STATUTORY RULES OF NORTHERN IRELAND

2020 No. 320

INSOLVENCY

The Corporate Insolvency and Governance Act 2020 (Coronavirus) (Suspension of Liability for Wrongful Trading) Regulations (Northern Ireland) 2020

Made - - - -	*10th December 2020*
Coming into operation	*14th December 2020*

Approved by resolution of the Assembly on 8th February 2021

The Department for the Economy makes the following Regulations in exercise of the power conferred by section 28(1)(c) of the Corporate Insolvency and Governance Act 2020(**1**).

In accordance with section 29(2) of that Act, the Department(**2**) is satisfied that these Regulations are expedient for the purpose of securing that the duties of persons with corporate responsibility, or the liability of those persons to any sanction, take due account of the effects of coronavirus on businesses or on the economy of the United Kingdom.

In accordance with section 30(1) of that Act, the Department has considered the effect of these Regulations on persons likely to be affected by them.

(a) that the need for the provision made by these Regulations is urgent;

(b) that the provision made by these Regulations is proportionate to the purpose for which it is made;

(c) that is it not practicable without legislation to bring about the result intended to be brought about by these Regulations; and

(d) that neither a Northern Ireland Department nor the Secretary of State can make the same provision in exercise of power under a statutory provision other than section 28.

Citation and commencement

1. These Regulations may be cited as the Corporate Insolvency and Governance Act 2020 (Coronavirus) (Suspension of Liability for Wrongful Trading) Regulations (Northern Ireland) 2020 and come into operation on 14th December 2020.

(**1**) 2020 c.12.

(**2**) The Department for the Economy is a relevant authority by virtue of section 28(4) of the Corporate Insolvency and Governance Act 2020.

Suspension of liability for wrongful trading: Northern Ireland

2.—(1) In determining for the purposes of Article 178 of the Insolvency (Northern Ireland) Order 1989 (wrongful trading) the contribution (if any) to a company's assets that it is proper for a person to make, the High Court is to assume that the person is not responsible for any worsening of the financial position of the company or its creditors that occurs during the relevant period.

(2) In this regulation the "relevant period" is the period which—

(a) begins with 14th December 2020, and

(b) ends with 30th April 2021.

(3) Paragraph (1) does not apply if at any time during the relevant period the company concerned is excluded from being eligible for the purposes of Part 1A of the Insolvency (Northern Ireland) Order 1989 by any of the paragraphs of Schedule ZA1 to that Order listed in paragraph (4), as they apply for the purposes of this paragraph (see paragraph (5)).

(4) The paragraphs of Schedule ZA1 to the Insolvency (Northern Ireland) Order 1989 are—

(a) paragraph 3 (insurance companies),

(b) paragraph 4 (banks),

(c) paragraph 5 (electronic money institutions),

(d) paragraph 6 (investment banks and investment firms),

(e) paragraph 9 (payment institutions),

(f) paragraph 10 (operators of payment systems, infrastructure providers etc),

(g) paragraph 11 (recognised investment exchanges, clearing houses and CSDs),

(h) paragraph 12 (securitisation companies),

(i) paragraph 13 (parties to capital market arrangement),

(j) paragraph 15 (public-private partnership project companies), and

(k) paragraph 18 (overseas companies with corresponding functions).

(5) In their application for the purposes of paragraph (3)—

(a) paragraph 13 of Schedule ZA1 to the Insolvency (Northern Ireland) Order 1989 has effect as if in sub-paragraph (1)—

(i) the words ", on the filing date" were omitted, and

(ii) paragraph (b) were omitted;

(b) paragraph 15 of Schedule ZA1 to the Insolvency (Northern Ireland) Order 1989 has effect as if in sub-paragraph (1)—

(i) the words ", on the filing date," were omitted, and

(ii) paragraph (b) were omitted, and

(c) paragraph 18 of that Schedule

(d) paragraph 18 of that Schedule has effect as if for "paragraph 2" in both places, there were substituted "paragraphs 2, 7 and 8".

(6) Paragraph (1) also does not apply if at any time during the relevant period the company concerned—

(a) has permission under Part 4A of the Financial Services and Markets Act 2000(**3**)to carry on a regulated activity, and

(**3**) 2000 c.8.