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INSOLVENCY PRACTITIONERS GROUP

INSOLVENCY PRACTITIONERS' ROLES AND RESPONSIBILITIES - JURISDICTIONAL INSIGHTS

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FOREWORD

INSOL International's Insolvency Practitioners Group (IPG) has decided to prepare a publication that explores the roles and tasks of insolvency practitioners in various jurisdictions. The result of IPG's research is contained in this publication.

Worldwide, insolvency practitioners have similar objectives: to provide all stakeholders with the best possible outcome from the restructuring / insolvency mandate. Interestingly, however, in practice, the manner in which insolvency practitioners operate can vary significantly from jurisdiction to jurisdiction. For instance, many jurisdictions have a myriad of options available which are geared to achieving a maximum payout to creditors. The question to address is whether these procedures are used regularly and are they effective in practice?

Other distinguishing factors include, the manner in which insolvency practitioners are appointed, to whom these office holders must report and how regularly, the effect that a restructuring would have on employees, suppliers and other related parties, the extent and ability to investigate the management and directors, the manner in which claims are dealt with both locally and cross-border and many other aspects which an insolvency practitioner must deal with in the fulfillment of his / her mandate. Other important aspects include what qualifications an insolvency practitioner must have to be able to practice, the need to belong to an accredited member association and the manner in which practitioners are remunerated.

This publication strives to provide a comprehensive overview of the issues stated above and provide answers to these questions in multiple jurisdictions. We hope the readers will find the information useful in their daily work.

Through its excellent network, INSOL International has identified seasoned experts around the globe who have been willing to contribute to this publication. This publication is the product of their hard work and efforts. A big thank you goes out to all the contributors for making this publication come to fruition. Much gratitude is also owed to Dr Sonali Abeyratne, Sarah Mylott and Jelena Wenlock for their invaluable support and assistance in getting this publication completed.

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INSOLVENCY PRACTITIONERS' ROLES AND RESPONSIBILITIES - JURISDICTIONAL INSIGHTS

JERSEY

1. Insolvency procedures

1.1 What drives the decision in your jurisdiction to use certain insolvency procedures?

Several different insolvency procedures are typically used, depending on the circumstances. The decision as to which procedure to use can be driven by a number of factors, including:

a) whether the process is being instigated by the debtor itself or a creditor;

b) the urgency of the situation;

c) whether there is a public interest aspect;

d) the degree of control which an applicant creditor wishes to exercise; and

e) cost.

The procedures which are mainly used in the context of business conducted through Jersey in connection with Jersey's status as an international finance centre are as follows:

a) ***Désastre***. This is a court-ordered voluntary and involuntary insolvent winding up available on application by individuals as well as corporate debtors and by creditors.

b) **Creditors' winding up – voluntary**. This is a voluntary out-of-court procedure for the insolvent winding up of Jersey companies (and certain other entities) commenced by special resolution of the shareholders.

c) **Creditors' winding up – creditor-initiated**. Since 2022, a creditors' winding up may also be sought by application to the court by a creditor.

d) **Just and equitable winding up**. This is a court-ordered winding up of a Jersey company (and certain other entities) which is primarily used in non-insolvency contexts, which mirror those under the equivalent jurisdiction under English law, but which is also used by the court for an insolvent winding up where there will be advantages to creditors over any other of the available insolvency processes. Creditors do not, however, have standing to apply.

e) **UK administration**. Aside from a *remise de biens* (mentioned below) Jersey does not have a suspensory or rehabilitation procedure. The court has, however, been ready on many occasions to issue a letter of request to the English High Court for that court to exercise its powers of assistance under s426 of the Insolvency Act 1986 to order a United Kingdom administration of a Jersey company which has its centre of main interests in the United Kingdom.

1.2 Are certain procedures listed but hardly ever used for a corporate insolvency? If so, what are the reasons for non use of these procedures?

The procedures of *remise de biens*, *dégrèvement* and *réalisation* are not obsolete. However, they are usually used in the context of lending to local borrowers. The further procedure of voluntary *cession* is obsolete in practice. Briefly:

a) ***Remise de biens***. This is a suspensory procedure designed to enable rehabilitation of the debtor. It allows a debtor having cash-flow difficulties to place their property into the hands of the court for a fixed period in order for it to be realised and debts to be discharged. There is a moratorium on litigation while the *remise* is in effect. The *remise* is administered by two judges (Jurats) of the Royal Court and does not involve any outside IP. If the *remise* is refused, one of the other insolvency procedures usually follows. If it is granted, the debtor is discharged from their debts to the extent that they cannot be satisfied out of the property which is to be realised. This is so even if the *remise* 'fails' in the sense that the amount realised turns out to be not enough to satisfy secured claims and no dividend to unsecured creditors is payable.

b) ***Dégrèvement***. A *dégrèvement* is a creditor-initiated procedure for the realisation and discumberment of Jersey immovable property. The process is administered by two lawyers appointed by the court and again involves no professional IP. The party taking the property (*tenant après dégrèvement*) can be an unsecured creditor who takes it on condition of paying off all creditors with security over the property; in default of an unsecured creditor becoming the owner, a party holding security over the property may do so. A distinct feature of a *dégrèvement* is that the tenant apres *dégrèvement* can keep any balance of value in the property after all security on it, or in the case of a secured creditor all higher-ranking security on it, has been paid off by them. The debtor is also not discharged from their debts to the extent they may remain unsatisfied after the process has finished. For these reasons debtors normally wish to prevent a *dégrèvement* taking place by applying in a timely fashion for a *remise de biens* or a voluntary *désastre* or, in the case of a company or other entity, another appropriate insolvent winding up procedure.

c) ***Réalisation*** is a little-used procedure, usually accompanying a *dégrèvement*, for the realisation of the debtor's movable property.

1.3 For those procedures that are used more often, what are the foremost reasons to use the procedures?

- Is it an immediate liquidity event,
- a foreseeable liquidity event (but not yet immediate) or
- do you see other drivers (e.g. incentives for directors to file for administration to avoid insolvent trading liability)?

a) ***Désastre***

- As noted above, a *désastre* is a court-ordered insolvency procedure available to individuals as well as companies and other legal entities. It is available on both debtor application and that of a creditor. The primary legislation is the Bankruptcy (Désastre) (Jersey) Law 1990. The process is straightforward. The test is insolvency on a cash flow basis (although the court can take account of balance sheet solvency if the debtor applies to have *désastre* lifted). In the case of creditor applications, the creditor must have a claim for liquidated sum not less than £3,000.
- The insolvency is administered by an official of the Jersey court known as the Viscount rather than an IP. The Viscount's Department is experienced in large insolvencies but can call upon other professional assistance if needed. Creditors, however, often prefer the potentially greater degree of control over an IP that they may have and greater accountability of an IP in the case of the main alternative to a *désastre* in company insolvencies, namely a creditors' winding up.
- Cost can also be a factor. The Viscount is entitled to levy a commission of up to 10% on assets realised and 2.5% on assets distributed. The Viscount can also apply to the court for an indemnity from the creditors to the extent that the court considers fit.
- In the case of debtor applications, where the debtor is a company, the *désastre* application is in principle made by the company on the decision of its directors rather than its shareholders. It is therefore a means whereby directors can seek to place the company into an insolvent winding up in cases where they are concerned that they may otherwise be personally liable for wrongful trading.
- The available jurisdictional ambit of a *désastre* also extends wider than creditors' winding up. Unlike a creditors' winding up, which is only available for Jersey companies (or other entities to which a similar procedure has been enacted), the court's jurisdiction to order a désastre is additionally expressed in territorial terms. It can, for example, be used in respect of foreign debtors who conduct business in Jersey, or who have conducted business in Jersey within the three previous years, or who own realisable immovable property in Jersey.

b) Creditors' winding up (voluntary)

- A voluntary creditors' winding up of a Jersey company under Part 4 of the Companies (Jersey) Law 1991 is commenced by special resolution of the company's shareholders. The winding up is carried out by an IP.
- Shareholders may prefer this procedure as they are likely to have more influence and can chose the liquidator, subject to a power of creditors to nominate their own liquidator and have the matter determined by the court.
- There is also more accountability through the medium of creditors' meetings than there is in the case of a *désastre*.
- Similar procedures are also available for the insolvent winding up of limited liability companies, incorporated limited partnerships, limited liability partnerships and foundations.

c) Creditors' winding up (creditor-initiated)

- An involuntary creditors' winding up is a new procedure introduced into the Companies (Jersey) Law 1991 in 2022. It enables a creditor of a Jersey company having a liquidated claim of at least £3,000 to apply to the court for an order that the company be wound up by an IP in a creditors' winding up.
- Short of the company consenting, it must be shown that the company is unable to pay its debts or that there is other evidence of insolvency. The company is deemed to be unable to pay its debts if it fails to pay the creditor within 21 days of service of a statutory demand or alternatively to raise a reasonable dispute within that time frame.
- The use of a statutory demand is therefore a useful weapon in the creditor's armoury as a means of forcing payment from a debtor who can pay but has so far not paid (although the creditor will still need to be mindful of the law on voidable preferences).

d) Just and equitable winding up

- A just and equitable winding up of a Jersey company is a court-ordered winding up under Article 155 of the Companies (Jersey) Law 1991 that may be applied for by a shareholder or director or by the company itself as well as by the Chief Minister and in certain circumstances the Minister for Treasury and Resources. It is not, therefore, a procedure which is available to an outside creditor.
- The circumstances in which the court will order a winding up on just and equitable grounds are in practice, quite wide and not limited to insolvency. In the case of an insolvent company, however, the court will wish to be shown some good reason why a just and equitable winding up should, in the interests of creditors, be the process used rather than one of the more specific insolvency procedures referred to above.
- The procedure had been used to keep an otherwise insolvent company trading for the benefit of the company's clients and creditors (*Re Poundworld (Jersey) Ltd* [2009] JRC 042), where urgent action is required and this needs to be taken quicker than would be allowed given the statutory time frames for commencing a creditors' winding up (*Re Belgravia Financial Services Group Ltd* 2008 JLR Note 36) and where it was necessary to transfer its client assets of an insolvent financial services company to a third party purchaser (*Re Horizon (Investments) (Jersey Ltd* [2012] JRC 039. In the latter type of case there will be a public interest in completing the transfer of clients to the third party in an orderly fashion without adverse effect on the reputation of the Island's financial services industry.
- It may also be in the best interests of all stakeholders for the process to be overseen by a liquidator who is directly accountable to the court. An Article 155 appointment may also be preferable to a creditor's winding up given the greater flexibility allowed for and the overriding duty to the court, especially given the potential for conflicts to arise between the shareholders and creditors (*Re Belgravia Financial Services Group Ltd* 2008 JLR Note 36).

(e) UK Administration

- The old procedure of *remise de biens* is currently the only debtor-protective suspensory procedure. As mentioned above, in appropriate cases the court will be willing to issue a letter of request to the English High Court for its assistance under s426 of the IA 1986 in placing a Jersey company with its centre of main interests in the United Kingdom into a United Kingdom administration. It is necessary that the court is satisfied, usually on the basis of a supporting opinion from English Counsel, that the case is one where the English Court would have jurisdiction to assist and would be likely to make an administration order with a view to the potential rescue of the company.

1.4 In practice, is the role that the IP has or can play, a factor that is of relevance when determining whether or not to apply for certain types of insolvency procedures?

- As noted above, the key difference between a *désastre* and a creditors' winding up is that in the former case the Viscount of the Royal Court is the official liquidator whereas in the latter it will be an IP.
- Both creditors and shareholders may often prefer the greater control, within limits, that they have over an IP and the greater accountability of an IP.
- A particular IP may also have greater relevant experience of insolvencies of like businesses, or involving the same jurisdictions or in respect of similar asset classes and thus may be preferable to the Viscount, who may indeed need to incur greater costs over and above his own commission in obtaining additional advice and assistance.

2. Appointment

2.1 Aside from formal qualifications, are there any "soft" requirements in order to be able to take appointments as an IP? For instance, does an IP need to have gained prior experience in another field or under the supervision of a more seasoned IP?

A person is only eligible to be the liquidator in a creditors' winding up of a Jersey company (or of Jersey public company in any winding up) if they are an individual registered as an approved liquidator on the Register of Approved Liquidators kept by the Viscount under the Companies (General Provisions) (Jersey) Order 2002. The present requirements were introduced into the 2002 Order in 2022. Registration lasts for one year. Thereafter the individual concerned must re-apply to be re-registered.

In order to be registered as a Jersey-resident liquidator the liquidator must:

- be ordinarily resident in Jersey;
- be an individual who has the level of experience determined by the Viscount;
- be licensed in the United Kingdom to act as insolvency practitioner by one of the recognised professional bodies as defined under section 391(8) of the UK Insolvency Act 1986; or be a member of the Association of Chartered Certified Accountants, the Chartered Accountants of Ireland, the Institute of Chartered Accountants in England and Wales, or the Institute of Chartered Accountants in Scotland; and
- have in place a general bond of £250,000 plus a specific bond of between £5,000 and £5,000,000 for each appointment.

An individual who is not ordinarily resident in Jersey but is otherwise qualified in accordance with the above may, together with a Jersey-resident individual who is registered as an approved liquidator, be appointed as a joint liquidator of a company, and may be registered as a non-Jersey liquidator in the Register of Approved Liquidators.

2.2 Does the appointing body take prior experience into consideration when appointing an IP?

Yes, the Viscount requires the liquidator to have an appropriate level of experience in order to be eligible for registration.

The application form needs to show that the IP concerned has 'relevant, sufficient and appropriate insolvency experience'. For this purpose, the applicant must indicate the number of hours spent working in the last three years on insolvency matters, distinguishing between:

a) liquidations and other insolvency appointments;

b) insolvency and restructuring advice;

c) rescue work; and

d) advice for lenders, and in each case identifying the jurisdiction and legislation concerned.

2.3 If stakeholders do not appoint the IP, can stakeholders influence who gets appointed? If so, how does this work in practice?

In the case of a court-ordered *désastre,* the insolvent debtor is wound up by the Viscount. There is therefore no possibility of choosing an IP.

In the case of a voluntary creditors' winding up, the creditors and the company at their respective statutory meetings may nominate a person to be liquidator. The person nominated by the creditors, or if no person is nominated by the creditors, the person nominated, or deemed to have been nominated, by the company is in the first instance appointed liquidator with effect from the conclusion of the creditors' meeting.

However if different persons are nominated, then a director, shareholder or creditor of the company may, within seven days after the date on which the nomination was made by the creditors, apply to the court for an order either (a) directing that the person nominated by the company shall be liquidator instead of or jointly with the person nominated by the creditors; or (b) appointing some other person to be liquidator instead of the person nominated by the creditors.

In the case of a court-ordered creditors' winding up, the court appoints either the liquidator nominated by the applicant creditor or such another liquidator selected by the court.

2.4 How does your jurisdiction safeguard that an IP is impartial? Are there any conflict rules and independence requirements, or restrictions on accepting an appointment? If so, how do they work in practice?

A person is disqualified for appointment as a liquidator of a company undergoing a creditors' winding up if the person is (a) a secretary or an officer or employee of the company, or a partner or employee of such a person; or (b) a person against whom a disqualification order under Article 78 of the Companies (Jersey) Law 1991 is in force. These restrictions also extend to being the liquidator of subsidiary and holding companies and other connected entities.

The IP would also be bound by the rules or codes regarding conflicts of interest of their own professional body. Many IPs, in practice, also follow the ethical code set out in the voluntary Jersey Statements of Insolvency Practice.

3. Dismissal

3.1 Assuming that an IP can be dismissed upon the request of a creditor (or the debtor), in what circumstances can a request be made and how does this practically work?

Article 163(3) of the Companies (Jersey) Law 1991 provides that the creditors, in the case of a voluntary creditors' winding up, or the court, in the case of a court-ordered creditors' winding up, may at any time remove the liquidator.

Article 175 further provides that the court may, on reason being given, remove a liquidator in a creditors' winding up and may appoint another. Applications may be made in this respect by any person, including the company, a director of the company or a creditor of the company.

It has been held that the court may remove a liquidator if it is satisfied that it is for the general advantage of those interested in the assets of the company to do so. The power is not limited to cases of misconduct. Due cause or reason is to be measured by reference to the real, substantial, and honest interests of the liquidation and to the purpose for which the liquidator has been appointed (*Re 3B Holdings Ltd* 2012 (1) JLR Note 15).

Since 2022 the Viscount also has extensive powers of investigation into the conduct of liquidators (under an amendment to the Companies (General Provisions (Jersey) Order 2002). If considered appropriate after investigation, the Viscount may make an application to the court for the exercise of any of the court's powers in relation to the liquidator, including removal.

3.2 Does dismissal occur often? If so, what are the consequences (if any) for the IP being dismissed?

Dismissal is rare. If an IP is dismissed from being the liquidator of the company the court must appoint a replacement.

3.3 How easy or difficult is it to hold an IP accountable in your jurisdiction and what other measures are available to do so?

Difficulty may arise because of genuine differences of opinion as to how the winding up should be conducted and about particular decisions of the IP. More than that must be shown in order for the court to dismiss the IP.

The position of creditors, who may otherwise not be able to obtain extensive information, has been assisted by the introduction in 2022 of the Viscount's extensive investigative powers over liquidators.

4. Role of the IP

4.1 Aside from the formal / statutory requirements, how does an IP – in practice – perform their role? Is the IP 'self-starting' with a focus on (for instance) realising assets or is the IP more prone to await and act upon instructions by creditors or the court?

Upon appointment of a liquidator in a creditors' winding up of a company, all the powers of the directors cease and are taken over by the liquidator save: (a) in the case a voluntary creditors' winding up, to the extent that the liquidation committee appointed by creditors, or if none, the creditors, themselves, sanction the continuance of the directors' powers; and (b) in the case of a court-ordered creditors' winding up, to the extent that the court sanctions such continuance.

The IP should therefore normally be self-starting and be as pro-active as the case requires. On occasion there may be a need for urgent action.

4.2 Do IPs have much leeway to determine the manner in which they perform their tasks?

The IPs duties as liquidator include a duty:

a) to investigate the affairs of the company;

b) to act with due skill and diligence;

c) not to allow their private interests to come into conflict with their duties;

d) to exercise powers for the purpose conferred and impartially; and

e) to obtain the highest possible price for the assets.

A liquidator owes these duties to the company and to the general body of the creditors, not to individual creditors, and, if appointed by the court, duties are owed to the court.

Subject to the duties owed, there is scope for the IP to perform their tasks in any manner which in their professional opinion they consider most appropriate. For example, property may in principle be sold by tender, private contract, or public auction. In particular, the duty of care owed by the IP is to exercise the diligence and skill that would be exercised by a reasonably careful officer holder, and it follows that there is scope for professional judgment and a margin of appreciation allowed before the duty of care can be considered to have been breached.

5. Investigations

5.1 Does an IP also have an inquisitive role?

One of the main functions of the IP as liquidator is to investigate the affairs of the company, including its promotion and formation, and the conduct of its business. Investigations may be needed in order to enable the liquidator to discharge their duty of locating and collecting the company's assets; to consider the conduct of officers of the company, whose examination and prosecution in appropriate cases is part of the liquidator's duty to set in motion; and to consider any claims that the company or liquidator may have against an officer or for the setting aside of vulnerable transactions such as transactions at an undervalue, preferences or extortionate credit transactions or unlawful distributions.

Officers, employees, and those who took part in the formation of the company are under a statutory duty to co-operate with the liquidator's or Viscount's investigations, including a duty to give such information concerning the company as may reasonably by required by the liquidator or Viscount.

5.2 Does the IP have an obligation to conduct investigations, or is the IP otherwise generally prone to investigate issues surrounding the insolvency and institute claims as a matter of practice? If so, how often does this occur and is an IP often successful?

For the above reasons, the IP should conduct investigations where appropriate.

The IP is also under a statutory duty to report possible misconduct to the Jersey Attorney General if it appears that:

a) the company has committed a criminal offence; or

b) a person has committed a criminal offence in relation to the company; or

c) in the case of a director, his or her conduct appears to be such that a disqualification order under Article 78 of the Companies (Jersey) Law 1991 should be made.

In practice, the difficulties – in any but the clearest cases – in bringing a successful claim by an insolvent company against a director or in applying to the court for the setting aside of transactions or distributions, and the costs likely to be incurred, act as a disincentive to the IP. Creditors of the company may well be reluctant to fund such claims.

Nevertheless, such claims are occasionally made and are successful. A notable example was the claim against the directors and shareholder of a Jersey company for unlawful distributions in *O'Keeffe and Beveridge (in their capacity as joint liquidators of Level One Residential (Jersey) Limited and Special Opportunity Holdings Limited) v Caner and others* [2017] EWHC 1105 (Ch). The issue of whether the claim was time-barred was determined by the English High Court in the liquidators' favour and the case was subsequently settled.

6. Supervision

6.1 How on a practical level is supervision of an IP organised?

In order to be a liquidator of a company in a creditors' winding up, or of any public company, the IP must qualify to be registered and be registered by the Viscount on the Register of Approved Liquidators.

Article 8 of the Companies (General Provisions) (Jersey) Order 2002, introduced in 2022, gives the Viscount extensive power to investigate the conduct of a liquidator. The Viscount may act following the representations of any party about the exercise of the IP's powers or a failure to exercise powers. The Viscount may also carry out investigations if there appear to be any other circumstances justifying an investigation, including concerns about the level of fees charged or proposed to be charged by the IP. The IP must co-operate with the investigation. If, following an investigation, the Viscount considers it necessary or appropriate, he may make an application to the court requesting the exercise of any of the court's powers under the Companies (Jersey) Law 1991, which include dismissal and replacement of the IP.

6.2 Is the supervising body sufficiently equipped to perform its role and do IPs experience that they are genuinely supervised?

The investigatory powers of the Viscount under Article 8 of the Companies (General Provisions) (Jersey) Order 2002 are extensive. Being introduced only in 2022, however, it is too early to tell whether these powers are going to be sufficient in practice.

6.3 Do stakeholders have sufficient ability to act against or correct the IP if and when this is deemed necessary? If so, how is this achieved?

The ability of stakeholders to make representations to the Viscount with a view to prompting an independent investigation by him is a significant advantage. They would otherwise need to bring potentially costly legal action or make a complaint to the IP's professional body.

There is implicitly a threshold to be passed in order for an investigation to be justified. The Viscount needs to consider that the matter is one which has not been satisfactorily dealt with by the IP or which justifies investigation. The Order does not elaborate further on the Viscount's discretion, but it does specify that nothing in the Order requires the Viscount to investigate a complaint which he considers trivial, frivolous, vexatious, or not made in good faith.

7. Disclosure obligations

7.1 Assuming that an IP is obliged to make (periodic) public disclosures for the benefit of creditors / interested parties, do these public disclosures provide sufficient insight into how the insolvency matter is developing? Are they sufficiently detailed and accurate?

In a *désastre*, the Viscount, as official liquidator, is not required to convene meetings of creditors. In practice, however, meetings are sometimes convened. He is required to provide a report and accounts on completion of the *désastre* and may also report to creditors from time to time on progress.

In a creditors' winding up there is a greater expectation that creditors will be kept informed at appropriate junctures. If a creditors' winding up continues for more than twelve months, the liquidator must call a general meeting of the company and a meeting of the creditors to be held at the first convenient date within three months after the end of the first 12 months from the commencement of the winding up. Such meetings must also be called at the end of each succeeding twelve-month period or such longer period as the Jersey Financial Services Commission may allow. At the meetings, the liquidator must present accounts of the liquidator's acts and dealings and of the conduct of the winding up during the preceding 12 months.

As soon as the affairs of a company in a creditors' winding up are fully wound up, the liquidator must prepare an account of the winding up showing how it has been conducted and how the company's property has been disposed of. The liquidator must then call a general meeting of the company and a meeting of the creditors for the purpose of laying the accounts before the meetings and giving an explanation.

8. Influence by creditors

8.1 Assuming that creditors' committees can be formed, do they in practice have sufficient ability to oversee and / or influence the process? If so, how?

A creditors' meeting in a creditors' winding up may appoint a liquidation committee of not more than five persons to exercise functions conferred on it by the Companies (Jersey) Law 1991. The company may also appoint up to five persons as members of the committee, subject to a power of veto by the creditors and determination of the matter by the court.

Once appointed, the liquidation committee exercises the creditors' powers to agree the IP's remuneration, to approve the payment of a class of creditor in full, to approve any compromise of claims by or against the company and to provide for how the company's records and those of the liquidator are to be disposed of. The powers of the liquidation committee are therefore particular rather than general.

9. Remuneration

9.1 Is IP remuneration an issue in your jurisdiction? If so, are IPs insufficiently remunerated?

In an insolvency, an IP's remuneration is approved by the creditors, liquidation committee or the court. There are no fixed schedules of IP rates, but an IP should be satisfied and able to demonstrate that all costs, fees and expenses paid or drawn have been reasonably and properly incurred. Remuneration is comparable with other leading offshore centres.

9.2 Are IP fees something stakeholders can object to? If so, does this occur often (and successfully)?

Stakeholders may object to fees. The IP as liquidator in a creditors' winding up is entitled to receive such remuneration as is agreed with the liquidation committee or, if there is no liquidation committee, the creditors. Failing such agreement, the court may fix the liquidator's remuneration.

Contesting time spent, where an hourly charge rate has been agreed, would also be possible. In the event of a dispute with the liquidator is not resolved, this would require an application to the court or alternatively a complaint to the Viscount is his supervisory role.

9.3 Are there any means for an IP to obtain state funding for remuneration and / or investigations?

There are no means for an IP in a creditors' winding up to obtain state funding for remuneration or investigations.