquidator's remuneration (O.13, r.9)

(2) The company may resolve to remunerate the voluntary liquidator on the basis of —

- (a) an hourly rate (or scale of rates) for the time reasonably and properly devoted to the liquidation;
- (b) a fixed sum;
- (c) a commission or percentage of the assets distributed or realised; or
- (d) a combination of these methods.

(3) The voluntary liquidator shall not be entitled to receive payment of any remuneration out of the company's assets without the prior approval of a resolution passed at a general meeting of the company except that —

- (a) the amount of remuneration specified in the voluntary liquidator's final report and accounts may be paid if the final general meeting has been duly convened but no member attends and votes either in person or by proxy; and
- (b) any remuneration may be paid with the court's approval.

10. (1) Every originating application made to the court by a voluntary liquidator or any contributory or creditor of a company in voluntary liquidation, whether pursuant to Part VII of the Act and/or pursuant to this Order, shall be made by petition.

Applications to Court (O.13, r.10)

(2) A petition by which the voluntary liquidator or any contributory seeks an order for directions pursuant to section 224 of the Act shall be served —

- (a) in the case of a liquidator's petition, upon every member of the company unless the court directs otherwise or directs that the petition be advertised;
- (b) in the case of a contributory's petition, upon the voluntary liquidator who shall serve it upon every member unless the court directs otherwise or directs that the petition be advertised.

(3) A petition by a liquidator or former liquidator for his release (under rules 4 or 6) shall be served upon —

- (a) the successor liquidator;
- (b) the members of the liquidation committee (if any); and
- (c) every member of the company, unless the court directs otherwise.

(4) A petition pursuant to section 216(3) of the Act for an order that a voluntary liquidator be removed from office shall contain full particulars of all the facts and matters relied upon in support of the allegation that he is not a fit and proper person to hold such office and shall be served upon —

- (a) the voluntary liquidator;
- (b) the liquidation committee (if any); and
- (c) every member of the company, unless the court directs otherwise.

(5) A petition pursuant to section 214(4)(b) of the Act and rule 3(5) for an order appointing a voluntary liquidator (when the office has been left vacant) need not be served on any members of the company.

(6) Every petition under this rule must be supported by an affidavit unless all the facts and matters relied upon in support of the petition are contained in a liquidator's report.

(7) Every petition under paragraphs (4) or (5) must be supported by an affidavit sworn by the person nominated for appointment as voluntary liquidator stating that —

- (a) he is a qualified insolvency practitioner.

- (b) having made due enquiry, he believes that he and his firm meet the criteria for independence contained in rule 6;
- (c) he and/or his firm are in compliance with the requirements of rule 7 relating to insurance; and
- (d) he is willing to act as official liquidator if so appointed by the court.

(8) Any petition under this rule may be heard in chambers unless the court has directed that it be advertised, in which case it must be heard in open court.

11. (1) In the event of a voluntary winding up continuing for more than one year, the voluntary liquidator shall convene an annual general meeting of the company no later than the end of the first year from the commencement of the winding up and annually thereafter for the purpose of considering and, if thought fit —

General meetings
of the company
(O.13, r.11)

- (a) approving the voluntary liquidator's interim report and accounts;
- (b) approving the voluntary liquidator's remuneration for the period up to the date of his interim accounts; and
- (c) resolving upon any other matters upon which the voluntary liquidator considers that it is necessary or appropriate for the company to resolve.

(2) As soon as the company's affairs are fully wound up, the voluntary liquidator shall convene a final meeting of the company for the purpose of considering and, if thought fit —

- (a) approving the voluntary liquidator's final report and accounts; (including the provisions for any unpaid expenses);
- (b) approving the voluntary liquidator's remuneration (including provision for work still to be done);
- (c) resolving upon the retention and destruction of the company's books and records;
- (d) resolving upon the method of dealing with the proceeds of any dividend cheques which remain uncleared for more than six months.

(3) Notice of every general meeting of the company convened by its voluntary liquidator shall be given in accordance with its articles of association, except that —

- (a) every notice of a general meeting must be accompanied by the voluntary liquidator's report and accounts;
 - (b) at least 21 days notice must be given of the final general meeting; and
 - (c) notice of the final general meeting shall be published in the *Gazette*.
- (4) Notice of a general meeting convened by the voluntary liquidator may be given by any method authorised by the company's articles of association.

ORDER 14

DIRECTOR'S DECLARATION OF SOLVENCY

Form and content of declaration of solvency (O.14, r.1)

1. (1) A declaration of solvency shall be in CLR Form No. 21 and signed by each person who was a director of the company on the date on which its voluntary winding up was commenced.

(2) A declaration of solvency shall state the full name and address of each director by whom it is signed and the date upon which person was appointed as a director.

(3) The voluntary liquidator may assist the company's directors to make the enquiries necessary to enable them to prepare and sign a declaration of solvency, for which purpose he shall provide them with access to all the company's books and records.

(4) The voluntary liquidator may pay to the company's directors the expenses reasonably and properly incurred by them in preparing a declaration of solvency.

Delivery and registration of declaration of solvency (O.14, r.2)

2. (1) In order to comply with the requirements of sections 218(1) and 219(1) of the Act, a declaration of solvency, duly signed by all the directors, must be delivered to the voluntary liquidator and filed with the Registrar of Companies within 28 days of the date upon which the voluntary liquidation is deemed to have commenced under section 212 of the Act.

(2) A declaration of solvency which has been transmitted to the voluntary liquidator electronically shall comply with the requirements of this rule.

(3) If, having received a declaration of solvency, the voluntary liquidator fails to file it with the Registrar of Companies, any director may do so.

ORDER 15**APPLICATION FOR SUPERVISION ORDER**

1. (1) An application for a supervision order must be made by a company's voluntary liquidator in accordance with section 219 of the Act if its directors fail to make and deliver their declaration of solvency to the voluntary liquidator within forty-five days of the commencement of the liquidation.

Introduction
(O.15, r.1)

(2) Notwithstanding that a declaration of solvency has been duly made in accordance with section 219 of the Act, the voluntary liquidator or any contributory or any creditor may apply to the court for a supervision order on the grounds contained in section 225 of the Act.

2. (1) The requirement to apply for a supervision order under section 219 of the Act shall apply only if the voluntary liquidation was commenced on or after the commencement date.

Application
under section 219
of the Act (O.15,
r.2)

(2) An application for a supervision order under section 219 of the Act shall be made by petition.

(3) A petition under this rule shall contain —

- (a) particulars of the company's incorporation;
- (b) particulars of the method by which the company was put into voluntary liquidation;
- (c) particulars of the persons who are or were directors of the company on the date on which its voluntary liquidation commenced;
- (d) a statement that the voluntary liquidator did not receive, within 28 days of the commencement of the liquidation, a declaration of solvency in the prescribed form signed by all of the company's directors; and
- (e) if the voluntary liquidator is a qualified insolvency practitioner, a statement that he consents to being appointed as official liquidator; or
- (f) if the voluntary liquidator is not a qualified insolvency practitioner or is unable to comply with the independence requirements of the Insolvency Practitioners' Rules or is unwilling to be appointed as official liquidator, the name and address of a qualified insolvency

practitioner nominated for appointment as official liquidator.

(4) Every petition under this rule must be presented within 35 days of the date upon which the liquidation is deemed to have commenced under section 212 of the Act.

(5) Unless the voluntary liquidator is a qualified insolvency practitioner who is willing and properly able to accept appointment as official liquidator, the voluntary liquidator must give notice of the petition to the company's members by whatever means is provided in the articles of association for giving notice of a general meeting of the company.

Application
under section 225
of the Act (O.15,
r.3)

3. (1) An application by a voluntary liquidator, contributory or creditor for a supervision order to be made under section 225 of the Act shall be made by petition.

(2) A petition under this rule shall contain full particulars of the grounds upon which it is presented.

(3) Upon the presentation of a petition under this rule, the petitioner must at the same time issue a summons for directions in respect of the matters contained in this rule.

(4) Upon hearing the summons for directions, the court shall either —

- (a) make a supervision order, if the court is satisfied that the company's members consent or do not object to an order being made; or
- (b) fix a hearing date and make such directions as the court thinks appropriate in respect of the following matters —
 - (i) whether the petition should be served and, if so, upon whom it should be served,
 - (ii) whether the petition should be advertised and, if so, in what manner it should be advertised,
 - (iii) the manner in which further evidence is to be given, and
 - (iv) such other procedural matters as the court thinks fit.

(5) A petition under this rule may be presented at any time.

4. (1) The petition shall be verified by an affidavit that the statements in the petition are true, or are true to the best of the deponent's knowledge, information and belief.

Supporting affidavits (O.15, r.4)

(2) An affidavit verifying a petition under rule 2 shall be sworn by the voluntary liquidator personally.

(3) An affidavit verifying a petition under rule 3 shall be sworn by —

- (a) the petitioner;
- (b) the voluntary liquidator; or
- (c) any director, officer or agent of the petitioner who has been concerned in and has personal knowledge of the matters giving rise to the petition.

(4) Unless the voluntary liquidator is a qualified insolvency practitioner who is willing and properly able to accept appointment as official liquidator, a petition under rules 2 or 3 must also be supported by an affidavit sworn by the person or persons nominated for appointment as official liquidator and containing the information required by Order 3, rule 4.

5. (1) If the voluntary liquidator is a qualified insolvency practitioner who has sworn an affidavit of fitness verifying that he is willing and properly able to accept appointment as official liquidator, a Judge may make a supervision order under section 219 of the Act without the need for any hearing.

Hearing of section 219 petition (O.15, r.5)

(2) In any other case, the voluntary liquidator shall fix a date for hearing the petition in open court and —

- (a) give notice of the petition to the company's members by whatever means is provided in its articles of association for giving notice of a general meeting of the company;
- (b) advertise the petition once in a newspaper having a circulation within The Bahamas and, if the company is carrying on business outside The Bahamas, once in a newspaper having a circulation in a country in which the company appears most likely to have creditors, in which case the advertisement shall be published in the official language of such country.

(3) An advertisement under this rule shall be in CLR Form No. 22.

(4) Any member or creditor of the company may appear on the petition and be heard upon the question of who should be appointed as official liquidator provided that he has given notice of his intention to do so and has complied with the requirements of Order 3, rule 8(3).

Release of
voluntary
liquidator (O.15,
r.6)

6. (1) Unless a voluntary liquidator is appointed as official liquidator, he shall cease to hold office automatically upon the making of a supervision order.

(2) When a voluntary liquidator ceases to hold office in accordance with this rule, he shall prepare a final report and accounts for the period from the commencement of the voluntary liquidation until the date of the supervision order.

(3) The voluntary liquidator shall deliver his final report and accounts to the official liquidator within 28 days of the date upon which the supervision order was made and the official liquidator shall —

- (a) file the report and accounts in court; and
- (b) publish the report and accounts to the company's members and creditors in such manner as he thinks fit.

(4) Having delivered his final report and accounts, the voluntary liquidator may apply (but shall not be obliged to apply) to the court for an order that his accounts (including the amount of his remuneration) be approved and that he be released from the performance of any further duties.

Delivery of
company's books
and records
(O.15, r.7)

7. (1) A voluntary liquidator who ceases to hold office upon the making of a supervision order shall forthwith deliver to his successor the company's books and a copy of his liquidation files (maintained in accordance with Order 26, rule 2).

(2) The official liquidator shall allow the voluntary liquidator to have unrestricted access to the company's books and records for the purpose of preparing his report in compliance with Order 13, rule 8.

Supervision
order (O.15, r.8)

8. (1) A supervision order shall be in CLR Form No. 23.

(2) The requirements of Order 3, rules 16 and 17 shall apply to supervision orders as they apply to winding up orders.

ORDER 16
PROOF OF DEBTS IN OFFICIAL LIQUIDATION

PART 1-PROCEDURE FOR PROVING

1. (1) Where a solvent company is being wound up by the court, the official liquidator shall pay the debts owing to its creditors in the ordinary course and in the currency of the obligation as if the company were still carrying on business.

Introduction
(O.16, r.1)

(2) Where a company which is insolvent or of doubtful solvency is being wound up by the court, a person claiming to be a creditor of the company and wishing to recover his debt must (subject to rule 7) submit his claim in writing to the official liquidator and is referred to as “proving” for his debt and the document by which he seeks to establish his claim is referred to as his “proof” or “proof of debt”.

(3) The official liquidator of a solvent company which is being wound up by the court may require a creditor to submit a proof of debt if there is a doubt or dispute about the existence of the debt or the amount owing to the creditor.

(4) It is the duty of the official liquidator to adjudicate the creditors’ claims, for which purpose he acts in a quasi-judicial capacity.

2. (1) A proof of debt shall be in CLR Form No. 24 or such other form or forms as the official liquidator may prescribe having regard to the nature of the claims against the company.

Form and content
of proof (O.16,
r.2)

(2) The official liquidator may prescribe different forms of proof of debt for use by different classes of creditors.

(3) The following matters shall be stated in a creditor’s proof of debt —

- (a) the creditor’s name and address;
- (b) the total amount of his claim as at the date on which the company went into liquidation;
- (c) whether or not the claim includes interest and, if so, the basis upon which the creditor claims to be entitled to interest;
- (d) particulars of how and when the debt was incurred by the company; and

(e) particulars of the security held by the creditor, the value which he puts on the security and the basis of his valuation.

(4) Copies of all the documents evidencing the existence and amount of the debt must be annexed to the proof of debt.

(5) The official liquidator may require the creditor to submit further and better particulars of his claim, including additional supporting documents.

(6) The person signing the proof of debt (other than the creditor himself) must state his name, contact details and the basis upon which he is authorised to act on behalf of the creditor.

(7) The official liquidator may require that a proof of debt be verified by affidavit.

Supply of proof
of debt forms
(O.16, r.3)

3. (1) Subject to rule 7, proof of debt forms shall be sent by the official liquidator to every person who appears to him to be a creditor of the company.

(2) Subject to rule 7, proof of debt forms shall be sent to every person to whom the official liquidator sends notice of the first meeting of creditors in accordance with Order 8, rule 4.

Cost of proving
(O.16, r.4)

4. (1) Every creditor bears his costs of proving his own debt, including the cost of responding to the official liquidator's requirement that he provide further and better particulars of his claim.

(2) Nothing in this rule shall prevent a creditor from claiming his costs of proving pursuant to the terms of a contract which is enforceable against the company.

(3) The official liquidator's cost of adjudicating the proofs of debt is paid out of the assets as an expense of the liquidation.

Withdrawal and
variation of proof
(O.16, r.5)

5. A creditor's proof may at any time, by agreement between himself and the liquidator, be withdrawn or varied as to the amount claimed.

Admission and
rejection of proof
(O.16, r.6)

6. (1) A proof may be admitted for dividend either for the whole amount claimed by the creditor, or for part of that amount.

(2) Where the official liquidator has admitted a creditor's proof in full, he shall notify the creditor of this fact in CLR Form No. 25.

(3) Where the official liquidator has rejected the creditor's proof or admitted it only in part, he shall notify the creditor in CLR Form No. 26 including —

- (a) a statement of the official liquidator's reasons for rejecting the whole or part of the claim; and
- (b) a statement of the creditor's right to apply to the court for the official liquidator's decision to be reversed or varied.

7. (1) This rule applies to a company which has carried on a deposit taking business as a licensed bank.

Admission
without proof of
debt (O.16, r.7)

(2) All of the company's depositors to whom periodic statements of accounts were sent by the company shall be admitted to proof in respect of the amounts recorded due to them without requiring them to lodge proofs of debt unless the official liquidator has reason to believe that the company's deposit taking records are unreliable.

(3) Where the official liquidator has admitted a depositor to proof without requiring him to submit a proof of debt, he shall send notice in CLR Form No. 27 informing the depositor of this fact.

8. (1) Subject to sub-rule (2), any proof of debt (including the supporting documentation, any further and better particulars and any correspondence relating to its adjudication) may be inspected by or on behalf of —

Inspection of
proofs of debts
(O.16, r.8)

- (a) any creditor whose proof of debt has been admitted in whole or in part; or
- (b) any contributory of the company.

(2) In the case of a creditor to whom the company owes a duty of confidentiality, the official liquidator shall not allow his proof of debt to be inspected by another creditor or contributory without first —

- (a) obtaining his written consent; or
- (b) obtaining a direction of the court.

PART II QUANTIFICATION OF CLAIM

9. (1) Any agreement made between the company and a creditor prior to the commencement of the winding up that the claims of such creditor be subordinated or otherwise deferred to the claims of any other creditors (referred to in this Order as a "subordination agreement")

Enforcement of
subordination,
set-off (or non
set-off) and
netting
agreements
(O.16, r.9)

are binding on the company in liquidation and shall be enforced by the official liquidator.

(2) Any contractual right of set-off or non set-off or netting arrangement agreed between the company and any creditor prior to the commencement of the liquidation (including both bilateral and multi-lateral set-off or netting arrangements) (referred to in this Order as a “set-off agreement”, “non set-off agreement” and “netting agreement”) are binding upon the company in liquidation and shall be enforced by the official liquidator.

Mutual credit and set-off (O.16, r.10)

10. (1) This rule applies where, before the commencement of the liquidation, the company has not concluded any set-off, non set-off or netting agreement with the creditor.

(2) If there have been mutual credits, mutual debts or other mutual dealings (other than a set-off or non set-off or netting agreement) between the company and the creditor, an account shall be taken of what is due from each party to the other in respect of the mutual dealings, and the sums due from one party shall be set off against the sums due from the other.

(3) Sums due from the company to another party shall not be included in the account taken under sub-rule (2) if that other party had actual notice at the time they became due that a winding up petition had been presented and was pending against the company.

(4) Only the balance (if any) of the account is provable in the liquidation. Alternatively, (as the case may be) the amount shall be paid to the official liquidator.

Pre-liquidation interest on debts (O.16, r.11)

11. (1) A creditor who has a contractual right to claim interest against an insolvent company may prove for the amount of the interest accrued up to the date of the commencement of the liquidation.

(2) A creditor having a contractual right to interest as against an insolvent company shall not be entitled to prove for any interest accrued after the commencement of the liquidation.

Prescribed minimum (O.16, r.12)

12. The prescribed minimum referred to in section 188 of the Act shall be one thousand dollars and the Liquidation Rules Committee shall have power to amend this rule from time to time to vary such prescribed minimum.

13. (1) In the case of a solvent liquidation, the creditors are entitled and the official liquidator is required to pay the company's debts in the currency of the obligation.

Determination of the currency of the liquidation (O.16, r.13)

(2) In the case of an insolvent liquidation, a company's liabilities shall be translated into the functional currency of the company (referred to in this rule as the "currency of the liquidation") at the mid market exchange rates prevailing —

- (a) on the date of the commencement of the voluntary liquidation; or
- (b) the date on which the winding up order was made, (referred to in this rule as the "applicable exchange rate").

(3) The official liquidator shall determine the currency of the liquidation in accordance with section 246(3) of the Act within 28 days of the date of his appointment and his determination shall be final and binding upon the company's creditors for all purposes.

(4) The official liquidator's determination shall be certified in CLR Form No. 28 and the certificate shall be filed in court.

(5) When a creditor proves for his debt in a currency other than the currency of the liquidation, the amount claimed shall be translated into the currency of the liquidation at the applicable exchange rate.

(6) A creditor shall not be entitled to claim against an insolvent company in liquidation any compensation for exchange losses resulting from changes in the market exchange rate occurring during the period between the date on which the winding up order was made and the date on which the dividend is paid.

14. (1) In the case of rent and other payments of a periodical nature, the creditor may prove for any unpaid amount accrued up to the date when the winding up order is made.

Payments of a periodical nature (O.16, r.14)

(2) Unless the official liquidator continues to pay the rent or other payments accruing due after the date on which the winding up order is made as an expense of the liquidation, the creditor's claim in respect of amounts accruing after the date on which the winding up order is made shall be limited to a claim for damages for breach of contract.

(3) In calculating the amount of damages, the official liquidator shall assume that the creditor has taken all such steps as may be reasonable to mitigate his loss and shall apply a discount for accelerated payment using the rate of interest prescribed by the Civil Procedure (Rate of Interest) Rules.

S. I. No. 93 of 2008

Debts payable at a future date (O.16, r.15)

15. (1) A creditor may prove for a debt of which payment was not yet due on the date when the company went into liquidation.

(2) If the dividend becomes payable before the date on which the debt would have fallen due, the amount of the dividend shall be discounted for accelerated payment using the rate of interest prescribed by the Civil Procedure (Rate of Interest) Rules.

S. I. No. 93 of 2008

Contingent claims (O.16, r.16)

16. (1) The official liquidator shall estimate the value of any debt which, by reason of its being subject to any contingency or for any other reason, does not bear a certain value.

(2) The official liquidator may revise any estimate previously made, if he thinks fit by reference to any change of circumstances or to information becoming available to him.

(3) Where the official liquidator has put an estimate upon a contingent claim or a debt the amount of which is subject to a contingency, he shall notify the creditor of this fact in CLR Form No. 29, stating —

- (a) the basis upon which this estimate has been made;
- (b) the fact that the creditor may submit a varied proof of debt, having regard to changed circumstances;
- (c) the fact that the official liquidator may vary his estimate, having regard to changed circumstances; and
- (d) the official liquidator's agreement to extend generally the creditor's time for applying to the court pursuant to rule 18.

PART III

APPEAL AGAINST REJECTION OF PROOF

Introduction (O.16, r.17)

17. If a creditor is dissatisfied with the official liquidator's decision with respect to his proof (including

any decision on the question of priority), he may appeal to the court for the decision to be reversed or varied.

18. (1) An appeal to the court under rule 17 shall be made within 21 days of the date upon which he received the official liquidator's notification under rule 6. Application to Court (O.16, r.18)

(2) Every appeal under this rule shall be made by summons in CLR Form No. 30 and shall be served on the official liquidator.

(3) Every appeal under this rule shall be supported by an affidavit and Order 11, rule 4(2) shall apply.

(4) Order 11, rule 3 shall apply to the hearing of every appeal under this rule.

(5) An appeal under this rule shall be treated as a *de novo* adjudication of the creditor's proof and the creditor may rely upon additional evidence in support of his claim, notwithstanding that he failed to make such evidence available to the official liquidator.

19. (1) The official liquidator's costs of an appeal under rule 17 shall be paid out of the assets of the company as an expense of the liquidation. Costs of appeal (O.16, r.19)

(2) If the court finds in favour of the creditor and reverses or varies the official liquidator's decision, the court may make an order that the creditor's costs be paid out of the assets of the company as an expense of the liquidation.

(3) In deciding how to exercise its discretion under sub-rule (2) the court shall have regard to the manner in which the creditor originally sought to prove his claim (and, in particular, any failure to provide the official liquidator with the whole of the evidence relied upon in support of his appeal to the court) and the reasons why the court reversed or varied the official liquidator's decision.

PART IV EXPUNGING ADMITTED CLAIMS

20. (1) The court may expunge a proof which has been admitted or reduce the amount in respect of which it has been admitted. Introduction (O.16, r.20)

(2) The official liquidator may apply to expunge a proof on the ground that it appears, on the basis of information not available to the official liquidator at the time of his adjudication of the proof, that it ought not to

have been admitted or ought to have been admitted for a lesser amount.

(3) A contributory or creditor who is dissatisfied with the official liquidator's decision to admit the whole or part of a creditor's proof for an amount exceeding \$100,000 (or its equivalent in the currency of the liquidation) or 5% of the company's total liabilities (whichever is the less) may apply to expunge the proof on the ground that it should not have been admitted.

Application to
Court (O.16, r.21)

21. (1) An application to expunge a proof of debt shall be made by summons in CLR Form No. 31 and shall be served on the creditor and, if made under rule 20(3), shall also be served on the official liquidator.

(2) An application under this rule must be made promptly and, in any event, not later than the date upon which a dividend has been paid in respect of it.

(3) Every application under this rule shall be supported by an affidavit and Order 11, rule 4(2) shall apply.

PART V DISCLAIMER

Liquidator may
disclaim onerous
property (O.16,
r.22)

22. (1) Subject to rule 24, the liquidator of a company may, with leave of the court, file a notice of disclaimer with the court to disclaim any onerous property of the company even though he has taken possession of it, tried to sell or assign it or otherwise exercised rights of ownership in relation to it.

(2) A liquidator who disclaims onerous property shall, within 14 days of the date on which the disclaimer notice is filed, give notice to every person whose rights are, to the knowledge of the liquidator, affected by the disclaimer.

(3) A liquidator who contravenes sub-rule (2) commits an offence and shall be liable to a civil penalty under the Act.

When disclaimer
takes effect
(O.16, r.23)

23. (1) Subject to sub-rule (2), a disclaimer takes effect on the date when the notice of disclaimer is filed at court.

(2) The disclaimer of property of a leasehold nature does not take effect unless a copy of the disclaimer notice has been given, so far as the liquidator is aware of their

addresses, to every person claiming under the company as underlessee or mortgagee and either —

- (a) no application for a vesting order is made under rule 26 with respect to that property before the end of a period of 14 days beginning with the day on which the last notice under this sub-rule was given; or
 - (b) where such an application is made, the court directs that the disclaimer shall take effect.
- (3) Where the court gives a direction under sub-rule (2)(b), it may also instead of or in addition to any order it makes under rule 26, make such orders with respect to fixtures, tenant's improvements and other matters arising out of the lease as it considers fit.

24. (1) A person interested in property or whose rights would be affected by the disclaimer of property may, by serving a notice to elect on the liquidator, require him to elect whether or not to disclaim the property.

Notice to liquidator to elect whether to disclaim (O.16, r.24)

(2) Where a notice to elect is served on a liquidator, he is not entitled to disclaim the property under rule 22 unless he does so within 28 days of the date of service of the notice on him or within such extended period as the court may allow.

25. (1) A disclaimer of onerous property under rule 22 —

Effect of disclaimer (O.16, r.25)

- (a) operates so as to determine, with effect from the date of the disclaimer, the rights, interests and liabilities of the company in or in respect of the property disclaimed; but
- (b) except so far as is necessary to release the company from liability, does not affect the rights or liabilities of any other person.

(2) A person suffering loss or damage as a result of a disclaimer of onerous property under rule 22 may claim in the liquidation of the company as a creditor for the amount of the loss or damage.

26. (1) Subject to rule 27, if a liquidator disclaims onerous property under, rule 22, the court may make an order under sub-rule (2) on the application of —

Vesting orders and orders for delivery (O.16, r.26)

- (a) a person who claims an interest in the disclaimed property; or

(b) a person who is under a liability in respect of the disclaimed property, that has not been discharged by the disclaimer.

(2) On an application under sub-rule (1), the court may, on such terms as it considers fit, order that the disclaimed property be vested in or delivered to —

(a) a person entitled to the property;

(b) a person under a liability in respect of the property that has not been discharged by the disclaimer; or

(c) a trustee for a person referred to in paragraph (a) or (b).

(3) The court shall not make an order in respect of a person specified in sub-rule (2)(b), or in respect of a trustee of such a person, unless it appears to the court that it would be fair to do so for the purpose of compensating the person subject to the liability in respect of the disclaimer.

(4) The effect of any order under this rule shall be taken into account in assessing the extent of the loss or damage suffered by a person for the purposes of rule 25(2).

(5) Subject to sub-rule (6), where a vesting order is made under this rule vesting property in a person, the property vests immediately without any conveyance, transfer or assignment.

(6) Where another enactment —

(a) requires the transfer of property vested by an order under this rule to be registered; and

(b) enables the order to be registered,

on the making of a vesting order, the property vests in equity but does not vest at law until the registration requirements of the enactment have been complied with.

27. (1) Where the court makes an order under rule 26 vesting property of a leasehold nature in a person claiming under the company in liquidation as an underlessee or a mortgagee, the vesting order shall be made on terms that make that person subject —

(a) to the same liabilities and obligations as the company was subject to under the lease at the commencement of the liquidation; or

(b) to the same liabilities and obligations as that person would have been subject to if the lease

Vesting orders in
respect of leases
(O.16, r.27)

had been assigned to him at the commencement of the liquidation.

(2) Where the property vested by an order under rule 26 relates to only part of the property comprised in a lease, sub-rule (1) applies as if the lease comprised the property subject to the vesting order.

(3) Where no underlessee or mortgagee is willing to accept a vesting order made subject to sub-rule (1), the court, by order —

- (a) may vest the property in any person who is liable, whether personally or in a representative capacity and whether alone or jointly with the company, to perform the lessee's covenants in the lease; and
- (b) where a vesting order is made under paragraph (a), may vest the property free from all estates, encumbrances and interests created by the company.

(4) Where an underlessee or a mortgagee declines to accept a vesting order made subject to sub-rule (1), he is excluded from all interest in the property.

28. Where land subject to a rentcharge is disclaimed and that land vests by operation of law in any person, including the Crown, that person and his successors in title are not subject to any personal liability in respect of any sums becoming due under the rentcharge except sums becoming due after he, or some person claiming title under or through him, has taken possession or control of the land or has entered into occupation of it.

Land subject to rentcharge (O.16, r. 28)

29. Unless it is proved that a liquidator has breached his duty to give notice under rule 22(2) or that he has otherwise breached his duties under this Act or the Rules with regard to disclaimer, a disclaimer of property by the liquidator is presumed to be valid and effective.

Disclaimer presumed valid (O.16, r.29)

PART VI PROCEDURE FOR DISCLAIMER

30. (1) A notice of disclaimer shall contain such details of the property disclaimed as to enable it to be easily identified.

Notice of disclaimer (O.16, r. 30)

(2) The notice shall be signed by the liquidator and filed at court with a copy.

(3) The original notice and the copy notice shall be sealed by the court, endorsed with the date of filing and the copy notice shall be returned to the liquidator.

(4) The court shall either endorse on the copy notice or record on the court file the method by which the sealed notice of disclaimer was returned to the liquidator.

Communication
of notice of
disclaimer (O.16,
r. 31)

31. (1) Written notice of a disclaimer notice shall be given under rules 22(3) and 23(2) by sending or giving a copy of the sealed and endorsed disclaimer notice to each person entitled to receive it.

(2) Without limiting rule 22, the following are persons whose rights are affected by a disclaimer of property —

- (a) a person who claims an interest in the disclaimed property;
- (b) a person who is under a liability in respect of the disclaimed property, that has not been discharged by the disclaimer; and
- (c) where the disclaimer is of an unprofitable contract, a person who is a party to the contract.

(3) If it subsequently comes to the knowledge of a liquidator that a person's rights are affected by a disclaimer, the liquidator shall forthwith give written notice of the disclaimer to that person in accordance with this rule unless —

- (a) the liquidator is satisfied that the person has already been made aware of the disclaimer and its date; or
- (b) the court otherwise orders.

(4) A liquidator disclaiming property may at any time, in addition to his obligations under these Rules, give notice of the disclaimer to any person who, in his opinion, ought in the public interest or otherwise be informed of the disclaimer.

Duty to keep
Court informed
(O.16, r.32)

32. The liquidator shall, as soon as reasonably practicable, notify the court of each person to whom he has given notice of disclaimer in accordance with these Rules, specifying the name and address of each person and his interest in the property disclaimed.

Notice to elect
(O.16, r.33)

33. A notice to elect shall be served on a liquidator by delivering the notice to him personally or sending it to him by registered mail.

34. (1) If it appears to the liquidator of a company that a person may have an interest in onerous property, he may give notice to that person to declare, within 14 days, whether he claims any interest in the property and, if so, the nature and extent of his interest.

Notice to declare interest on onerous property (O.16, r.34)

(2) If a person fails to comply with a notice given under sub-rule (1), the liquidator is entitled to assume that, for the purposes of the disclaimer of that property, the person concerned has no interest in it.

35. (1) An application for a vesting order or an order for delivery under rule 26 shall be made within three months of —

Application for vesting order or order for delivery (O.16, r.35)

- (a) the applicant first becoming aware of the disclaimer; or
- (b) the applicant receiving a notice of the disclaimer from the liquidator whichever is the earlier.

(2) The application shall be filed with the court accompanied by a copy of the application for service on the liquidator and an affidavit —

- (a) stating whether his claim is based upon an interest in the disclaimed property or whether it is based upon an undischarged liability;
- (b) specifying the date upon which he received a copy of the liquidator's notice of disclaimer or otherwise became aware of the disclaimer; and
- (c) specifying the grounds upon which his application is based and the order that he desires the court to make under rule 26(2).

(3) Not less than seven days before the date fixed for the hearing of the application, the applicant shall serve on the liquidator —

- (a) a sealed copy of the application endorsed by the court; and
- (b) a copy of the affidavit filed in support.

(4) On the hearing of the application, the court may give directions as to other persons, if any, who should be given notice of the application and the grounds on which it is made.

(5) Sealed copies of any order made on the application shall be sent by the court to the applicant and the liquidator.

(6) Unless there is one or more applications pending under rule 26(2), in a case where the property disclaimed is of a leasehold nature, and rule 23(2) applies to suspend the effect of the disclaimer, the order of the court shall include a direction giving effect to the disclaimer.

ORDER 17 **SECURED CREDITORS**

Introduction
(O.17, r.1)

1. (1) A creditor who has security over the whole or part of the assets of a company is entitled to enforce his security without the leave of the court and without reference to its liquidator.

(2) A secured creditor whose debt is more than the value of his security may prove in the liquidation for the unsecured balance.

(3) A proof of debt submitted by a secured creditor shall state particulars of the security held by the creditor and the value which he puts on the security.

(4) A secured creditor may, with the agreement of the liquidator or the leave of the court, alter the value which he has put on his security in his proof of debt.

(5) If a secured creditor omits to disclose his security in his proof of debt, he shall surrender his security for the general benefit of creditors, unless the court relieves him from the effect of this rule on the ground that his omission was inadvertent or the result of an honest mistake.

Redemption of
security by the
liquidator (O.17,
r.2)

2. (1) The liquidator may at any time give notice to a creditor whose debt is secured that he proposes, at the expiration of 28 days from the date of the notice, to redeem the security at the value put upon it in the creditor's proof.

(2) The creditor then has 21 days in which (if he so wishes) to apply to the court for leave to alter the value of his security.

(3) If the liquidator redeems the security, the costs incurred in doing so are payable out of the assets of the company as an expense of the liquidation.

(4) A secured creditor may at any time give notice to the liquidator requiring him to elect whether or not he will exercise his right to redeem his security at the value put on it in the creditor's proof of debt and the liquidator

shall make his election within 90 days, failing which he shall lose his right to redeem the security.

3. (1) If the liquidator is dissatisfied with the value which a secured creditor has put on his security, he may require that the property comprised in the security be offered for sale. Valuation of security (O.17, r.3)

(2) The method and terms of sale shall be such as may be agreed between the liquidator and the creditor or, failing agreement, as may be directed by the court.

(3) In the event that the method of sale is by auction, the creditor shall be entitled to bid and the liquidator shall be entitled to bid on behalf of the company.

4. (1) If a secured creditor who has submitted a proof of debt and valued his security subsequently realises it, the net proceeds of sale shall be substituted for the value previously put on the security by the creditor in his proof of debt. Realisation of security (O.17, r.4)

(2) The creditor shall be entitled to prove the balance of his debt.

ORDER 18

COLLECTION AND DISTRIBUTION OF COMPANY'S ASSETS BY ITS OFFICIAL LIQUIDATOR

1. (1) The official liquidator is an officer of the court. Powers of official liquidator (O.18, r.1)

(2) The official liquidator is empowered, as agent of the company, to collect, take possession, retain, manage and realise the company's property.

2. (1) When the official liquidator has sufficient funds in hand for the purpose he shall, subject to the retention of such sums as may be necessary for the expenses of the winding up, declare and distribute dividends among the creditors in respect of the debts which they have respectively proved. Manner of distributing the assets (O.18, r.2)

(2) The official liquidator shall give notice of his intention to declare and distribute a dividend.

(3) Where the official liquidator has declared a dividend, he shall give 21 days notice of it to the creditors, stating how the dividend is proposed to be distributed. The notice shall contain such particulars with respect to the company, and its assets and affairs, as will enable the

creditors to comprehend the calculation of the amount of the dividend and the manner of its distribution.

Debts of insolvent company to rank equally (O.18, r.3)

3. Debts other than preferential debts rank equally among themselves in the winding up and, after the preferential debts, shall be paid in full unless the assets are insufficient for meeting them, in which case they shall abate in equal proportions among themselves.

Calculation of dividend (O.18, r.4)

4. (1) In the calculation and distribution of a dividend the official liquidator shall make provision for —

- (a) any debts which appear to him to be due to persons who, for whatever reason, may not have had sufficient time in which to tender and establish their proofs;
- (b) any debts which are the subject of claims which have not yet been determined;
- (c) disputed proofs and claims; and
- (d) expenses of the liquidation which are anticipated but not yet incurred.

(2) A creditor who has not proved his debt before the declaration of any dividend is not entitled to disturb, by reason that he has not participated in it, the distribution of that dividend or any other dividend declared before his debt was proved, but when he has proved that debt, he is entitled to be paid out of any money available for the payment of any further dividend.

(3) No action lies against an official liquidator for a dividend, but if an official liquidator has improperly refused to pay a dividend, the court may order him to pay it with interest at the prescribed rate.

Distribution of assets in specie (O.18, r.5)

5. (1) The official liquidator has power to divide the whole or part of the company's property in its existing form, according to its estimated value, amongst the company's creditors or members.

(2) In the case of an insolvent company, the official liquidator may apply to the court for a direction authorising him to divide the whole or part of the company's assets amongst the creditors on the grounds that —

- (a) the property in question cannot be readily or advantageously sold; or
- (b) there is some other special reason why it would be advantageous to creditors for the property in question to be distributed *in specie*.

(3) In the case of a solvent company, the official liquidator may divide the whole or part of the company's property (after having paid its debts in full) amongst the members in the following manner —

- (a) in accordance with any specific provision in this regard contained in the company's articles of association;
- (b) in the absence of any relevant provision in the company's articles of association, with the authority of an ordinary resolution passed by the company's members; or
- (c) in accordance with a direction of the court made upon the application of any member or the voluntary liquidator.

(4) Property of a company which comprises a cause of action or other contingent asset which is incapable of being readily realised, may be distributed to creditors or members by means of transferring it to a new company, established for the purpose, and whose shares will be issued to the creditors or members in proportion to their respective rights against the company.

6. (1) As soon as the official liquidator determines that he has realised sufficient assets to be able to pay a dividend, he shall give notice of his intention to declare an interim or final dividend, as the case may be.

Interim
distribution to
creditors (O.18,
r.6)

(2) A notice of intention to declare an interim dividend shall be in CLR Form No. 32 and shall —

- (a) fix a date (being not less than 30 days from the date of publication of the notice) by which proofs of debt must be lodged with the official liquidator; and
- (b) state that any creditor who lodges his proof of debt after the date specified in the notice will be excluded from the interim distribution but will not be excluded from any subsequent interim distribution or from the final distribution.

7. (1) When the official liquidator has —

- (a) realised all the company's assets, or so much of the assets as can, in his opinion, be realised without needlessly protracting the liquidation; and

Final distribution
to creditors
(O.18, r.7)

- (b) divided any unrealised assets amongst the creditors *in specie*, if and to the extent that it was practical to do so,

he shall give notice of his intention to declare a final dividend in CLR Form No. 33.

(2) The notice of intention to declare a final dividend shall —

- (a) fix the date (being not less than 60 days from the date of publication of the notice) by which proofs must be lodged with the official liquidator (referred to as “the final date for proving”); and
- (b) state that any proof of debt lodged after the final date for proving may be excluded from the final dividend.

(3) Within 14 days from the final date for proving, the official liquidator shall deal with every creditor’s proof (to the extent that he has not already done so) by admitting it, rejecting it (in whole or in part) or by making a provision for it.

(4) The official liquidator may, but shall not be obliged, to deal with any proof of debt received after the final date for proving.

(5) Having dealt with every creditor’s proof, the official liquidator shall give notice of final dividend in CLR Form No. 34 to all creditors who have proved their debts.

- (6) Every notice of final dividend shall specify —
 - (a) the amount realised from the sale of the company’s assets;
 - (b) the value attributed to any assets distributed *in specie*;
 - (c) the amount of the expenses of the liquidation;
 - (d) the amount of any provisions made for unpaid claims;
 - (e) the amount of any funds retained for specific purposes;
 - (f) the total amount of any interim distributions; and
 - (g) the amount to be distributed and the overall rate of dividend.

(7) A dividend may be distributed simultaneously with the notice declaring it.

8. (1) Dividends shall only be paid in the currency of the liquidation.

Payment of dividends (O.18, r.8)

(2) Dividends shall be paid by cheque or by such other method as the official liquidator may agree with individual creditors.

(3) Dividend cheques shall be sent to creditors by post, or by such other method as the official liquidator may agree with individual creditors.

9. (1) A creditor or member may assign his right to receive a dividend or instruct the official liquidator to pay his dividend to some other person.

Assignment of right to receive a dividend (O.18, r.9)

(2) If a creditor entitled to receive a dividend has given notice of assignment to the official liquidator, he shall pay the dividend to the assignee.

(3) If a creditor entitled to receive a dividend has given written instructions to the official liquidator that the dividend be paid to some other person, the official liquidator shall pay it in accordance with those instructions.

ORDER 19 CALLS

1. (1) The power contained in section 208 of the Act to make calls on contributories shall be exercised by the official liquidator with the sanction of the court.

Calls by official liquidator (O.19, r.1)

(2) A sanction application under this rule shall be made in accordance with the provision of Order 11.

2. (1) Notice of the call shall be given in CLR Form No. 35 to each of the contributories concerned and shall specify the amount or balance due from him.

Making and enforcement of calls (O.19, r.2)

(2) A call shall be payable immediately upon service on the contributory concerned.

(3) A call shall be enforceable against the contributory concerned in the same manner as a judgment or order of the court.

3. (1) If a person against whom a call is made is dissatisfied either with the decision that he is a contributory or with the amount of the call made against him, he may appeal to the court for the decision to be reversed or varied.

Appeal against calls (O.19, r.3)

(2) An appeal under this rule shall be made in accordance with Order 16, Part III within 21 days of the date upon which the contributory received notice of the call.

(3) The provisions of Order 16, Part III shall apply to appeals under this rule (as if references to “creditors” and “proofs” are read as referring to “contributories” and “calls”).

(4) An appeal under this rule shall be permitted only on terms that the full amount of the call is paid into court within 7 days after service of the contributory’s summons.

ORDER 20
ORDER OF PAYMENT OF
EXPENSES OUT OF THE ASSETS

General rule as to
priority (O.20,
r.1)

1. (1) The expenses of the liquidation are payable out of the assets of the company in the following order of priority —

- (a) the costs of the petitioner and of any person appearing on the petition whose costs are allowed by the court;
- (b) the costs incurred by the petitioner or other person required to secure an undertaking given pursuant to Order 4, rule 3;
- (c) the costs incurred by the provisional and/or official liquidator in procuring professional indemnity insurance and/or a security bond pursuant to an order made under Regulation 7;
- (d) the expenses and disbursements properly incurred by any provisional liquidator;
- (e) the remuneration of any provisional liquidator;
- (f) the expenses and disbursements properly incurred by the official liquidator, including any expenses properly payable to any person who is required to make a statement of affairs;
- (g) the expenses and disbursements properly incurred by the liquidation committee;
- (h) any order for costs made by the court in favour of any creditor or contributory in the winding up proceedings or in favour of any other person in proceedings to which the company is a party; and

-
- (i) the remuneration of the official liquidator.
 - (2) In the case of a liquidation which commences voluntarily and is subsequently brought under the supervision of the court —
 - (a) the expenses and disbursements properly incurred by the voluntary liquidator;
 - (b) the costs of making application for the supervision order, whether such costs are incurred by the voluntary liquidator or any creditor or contributory of the company; and
 - (c) the remuneration of the voluntary liquidator,
 shall rank equally with the expenses and disbursements incurred by the official liquidator, but in priority to the remuneration of the official liquidator.

2. (1) Nothing in this Order shall prevent the court from making an order that any expense or disbursement incurred by a liquidator shall be borne by him personally on the ground that it was not incurred properly.

Disallowance of expenses and disbursements (O.20, r.2)

(2) Nothing in this Order shall prevent the court, in any proceedings by or against the company, from making an order in favour of any other party that his costs be paid by the liquidator personally.

ORDER 21

INTERNATIONAL PROTOCOLS

1. (1) In this Order “company in liquidation” means a company which is incorporated under the Act and is the subject of an official liquidation under Part VII.

Application and definitions (O.21, r.1)

(2) This Order has no application to foreign companies which are the subject of an official liquidation under Part VII.

- (3) This Order applies —
 - (a) when a company in liquidation is the subject of a concurrent bankruptcy proceeding under the law of a foreign country; or
 - (b) when the assets of a company in liquidation located in a foreign country are the subject of a bankruptcy proceeding or receivership under the law of that country.
- (4) In this Order —

- (a) “foreign officeholder” means a person appointed by a foreign court or other authority to exercise powers similar to those of an official liquidator in respect of a company or to exercise powers similar to those of a receiver in respect of assets of a company;
- (b) “foreign court or authority” means the foreign court or foreign governmental authority which has appointed and exercises supervisory jurisdiction over a foreign officeholder;
- (c) “international protocol” means an agreement made in respect of a company in liquidation between an official liquidator and a foreign officeholder with the approval of the court and of the foreign court or authority.

Consideration of international protocols (O.21, r.2)

2. (1) It shall be the duty of the official liquidator of a company in liquidation to consider whether or not it is appropriate to enter into an international protocol with any foreign officeholder.

(2) The purpose of an international protocol is to promote the orderly administration of the estate of a company in liquidation and avoid duplication of work and conflict between the official liquidator and the foreign officeholder.

(3) An international protocol agreed between the official liquidator and a foreign officeholder of a company in liquidation shall take effect and become binding upon them only if and when it is approved by both the court and the foreign court or authority.

Scope of international protocols (O.21, r.3)

3. (1) An international protocol may define and allocate responsibilities between the official liquidator and foreign officeholder (by reference to geographical location or otherwise) in respect of —

- (a) the formulation and promotion of restructuring proposals, including a scheme of arrangement pursuant to section 158 of the Act;
- (b) the preservation of assets located outside The Bahamas;
- (c) the realisation of assets located outside The Bahamas;
- (d) the pursuit of causes of action against debtors or other persons outside The Bahamas;

-
- (e) procedures for the exchange of information between the official liquidator and foreign officeholder;
 - (f) procedures for reporting to and communicating with the liquidation committee and with creditors and/or contributories;
 - (g) procedures for co-ordinating sanction applications made to the court and to the foreign court or authority;
 - (h) administrative procedures relating to the adjudication of proofs of debt and consequential appeals or expungement applications;
 - (i) procedures relating to the payment of claims; and
 - (j) procedures relating to the remission of funds between the official liquidator and foreign officeholder.
- (2) An international protocol may establish procedures for the review, approval and payment of —
- (a) the remuneration of the official liquidator and foreign officeholders;
 - (b) the fees of counsel to the official liquidator and lawyers engaged by the foreign officeholder; and
 - (c) other expenses incurred by the official liquidator and/or foreign officeholder.
- (3) Any provision contained in international protocol which is contrary to the provision of the Act or purports to exclude the jurisdiction of the court in respect of the company in liquidation shall be void and of no effect.

ORDER 22

ORDER FOR TERMINATION OF LIQUIDATION AND ORDER FOR DISSOLUTION

PART I - TERMINATION OF LIQUIDATION

1. The liquidation of a company terminates on the occurrence of —

- (a) the making by the court of an order terminating the liquidation under rule 2, or such later date as may be specified in the order;

Termination of
liquidation
(O.22, r.1)

- (b) the filing by the liquidator of a certificate of compliance with the provisions of rule 3(2), as modified by the court under rule 3(4); if appropriate; or
- (c) the making by the court of an order under rule 3(4) exempting the liquidator from compliance with rule 3(2), or such later date as may be specified in the order.

Order
terminating
liquidation
(O.22, r.2)

2. (1) The court may, at any time after the appointment of the liquidator of a company, make an order terminating the liquidation if it is satisfied that it is just and equitable to do so.

(2) An application under this rule may be made by the liquidator, a creditor or a member of the company or the receiver.

(3) Before making an order under sub-rule (1), the court may require the liquidator to file a report with respect to any matters relevant to the application.

(4) An order under sub-rule (1) may be made subject to such terms and conditions as the court considers appropriate and, on making the order or at any time thereafter, the court may give such supplemental directions or make such other order as it considers fit in connection with the termination of the liquidation.

(5) Where the court makes an order under sub-rule (1), the company ceases to be in liquidation and the liquidator ceases to hold office with effect from the date of the order or such later date as may be specified in the order.

(6) Where the court makes an order under sub-rule (1), the person who applied for the order shall, within ten days of the date of the order, file a sealed copy of the order with the Registrar of Companies.

(7) A person who contravenes sub-rule (6) shall be liable to a civil penalty.

Completion of
liquidation
(O.22, r.3)
Ch. 308.

3. (1) In this section “Register” means the register of companies maintained by the Registrar under the Companies Act.

(2) As soon as practicable after completing his duties in relation to the liquidation of a company, the liquidator shall —

-
- (a) prepare and send to every creditor of the company whose claim has been admitted and to every member of the company —
 - (i) his final report, complying with sub-rule (3), and a statement of realisation and distribution in respect of the liquidation; and
 - (ii) a summary of the grounds upon which a creditor or member may object to the striking of the company from the Register; and
 - (b) file with the Registrar a copy the final report and the statement realisations and distributions sent to the creditors and members of the company.
- (3) The final report of a liquidator shall contain a statement —
- (a) that all known assets of the company have been disclaimed, realised or distributed without realisation;
 - (b) that all proceeds of realisation have been distributed; and
 - (c) that there is no reason why, in his opinion, the company should not be struck from the Register, and dissolved.
- (4) On the application of the liquidator, the court may on such terms and conditions as it considers just —
- (a) exempt the liquidator from compliance with the sub-rule (2)(a); or
 - (b) modify the application of the provisions of sub-rule(2) to the liquidator.

4. (1) A person who ceases to be the liquidator, or provisional liquidator, of a company may apply to the court for his release and the court may grant the release unconditionally or upon such conditions as it considers fit, or it may withhold it.

Release of liquidator (O.22, r.4)

(2) Where a former liquidator is released under this rule, he is discharged from all liability in respect of any act or default of his in relation to the administration of the company.

(3) An order of release of a former liquidator may be revoked by the court if the release was obtained by

fraud or the suppression or concealment of any material fact.

(4) A liquidator who obtains his release under this rule shall file a notice in the prescribed form with the Registrar.

PART II ORDER FOR DISSOLUTION

Application to
Court (O.22, r.5)

5. (1) As soon as the affairs of the company have been completely wound up the official liquidator shall —

- (a) publish his final report and accounts in accordance with Order 10, rule 3;
- (b) apply to the court for an order under section 249 of the Act that the company be dissolved.

(2) The official liquidator's final report and accounts shall contain —

- (a) notice of the date upon which his application for an order for dissolution will be heard by the court; and
- (b) a statement of the fact that any creditor (in the case of an insolvent company) or member (in the case of a solvent company) may appear and be heard on the application.

Order for
dissolution
(O.22, r.6)

6. (1) An order for dissolution shall be in CLR Form No. 36.

(2) An order for dissolution shall take effect upon the date upon which it is made or such later date specified in the order.

(3) The official liquidator shall file the order for dissolution with the Registrar of Companies within 14 days from the date upon which the order is perfected.

(4) An order for dissolution shall include supplementary directions relating to —

- (a) the retention of the whole or part of the liquidation files for longer than the minimum period of 3 years specified in Order 26, rule 2(3);
- (b) the retention, storage and destruction of the company's books and records pursuant to Order 26, rule 3;

- (c) the terms upon which the official liquidator will be remunerated for acting as trustee of any unclaimed dividends or undistributed assets under section 250 of the Act; and
- (d) such other consequential matters as the court thinks fit.

ORDER 23

UNCLAIMED DIVIDENDS AND UNDISTRIBUTED ASSETS

1. Following the dissolution of a company, whether pursuant to section 248 of the Act or an order for dissolution made under section 249 of the Act, the former liquidator shall be trustee of any unclaimed dividends or undistributed assets of the company which remain in his possession or control for the benefit of the contributories or creditors to whom such funds are owed.

Introduction
(O.23, r.1)

2. (1) The liquidator shall establish an interest bearing bank account in his own name as “trustee of the creditors or members of [name of company], dissolved” (referred to as “the liquidator’s trust account”).

Establishment of
trust account
(O.23, r.2)

(2) Any funds representing unclaimed dividends or uncleared dividend cheques shall be transferred to the liquidator’s trust account.

(3) The former liquidator shall administer the funds credited to the liquidator’s trust account as trustee for the benefit of the creditors and/or contributories to whom the funds are owed.

3. (1) Title to any assets of the company which ought to have been distributed in specie pursuant to Order 18, rule 5 but remain in the possession or control of the liquidator, shall be transferred into the liquidator’s own name “as trustee of the creditors or members of [name of company], dissolved”.

Transfer of
undistributed
assets (O.23, r.3)

(2) The former liquidator shall hold and administer such assets as trustee for the benefit of the creditors or contributories who are entitled to receive such assets.

4. (1) The former liquidator shall advertise for claims and take such other steps as appear to him to be reasonable to locate and identify claimants.

Payment out of
trust account and
transfer of
undistributed
assets

(2) The former liquidator shall be responsible for dealing with all claims and shall be authorised to make

(O.23, r.4)

payment or transfer title to those persons who appear to him to have been entitled to receive payment or title as unpaid creditors or members of the company prior to its dissolution.

(3) In any case of doubt or difficulty the former liquidator shall be entitled to apply to the court for directions pursuant to section 77 of the Trustee Act.

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Former liquidator's trustee fee and expenses (O.23, r.5)

5. (1) The former liquidator shall be entitled to be paid a reasonable fee for acting as trustee pursuant to section 250 of the Act, the basis and amount of which shall be fixed by order of the court.

(2) The trustee fee may comprise —

- (a) a fixed fee or scale of fixed fees; and/or
- (b) a percentage fee, calculated upon the value of the assets under administration and/or the amount distributed by him.

(3) The former liquidator shall be entitled to be reimbursed out of the assets under administration in respect of the costs and expenses reasonably and properly incurred by him for the purpose of advertising, administering claims and preparing his accounts.

Transfer to the treasurer (O.23, r.6)

6. (1) Any money or assets remaining in the hands of the former liquidator as trustee at the end of one year from the date upon which the company was dissolved shall be transferred to the Treasurer who shall be responsible for administering the same.

(2) The former liquidator shall prepare a report and accounts of his administration which shall contain particulars of —

- (a) the amount of money and the nature and estimated value of the assets received in trust;
- (b) the claims received and the manner in which they were resolved;
- (c) the amount of money paid out to claimants;
- (d) the assets transferred to claimants;
- (e) the amount of the former liquidator's fees and expenses; and
- (f) the net amount of money and remaining assets transferred to the Treasurer.

(3) The former liquidator shall deliver his report and accounts to the Treasurer, together with all the books and

records which, in the opinion of the former liquidator, will be required by the Treasurer in order to deal with future claims and otherwise discharge his duties.

ORDER 24
APPLICATIONS TO COURT UNDER
PART VII OF THE ACT

PART I-GENERAL PROVISIONS

1. (1) Every originating application under Part VII of the Act shall be made by petition.

Originating applications (O.24, r.1)

(2) The general provisions of RSC Order 9 shall apply to every petition presented under these Rules.

(3) Unless a specific form of petition is required by these Rules, CLR Form No. 2 shall be treated as the generally applicable form.

(4) A petition under this rule cannot relate to more than one company.

(5) The court may hear two or more petitions at the same time, but it shall not make any order for two or more petitions to be consolidated.

(6) An office copy of every petition presented under these Rules shall be placed on the Register maintained by the Registrar pursuant to RSC Order 60.

2. (1) Every application or appeal to the court made in connection with a proceeding which is already pending before the court shall be made by summons.

Applications in existing proceedings (O.24, r.2)

(2) The general provisions of RSC Order 32 shall apply to every summons issued under these Rules.

3. (1) Every petition shall be heard in open court unless the court directs, for some special reason, that it should be heard in chambers.

Hearings (O.24, r.3)

(2) Every summons shall be heard in chambers unless —

(a) the court has directed that it should be advertised, in which case it must be heard in open court; or

(b) the court directs that it should be heard in open court.

Court files (O.24,
r.4)

4. (1) A court file shall be established in respect of each winding up proceeding in accordance with RSC Order 60.

(2) The Registrar shall not permit the creation of more than one court file (or the allocation of more than one cause number) in respect of a liquidation proceeding or company in liquidation.

(3) The Registrar shall not permit any court file (and associated cause number) to relate to more than one company in liquidation.

Orders made in
liquidation
proceedings
(O.24, r.5)

5. Every order made in a liquidation proceeding, whether made in open court or in chambers, shall be placed on the Register maintained by the Registrar under RSC Order 60, rule 4 and shall be open to public inspection upon payment of the prescribed fee.

Order for
documents to be
sealed (O.24, r.6)

6. (1) The court may direct that the whole or part of any report, order, affidavit or other document, except the petition, winding up order or supervision order, which has been filed or is required to be filed pursuant to these Rules, shall be sealed and kept confidential for a specific period or until the happening of a specified event, on the grounds that —

- (a) the information in question is of a confidential nature and will not come into the public domain unless and until the document containing such information is filed in court; and
- (b) the publication or immediate publication of the information contained in the document will harm the economic interests of the creditors or contributories of the company.

(2) The liquidator and any creditor or contributory may apply to the court for a direction that a sealed document be unsealed on the grounds that —

- (a) the information contained in it is no longer confidential;
- (b) the reasons for sealing the document no longer exist or have expired; or
- (c) publication of the information is not or is no longer harmful to the economic interests of creditors or contributories.

PART II
COSTS IN LIQUIDATION PROCEEDINGS

7. (1) “Costs” shall mean the reasonable legal fees and expenses incurred by a person in conducting or participating in a liquidation proceeding in an economical, expeditious and proper manner. Interpretation
(O.24, r.7)

- (2) “Liquidation proceeding” shall mean —
- (a) any petition presented under Part VII of the Act;
 - (b) any application to court made in a proceeding commenced under Part VII of the Act; and
 - (c) any appeal against an order made on a petition or in any proceeding under Part VII of the Act.

(3) Words and expressions defined in RSC Order 59, rule 1 shall have the same meaning when used in Part II of this Order.

8. (1) The general rule is that the costs incurred by a person who successfully presents a creditor’s winding up petition under Order 3, Part II or creditor’s petition for a supervision order under Order 15, rule 3 should have his costs paid out of the assets of the company, such costs to be taxed on an indemnity basis unless agreed with the official liquidator. General rules as
to costs (O.24,
r.8)

(2) In the case of a contributory’s winding up petition under Order 3, Part III, the general rules are that —

- (a) if the court has directed that the company itself is properly able to participate in the proceeding, the general rule is that the costs of a successful petitioner be paid out of the assets of the company; or
- (b) if the court has directed that the winding up petition be treated as an *inter partes* proceeding between one or more members and the other member or members of the company as respondents, the general rule is that none of the costs should be paid out of the assets of the company and the unsuccessful parties should pay the costs of the successful party, such costs to be taxed on the standard basis unless agreed.

(3) In the case of the regulator’s petition under Order 3, Part IV, the general rule is that —

-
- (a) the regulator's costs of successfully presenting a petition should be paid out of the assets of the company, such costs to be taxed on the indemnity basis if not agreed with the official liquidator; or
 - (b) the company's costs of successfully resisting the petition should be paid by the regulator, such costs to be taxed on the indemnity basis if not agreed.

(4) The court shall make orders for costs in accordance with these general rules unless it is satisfied that there are exceptional and special circumstances which justify making some other order or no order for costs.

Costs of sanction applications (O.24, r.9)

9. (1) This rule applies to every sanction application under Order 11, including any application for the approval of the official liquidator's remuneration.

(2) The official liquidator's costs of making a sanction application shall be paid out of the assets of the company unless the court is satisfied that —

- (a) the application ought not to have been made because the directions sought by the official liquidator were unnecessary and served no useful purpose;
- (b) the directions sought by the official liquidator were wholly unreasonable; or
- (c) the official liquidator has misled the court or otherwise acted improperly in connection with the application.

(3) The liquidation committee's costs of participating in a sanction application shall be paid out of the assets of the company unless the court is satisfied that —

- (a) the liquidation committee's participation in the application served no useful purpose or constituted an unreasonable duplication of the costs incurred by the official liquidator;
- (b) the position adopted by the liquidation committee was wholly unreasonable; or
- (c) the liquidation committee has misled the court or otherwise acted improperly in connection with the application.

(4) In the case of a sanction application which is made or opposed by a creditor or contributory, the general rule is that —

- (a) his costs of successfully making or opposing the application should be paid out of the assets of the company, such costs to be taxed on an indemnity basis if not agreed with the official liquidator; and be taxed on the indemnity basis if not agreed with the official liquidator; or
- (b) no order for costs should be made against a creditor or contributory whose application or opposition is unsuccessful, unless the court is satisfied that his position was wholly unreasonable or he is guilty of having misled the court or otherwise acting improperly in connection with the application.

(5) The court shall make orders for costs in accordance with these general rules unless it is satisfied that there are exceptional circumstances and special reasons which justify making some other order or no order for costs.

10. (1) This rule applies to appeals by contributories under Order 12, rule 4 and appeals by creditors under Order 16, rule 19.

Costs of appeals
(O.24, r.10)

(2) The general rule is that the official liquidator's costs should be paid out of the assets of the company in any event.

(3) The general rule is that the appellant's costs should follow the event, such that —

- (a) if the appellant succeeds, the court shall order that his costs be paid out of the assets of the company as an expense of the liquidation;
- (b) if the appellant is unsuccessful, the court will order him to pay the official liquidator's costs;
- (c) such costs to be taxed on the standard basis unless agreed.

11. (1) In the event that an order for costs made in a liquidation proceeding is required to be taxed, it shall be taxed by the taxing master in accordance with the provisions of RSC Order 59, rules 19 to 25.

Taxation of costs
and appeals
(O.24, r.11)

(2) Any party who is dissatisfied with the amount of any costs certificate may apply to a Judge to review the

taxing master's decision in accordance with the provisions of RSC Order 59, rule 33.

ORDER 25

OFFICIAL LIQUIDATOR'S LEGAL COUNSEL

Liquidator's
legal fees (O.25,
r.1)

1. (1) The official liquidator is authorised to retain counsel and attorneys and foreign lawyers (referred to in this Order as the "liquidator's counsel") without the sanction of the court for the purpose of —

- (a) giving him legal advice on any matter arising in the liquidation;
- (b) representing him in the liquidation proceedings; and
- (c) representing the company in any proceedings brought by or against the company in the court or any foreign court.

(2) The terms upon which the liquidator's counsel are retained shall be set out in a written engagement letter.

(3) If the official liquidator or the liquidation committee considers that the amount of fees and expenses charged by the liquidator's counsel is excessive, the official liquidator may require that such fees and expenses be taxed on the indemnity basis by the taxing master.

(4) Conversely, if the liquidator's counsel considers that the amount which the official liquidator offers to pay is inadequate, he may require that his bill of costs be taxed on the indemnity basis by the taxing master.

(5) The liquidator's counsel shall be entitled to be paid out of the assets of the company as an expense of the liquidation the amount stated in the costs certificate and the official liquidator shall have no authority to pay more than that amount.

Procedure for
taxation of the
liquidator's
counsel's fees
(O.25, r.2)

2. (1) The liquidator's counsel shall prepare a bill of costs and serve it on the official liquidator.

(2) The official liquidator shall state the extent to which he disagrees with the amount charged and/or the scope of the work done and returning the completed bill of costs to the liquidator's counsel within 21 days or such other period as may be agreed.

(3) In addition to completing the bill of costs the official liquidator may also serve a written statement of his objections to the amount charged.

(4) Proceedings for taxation of the bill of costs shall be commenced (either by the official liquidator or his counsel) by lodging the following documents with the taxing master —

- (a) an application for taxation;
- (b) the bill of costs, completed in accordance with this rule;
- (c) any written statement of objections by the official liquidator;
- (d) any written reply by the liquidator’s counsel; and
- (e) a copy of the engagement letter.

3. (1) A taxation shall be inquisitorial in nature.

Subsequent procedure on taxation (O.25, r.3)

(2) The taxing master shall enquire into the bill of costs and determine the amount to be paid in accordance with rule 4 for which purpose the taxing master shall obtain such written explanations from the official liquidator and/or his counsel as may be appropriate to enable him to make such determination fairly.

(3) The taxing master may require the liquidator’s counsel to produce —

- (a) his time records;
- (b) his files and any other documents reflecting the work done; and
- (c) invoices in respect of any disbursements included in the bill of costs.

(4) The taxing master may not give reasons for any of his decisions.

(5) The taxing master shall send an office copy of his costs certificate to the official liquidator and to the liquidator’s counsel.

4. (1) The liquidator’s counsel is entitled to be fairly remunerated in accordance with the terms of his engagement letter for all work reasonably and properly done on the instructions of the official liquidator.

Criteria applicable on taxation (O.25, r.4)

(2) In determining whether the remuneration claimed is fair, the taxing master shall have regard to all the relevant circumstances, including —

- (a) the difficulty or novelty of the issues involved;
- (b) the skill, specialised knowledge and responsibility required of, and the time and labour expended by, the counsel and attorneys engaged;
- (c) the number and importance of the relevant documents (however brief) prepared or perused;
- (d) the overall size of the estate;
- (e) the amount of money or value attributable to the issues involved; and
- (f) the overall importance to the liquidation of the issues involved.

(3) In determining whether the work done by the liquidator’s counsel was reasonably and properly done, the taxing master shall have regard to all the relevant circumstances, including —

- (a) the duties of the official liquidator;
- (b) the instructions given by the official liquidator; and
- (c) any relevant directions given by the court.

(4) Work done by the liquidator’s counsel shall be presumed not to have been done reasonably and properly if the work done or advice given caused or contributed to a breach of duty on the part of the official liquidator.

ORDER 26

LIQUIDATION FILES, COMPANY’S BOOKS AND RECORDS AND COURT FILES

Introduction
(O.26, r.1)

1. (1) This Order applies to all liquidations.

(2) References in this Order to “official liquidations” shall include supervised liquidations.

(3) References to this Order to the “liquidator” shall include both official liquidators and voluntary liquidators.

Liquidation files
(O.26, r.2)

2. (1) It shall be the duty of every liquidator to create and maintain a complete record of all the work done and steps taken in connection with the liquidation (referred to in this Order as “the liquidation files”).

(2) The liquidation files shall include —

- (a) a duplicate of the court file;
- (b) minutes of the meetings of creditors and/or contributories;

-
- (d) liquidator's reports;
 - (e) liquidator's accounts;
 - (f) proofs of debt and records relating to their adjudication;
 - (g) records relating to the collection and realisation of the assets;
 - (h) records relating to the liquidation bank accounts;
 - (i) liquidator's correspondence; and
 - (j) notices sent or published by the liquidator.

(3) The liquidator shall retain the liquidation files in safe custody for at least three years following the dissolution of the company.

(4) In the event that the official liquidator resigns, dies or is removed from office, he shall forthwith deliver his liquidation files to his successor (although he shall be entitled to make and retain a copy at his own expense).

3. (1) It shall be the duty of the official liquidator to take possession or control of all the company's books and records, including those maintained in electronic form.

Company's
books and
records (O.26,
r.3)

(2) The liquidator shall keep the company's books and records in safe custody unless and until he is authorised or directed to destroy them in accordance with the order of the court (in the case of a compulsory liquidation) or in accordance with a resolution of the company (in the case of a voluntary liquidation).

(3) The court may direct (in the case of a compulsory liquidation) or the company may resolve (in the case of a voluntary liquidation) that particular classes of books and records of the company be destroyed prior to the conclusion of the liquidation on the ground that they are redundant and of no relevance to the liquidation.

(4) Upon making an order for dissolution (in the case of a compulsory liquidation), the court shall give directions in respect of the preservation, storage and destruction of the company's remaining books and records.

(5) Notice of the final general meeting (in the case of a voluntary liquidation) shall include a resolution in respect of the preservation, storage and destruction of the company's books and records and, in the event that there is no quorum, the resolution is deemed to have been passed.

(6) The cost of post-dissolution storage and destruction of a company's books and records shall be an expense of the liquidation for which provision must be made in the official liquidator's final accounts.

Rights of access
to the court file
(O.26, r.4)

4. (1) The following persons shall have the right to inspect the court file in respect of a liquidation proceeding and take copies of file documents —

- (a) the liquidator;
- (b) any former liquidator or receiver of the company;
- (c) any person who was a director or professional service provider of the company immediately before the commencement of the liquidation;
- (d) the regulator, in the case of a company which carried on a regulated business; and
- (e) any person stating himself in writing to be a creditor or contributory of the company.

(2) The right of inspection conferred upon a person under this rule may be exercised on his behalf by a counsel and attorney or other person properly authorised to act for him.

(3) Any other person may inspect the court file by special leave of the court.

(4) The right of inspection conferred by this rule is not exercisable in respect of any documents (except the petition and court orders) or parts of any documents which the court has directed to be sealed pursuant to Order 24, rule 6.

(5) If, in the case of a person applying to inspect the court file, the Registrar is not satisfied as to the propriety of the application, he may refuse to allow it, in which case such person may then apply forthwith *ex parte* to a Judge who may refuse the inspection, allow it or allow it on such terms as he thinks fit.

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2. Winding Up Petition	(O.3, r.2)
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4. Notice of Appearance	(O.3, r.8)
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7. Order for appointment of Provisional Liquidator pursuant to section 199(2)	(O.4, r.4)
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CLR Form No.1

Statutory Demand under section 188 of the Companies Act (O.2, r.2)

Ch. 308.

COMPANIES ACT
STATUTORY DEMAND UNDER SECTION 188

To: [State full name of debtor company] (the “company”)

Address: [State the address of the registered office of the debtor company]

This demand is served on the Company by —

Name: [State full name of the creditor] (the “Creditor”)

Address: [State the address of the creditor]

The Creditor claims that the Company owes the sum of [state the currency and principal amount of the debt] and interest of [if applicable, state the amount of interest accrued due as at the date of the statutory demand] calculated up to and including the date of this demand, being a total indebtedness of [state total amount] particulars of which are stated overleaf.

The Creditor demands that that Company do pay this debt or secure or compound for it to the Creditor’s satisfaction.

If payment of this debt is not made within twenty-one days (21) days of the date upon which this statutory demand is served on the Company’s registered office, the Company will be deemed to be insolvent and a winding up petition may be presented against the Company in accordance with section 186(c) of the Companies Act.

Ch. 308.

Dated this day of 20 ____

Signature

Title: [State the name of the person signing and the basis upon which he is authorised to do so on behalf of the Creditor]

Address: [State address and contact details of the person who signed the statutory demand on behalf of the Creditor]

PARTICULARS OF THE DEBT

[State in narrative form full details of the way in which the debt arose, including the consideration for it. For example, if the debt arose pursuant to a written contract, the contract documentation should be clearly identified. Documents evidencing the amount of the debt, such as statements of account or invoices, should be identified. If the demand includes interest, full particulars of the basis upon which interest is payable should be set out together with a calculation of the amount due. Relevant documents may be annexed, but the statutory demand itself must contain in narrative form a clear and concise statement of the amount due and the basis upon which the debt arose.]

[If the Creditor is the assignee of a debt, particulars of the assignment must be stated, including the date upon which notice of assignment was served upon the Company.]

HOW TO COMPLY WITH THIS STATUTORY DEMAND

1. If the Company wishes to avoid a winding up petition being presented, the amount due must be paid within twenty-one (21) days.
2. Alternatively, it is open to the Company to seek to negotiate a settlement with the Creditor, failing which the amount due must be paid within twenty-one (21) days.
3. Payment may be made by transferring funds to the Creditor's account at [state full details of the Creditor's bank account and all necessary wire transfer instructions].
4. [Set out any alternative methods of payment acceptable to the Creditor].

CLR Form No. 2

Winding Up Petition (O.3, r.2)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

WINDING UP PETITION

To the Supreme Court

The humble petition of [state name and address of petitioner]
shows that —

1. [Set out particulars of the company's incorporation including the date of its incorporation, registration number, details of any name changes and its current registered office.]
2. [If the company is a foreign company, state the basis upon which it is alleged the Court has jurisdiction to make a winding up order in respect of it.]
3. [Set out a description of the company's business to the extent that this is known to the petitioner, including a statement about the countries in which it carries on its business.]
4. [Set out a concise statement of the grounds upon which the petitioner claims to be entitled to a winding up order.]
5. [State the full name and address of the qualified insolvency practitioner(s) (and any foreign practitioner) whom the petitioner is nominating for appointment as official liquidator.]

Your Petitioner(s) therefore humbly pray(s) that —

- (1) The Company be wound up in accordance with the Companies Act.
- (2) [State name and address of official liquidators] be appointed as official liquidators of the Company.

(3) [any other orders and directions].

AND your petitioner will ever pray etc.

Dated the day of 20 ____

[Signature of Petitioner's Counsel and Attorney]

NOTE: This petition is intended to be served on the Company and [state name(s) and address(es) of any other persons upon whom it is intended to serve the petition].

This Petition was presented by [name of Petitioner or his Counsel and Attorney] whose address for service is [state address within the jurisdiction] [Counsel and Attorney for the Petitioner].

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Supreme Court, (Nassau), (Freeport), on [state the hearing date] at 10:00 a.m.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Commercial Division of the Supreme Court at (Nassau), (Freeport).

CLR Form No. 3

Advertisement of Winding Up Petition (O.3, r.6)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308. IN THE MATTER OF the Companies Act,

AND IN, THE MATTER OF [state name of company]

TAKE NOTICE that a petition for an order that [state name of company] whose registered office is situated at [state address] (the “Company”) be put into liquidation and wound up in accordance with the provisions of the Companies Act has been presented to the Supreme Court of The Bahamas.

Ch. 308.

The petition was presented by [state full name, address and contact details of the creditor]. Copies of the petition and supporting affidavits may be obtained free of charge from the petitioner’s counsel and attorneys [state address and contact details].

AND FURTHER TAKE NOTICE that the hearing of the petition will take place on [State date] at the Supreme Court, (Nassau), (Freeport) at 10:00 a.m. and that any creditor or shareholder of the Company may be heard on the petition provided that he has given three (3) days notice to the petitioner’s counsel and attorneys.

CLR Form No. 4

Notice of Appearance (O.3, r.8)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

IN THE MATTER OF the Companies Act

Ch. 308.

AND IN, THE MATTER OF [state name of company]

NOTICE OF APPEARANCE

TAKE NOTICE that [state name and address] intends to appear on the hearing of the winding up petition to [support/oppose] the making of a winding up order [and/or] [support/oppose] the appointment of [state names] as official liquidators of the Company.

AND FURTHER TAKE NOTICE that [state name] is a [creditor to whom the company owes \$ _____] [the registered holder of _____ shares of the company].

Dated this _____ day of _____ 20__

Counsel and Attorney's signature

This Notice is served by [state name, address and contact details of the counsel and attorneys acting on behalf of the creditor or shareholder].

CLR Form No. 5

Summons for Directions (O.3, r.11)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

SUMMONS FOR DIRECTIONS

LET THE [identify respondent(s)] attend before Mr. Justice [state name of assigned Judge] in Chambers at the Supreme Court, (Nassau), (Freeport) on [state date] at [state precise time] upon an application by [identify petitioner] for the following orders —

1. [set out in numbered paragraphs the precise relief sought by reference to the matters contained in CLR Order 3, rule 11(2).]
2. Such further or other directions as the Court sees fit.

Dated this day of 20 ____ .

[Signature of Applicant's Counsel and Attorney]

TO: The Registrar of the Commercial Division

AND TO: 1. the Company

2. [list the names and addresses of all the shareholders upon whom it is intended to serve the Summons for Directions.]

TIME ESTIMATE: The estimated length of the hearing of this summons is [state time].

This Summons for Directions was issued by [state name, address and contact details of the counsel and attorneys acting on behalf of the petitioner].

CLR Form No. 6

Winding up Order (O.3, r.16)

IN THE SUPREME COURT OF THE BAHAMAS
COMMERCIAL DIVISION

CAUSE NO. OF 20__

The Honourable Mr. Justice []

IN THE MATTER OF the Companies Act

Ch. 308.

AND IN, THE MATTER OF [state name of company]

WINDING UP ORDER

UPON hearing counsel for [state name of petitioner] upon its petition dated [state date] for an order that [state name of Company] (the “Company”) be wound up.

AND UPON hearing counsel for [the Company and any other persons who were heard]

AND UPON reading [set out details of all the relevant affidavits]

IT IS ORDERED that —

1. The Company be wound up in accordance with the Companies Act.
2. [state name and address] be appointed official liquidator(s) of the Company.
3. [if any further directions are made at the hearing of the petition, these directions may be set out in the winding up order or in a separate order for directions].
4. the petitioner’s costs shall be paid out of the assets of the Company as an expense of the liquidation, such costs to be taxed if not agreed with the official liquidator(s).
5. [any other orders for costs].

Dated the day of 20.

Filed the day of 20.

The Honourable Mr. Justice [name of assigned Judge]

JUDGE OF THE SUPREME COURT

This Order was filed by [state name, address and contact details of the Counsel and Attorneys acting on behalf of the petitioner].

CLR Form No. 7

Order for Appointment of Provisional Liquidator upon the application of a creditor, contributory or regulator (O.4, r.4)

IN THE SUPREME COURT OF THE BAHAMAS
COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act
AND IN, THE MATTER OF [state name of company]

ORDER FOR APPOINTMENT OF
PROVISIONAL LIQUIDATOR

UPON hearing counsel for [state name of petitioner/applicant] upon its Summons dated [state date] for an order that [state name of provisional liquidator] be appointed provisional liquidator of [name of company] (the “Company”).

AND UPON hearing counsel for [the Company and any other persons who were heard]

AND UPON reading the petition.

AND UPON reading [set out details of all the relevant affidavits]

AND UPON the petitioner/applicant undertaking by its counsel to pay any damage suffered by the Company as a result of this order and/or the appointment of provisional liquidators in the event that the winding up petition is ultimately withdrawn or dismissed.

IT IS ORDERED that —

1. [state name and address] be appointed provisional liquidator(s) of the Company (“the Provisional Liquidator”).
2. The Provisional Liquidator(s) is/are hereby authorised [set out the scope of the provisional liquidator's authority in numbered sub-paragraphs].
3. The Provisional Liquidator(s) is/are directed [set out any specific directions in numbered sub-paragraphs].
4. The Company’s directors are hereby authorised [set out the scope of the powers, if any, which the directors are authorised to exercise].

-
5. The winding up petition shall be advertised [state countries or newspapers in which advertisements are to be published] no later than [state date].
 6. The petition shall be heard on [state date] at 10:00 a.m.

Dated the day of 20 ____

Filed the day of 20 ____

The Honourable Mr. Justice [name of assigned Judge]

JUDGE OF THE SUPREME COURT

This Order was filed by [state name, address and contact details of the counsel and attorneys acting on behalf of the petitioner/applicant].

CLR Form No. 8

Order for Appointment of Provisional Liquidator upon the application of the Company (O.4. r.7)

IN THE SUPREME COURT OF THE BAHAMAS
COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act
AND IN, THE MATTER OF [state name of company]

ORDER FOR APPOINTMENT OF
PROVISIONAL LIQUIDATOR

UPON hearing counsel for [state name of the company] (the “company”) upon its [ex parte] 'summons for an order that [state name of provisional liquidator] (the “Provisional Liquidator”) be appointed Provisional Liquidator.

AND UPON reading the petition.

AND UPON reading [set out details of all the relevant affidavits]

IT IS ORDERED that —

1. [state name and address] be appointed Provisional Liquidator(s) of the Company.
2. The Provisional Liquidator(s) is/are hereby authorised [set out the scope of the provisional liquidator’s authority in numbered sub-paragraphs].
3. The Provisional Liquidator(s) is/are directed to —
 - (a) [prepare and publish a report about the financial condition of the Company]
 - (b) [prepare/advise upon the preparation of a scheme of arrangement]
 - (c) [appoint a liquidation committee]
 - (d) [other specific directions].
4. The Company’s directors are hereby authorised [set out the scope of the powers, which the directors are authorised to continue to exercise].
5. The remuneration and expenses of the Provisional Liquidator shall be paid out of the assets of the Company in any event.

-
6. The winding up petition shall be adjourned to a date to be fixed upon the application of the directors of the Company or upon the application of any creditor or contributory.

Dated the day of 20 ____

Filed the day of 20 ____

The Honourable Mr. Justice [name of assigned Judge]

JUDGE OF THE SUPREME COURT

This Order was filed by [state name, address and contact details of the counsel and attorneys acting on behalf of the company]

CLR Form No. 9

Notice of Appointment of Official Liquidator (O.5, r.3)

Ch. 308.

COMPANIES ACT

NOTICE OF APPOINTMENT OF OFFICIAL LIQUIDATOR

[Name of company] (In liquidation)

Ch. 308.

TAKE NOTICE that by order of the Supreme Court made on [state date] [state name of company], registration number [] whose registered office is situated at [state address], was ordered to be wound up in accordance with the Companies Act.

AND FURTHER TAKE NOTICE that [state name and contact details] have been appointed as official liquidators of the Company.

Dated this _____ day of _____ 20 ____

[Signature of official liquidators]

CLR Form No. 10

Notice requiring submission of a statement of affairs (O.6, r.1)

COMPANIES ACT

Ch. 308.

NOTICE UNDER SECTION 196

(Name of company] (In liquidation)

To: [state full name and address of deponent]

You are hereby required to make a Statement of Affairs in respect of the above-named Company.

Take notice that —

1. Your Statement of Affairs should be prepared in the form of the draft enclosed herewith and must address all the matters reflected in the draft.
2. Guidance notes are enclosed for your assistance.
3. The Official Liquidator has also served notice under section 196 of the Companies Act upon the persons listed on page [2] of this Notice.
4. You will be given access to the Company's books and records at the offices of the Official Liquidator at [state relevant address] during the hours of 9:00 a.m. to 5:00 p.m. on weekdays.
5. You may apply to the Official Liquidator for reimbursement of any expenses reasonably and properly incurred in complying with this Notice.
6. Your Statement of Affairs must be completed, exhibited to a verifying affidavit and delivered to the Official Liquidator on [state date] or such later date as may be agreed in writing with the Official Liquidator.

And further take notice that if you fail, without reasonable excuse, to comply with this Notice, you are liable to be prosecuted and fined up to \$10,000.

Dated this day of 20 __

[Signature of Official Liquidator]

[Full name, address and contact details of Official Liquidator]

LIST OF PERSONS ON WHOM NOTICE UNDER
SECTION 196 HAVE BEEN SERVED

[List the full names and addresses of all the other individuals and/or service providers upon whom notices have been served.]

CLR Form No. 11

Notice requiring a person to state whether he concurs with a statement of affairs (O.6, r.1)

Ch. 308.

COMPANIES ACT

NOTICE UNDER SECTION 196

[Name of company] (In liquidation)

To: (State full name and address of deponent]

You are hereby required to state whether or not you concur with the Statement of Affairs prepared and signed by [state name(s) of relevant persons] on [state date], a copy of which is served herewith.

Take notice that —

1. You are required to state whether or not you agree that the Statement of Affairs constitutes a true and accurate reflection of the company's financial position.
2. You are required to make all such enquiries as may be necessary or appropriate to enable you to make an informed decision.
3. Guidance notes are enclosed for your assistance.
4. The Official Liquidator has also served notice under section 196 of the Companies Act upon the persons listed on page [2] of this Notice.
5. You will be given access to the company's books and records at the offices of the Official Liquidator at [state relevant address] during the hours of 9:00 a.m. to 5:00 p.m. on weekdays.
6. You may apply to the Official Liquidator for reimbursement of any expenses reasonably and properly incurred in complying with this Notice.
7. If you concur with the Statement of Affairs, you must swear a verifying affidavit stating that you concur and your affidavit must be delivered to the Official Liquidator on [state date] or such later date as may be agreed in writing with the Official Liquidator.
8. If you do not concur with the Statement of Affairs, your reasons for not doing so must be stated in an affidavit which

must be delivered to the Official Liquidator on [state date] or such later date as may be agreed in writing with the Official Liquidator.

And further take notice that if you fail, without reasonable excuse, to comply with this Notice, you are liable to be prosecuted and fined up to \$10,000.

Dated this day of 20 ____

[Signature of Official Liquidator]

[Full name, address and contact details of Official Liquidator]

LIST OF PERSONS ON WHOM NOTICE UNDER
SECTION 196 HAVE BEEN SERVED

[List the full names and addresses of all the other individuals and/or service providers upon whom notices have been served.]

CLR Form No. 12

Order for Examination (O.7, r.2)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

ORDER FOR EXAMINATION

Upon hearing counsel for the official liquidator upon his summons pursuant to section 198(3) of the Companies Act for an order that [state name of examinee] (the “Examinee”) produce documents to the official liquidator and/or attend for an oral examination by the official liquidator.

AND UPON reading [set out details of all the relevant affidavits]

IT IS ORDERED that —

1. The Examinee shall deliver up to the official liquidator all of the documents specified in Schedule One to this order on or before [state date].
2. The Examinee shall attend at [state address] on [state date] at [state time] (or at such other place and on such other date and time as may be agreed with the official liquidator) to be examined orally by or on behalf of the official liquidator about the matters described in Schedule Two to this order.
3. The examination may be adjourned from time to time. Each session of the examination shall last no more than four (4) hours and the examination shall not last longer than [state time] in total without a further order of the Court.
4. (further or other directions]
5. The Examinee may apply to the Court within seven (7) days of the date upon which this order was served upon him for an order that it be set aside on the ground that he is or was not a relevant person within the meaning of section 198 of the Companies Act.

Ch. 308.

Dated the day of 20 __

Filed the day of 20 __

The Honourable Mr. Justice [name of assigned Judge]

JUDGE OF THE SUPREME COURT

This Order was filed by [state name, address and contact details of the counsel and attorneys acting on behalf of the official liquidator].

CLR Form No. 13

Official Liquidator's certificate (Solvency/Insolvency) (O.8, r.3)

COMPANIES ACT

Ch. 308.

OFFICIAL LIQUIDATOR'S CERTIFICATE

[Name of company] (In liquidation)

Supreme Court Cause No. of

TAKE NOTICE that the Official Liquidator hereby certifies that he has determined that the above-named Company should be treated as [solvent, insolvent or of doubtful solvency, as the case may be], for the purposes of section 205(5) of the Companies Act and CLR Orders 8 and 9. Ch. 308.

AND FURTHER TAKE NOTICE that the Official Liquidator may change his determination from time to time in the light of changes of relevant circumstances and/or his assessment of the Company's financial position.

Dated this day of 20

[Signature of Official Liquidator]

[Full name, address and contact details of Official Liquidator]

CLR Form No. 14Official Liquidator's Revised Certificate
(Solvency/Insolvency)(O.8, r.3)

Ch. 308.

COMPANIES ACT

OFFICIAL LIQUIDATOR'S REVISED CERTIFICATE

[Name of company] (In liquidation)

Supreme Court Cause No. ____ of ____

BY a certificate dated [insert date] and filed on [insert date] the Official Liquidator certified that he had determined that the above-named Company should be treated as [solvent, insolvent or of doubtful solvency, as the case may be], for the purposes of section 205(5) of the Companies Act and CLR Orders 8 and 9.

Ch. 308.

TAKE NOTICE that the Official Liquidator has changed his determination and hereby certifies that he has determined that the above-named Company should be treated as [solvent, insolvent or of doubtful solvency, as the case may be], for the purposes of section 205(5) of the Companies Act and CLR Orders 8 and 9 with effect from the date of this Notice.

Ch. 308.

AND FURTHER TAKE NOTICE that the Official Liquidator may change his determination again in the light of further changes of relevant circumstances and/or his assessment of the Company's financial position.

Dated this day of 20 ____

[Signature of Official Liquidator]

[Full name, address and contact details of Official Liquidator]

CLR Form No. 15

Official Liquidator's Certificate (Composition of
Liquidation Committee) (O.9, r.8)

COMPANIES ACT

Ch. 308.

OFFICIAL LIQUIDATOR'S CERTIFICATE
COMPOSITION OF LIQUIDATION COMMITTEE

[Name of company] (In liquidation)

Supreme Court Cause No. ___ of ___

The Official Liquidator hereby certifies that a liquidation committee has been constituted on the basis that he has determined the Company to be [solvent, insolvent or of doubtful solvency, as the case may be] for the purposes of section 205(5) of the Companies Act and CLR Order 9 and that the following [creditors or/and contributories as the case may be] have been appointed.

Ch. 308.

1. [State name of individual], representing [state name of creditor or contributory as the case may be] of [state and address and contact details].
2. [List each of the members].

Dated this day of 20 ___

[Signature of Official Liquidator]

[Full name, address and contact details of Official Liquidator]

CLR Form No. 16

Summons (Sanction Application) (O.11, r.1)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

SUMMONS

LET all parties concerned attend before Mr. Justice [name of assigned Judge] in Chambers at the Supreme Court, (Nassau), (Freeport) on [state date] at [state precise time] upon an application by the official liquidator [or creditor/contributory as the case may be] for the following orders and directions —

1. [set out in numbered paragraphs the relief sought].
2. [].

Dated this day of 20 ____

[Signature of Applicant's Counsel and Attorney]

TO: The Registrar of the Commercial Division

AND TO: [state the names and addresses of each member of the liquidation committee]

[alternatively state the name and address of counsel to the liquidation committee, if counsel has been appointed with power to act generally]

TIME ESTIMATE: The estimated length of the hearing of this summons is [state time].

This Summons was issued by [state name, address and contact details of the counsel and attorneys acting on behalf of the official liquidator].

CLR Form No. 17

Notice of Rectification of Register of Members (O.12, r.3)

COMPANIES ACT
NOTICE OF RECTIFICATION OF
REGISTER OF MEMBERS

Ch. 308.

[Name of company] (In liquidation)

Supreme Court Cause No. ___ of ___

TAKE NOTICE that in the exercise of the powers contained in section 207 of the Companies Act and CLR Order 12, the Official Liquidator of the above-named Company has rectified its register of members. Ch. 308.

AND FURTHER TAKE NOTICE that the grounds upon which the Official Liquidator exercised his powers, the methodology adopted by the Official Liquidator for rectifying the register and an explanation of the way in which the rectified register differs from that created by authority of the directors is contained in the Report served herewith. Copies of the original register and the rectified register are contained in the Appendix to the Report.

AND FURTHER TAKE NOTICE that any member or former member of the above-named Company who is dissatisfied with the Official Liquidator's decision to exercise his powers to rectify the register and/or is dissatisfied in the manner in which the register has been rectified has a right to appeal to the Supreme Court. An appeal must be made by summons in CLR Form No. 18 which must be served upon the Official Liquidator within twenty-eight (28) days from the date from which this Notice is filed.

Dated this day of 20 ___

[Signature of Official Liquidator]

[Full name, address and contact details of Official Liquidator]

CLR Form No. 18

Summons (Appeal against Rectification of the Register of Members)
(O.12, r.4)

IN THE SUPREME COURT OF THE BAHAMAS
COMMERCIAL DIVISION

CAUSE NO. OF 20__

The Honourable Mr. Justice []

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

SUMMONS

LET the official liquidators attend before Mr. Justice [name of assigned Judge] in Chambers at the Supreme Court, (Nassau), (Freeport) on [state date] at [state precise time] upon an application by [state name and address of appellant] for an order that —

1. The official liquidators' decision to exercise their powers to rectify the register of members be set aside on the grounds that [summarise the grounds upon which it is said that they were not entitled to exercise their powers].

Alternatively

2. The official liquidators' rectification of the Company's register of members (as set out in his notice of rectification dated [state date]) be varied on the ground that the official liquidators exercised their powers in a manner in which no liquidator could reasonably have done in all the circumstances.
3. The grounds upon which the appellant relies are [the grounds may be summarised in the summons or set out in the expert report served with the summons].
4. The official liquidators ought to have rectified the Company's register of members in the following manner —
[the alternative rectification contended for by the appellant may be set out in the summons or in an expert report served with the summons]

And

-
5. The Court give directions as to the service of this summons.
 6. [an order that the appellant's costs of this summons be paid out of the assets of the company, such costs to be taxed if not agreed with the official liquidators].

Dated this day of 20 ____.

[Signature of Appellant's Counsel and Attorneys]

TO: The Registrar of the Commercial Division

AND TO: The official liquidator

TIME ESTIMATE: The estimated length of the hearing of this summons is [state time].

This summons was issued by [state name, address and contact details of the counsel and attorneys acting on behalf of the appellant].

CLR Form No. 19

Notice of Voluntary Winding Up (O.13, r.2)

Ch. 308.

COMPANIES ACT

NOTICE OF VOLUNTARY WINDING UP

[Name of company] (In voluntary liquidation)

Registration No. _____

To: The Registrar of Companies

TAKE NOTICE that the above-named Company was put into liquidation on [state commencement date] by a resolution passed at a meeting of the Company held on [state date] [or as the case may be].

AND FURTHER TAKE NOTICE that [state name] of [state address and contact details] has been appointed voluntary liquidator of the Company.

Dated this day of 20 ____

[Signature of Voluntary Liquidator or Director as the case may be]

[Full name, address and contact details of any person other than the Voluntary Liquidator who files this form].

CLR Form No. 20

Voluntary Liquidator's Consent to Act (O.13, r.2)

COMPANIES ACT

Ch. 308.

VOLUNTARY LIQUIDATOR'S CONSENT TO ACT

[Name of company] (In voluntary liquidation)

Registration No. _____

To: The Registrar of Companies

TAKE NOTICE that I/we, [state name(s)] of [in the event that he accepts appointment in the ordinary course of his business as a corporate manager or insolvency practitioner; state the name of his firm] of [state address and contact details] hereby consent to act as Voluntary Liquidator of the above-named Company with effect from the commencement of the liquidation [or, if the appointment is made following the resignation, death or removal of the previous voluntary liquidator, the date upon which the appointment takes effect].

Dated this day of 20 ____

[Signature of Voluntary Liquidator]

CLR Form No. 21

Declaration of Solvency (O.14, r.1)

Ch. 308.

COMPANIES ACT**DECLARATION OF SOLVENCY**

[Name of company] (In voluntary liquidation)

Registration No. _____

I/we, [state the name or names of the directors], being a director of the Company do solemnly and sincerely declare that I/we have made a full inquiry into the affairs of the Company and that, having done so, we believe that the Company will be able to pay its debts in full, together with interest at the prescribed rate within a period of twelve (12) months from the commencement of the winding up [or state a shorter period].

1. _____
[Signature of Director]
[Full Name and Address of Director]
[Date]
2. _____
[Signature of Director]
[Full Name and Address of Director]
[Date]
3. etc.

[The Declaration of Solvency must be signed by all of the directors]

CLR Form No. 22

Advertisement (Application for Supervision Order) (O.15, r.5)

COMPANIES ACT

Ch. 308.

[Name of company] (In voluntary liquidation)

Supreme Court Cause No.

TAKE NOTICE that —

1. The above-named Company was put into voluntary liquidation on [state commencement date].
2. A petition has been presented to the Supreme Court of The Bahamas by the Voluntary Liquidator [or as the case may be] for an order that the liquidation continue under the supervision of the Court.
3. The hearing of the petition will take place at the Supreme Court, (Nassau), (Freeport) on [state date] at [state time].
4. Any member or creditor of the Company is entitled to appear at the hearing of the petition for the purpose of being heard upon the question of who should be appointed as official liquidator of the Company. Any member or creditor wishing to be heard must serve a notice of appearance upon the Voluntary Liquidator not less than three (3) days prior to the hearing date.

Dated this day of 20 ____

[Signature of Voluntary Liquidator]

CLR Form No. 23

Supervision Order (O.15, r.8)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

SUPERVISION ORDER

UPON hearing counsel for [state name and address of voluntary liquidator] (the “Voluntary Liquidator”) upon his petition for an order that the liquidation of [state name of Company] (the “Company”) continue under the supervision of the Court.

UPON reading the petition and the verifying affidavit sworn by the Voluntary Liquidator on [state date].

AND UPON the Court being satisfied that the Voluntary Liquidator is a qualified insolvency practitioner [or alternatively, upon reading the affidavit of the qualified insolvency practitioner nominated for appointment in place of the voluntary liquidator]

IT IS ORDERED that —

1. the liquidation of the Company be continued under the supervision of the Court.
2. [state name and address] be appointed official liquidator(s) of the Company.
3. [if any further directions are made at the hearing of the petition, these directions may be set out in the supervision order in a separate order for directions].
4. The Voluntary Liquidator’s costs of this petition shall be paid out of the assets of the Company as an expense of the liquidation, such costs to be taxed if not agreed with the official liquidator(s).

Dated the day of 20 __

Filed the day of 20 __

The Honourable Mr. Justice [name of assigned Judge]

JUDGE OF THE SUPREME COURT

This Order was filed by [state name, address and contact details of the counsel and attorneys acting on behalf of the petitioner].

CLR Form No. 24

Proof of Debt (standard form) (O.16, r.2)

COMPANIES ACT

Ch. 308.

PROOF OF DEBT

[Name of company (In liquidation)]

Supreme Court Cause No. of

1	Creditor's Name	
2	Creditor's Address and relevant contact details	
3	Amount of claim Principal Interest (if any) Total	
4	Summarise the basis upon which the claim arises	
5	List of supporting documentation (copies of which must be attached)	
6	Summarise basis for interest claim	
7	Interest calculation	
8	Particulars of any security held including a list of the relevant documentation	
9	Value of the security and date of valuation	

Dated this day of 20 ____

[Signature of Creditor]

[State the name of the person signing the proof of debt, the capacity in which he is authorised to sign on behalf of the creditor and his contact details.]

CLR Form No. 25

Notice of Admission of Proof of Debt (O.16, r.6)

Ch. 308.

COMPANIES ACT

NOTICE OF ADMISSION OF PROOF OF DEBT

[Name of company] (In liquidation)

Supreme Court Cause No. ___ of ___

TO: [state Creditor's name and address]

TAKE NOTICE that the Official Liquidator has adjudicated upon your proof of debt dated [state date] [and if the proof has been amended state the date of the amended proof] and hereby admits your claim for the full amount of [state amount].

Dated this day of 20 ___

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 26

Notice of Rejection of Proof of Debt (O.16, r.6)

COMPANIES ACT

Ch. 308.

NOTICE OF REJECTION OF PROOF OF DEBT

[Name of company] (In liquidation)

Supreme Court Cause No. ___ of ___

TO: [State Creditor's name and address]

TAKE NOTICE that the Official Liquidator has adjudicated upon your proof of debt dated [state date] [and if the proof has been amended state the date of the amended proof] and hereby rejects your claim in full [or state the extent to which it is admitted and state the extent to which it is rejected].

AND FURTHER TAKE NOTICE that your claim was rejected [or partially rejected as the case may be] for the following reasons [which may be set out in this form or attached in a separate document].

AND FURTHER TAKE NOTICE that you have the right to appeal to a Judge of the Supreme Court for an order that the Official Liquidator's decision be reversed or varied. Any appeal must be made by summons in CLR Form No. 30 which must be served upon the Official Liquidator no later than twenty-one (21) days after receipt of this Notice.

Dated this day of 20 ___

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 27

Notice of Admission (bank deposit claims) (O.16, r.7)

Ch. 308.

COMPANIES ACT

NOTICE OF ADMISSION OF DEPOSIT CLAIMS

[Name of bank] (In liquidation)

Supreme Court Cause No. ___ of ___

TO: [state Depositor’s name and address]

Account Number: [state full particulars of all bank account numbers]

TAKE NOTICE that the amount of your deposit and interest accrued due as at [state date] recorded in the bank’s books and records is [state amount] and that the Official Liquidator has admitted you to proof in this amount.

[If the amount for which the Depositor has admitted to proof is a net amount after having set off the sum due on a loan account, particulars of the amount of the loan must be set out in this Notice].

AND FURTHER TAKE NOTICE that if you consider that you should have been admitted to proof for an amount different from that stated in this Notice, you must contact the Official Liquidator immediately.

Dated this day of 20 ___

[Signature of Official Liquidator]

State Official Liquidator’s name, address and contact details]

CLR Form No. 28

Official Liquidator's Certificate (Currency of Liquidation)
(O.16, r.13)

COMPANIES ACT

Ch. 308.

OFFICIAL LIQUIDATOR'S CERTIFICATE
(CURRENCY OF THE LIQUIDATION)

[Name of Company] (In liquidation)

Supreme Court Cause No. ___ of ___

TO: The Creditors of the Company

TAKE NOTICE that the Official Liquidator has determined in accordance with section 246 of the Companies Act and CLR Order 15, rule 13 that the currency of the liquidation of the above-named Company shall be [state currency].

Dated this day of 20 ____

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 29

Notice (Contingent claims) (O.16, r.16)

Ch. 308.

COMPANIES ACT

NOTICE (CONTINGENT CLAIMS)

[Name of company] (In liquidation)

Supreme Court Cause No. ____ of ____

TO: [state Creditor's name and address]

TAKE NOTICE that the Official Liquidator has adjudicated upon your proof of debt dated [state date] [and if the proof has been amended state the date of the amended proof] and put an estimate of [state amount] upon your contingent claim. The basis upon which the Official Liquidator made this estimate is as follows: [summarise the Official Liquidator's analysis in this form or in a separate document served with it].

AND FURTHER TAKE NOTICE that your claim has accordingly been admitted to proof in the amount of [state amount of Official Liquidator's estimate].

AND FURTHER TAKE NOTICE that —

1. You have the right to submit an amended proof of debt having regard to any material change of circumstances occurring after the date of your original proof of debt.
2. The Official Liquidator is also entitled to vary his estimate of the value of your contingent claim in the light of any material change of circumstances occurring after the date of this Notice.
3. You have the right to appeal to a Judge of the Supreme Court for an order that the Official Liquidator's decision be reversed or varied. Any appeal must be made by summons in CLR Form No. 30 [which must be served upon the Official Liquidator no later than twenty-one (21) days after receipt of this Notice].
4. The Official Liquidator hereby extends your time for appealing against his decision until [state date].

Dated this _____ day of _____ 20 ____

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 30

Summons (Appeal against rejection of proof of debt)
(O.16, r.18)

IN THE SUPREME COURT OF THE BAHAMAS
COMMERCIAL DIVISION

CAUSE NO. OF 20__

IN THE MATTER OF the Companies Act

Ch. 308.

AND IN, THE MATTER OF [state name of company]

SUMMONS

LET THE official liquidator attend before the Mr. Justice [state name of assigned Judge] in Chambers at the Supreme Court, (Nassau), (Freeport) on [state date] at [state precise time] upon an application by [identify appellant] (the “Appellant”) for the following orders —

1. The rejection of the Appellant’s proof of debt (by notice dated [insert date]) be set aside.
2. The Appellant’s claim be admitted to proof in the sum of [insert amount].
3. An order that the Appellant’s costs of this appeal be paid out of the assets of the Company as an expense of the liquidation, such costs to be taxed if not agreed with the official liquidator.

Dated this day of 20 __

[Signature of Appellant’s Counsel and Attorneys]

TO: The Registrar of the Commercial Division

AND TO: The official liquidator

TIME ESTIMATE: The estimated length of the hearing of this summons is [state time].

This Summons was issued by [state name, address and contact details of the counsel and attorneys acting on behalf of the appellant].

CLR Form No. 31

Summons (Application to expunge a proof of debt) (O.16, r.21)

IN THE SUPREME COURT OF THE BAHAMAS

COMMERCIAL DIVISION

CAUSE NO. OF 20__

Ch. 308.

IN THE MATTER OF the Companies Act

AND IN, THE MATTER OF [state name of company]

SUMMONS

LET THE [name of creditor] (the “Creditor”) attend before the Mr. Justice [state name of assigned Judge] in Chambers at the Supreme Court (Nassau), (Freeport) on [state date] at [state precise time] upon an application by [identify either the official liquidator or a dissatisfied creditor/contributory] for the following orders —

1. The admission of the Creditor’s proof of debt (by notice dated [insert date]) be set aside.
2. The creditor’s claim be rejected [in whole or in part].
3. [An order for costs]

Dated this day of 20 ____

 [Signature of Official Liquidator’s or Applicant’s Counsel and Attorneys]

TO: The Registrar of the Commercial Division

AND TO: 1. [name and address of the Creditor]
 2. [the official liquidator, if the application is made a creditor or contributory]

TIME ESTIMATE: The estimated length of the hearing of this summons is [state time].

This Summons was issued by [state name, address and contact details of the counsel and attorneys acting on behalf of the official liquidator/applicant].

CLR Form No. 32

Notice of Intention to Declare Interim Dividend (O.18, r.6)

COMPANIES ACT

Ch. 308.

NOTICE OF INTENTION TO
DECLARE INTERIM DIVIDEND

[Name of Company] (In liquidation)

Supreme Court Cause No. of

TO: the Creditors of the Company

TAKE NOTICE that the Official Liquidator intends to declare an interim dividend.

Any Creditor wishing to participate in the interim dividend must lodge his proof of debt with the Official Liquidator no later than [state date], failing which you will be excluded from the interim distribution but you will not be excluded from any subsequent distribution or the final distribution.

Dated this day of 20 ____

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 33

Notice of Intention to Declare Final Dividend (O.18, r.7)

Ch. 308.

COMPANIES ACT

NOTICE OF INTENTION TO DECLARE FINAL DIVIDEND

[Name of Company] (In liquidation)

Supreme Court Cause No ___ of ___

TO: The Creditors of the Company

TAKE NOTICE that the Official Liquidator intends to declare a final dividend.

Any Creditor who has not already lodged his proof of debt with the Official Liquidator must do so no later than [state date]. The Official Liquidator is not obliged to adjudicate upon any proof of debt received after this date. With the result that your failure to lodge a proof of debt by the final date for proving may result in you being excluded from the final distribution.

Dated this day of 20 ____

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 34

Notice of Final Dividend (O.18, r.7)

COMPANIES ACT

Ch. 308.

NOTICE OF FINAL DIVIDEND

[Name of Company] (In liquidation)

Supreme Court Cause No. of

TO: The Creditors of the Company

TAKE NOTICE that the Official Liquidator has declared a final dividend of [state amount] cents in the dollar calculated as follows —

Total amount of claims admitted to proof	\$
Total Asset realised	\$
Provisions	\$
Expenses of the liquidation	\$
Amount of interim distributions	\$
Amount of final distribution	\$

AND TAKE NOTICE that —

Amount for which you have been admitted to proof	\$
Amount of interim distributions paid	\$
Amount of final distribution	\$

Dated this day of 20_____

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 35

Notice of Call (O.19, r.2)

Ch. 308.

COMPANIES ACT

NOTICE OF CALL

[Name of company] (In liquidation)

Supreme Court Cause No. of

TO: [state contributories name and address]

TAKE NOTICE that by an Order of the Court made on [state date] a call of [state dollar amount] per share on each [identify class of shares] share was sanctioned.

The total amount due from you in respect of the [state number] share registered in your name is [state total dollar amount]. You are required to pay this amount to the Official Liquidator forthwith. This notice of call takes effect in the same manner as a judgment or order of the Court and if you fail to pay, the Official Liquidator will levy execution against you.

AND FURTHER TAKE NOTICE that you have the right to appeal to a Judge of the Supreme Court for an order that the Official Liquidator's decision that you are a contributory be reversed or that the amount of the call be varied. Any appeal must be made by summons which must be served upon the Official Liquidator no later than twenty-one (21) days after receipt of this Notice. The full amount of the call stated in this notice must be paid into Court within seven (7) days after service of your summons.

Dated this day of 20__.

[Signature of Official Liquidator]

[State Official Liquidator's name, address and contact details]

CLR Form No. 36

Order for Dissolution (O.22, r.6)

IN THE SUPREME COURT OF THE BAHAMAS
COMMERCIAL DIVISION

CAUSE NO. OF 20__

IN THE MATTER OF the Companies Act

Ch. 308.

AND IN, THE MATTER OF [state name of company]

ORDER FOR DISSOLUTION

UPON hearing counsel for the official liquidator upon his summons for an order that [state name of Company] (the “Company”) be dissolved.

AND UPON hearing counsel for [the Company and any other persons who were heard]

AND UPON reading the official liquidator’s final report and accounts dated [insert date]

IT IS ORDERED that the Company be dissolved [either forthwith or on a specified future date].

AND IT IS FURTHER DIRECTED that —

1. The official liquidator’s liquidation file shall be preserved until [specify date complying with the requirements of Order 22, rule 6].
2. The Company’s books and records shall be preserved by the official liquidator for at least [number of years] and shall be destroyed on or after [state date] [different directions may be made in respect of identified classes of documents].
3. [Directions relating to unclaimed dividends].
4. [Any other directions].

Dated the day of 20__

Filed the day of 20__

The Honourable Mr. Justice [name of assigned Judge]

JUDGE OF THE SUPREME COURT

This Order was filed by [state name, address and contact details of the counsel and attorneys acting on behalf of the official liquidator].

