

The CHAIRMAN invited the Commission to take a decision on article 12, subject to the drafting changes entrusted to the drafting group.

Article 12 was approved.

Article 13 (continued)

Article 13 was approved.

Article 14 (continued)

Mr. BURGUCHEV (Union of Soviet Socialist Republics) said that subparagraph (d) of the provision was unnecessary, since the cases provided for in the different paragraphs were only examples, as indicated by the words "including" which preceded the enumeration.

Mr. GUEST (United Kingdom) said that subparagraph (d) had been added by the Working Group to satisfy the Australian delegation, which had pointed out that company law in the common-law countries provided for situations which were similar to, but nevertheless different from, liquidation.

Mr. NESTOR (Romania) supported the representative of the USSR and said that the exceptions should be explicitly described. He would prefer deletion of subparagraph (d).

Mr. SMIT (United States of America) also shared the view of the USSR representative. Article 15 was sufficiently explicit to allow for deletion of subparagraph (d) of article 14.

Mr. KHOO (Singapore) proposed solving the problem by deleting subparagraph (d) and amending subparagraph (d) to read "the dissolution or liquidation or other cognate proceedings in respect of a corporation, company, association or entity".

Mr. KENNEDY (Australia) supported the proposal made by the representative of Singapore. However, if the Commission was against that proposal, his delegation would accept deletion of subparagraph (d).

Mr. RECZEI (Hungary) proposed that the whole of article 14 should be deleted. The provision concerned only procedural questions, which were settled in

very different ways depending on the various jurisdictions. It introduced an element of imbalance since it only covered the case of the debtor. The article was either unnecessary or inadequate.

Mr. LOEWE (Austria) supported the Hungarian delegation's proposal. Article 14 merely indicated that it was impossible to settle the cases to which it referred.

Mr. OGUNDERE (Nigeria) said that deletion of article 14 would not remove the difficulties. The provision was important and should be retained. However, his delegation would support deletion of subparagraph (d).

Mr. DEI-ANANG (Ghana) said that his delegation was also in favour of retaining article 14 and deleting subparagraph (d). It was more important to settle the case of the debtor than that of the creditor, who generally left successors who were in a position to obtain recognition of their claims.

The CHAIRMAN invited the Commission to take a decision on article 14, with subparagraph (d) deleted.

Article 14, with subparagraph (d) deleted, was approved.

Article 15 (continued)

Mr. BURGUCHEV (Union of Soviet Socialist Republics) said that the words "without the consent of the debtor" in paragraph 1 lacked clarity. Was it to be understood that they referred to a simple oral agreement between the parties?

Although the intention of paragraph 2 was clear, the wording was not and should be improved.

The reference to articles 12, 13 and 14 in paragraph 1 should also be employed in paragraph 2.

Mr. LOEWE (Austria) said that he also was puzzled by the words "without the consent of the debtor". He did not think their appearance in the article constituted a simple drafting problem, but a substantive change. Since the problem had not been raised when the Commission first examined the draft, it was to be feared that the Working Group had somewhat exceeded its terms of reference on the point. His delegation proposed deleting the words and returning to the original text.