Journal of Law & Social Studies (JLSS)
Volume 2, Issue 1, pp 26-33, 2020
www.advancelrf.org

International Insolvency Regimes and Rescue Measures Particularly with Reference to the USA and the UK

Rehmat Ali
Additional District & Sessions Judge Lahore,
Presently serving as Judge of GBV Model Court Lahore
E-mail: malikrehmatali@gmail.com

ABSTRACT: The court has since the dawn of modern company law enjoyed the jurisdiction to order the liquidation of a solvent company. Now radical change has been introduced in the world, in the field of winding up of the companies since the incorporation of the companies in the world. Different jurisdictions like USA in shape of Chapter 11 of bankruptcy code 1978, UK in shape of scheme of arrangements, workout plan etc., South Africa in shape of appointing Judicial Management and Australia in shape of Official Manager have developed various set of rules and regulations dealing with insolvency and other liquidations problem, when company is subject to financial distress, and also alternative corporate rescue mechanism to deal with the corporate disputes of similar nature between management of the companies and others. In this modern corporate world, the investor would choose the place where he has more opportunities and protection to his capital. Favorable substantive and procedural law and rules which are sympathetic towards redress of his corporate dispute are the requirement of an investor. Insolvency jurisdictions of UK and USA are more favorable to the foreign investors because there is a sophisticated and more adequate procedural advantage. This paper also aims, inter alia, to analyze the new techniques prevalent in various jurisdictions of the USA and the UK.
Keywords: Corporate Governance, Insolvency, winding up

1. INTRODUCTION

Winding up of a company's affair is a mechanism in which management of a company; its affairs and its assets are taken out of the hand of directors and company management and handed over to the liquidator. Its debts are paid out from the proceeds of the realization of the assets and remaining balance is returned to its shareholders or provided in memorandum or article of association. It is a famous principle of English Company Law that once a company incorporated under the law, can only be put to an end in the manner prescribed by law and by the exercise of statutory powers prescribed there under.

The term "winding up" as applied to the companies is derived from a suit for the analogous purposes of winding up and dissolving of a partition. The term "winding up" has also been defined by Martha Bruce in the following terms "Where the company for whatever the reason is, not able or permitted to continue in operation, application can be made to the court for the company to place a liquidation (known as winding up)."

Due to favorable investment atmosphere in U.S.A and the U.K in term of remedies, the investors are willing to invest their capital there. In the U.K Company Voluntarily Arrangements (CVAs), a workout plan, scheme of arrangement and administration mechanisms are very useful and aimed at promoting corporate insolvency regime. On the other hand, in United States (U.S.A), a corporation suffering from financial distress can take advantage of Chapter-11 of Bankruptcy code 1978. This is an independent, logical, court-driven process which facilitates the company's with the facility of debt rescheduling and its object is to with object to secure the company and to elude the social cost of liquidation and to encourage the restructuring and also made safeguards for protections of assets of company rather than sold as scrap.

2. WINDING UP OF A COMPANY IN UK, USA AND OTHER RESCUE MEASURES

Historical development of insolvency law and its evolving objects in UK, policies and present positions are mainly contributed by decision of the court, statutory provisions, pre-legislative documentation and doctrinal writings. The historic separation between personal and corporate insolvency law are main improvements in UK in context of

insolvency matters. The most important contribution made by Cork Report regarding reforms in insolvency matters from 1976-1986 has resulted into Insolvency Act (IA) of 1986 and further reforms in 1986 and it also followed IA 2000: Enterprise Act 2002.

In nineteenth century in USA, insolvency laws were changed and redesigned mainly on two reasons. Firstly, in the beginning of the century when most of European countries followed French Commercial Code, 1807 except for UK, as a result of Napoleonic wars. Secondly wave of reforms started in the 1880's which witnessed the introduction of procedural alternative to the bankruptcy and liquidation. During second phase, all the European legislation was focused to reduce the hardships of bankruptcy law but to what extent, but their harmonization is still ambiguous.

Earlier in the last decade of the nineteenth century, certain similar insolvency laws were present in Europe introduced by Roman law in Italy and other countries, particularly, since implementation of DE Commerce, the French Code, 1807. It was a mechanism of monitoring insolvency proceedings regulated by the judiciary. First time, a check was imposed on debtor by the court, to provide a right to an individual creditor against the debtor. A new principle of "Automatic Stay" was emerged to check difficulties of liquidation stage and protection of creditors in shape of dispossession of creditors from possession of their respective asserts. Through these rules of procedures, creditors were facilitated to check the exact financial position of debtors as against the collection of data by private means. Due to result of these public procedures list of the bankrupted debtors was prepared which was made public by the court and same was published subsequently.

3. HISTORICAL DEVELOPMENT OF THE CONCEPT OF WINDING UP IN UNITED KINGDOOM

The most important changes introduced in the corporate law in UK were in the shape of Joint Stock Company Act 1844 which resulted into comprehensive mechanism in winding up law. Same year, winding up of the affairs of Joint Stock Companies Act 1844 was passed at the height of the railway "mania" that led to promotion in other fields, thus bringing the man in the street into contract with companies as was never. A winding up Act applying to the railway companies was passed in 1846 and this was followed in 1848 and 1849 by the acts of general application conferring winding up jurisdiction on the court of Chancery. Unhappily, the resulting conflicts of jurisdiction between the courts of bankruptcy and chancery led to great confusion which, less unhappily, proved highly beneficial to the legal and new-born accountancy professions.

At a later stage, the confusion was resolved by the total removal of incorporated companies from the bankruptcy jurisdiction and by the discreet treatment of company insolvency in companies Act and of individual in bankruptcy Acts, a distinction which prevailed until they were reunited by the insolvency Act 1986. The first English Bankruptcy Act was enacted 1542 which brought the idea of collectiveness into insolvency law. The Act gave a right to creditors to seize the asset of debtors and distributed them to creditors "according to the volume of their debts". However, rehabilitation was not a feature of the 1542 Bankruptcy Act. Thus, the bankrupt's liability for unpaid claim was not discharged and he had to face a real risk of imprisonment. In 1570, an important move was made in insolvency practice and distinction was drawn between traders, merchants and from others. Traders were classified as individuals who earned a living by buying or selling goods or services.

The Companies Act 1862 first time introduced the idea of voluntary winding up by the court. The concept of "Official Receiver", "liquidator" and his responsibilities were introduced by the Company (Winding up) Act, 1890. The legislation of 1844 introduced a complete separation between corporate and personal insolvency. The Act contained provisions specifically for corporate insolvency and this was accompanied by winding up provisions in the Limited Liability Act. The Limited Liability Act gave members limited liability for the debts of the joint stock companies. Thus, any credit agreement entered by an individual member rather than through a corporate entity was excluded from ambit of limited liability. The separate legal entity concept was laydown by the House of Lords in *Salomon vs. Salomon case & company ltd.* that an incorporated company was separate from its member. Distinction between voluntary winding up by the members and creditors was first time introduced by Companies Act, 1929 whereas Companies Act 1948 provided the complete process of winding up. Now in England after legislation of Companies Act 1986 and subsequent Companies Act 2006, the winding up proceedings are part of Insolvency Act, 1986 which has repealed sections 501 to 650 of Company Act 1985.

The court has since the dawn of modern company law enjoyed the jurisdiction to order the liquidation of a solvent company. Currently, this jurisdiction is present in the Insolvency Act 1986. Under s.122 (1) (g) of this legislation, the court can pass an order to the effect that the circumstances warrant that it is fit for winding up on wind up on just and equitable ground to do so.

In this way main function of insolvency mechanism is make a criterion for the determination of adjustment of overall deficiency according to the kinds of creditrs.it is not indeed a happy ending episode of a company. For the benefits of one creditor another creditor should not be damaged.

In 1982 the Coke Committee produced a comprehensive review of the law insolvency. Coke observed how '*Credit is the lifeblood of the modern industrialized economy' and fundamental to trade, commerce and industry'. Secured loans had grown significantly since the 19th Century; relaxing security 'would have serious repercussions for British economy as a whole* '. Coke referred to contractual rights of creditors to obtain priority above other creditors by seeking security. It was against the backdrop that the position of unsecured trade creditor would be reviewed.

4. Insolvency and other mechanisms in UK

In English law there are four possible mechanisms available to a company which is facing financial distress and in need of effective way of dealing with company affairs.

1. Restructuring its debt.

2. A workout plan.

3. Creditors voluntary arrangements (CVA).

4. A scheme of arrangements.

However, in practice company and their advisors have combined the latter two options to add a fifth possibility namely *a "scheme twined administration"*.

5. A WORKOUT PLAN

According to the British insolvency mechanism there are certain solutions to the financially distressed company. The primary solution is workout that is simple and meant for agreement between creditors and the company management for reorganizing and restructuring without going into formal insolvency proceedings. Restructuring agreements can take a variety of forms. It is more advantageous and relatively cheaper and quick, without interference of court or insolvency practitioners. This mechanism can check the difficulties at the early stage and eliminate the negative concept of formal insolvency process. There are two hardships involved in this process: firstly, there is no statutory moratorium that can come into effect if creditors want to put something off; secondly, all of the creditors bound by the agreements need to agree to it: there is a no possibility cram down.

These facts may create difficulties. For instance, it is informal set of principles to providing a framework of bank support for distress companies due to development of credit market, and introduction of new creditors with better credit facilities. Therefore, these above-mentioned constraints placed strain on London approach model. The London approach model to facilitate the workout arrangements has thus been significantly impaired. As a result, reaching a contractual solution is not impossible, but it is a certainly not straight forward. Often the challenges described here will prove too difficult, and the only option for the company will be to engage in a more formal restructuring mechanism.

6. COMPANY VOLUNTARILY ARRANGEMENTS (CVA's)

CVA's is an arrangement between companies and its creditors which can be initiated even after the commencement of winding up proceedings by the liquidator administrator. CVA's were introduced first time in 1985 and 1986 in insolvency reforms. The recommendation and findings of Cork Committee in 1982 was particularly critical in nature which advocated the development of rescue culture in England that is an encouragement of reorganization of corporations to make them to rehabilitate and so as to reestablish them to lucrative one and to enable them to avoid their insolvency.

Both CVA's and administration were introduced in the corporate insolvency regime in UK with the aim of promoting such a culture. In such circumstances, director was empowered to nominate person to be appointed as insolvency petitioner to perform duty of sending the copy of proposal regarding the affairs of the company. Insolvency rules contain the detailed provisions regarding the contents of the documents which are necessary when taken together with the report from nominee, to facilitate the members and other stakeholder to reach a knowledgeable conclusion on the proposal.

A CVA is not insolvency procedure. As compare to work out, it is re-liquidation and can therefore be utilized as a means of rescheduling the liability and early arrangements for rescuing the company from its financial distress. Although an insolvency practitioner will generally be involved as nominee and then supervisor of CVA, it is still a

'debtor in possession' procedure in that management of the CVA, and company should not under administration or liquation, in which case the administrator or liquidator will take the charge of the company' s affairs.

The next stage is for meetings of members and creditors to consider the proposal. It should be ratified by 70% having voting right of to that extent or represented by the proxy up to their value of rights. There is no requirement for Creditors that they should be placed in different classes for this purpose and there should be a single meeting of creditors and requirement of 50% votes of creditors is necessary, which are present in meeting. Once a CVA's is approved, it has binding force on company as well as on all creditors who were entailed to vote in the meeting and those creditors having the notice and knowledge of meeting. CVA's then binds even those creditors who did not approve the proposal. The CVA's administration is supervised, usually by the person who is a nominee.

A CVA's is not an insolvency procedure as with the workout, it is mechanism which can be used as tool before commencement of insolvency proceedings for rescheduling the liabilities rescue measures at the time of distress of a company. Although, an insolvency practitioner will generally be involved as nominee and then supervisor of CVA's, it is still a "debtor in possession" procedure in debt and the management of the company remain in control throughout the recommendation and implementation of CVA's unless, company is subjected to liquidation in which charge was taken by the liquidator regarding company's affairs. The fact that directors can remain in control may be an advantage or disadvantage depending on the quality of the director in question, and the reason for company's financial difficulty.

7. SCHEME OF ARRANGEMENTS

Schemes of the arrangements have been developed over a period of a century, significantly longer than CVA's are administration. Other mechanisms were not considered as debit restructuring devices and debates in the 1980's and 1990's regarding corporate rescue largely dismissed schemes of arrangements as viable restructuring tools. However, over the last decades schemes have been used increasingly in this regard, particularly in the wake of global financially crisis. In the period 2009, 2011 following reconstruction were made in different companies which were involved in Schemes of arrangement.

Schemes involved a three-stage process: firstly, "*a compromise or arrangement*" is proposed between the company and its member or creditors. The phrase

> "Compromise or Arrangement" "*simply requires that transaction must have the features of "give and take" and cannot simply amount to a surrender or confiscation and that company must be a party to the arrangement; moreover there should be fairness in the arrangement to which a prudent man thinks it reasonable."*

Secondly, the scheme should be approved by majority votes in the meeting of creditors and members. in meeting members and creditors should be represented through classes for voting purposes. The division of members and creditors should be in in their similar classes in order to consult together keeping in view their common interest. Approval of the court should be granted on the satisfaction that all the classes of creditors and members have rectified the scheme. The main requirement of the approval is only a "majority in number representing 75% in value". However, a significant feature of scheme is that it can be materialized by the company the fact that it is possible for a company to decide who to bring into a scheme, and if a particular group's rights are not affected by a scheme then their approval of the scheme is not to be sought.

Thirdly, after sanction of scheme by the court, orders become effective; when copy of the order is deliver to company registrar.

8. ADMINSTRATION

Along with CVAs, administration was introduced into English law in 1985, following the report of the Cork Committee, in order to promote a rescue culture. Further administration was introduced in the Enterprise Act 2002. The administration is a procedure by which an external manager, the administrator, is appointed to manage the company. The administrator has the power to trade freely, and to dispose of the business or the assets of the company on a going concern basis. The administrator can be appointed either by an application to the court or by an outcome of court process.

One significant advantage that administration over the restructuring is statutory stay and it creates general moratorium on enforcement of remedies against the company after the commencement of administration. Administration is not an end, but it should instead be regarded as a gateway to a variety of different exists of company. Although administration was introduced to promote rescue measures, this is the only possible outcomes

for the betterment of company. For example, one possible and not uncommon outcome of administration for the company is for it to be gone into liquidation. Another very common consequence of administration is the restoration of the business to a point where it manages to be sold out as going concern and assets can be sold out more advantageously than in liquidation.

A shape of liquidation come on surface is called the pre-pack administration. This form of administration has taken a leading role for debt restructuring at huge level. In such like arrangements, prior to going into administration, company enters into an agreement for sale of its assets, with assistance of practitioner and agreement with creditors at the time of financial distress. Until confirmation of administration, agreement and sale is kept waiting. Either the business is sold to third party or sold back to existing management as a practice. Main features of the pre-packs it makes easy process of sale and restores value, good-well and confidence as compared to administration procedure. However, pre-packs are subjected to criticism on the ground that they are regarded as "insufficient transparent" and unsecured creditors may be presented with the done deal only being well informed of pre-pack when the sale is completed. Despite apprehensions, its use is very frequent and particular use of pre-pack is the use of this mechanism twined with a scheme of arrangement to affect the debt restructuring.

The most silent feature of administration is that, in case of administration proceedings there will be statutory stay and moratorium in all execution against the company under the administration. The statutory stay has broad spectrum in its effect. If there is moratorium, then no administrative receiver can be appointed. For purpose of winding up neither any resolution could not be passed nor could winding up order be passed. There are certain disadvantages attached with the administration are an insolvency procedure and therefore, a company can make use of administration to restructure its debts only once, in case of insolvent.

The use of schemes twinned with administration was first proposed in 2004**,** in the MyTravel Group Plc. restricting. The group had a huge and unsupportable level of debt. Attempts were made to reach a workout between the company and its creditors, but these attempts failed since the bondholders objected to the equity allocation they were offered in workout. The bondholders were "out of money" in the sense that the company's assets were insufficient to return the debts of shareholders and main creditors and they would get nothing on liquidation. However, they can make good bargaining on the score of their hold up right. Bondholders challenged the scheme in the trail as well as in court of appeal and Court of Appeal upheld the form of his reorganization in the principle and agreed that it was not necessary for the bondholders to approve it since their rights were not affected.

Each of the mechanisms discussed in the previous section, i.e. workouts, CVAs, schemes and administration, when these tools are used separately these are full of weaknesses used as a debt restructuring tool. The most significant and suitable mechanism for this purpose is scheme of arrangement which is more significant which bound the minority creditors to follow the majority creditors as class. This gives rise to the question whether a more streamlined and effective mechanism for debt restructuring should be introduced. There are also other issues, such as the question of which valuation method to use, that need to be tackled.

9. AMERICAN CORPORATE INSOLVENCY PRACTICE

In United States (USA), if a company is under financial distress can apply for the support of Ch.11 of the Bankruptcy Code 1978. Mechanism provided in Ch.11 it is autonomous, rational, and developed by the law courts which provide the rescheduling of loans with the object to rescue the company in order to make it a going concern. The main idea behind this rule is eliminate the costs of liquidation and to encourage reorganization and preserve the assets of company rather assets are sold at low price. This rule is like the reforms introduced by England by the mid-1980s, which was a source of invention of rule of administration and creditors voluntarily arrangements (CVA's) as discussed in detail in the introductory part of this thesis.

Warren and Westbrook examine that:

> "Chapter 11 deserves a prominent place in the pantheon of extraordinary laws that have shaped the American economy and society and then echoed throughout the world … Based on the idea that a failing business can be reshaped into a successful operation, Chapter 11 was perhaps a predictable creation from a people whose majority religion embraces the idea of life from death and whose central myth is the pioneer making a fresh start on the boundless prairie".

American insolvency laws are more attractive and particularly Chapter 11 Bankruptcy Code 1978 to the foreign investors on following reasons: (a) automatic stay worldwide; (2) the principle of debtor in possession (3) the provisions of injection of new finance (4) the statutory restructuring (5) the procedural consolidation options.

10. DEVELOPMENT OF CONCEPT OF INSOLVENCY PRACTICE IN UNITED STATES OF AMERICA

In 1800 the first insolvency law was passed in USA same was replica of insolvency law of England. In 19th century, several efforts were made at various levels to enact a national insolvency law in USA but of no use. The insolvency laws legislated in 1800 were stand repealed in 1803 and new Act was introduced in this regard in 1841 this Act hold the field till 1843 and further law on the subject was enacted in 1867. This law was also undergone into extensive amendments and finally repealed in 1878. In the meantime, railway crisis emerged in US which became prominent in 1884.At that time there was no effective mechanism to deal with such like situation and this crises was solved by the Judiciary keeping in view the significance of this commercial activities of railway in the country considering it as necessary going concern as compare to put it into insolvency proceeding in presence of strong pressure of mafia.

Receivers were appointed to investigate activities with obvious aim of reaching at such a result. This temporary arrangement resulted into a specific institution called "Equity Receivership" that was used over time to come up with issue of corporate insolvency issue. In1898 first national bankruptcy law was introduced in presence of the judicial mechanism. "*Equity receivership* and bankruptcy" laws of 1898 remained in field till the 1930 and due to great economic slump, which resulted into introduction of another institutional change. The operating procedures created in the 1880s were changed in 1934 and 1938. At present after the recommendation of reforms regarding the bankruptcy in USA Bankruptcy Code 1978 came into force and Ch-11 of Bankruptcy Code dealt with the companies going into the liquidation due to financial distress which required effective way of dealing with these difficulties.

According to Professor Warren and West Brook the Ch-11 of American Bankruptcy Code has played an important role in development of corporate insolvency and conducive environment for investors which resulted into a leading role in reshaping American as well as world economy.

It is important to note that the American Bankruptcy Law is unique and more beneficial for Corporate Entities in the world today. It is also known for its equitable treatment of debtors and liberal for debtor relief, which is main source of attraction of foreign investors. It also provides worldwide automatic stay regarding the affairs of corporation which come under decoration of Chapter 11 of Bankruptcy Code. It also provides concept of debtor in possession; it means that affair of the companies almost remains with the same administration for certain period. It also provides new finance to the distressed corporate entity or also provides mechanism for re-organization and other financial facilities for rehabilitation of corporations.

It also provides the opportunity to the investors to make their investment in a programmatic way and without any fear of financial loss. It can also provide boost to the company as well as national economy of the country. Chapter 11 of Bankruptcy Code is not only a vital feature of federal constitution and legal system of USA, but it provides a model of principles which must be applied to the economy under the condition of economic collapse. It keeps corporations and business operating to maintain necessary functions and keeps employee working and provides new source of credit while freezing all the dead collection and back debt which is to be sorted out over time.

In order to deal with financial difficulties of a company is most important element of corporate activities in a country such like remedies are available to companies in England in shape of workout, CVAs schemes and administration although these mechanisms contain significant flaws in this regard but are still helpful for companies. Schemes of arrangement can closest give their ability to be used pre-insolvency to bind secure creditors, and to facilitate a cram down of creditors within a class. However, schemes do not include a statutory stay and no cram down classes is possible. In order to judge these benefits, schemes must be twinned with a pre-pack administration, and companies have been making increasing use of this device in recent years.

However, it is an unwieldy mechanism and has some significant drawbacks. A more effective debt restructuring mechanism can be created by borrowing from US Chapter 11 procedure and reforming the English scheme of arrangement to benefit for the most advantageous element of US procedure while avoiding some of the disadvantages. This would involve adding a statutory stay to schemes, facilitating a "cram down" class and foxing more clearly from the valuation of companies going through a debt restructuring process.

11. CONCLUSION

Winding up law and solvency procedures provided by the British and American jurisdictions are more attractive to foreign investors due to certain investors friendly remedies. In case of insolvency in UK different remedies are provided for rehabilitation of sick and distressed companies facing financial shortage. Scheme of arrangement,

workout plan, company voluntarily arrangements (CVA) and administration are the tools for restructuring and administration of affair of the financially distressed companies. In case of financial difficulties, companies are provided financial assistance to cop up with the situation and previous contractual obligations remain intact in order to strengthen the corporate commercial activities to safeguard the interest of the creditors and members.

References

Bankruptcy Act, 1542

Cohen, J. (1982). History of Imprisonment for Debit and Its Relation to the Development in Discharge in Bankruptcy, *Journal of Legal History*, 11 (1), 153.

Companies Act, 2006: 1985, 1948, 1929,1862

Companies (Consolidation Act), 1908

Companies Winding up Act, 1844

Dunscomb, S.W. (1969). *Bankruptcy: A Study in Comparative Legislation,* University of Virginia: AMS Press.

Finn, M. (2003). *The character of credit: personal debt in English culture, 1740- 1914*, Cambridge: Cambridge University Press.

Formoy, R. R. (1923). *The historical foundations of modern company law*, London: Sweet and Maxwell.

Franks, J. & Sussman, O. (1999). *Financial Innovation and Corporate Insolvency,* London: London Business School.

Hansen, B. (1998). Commercial Associations and the Creation of a National Economy: The Demand for Federal Bankruptcy Law, *Business History Review,* 72(2), 86-113.

Insolvency Act, 1986

Jennifer, P (2014) Debt Restructuring in English Law: Lesson from the United State and Need for Reforms, *Law Quarterly Review*, 39 (130), 282–305.

Joint Stock Arrangement Act, 1870

Joint Stock Companies Act, 1856

Jones, W.J. (1979). *The foundation of British Bankruptcy: Statutes and Commissions in the Early Modern Period,* University of Alberta: Transactions of American philosophical society.

Levinthal, L. L. (1918). The Early History of Bankruptcy Law, *University of Pennsylvania Law Review,* 66(5), 223.

Limited Liability Act, 1855.

McCormack, G. (2014). Bankruptcy Forum Shopping: The UK and USA as Venues of Choice, *International Company Law Review Quarterly*, 4 (43), 815–842.

Milman, D. (2015). Corporate Insolvency in 2015: The Ever-Changing Legal Landscape, *Company Law Newsletter*, 3(369), 1–5.

Princess of Reuss V Boss [1871] 5 L R 176 (H. L)

Re Blue brook Ltd [2009] EWHC 2114 (Ch)

Re My Travel Group Plc [2004] EWHC 2741(Ch.)

Report of review committee on insolvency law and practice (1982) Cmnd. 8558.

Salomon v Salomon [1897] 22 AC 1 (HL) (Lord Halsbury LC).

Sgard, J. (2010). Bankruptcy Law, Majority Rule, and Private Ordering in England and France (Seventeenth-Nineteenth Century, *Oxford Sciences Po Research group*. Accessed from https://www.politics.ox.ac.uk/materials/centres/oxpo/working-papers/wp_09-10/OXPO_WP09-10b_Sgard.pdf

Tarling, D., & Richard, D.T. (2015) The Unsecured Creditors: Raw Deal, *Company Lawyer*, 9(34), 265-271.

The Companies Winding up (Amendment Act), 1857

The Joint Stock Company Act, 1856

Treiman, I. (1927). Escaping the Creditor in the Middle Ages, *Law Quarterly Review,* 43, 230

US V Whiting Pools Inc [1983] 462 US Court of Appeal 198-203 (SC)

Wright, R. A. & Buchanan-Dunlop, R. R. (1960). *Pamer's Company Precedents.* (2nd ed.). London: Steven & Sons Limited.