
Changes to legislation: There are currently no known outstanding effects for the Insolvency Act 1994, Paragraph 2. (See end of Document for details)

SCHEDULES

SCHEDULE 1

CORRESPONDING PROVISION FOR NORTHERN IRELAND

- 2 (1) Article 54 of the Insolvency (Northern Ireland) Order 1989 (personal liability of administrative receiver for certain contracts) shall be amended as follows.
- (2) In paragraph (1)(b) (liability for contracts of employment adopted in carrying out his functions) after “provides) and” there shall be inserted “, to the extent of any qualifying liability, ”.
- (3) After paragraph (2) there shall be inserted—
- “(2A) For the purposes of paragraph (1)(b), a liability under a contract of employment is a qualifying liability if—
- (a) it is a liability to pay a sum by way of wages or salary or contribution to an occupational pension scheme,
 - (b) it is incurred while the administrative receiver is in office, and
 - (c) it is in respect of services rendered wholly or partly after the adoption of the contract.
- (2B) Where a sum payable in respect of a liability which is a qualifying liability for the purposes of paragraph (1)(b) is payable in respect of services rendered partly before and partly after the adoption of the contract, liability under paragraph (1)(b) shall only extend to so much of the sum as is payable in respect of services rendered after the adoption of the contract.
- (2C) For the purposes of paragraphs (2A) and (2B)—
- (a) wages or salary payable in respect of a period of holiday or absence from work through sickness or other good cause are deemed to be wages or (as the case may be) salary in respect of services rendered in that period, and
 - (b) a sum payable in lieu of holiday is deemed to be wages or (as the case may be) salary in respect of services rendered in the period by reference to which the holiday entitlement arose.
- (2D) In paragraph (2C)(a), the reference to wages or salary payable in respect of a period of holiday includes any sums which, if they had been paid, would have been treated for the purposes of the statutory provisions relating to social security as earnings in respect of that period.”

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