

1991 No. 295

INSOLVENCY

**The Banks (Administration Proceedings) Order
(Northern Ireland) 1991**

Made 5th July 1991

Coming into operation in accordance with Article 1

The Department of Economic Development, in exercise of the powers conferred on it by Article 366 of the Insolvency (Northern Ireland) Order 1989(a) and after consultation with the Bank of England, hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Banks (Administration Proceedings) Order (Northern Ireland) 1991 and shall come into operation on the same day as Article 366 of the Insolvency (Northern Ireland) Order 1989 comes into operation.

Interpretation

2. In this Order—

“the 1989 Order” means the Insolvency (Northern Ireland) Order 1989 (any reference to a numbered Article being to an Article of that Order).

Application of the 1989 Order with modifications to banks

3. Part III of the 1989 Order shall apply in relation to those authorised institutions and former authorised institutions within the meaning of the Banking Act 1987(b) which are companies within the meaning of Article 3 of the Companies (Northern Ireland) Order 1986(c) with the modifications specified in the Schedule and accordingly the provisions of Parts II to VII of the 1989 Order apply in relation to such institutions with such modifications.

Sealed with the Official Seal of the Department of Economic Development on 5th July 1991.

(L.S.)

A. H. McAlister

Assistant Secretary

(a) S.I. 1989/2405 (N.I. 19)

(b) 1987 c. 22

(c) S.I. 1986/1032 (N.I. 6)

MODIFICATIONS OF PART III OF THE INSOLVENCY (NORTHERN IRELAND)
ORDER 1989 IN RELATION TO COMPANIES WHICH ARE AUTHORISED OR
FORMER AUTHORISED INSTITUTIONS UNDER THE BANKING ACT 1987

1. In Article 21, after paragraph (1), there shall be inserted the following paragraph—

“(1A) For the purposes of a petition presented by the Bank of England alone or together with any other party, an authorised institution or former authorised institution within the meaning of the Banking Act 1987, which defaults in an obligation to pay any sum due and payable in respect of a deposit within the meaning of section 92 of that Act, shall be deemed to be unable to pay its debts as mentioned in paragraph (1).”.

2. In Article 21(4), sub-paragraph (b) shall be omitted.

3. In Article 22(1), after the words “the directors,” there shall be inserted the words “or by the Bank of England,”.

4. In Article 22(2)(a), after the word “company,” there shall be inserted the words “to the Bank of England (unless it is a petitioner),”.

5. In Article 26(3)(c), for the words “of the company.” substitute the words “of the company; or” and add a new sub-paragraph as follows—

“(d) by the Bank of England.”.

6. In Article 35(1)(a), after the word “registrar” there shall be inserted the words “, the Bank of England”.

7. In Article 37(2)(a), after the words “their addresses)” there shall be inserted the words “and the Bank of England”.

8. In Article 39(1), after the words “in force,” there shall be inserted the words “the Bank of England, the Deposit Protection Board, or”.

9. In Article 39(1)(a), for the words “(including at least himself)” there shall be substituted the words “(including, where the applicant is a creditor or member, at least himself)”.

EXPLANATORY NOTE

(This note is not part of the Order.)

This Order applies provisions in Part III of the Insolvency (Northern Ireland) Order 1989, with modifications, to companies which are authorised institutions or former authorised institutions under the Banking Act 1987. The Order enables administration orders to be made in relation to such bodies and makes special provision to permit the Bank of England to petition for such orders and for the involvement of the Bank of England and the Deposit Protection Board in the conduct of administration proceedings.