
STATUTORY INSTRUMENTS

2016 No. 1024

The Insolvency (England and Wales) Rules 2016

PART 7

WINDING UP BY THE COURT

CHAPTER 15

Litigation expenses and property subject to a floating charge

Grant of approval or authorisation

7.115.—(1) Where the liquidator fails to include in the liquidator's request any one of the matters, statements or notices required by paragraph (1) or paragraphs (1) and (4), of rule 7.114, the request for approval or authorisation will be treated as not having been made.

(2) Subject to paragraphs (3), (4) and (5), approval or authorisation will be taken to have been given where the specified amount has been requested by the liquidator, and—

- (a) that amount is approved or authorised within the specified time limit; or
- (b) a different amount is approved or authorised within the specified time limit and the liquidator considers it sufficient.

(3) Where the liquidator requires the approval or authorisation of two or more preferential creditors, approval or authorisation will be taken to be given where a majority in value of those who respond within the specified time limit approve or authorise—

- (a) the specified amount; or
- (b) a different amount which the liquidator considers sufficient.

(4) Where a majority in value of two or more preferential creditors propose an amount other than that specified by the liquidator, they will be taken to have approved or authorised an amount equal to the lowest of the amounts so proposed.

(5) In any case in which there is no response in writing within the specified time limit to the liquidator's request—

- (a) at all; or
- (b) at any time following the liquidator's provision of further particulars under rule 7.114(3);

the liquidator's request will be taken to have been approved or authorised from the date of the expiry of that time limit.