

REQUISITE MAJORITIES

- 5.23.** - (1) Subject to paragraph (2), at the 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 it.
- (2) A resolution to approve the proposal or a modification is passed when a majority of three-quarters or more (in value) of those present and voting in person or by proxy have voted in favour of it.
- (3) In the following cases there is to be left out of account a creditor's vote in respect of any claim or part of a claim -
- (a) where written notice of the claim was not given, either at the meeting or before it, to the chairman or the nominee;
 - (b) where the claim or part is secured;
 - (c) where the claim is in respect of a debt wholly or partly on, or secured by, a current bill of exchange or promissory note, unless the creditor is willing -
 - (i) to treat the liability to him on the bill or note of every person who is liable on it antecedently to the debtor, and against whom a bankruptcy order has not been made (or, in the case of a company, which has not gone into liquidation), as a security in his hands, and
 - (ii) to estimate the value of the security and (for the purpose of entitlement to vote, but not of any distribution under the arrangement) to deduct it from his claim.
- (4) Any resolution is invalid if those voting against it include more than half in value of the creditors, counting in these latter only those -
- (a) who have notice of the meeting;
 - (b) whose votes are not to be left out of account under paragraph (3); and
 - (c) who are not, to the best of the chairman's belief, associates of the debtor.