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STATUTORY INSTRUMENTS

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**1989 No. 2405**

**The Insolvency (Northern Ireland) Order 1989**

PARTS II TO VI COMPANY INSOLVENCY; COMPANIES WINDING UP

PART III

ADMINISTRATION ORDERS

*Making, etc., of administration order*

**Effect of order**

- 24.—(1) On the making of an administration order—
- (a) any petition for the winding up of the company shall be dismissed, and
  - (b) any administrative receiver of the company shall vacate office.
- (2) Where an administration order has been made, any receiver of part of the company's property shall vacate office on being required to do so by the administrator.
- (3) During the period for which an administration order is in force—
- (a) no resolution may be passed or order made for the winding up of the company;
  - (b) no administrative receiver of the company may be appointed;
  - (c) no other steps may be taken to enforce any security over the company's property, or to repossess goods in the company's possession under any hire-purchase agreement, except with the consent of the administrator or the leave of the High Court and subject (where the Court gives leave) to such terms as the Court may impose; and
  - (d) no other proceedings and no legal process may be commenced or continued, and no distress may be levied, against the company or its property except with the consent of the administrator or the leave of the High Court and subject (where the Court gives leave) to such terms as aforesaid.
- (4) Where at any time an administrative receiver of the company has vacated office under paragraph (1)(b), or a receiver of part of the company's property has vacated office under paragraph (2)—
- (a) his remuneration and any expenses properly incurred by him, and
  - (b) any indemnity to which he is entitled out of the assets of the company,
- shall be charged on and (subject to paragraph (3)) paid out of any property of the company which was in his custody or under his control at that time in priority to any security held by the person by or on whose behalf he was appointed.
- (5) Neither an administrative receiver who vacates office under paragraph (1)(b) nor a receiver who vacates office under paragraph (2) is required on or after so vacating office to take any steps for the purpose of complying with any duty imposed on him by Article 50 (duty to pay preferential creditors).