STATUTORY RULES OF NORTHERN IRELAND

2006 No. 23

INSOLVENCY

The Insolvency (Amendment) Regulations (Northern Ireland) 2006

Made - - - - 2nd February 2006
To be laid before Parliament under paragraph 7(3) of the Schedule to the Northern Ireland Act 2000

Coming into operation 27th March 2006

The Department of Enterprise, Trade and Investment(**1**), makes the following Regulations in exercise of the powers conferred by Rule 12.01 of the Insolvency Rules (Northern Ireland 1991(**2**), and by Article 359 of, and paragraph 27 of Schedule 5 and paragraph 28 of Schedule 6 to, the Insolvency (Northern Ireland Order 1989(**3**):

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Insolvency (Amendment) Regulations (Northern Ireland) 2006 and shall come into operation on 27 March 2006.

(2) In these Regulations "the principal Regulations" means the Insolvency Regulations (Northern Ireland) 1996(**4**)

Transitional provisions

2. The substitution of Part 5 of, and Schedule 1 to, the principal Regulations by paragraphs 21 and 23 of the Schedule only applies in relation to services provided by the official receiver (or any of his officers) in relation to—

(a) a company in respect of which a winding-up order is made on or after 27 March 2006;

(b) a bankruptcy where the bankruptcy order is made on or after 27 March 2006; or

(c) his appointment as an interim receiver or provisional liquidator when he is appointed on or after 27 March 2006.

(**1**) Formerly the Department of Economic Development; *see*S.I. 1999/283 (N.I. 1), Article 3(5)
(**2**) S.R. 1991 No. 364 as amended by S. R. 1994 No. 26, S.R. 1995 No. 291, S.R. 2000 No. 247, S.R. 2002 No.261, S.R. 2003 No. 549 and S.I. 2004/355
(**3**) S.I. 1989/2405 (N.I. 19); see Article 2(2) for the definition of "the Department"; Article 359 was amended by S.R. 2002 No. 223
(**4**) S.R. 1996 No. 574 as amended by S.I. 2004/355

Amendment of the principal Regulations

3. The principal Regulations shall be amended in accordance with the provisions of the Schedule.

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment on 2 February 2006

Michael J Bohill
A senior officer of the
Department of Enterprise, Trade and Investment

SCHEDULE Regulation 3

Amendment of regulation 3

1. In paragraph (1) of regulation 3, after the definition of "debtor" there shall be inserted the following definition—

""electronic transfer" means transmission by any electronic means;".

2. In paragraph (5) of regulation 3 after the words "these Regulations" there shall be inserted "(except for regulations 3A and 35)".

3. After paragraph (5) of regulation 3 there shall be inserted—

"(6) Regulation 3A applies in any case where a company entered into administration on or after 27 March 2006 other than a case where the company entered into administration by virtue of a petition presented before that date.

(7) Regulation 35 applies in any case where an insolvency practitioner is appointed on or after 27 March 2006.".

Insertion of new Part 1A

4. After regulation 3 there shall be inserted—

"PART 1A

ADMINISTRATION

Disposal of company's records and provision of information to the Department

3A.—(1) The person who was the last administrator of a company which has been dissolved may, at any time after the expiration of a period of one year from the date of dissolution, destroy or otherwise dispose of the books, papers and other records of the company.

(2) An administrator or former administrator shall within 14 days of a request by the Department give the Department particulars of any money in his hands or under his control representing unclaimed or undistributed assets of the company or dividends or other sums due to any person as a member or former member of the company.".

Amendment of regulation 5

5. For paragraph (2) of regulation 5 there shall be substituted the following paragraph—

"(2) Every payment of money into the Insolvency Account under paragraph (1) shall be—

(a) sent direct to the bank where the Insolvency Account is kept by cheque drawn in favour of the "Insolvency Account" and crossed "A/c payee only" or

(b) made by electronic transfer,

and the liquidator shall on request be given by the Department a receipt for the money so paid.".

6. In paragraph (3) of regulation 5, for the words "under paragraph (1)" there shall be substituted the words "made under sub-paragraph (a) of paragraph (2)" and at the end there shall be inserted the following words—

"and every payment of money made under sub-paragraph (b) of paragraph (2) shall specify the name of the liquidator making the payment and the name of the company to whose credit such payment is made.".

Amendment of regulation 7

7. In regulation 7, the following paragraph shall be inserted after paragraph (1)—

"(1A) Paragraphs (2) and (3) are subject to paragraph (3A).".

8. The following paragraph shall be inserted after paragraph (3) of regulation 7—

"(3A) In respect of an application made by the liquidator under paragraphs (2) and (3), the Department, if requested to do so by the liquidator, may, at its discretion—

(a) make the payment which is the subject of the application to the liquidator by electronic transfer, or

(b) as an alternative to the issue of payment instruments, make payment by electronic transfer to the person to whom the liquidator would otherwise deliver payment instruments.".

Amendment of regulation 8

9. In regulation 8, the following paragraph shall be inserted after paragraph (1)—

"(1A) Paragraphs (2) and (3) are subject to paragraph (3A).".

10. The following paragraph shall be inserted after paragraph (3) of regulation 8—

"(3A) In respect of an application made by the liquidator under paragraphs (2) and (3), the Department, if requested to do so by the liquidator, may at its discretion as an alternative to the issue of payment instruments, make payment by electronic transfer to the persons to whom the liquidator would otherwise deliver payment instruments.".

11. In paragraph (4) of regulation 8 the following words shall be inserted after the word "instrument"—

"or payment by electronic transfer".

Substitution of regulation 9

12. For regulation 9 there shall be substituted the following regulation—

"**Interest**

9. At any time on or after 27 March 2006 whenever there are any monies standing to the credit of a company in the Insolvency Account the company shall be entitled to any interest received in respect of those monies.".

Amendment of regulation 20

13. For paragraph (2) of regulation 20 there shall be substituted the following paragraph—

"(2) Every payment of money into the Insolvency Account under paragraph (1) shall be—

(a) sent direct to the bank where the Insolvency Account is kept by cheque drawn in favour of the "Insolvency Account" and crossed "A/c payee only"; or

(b) made by electronic transfer,