

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

**THE COMPANIES (GUERNSEY) LAW, 2008 (INSOLVENCY) (AMENDMENT) ORDINANCE,
2021**

The States are asked to decide:-

Whether they are of the opinion to approve the draft Ordinance entitled "The Companies (Guernsey) Law, 2008 (Insolvency) (Amendment) Ordinance, 2021", and to direct that the same shall have effect as an Ordinance of the States.

This proposition has been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

EXPLANATORY MEMORANDUM

This Ordinance amends the definition of 'onerous property' pursuant to section 421A(2) of the Companies (Guernsey) Law, 2008 so that any real property situated outside the Bailiwick of Guernsey must be unsaleable or not readily saleable, or is such that it may give rise to a liability to pay money or perform other onerous act, in order to be 'onerous property'.

The Companies (Guernsey) Law, 2008 (Insolvency) (Amendment) Ordinance, 2021

THE STATES, in pursuance of their Resolution of the 31st March, 2017^a, and in exercise of the powers conferred on them by sections 533 and 538 of the Companies (Guernsey) Law, 2008^b, and all other powers enabling them in that behalf, hereby order:-

Amendment of Law.

1. For section 421A(2) of the Companies (Guernsey) Law, 2008^c (power to disclaim onerous property) substitute the following subsection –

“(2) For the purpose of this section, “**onerous property**” means -

- (a) any unprofitable contract,

- (b) any other personal property which is unsaleable or not readily saleable or is such that it may give rise to a liability to pay money or perform any other onerous act, and

^a Article XIV of Billet d'État No. VII of 2017.

^b Order in Council No. VIII of 2008; amended by the Companies (Guernsey) Law, 2008 (Insolvency) (Amendment) Ordinance, 2020; there are other amendments not material to this enactment.

^c Section 421A(2) was inserted by the Companies (Guernsey) Law, 2008 (Insolvency) (Amendment) Ordinance, 2020.

- (c) any real property situated outside the Bailiwick of Guernsey which is unsaleable or not readily saleable or is such that it may give rise to a liability to pay money or perform any other onerous act.”.

Citation.

2. This Ordinance may be cited as the Companies (Guernsey) Law, 2008 (Insolvency) (Amendment) Ordinance, 2021.

Commencement.

3. This Ordinance shall come into force on the same day as the Companies (Guernsey) Law, 2008 (Insolvency) (Amendment) Ordinance, 2020.