

2000 No. 485

**INSOLVENCY
COMPANIES
INDIVIDUALS, ENGLAND AND WALES**

The Insolvency (Amendment) Regulations 2000

<i>Made</i> - - - - -	<i>28th February 2000</i>
<i>Laid before Parliament</i>	<i>29th February 2000</i>
<i>Coming into force</i> - -	<i>31st March 2000</i>

The Secretary of State, in exercise of the powers conferred on him by Rule 12.1 of the Insolvency Rules 1986(a) and sections 411 and 412 of, and paragraph 27 of Schedule 8 and paragraph 30 of Schedule 9 to, the Insolvency Act 1986(b) and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation and commencement

1. These Regulations may be cited as the Insolvency (Amendment) Regulations 2000 and shall come into force on 31st March 2000.

Interpretation

2. In these Regulations, references to “the principal Regulations” are to the Insolvency Regulations 1994(c) and a regulation referred to by number means the regulation so numbered in the principal Regulations.

Amendment of the principal Regulations

3. The principal Regulations shall have effect subject to the amendments set out in the Schedule to these Regulations.

Kim Howells,
Parliamentary Under-Secretary of State
for Consumers and Corporate Affairs
Department of Trade and Industry

28th February 2000

(a) S.I. 1986/1925 amended by S.I. 1987/1919, 1989/397, 1991/495, 1993/602, 1995/586, 1999/359 and 1999/1022. The only relevant amending instrument is S.I. 1987/1919.
 (b) 1986 c. 45.
 (c) S.I. 1994/2507.

Amendment of Regulation 3

1. In regulation 3(1), after the definition of “creditors’ committee”, there shall be inserted the following definition—

““electronic transfer” means transmission by any electronic means;”.

Amendment of Regulation 5

2. For regulation 5(3) there shall be substituted the following—

“(3) Every payment of money into the Insolvency Services Account under this regulation shall be—

- (a) made through the Bank Giro system; or
- (b) sent direct to the Bank of England, Threadneedle Street, London EC2R 8AH by cheque drawn in favour of the “Insolvency Services Account” and crossed “A/c payee only” “Bank of England”; or
- (c) made by electronic transfer,

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

3. In paragraph (4) of regulation 5, for the words “under paragraphs (1) and (2) above” there shall be substituted the words “made under sub-paragraph (a) or (b) of paragraph (3) above” and at the end there shall be inserted the following words—

“Every payment of money made under sub-paragraph (c) of paragraph (3) above 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

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

“(A1) Paragraphs (1) to (3) of this regulation are subject to paragraph (3A).”

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

“(3A) In respect of an application made by the liquidator under paragraphs (1) to (3) above, the Secretary of State, if requested to do so by the liquidator, may, at his 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 persons to whom the liquidator would otherwise deliver payment instruments.”

Amendment of Regulation 8

6. In regulation 8, the following paragraph shall be inserted before paragraph (1)—

“(A1) Paragraphs (1) to (3) of this regulation are subject to paragraph (3A).”

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

“(3A) In respect of an application made by the liquidator under paragraphs (1) to (3) above, the Secretary of State, if requested to do so by the liquidator, may, at his discretion,

- (a) 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; or
- (b) make the payment which is the subject of the application to the liquidator by electronic transfer.”

8. In paragraph (4) of regulation 8, the following words shall be inserted after the word “instrument”—

“or payment by electronic transfer”.

Amendment of Regulation 20

9. For regulation 20(2) there shall be substituted the following—

“(2) Every payment of money into the Insolvency Services Account under this regulation shall be—

- (a) made through the Bank Giro system; or
- (b) sent direct to the Bank of England, Threadneedle Street, London EC2R 8AH by cheque drawn in favour of the “Insolvency Services Account” and crossed “A/c payee only” “Bank of England”; or

(c) made by electronic transfer,
and the trustee shall on request be given by the Department a receipt for the money so paid.”

10. In paragraph (3) of regulation 20, for the words “under paragraph (1) above” there shall be substituted the words “made under sub-paragraph (a) or (b) of paragraph (2) above” and at the end there shall be inserted the following words—

“Every payment of money made under sub-paragraph (c) of paragraph (2) above shall specify the name of the trustee making the payment and the name of the bankrupt to whose credit such payment is made.”

Amendment of Regulation 22

11. In regulation 22, the following paragraph shall be inserted before paragraph (1)—

“(A1) Paragraphs (1) and (2) of this regulation are subject to paragraph (2A).”

12. The following paragraph shall be inserted after paragraph (2) of regulation 22—

“(2A) In respect of an application made by the trustee under paragraph (1) or (2) above, the Secretary of State, if requested to do so by the trustee, may, at his discretion,

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

(b) as an alternative to the issue of payment instruments, make payment by electronic transfer to the persons to whom the trustee would otherwise deliver payment instruments.”

Amendment of Regulation 23

13. In paragraph (1) of regulation 23, the following words shall be inserted at the beginning—

“Subject to paragraph (1A),”.

14. The following paragraph shall be inserted after paragraph (1) of regulation 23—

“(1A) In respect of an application made by the trustee under paragraph (1) above, the Secretary of State, if requested to do so by the trustee, may, at his discretion, as an alternative to the issue of payment instruments, make payment by electronic transfer to the persons to whom the trustee would otherwise deliver payment instruments.”

15. In paragraph (2) of regulation 23, the following words shall be inserted after the word “instrument”—

“or payment by electronic transfer”.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Insolvency Regulations 1994 (S.I. 1994/2507) which make provision for the regulation of administrative matters arising in connection with the winding up of companies and the bankruptcy of individuals in England and Wales.

The Regulations make provision for payments into the Insolvency Services Account to be transmitted by electronic means in addition to the existing paper-based methods of payment. They also provide that the Secretary of State may at his discretion, and provided that the liquidator or trustee requests this, authorise payments out of the Insolvency Services Account by electronic means.

The Regulations also change the address of the Bank of England to which postal payments are to be sent to Threadneedle Street, London EC2R 8AH.

A Regulatory Impact Assessment is available copies of which have been placed in the libraries of both Houses of Parliament. Copies are also available from The Insolvency Service of the Department of Trade and Industry, P O Box 203, Room 5.1, 21 Bloomsbury Street, London WC1B 3QW.

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