1993 No. 317

INSOLVENCY

The Insolvency Practitioners (Amendment) Regulations (Northern Ireland) 1993

Made	*16th July 1993*
Coming into operation . .	*1st September 1993*

The Department of Economic Development, in exercise of the powers conferred on it by Articles 349(3) and 363 of the Insolvency (Northern Ireland) Order 1989(**a**) and of every other power enabling it in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Insolvency Practitioners (Amendment) Regulations (Northern Ireland) 1993 and shall come into operation on 1st September 1993.

Interpretation

2. In these Regulations—

"the 1991 Regulations" means the Insolvency Practitioners Regulations (Northern Ireland) 1991(**b**) and any regulation or Schedule referred to by number means, unless the context otherwise requires, the regulation or Schedule so numbered in the 1991 Regulations;

"the commencement date" means the date on which these Regulations come into operation.

Amendments to 1991 Regulations

3. The 1991 Regulations shall be amended as specified in regulations 4 to 11 of these Regulations.

4.—(1) Regulations 5 to 11 of these Regulations have effect in relation to any person appointed on or after the commencement date to act as an insolvency practitioner in relation to any person.

(2) The 1991 Regulations shall continue to apply and have effect without the amendments provided for in regulations 5 to 11 of these Regulations in relation to any person appointed to act as insolvency practitioner in relation to any person before the commencement date insofar as he continues so to act in relation to that person on or after the commencement date pursuant to that

(**a**) S.I. 1989/2405 (N.I. 19)
(**b**) S.R. 1991 No. 302

appointment or (notwithstanding paragraph (1)) to a subsequent appointment to act as an insolvency practitioner within the scope of regulation 12 of the 1991 Regulations made on or after the commencement date.

5. In regulation 2, after the definition of ''authorisation'' there shall be added the following definitions—

'' ''bordereau'' means a form upon which an insolvency practitioner enters certain details in relation to his appointment as insolvency practitioner in relation to a person, including the name of that person, the date of appointment, the value of the assets comprised in the estate of the person estimated in accordance with Part II of Schedule 2, any increase in his estimation of the value of those assets and the date of his release or discharge from the appointment, for the purposes of evidencing those matters;

''the Building Societies Commission'' means the Building Societies Commission established by section 1 of the Building Societies Act 1986(**a**);''.

6. There shall be substituted for regulation 11 the following regulation—

''*Requirements for security*

11.—(1) For the purposes of Article 349(3)(*b*) of the Order the requirements in respect of security for the proper performance of the functions of an insolvency practitioner are that—

(*a*) there is in force at the time when an insolvency practitioner is appointed to act in relation to any person a bond which complies with the requirements set out in Part I of Schedule 2 under which the surety is liable in the general penalty sum of £250,000; and

(*b*) there is in force in relation to that bond with effect from the time when an insolvency practitioner is appointed to act in relation to any person a specific penalty in respect of the insolvency practitioner acting in relation to that person under which the specific penalty sum is not less than the value of that person's assets estimated in accordance with Part II of Schedule 2; and

(*c*) where, at any time before the insolvency practitioner obtains his release or discharge in respect of his acting in relation to that person, he forms the opinion that the value of the assets comprised in the estate of that person is higher than the penalty sum under the current specific penalty (being a penalty sum less than £5,000,000), there is obtained by the insolvency practitioner a further specific penalty in respect of his acting in relation to that person under which the penalty sum is at least equal to that higher value or £5,000,000 (whichever shall be the less).

(2) In paragraph (1)(*c*), ''the current specific penalty'' means the specific penalty for the time being in force which has been obtained pursuant to paragraph (1)(*b*) or (*c*), as the case may be.

(a) 1986 c. 53