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HOUSE OF REPRESENTATIVES

Supplementary Order Paper

Tuesday, 7 March 1989

CORPORATIONS (INVESTIGATION AND MANAGEMENT) BILL

*Proposed Amendment*

Right Hon. GEOFFREY PALMER, in Committee, to move the following amendment:

*Clause 60:* To omit this clause from page 36, and substitute the following clause:

**60. Prior winding up or receivership to cease—**

(1) Where a corporation, or any subsidiary or associated person of a corporation, becomes subject to statutory management, and that corporation, subsidiary, or associated person is already being wound up or is already in receivership,—

- (a) The winding up or receivership of that corporation, subsidiary, or associated person shall, for so long as it continues to be subject to statutory management, cease; and
- (b) The person appointed as liquidator or receiver shall be discharged.

(2) Where the statutory management of any corporation, subsidiary, or associated person referred to in subsection (1) of this section is terminated, the liquidation or receivership of that corporation, subsidiary, or associated person shall, unless the Order in Council terminating the statutory management otherwise provides, and subject to such terms and conditions as the order may specify, revive as if it had not ceased by reason of this section.

(3) Where any liquidation or receivership revives pursuant to subsection (2) of this section, the person specified in the order as such shall be the liquidator or receiver of that corporation, subsidiary, or associated person for the time being.

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## EXPLANATORY NOTE

The new *clause 60* substituted by the proposed amendment clarifies the position of a corporation which is in receivership or liquidation and which subsequently becomes subject to statutory management. The clause provides, among other things, for the winding up or receivership to cease for the duration of the statutory management.

The existing *clause 60* applies only to subsidiaries or associated persons of a corporation, and not to the corporation itself.