

## SCHEDULE 2

Regulation 3

## AMENDMENTS TO SCHEDULE 3 TO THE PRINCIPAL REGULATIONS

1. Schedule 3 to the principal regulations is amended as follows.
2. After the entry relating to section 1 of the 1986 Act (those who may propose an arrangement) insert—

<i>“Provisions</i>	<i>Modifications</i>
Section 1A (moratorium)(1)	
subsection (1)	For “the directors of an eligible company intend” substitute “an eligible limited liability partnership intends”.
	For “they” substitute “it”.

3. In the entries relating to modifications to sections 2 to 7 of the 1986 Act where a proposal under section 1 has been made by the limited liability partnership—

- (a) in the entry relating to section 2 (procedure where the nominee is not the liquidator or administrator)(2)—
  - (i) before the entry in relation to subsection (2) insert—

“subsection (1)	For “the directors do” substitute “the limited liability partnership does”.
(ii) in the entry relating to subsection (2), for “(a)” substitute “(aa)”, and	
(iii) in the entry relating to subsection (4) insert at the beginning of the modification to subsection (4) “In paragraph (a)” and at the end insert “In paragraph (b) for “that person” substitute “those designated members”.	

- (b) after the entry relating to section 4 (decisions of meetings) insert—

<i>“Provisions</i>	<i>Modifications</i>
Section 4A (approval of arrangement)(3)	
subsection (2)	Omit “— (a)”.
	For “both meetings” substitute “the meeting”.
	Omit the words from “, or” to “that section”.
subsection (3)	Omit.
subsection (4)	Omit.
subsection (5)	Omit.

(1) Section 1A was inserted by section 1 of, and paragraph 2 of Schedule 1 to, the Insolvency Act 2000 (c. 39).

(2) Section 2 was amended by section 1 of, and paragraph 3 of Schedule 1 to, and section 2 of, and paragraph 3 of Schedule 2 to, the Insolvency Act 2000.

(3) Section 4A was inserted by section 2 of, and paragraph 5 of Schedule 2 to, the Insolvency Act 2000.

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<i>Provisions</i>	<i>Modifications</i>
subsection (6)	Omit.”,

- (c) in the entry relating to section 5 (effect of approval)(4), omit the entry relating to subsection (1),
- (d) in the entry relating to section 6 (challenge of decisions)(5)—
  - (i) in the entry relating to subsection (1), omit the words ““meetings” substitute “meeting” and for”,
  - (ii) in the entry relating to subsection (2), for “(a)” substitute “(aa)” and for “(aa) as follows— “(aa)”” substitute “(ab) as follows— “(ab)””,
  - (iii) in the substituted subsection (4), for “the approval given by the meeting” substitute “any decision approving the voluntary arrangement which has effect under section 4A”, and
  - (iv) in the entry relating to subsection (5), omit the words “the first” and omit the words “, for the second “meetings” substitute “meeting””,
- (e) after the entry relating to section 6 insert—

<i>Provisions</i>	<i>Modifications</i>
Section 6A (false representations, etc)(6)	
subsection (1)	Omit “members or”.”,

- (f) in the entry relating to section 7 (implementation of proposal)(7)—
  - (i) omit the entry relating to subsection (1),
  - (ii) insert—

“subsection (2)	In paragraph (a) omit “one or both of” and for “meetings” substitute “meeting”.”, and
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- (g) in the paragraph after the entry relating to section 7, for the words “an administration order is in force in relation to the limited liability partnership” substitute “the limited liability partnership is in administration”.

4. Omit the entries relating to sections 8, 9, 10, 11, 13 and 14 of the 1986 Act(8).

5. In the entry relating to section 84 of the 1986 Act (circumstances in which company may be wound up voluntarily)(9)—

- (a) insert after subsection (2)—

“subsection (2A)	For “company passes a resolution for voluntary winding up” substitute “limited liability partnership determines that it
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(4) Section 5 was amended by section 2 of, and paragraph 6 of Schedule 2 to, the Insolvency Act 2000, by section 248 of, and paragraph 11 of Schedule 17 to, the Enterprise Act 2002 (c. 40) and by section 159 of, and paragraph 43 of Schedule 20 to, the Energy Act 2004 (c. 20).

(5) Section 6 was amended by section 2 of, and paragraph 7 of Schedule 2 to, the Insolvency Act 2000, by section 248 of, and paragraph 12 of Schedule 17 to, the Enterprise Act 2002 and by section 159 of, and paragraph 44 of Schedule 20 to, the Energy Act 2004.

(6) Section 6A was inserted by section 2 of, and paragraph 8 of Schedule 2 to, the Insolvency Act 2000.

(7) Section 7 was amended by section 2 of, and paragraph 9 of Schedule 2 to, the Insolvency Act 2000.

(8) Sections 8, 9, 10, 11, 13 and 14 were substituted by section 248 of, and Schedule B1 to, the Enterprise Act 2002.

(9) Section 84 was amended by section 68 of, and paragraph 6 of Schedule 5 to, the Commonhold and Leasehold Reform Act 2002 (c. 15) and by article 4 of, and paragraph 10 of the Schedule to, S.I.2003/2096.

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subsection (2B) is to be wound up voluntarily” and for “resolution” where it appears for the second time substitute “determination”.

For “resolution for voluntary winding up may be passed only” substitute “determination to wind up voluntarily may only be made” and in sub-paragraph (b), for “passing of the resolution” substitute “making of the determination”.”, and

(b) in the entry relating to subsection (4), for “(3)” substitute “(4)” and for “(4)” substitute “(5)” wherever it appears.

6. In the entry relating to section 122 of the 1986 Act (circumstances in which company may be wound up by the court)(10), in the entry relating to subsection (1) in the substituted subsection in modified sub paragraph (1)(d) omit “, or” and at the end of that sub paragraph insert the following—

“(da) at the time at which a moratorium for the limited liability partnership under section 1A comes to an end, no voluntary arrangement approved under Part I has effect in relation to the limited liability partnership.”

7. In the entry relating to section 124 of the 1986 Act (application for winding up)(11) insert at the end—

“subsection (3A) For “122(1)(fa)” substitute “122(1)(da)”.”.

8. In the entry relating to section 127 of the 1986 Act (avoidance of property dispositions, etc.)(12), insert in the left hand column “subsection (1)”.

9. Omit the entry relating to section 233 of the 1986 Act (suppliers of gas, water, electricity, etc.)(13).

10. In the entry relating to section 247 of the 1986 Act (“insolvency” and “go into liquidation”)(14) insert at the end—

“subsection (3) For “resolution for voluntary winding up” substitute “determination to wind up voluntarily”.”.

(10) Section 122 was amended by section 1 of, and paragraph 6 of Schedule 1 to, the Insolvency Act 2000.

(11) Section 124 was amended by section 1 of, and paragraph 7 of Schedule 1 to, the Insolvency Act 2000, by regulations 3 and 8 of S.I. 2002/1240, by section 109 of, and paragraph 294 of Schedule 8 to, the Courts Act 2003 (c. 39), by regulation 73 of S.I. 2004/2326 and by section 50 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 (c. 27).

(12) Section 127 was amended by section 248 of, and paragraph 15 of Schedule 17 to, the Enterprise Act 2002.

(13) Section 233 was amended by section 16 of, and paragraph 14 of Schedule 4 to, the Gas Act 1995 (c. 45), by section 108 of, and paragraph 47 of Schedule 6 to, the Utilities Act 2000 (c. 27), by section 1 of, and paragraph 8 of Schedule 1 to, the Insolvency Act 2000, by section 248 of, and paragraph 22 of Schedule 17 to, the Enterprise Act 2002, by section 406 of, and paragraph 82 of Schedule 17 to, the Communications Act 2003 (c. 21) and by article 2 of, and paragraph 14 of the Schedule to, S.I. 2004/1822.

(14) Section 247 was amended by section 248 of, and paragraph 33 of Schedule 17 to, the Enterprise Act 2002.

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**11.** In the entry relating to subsection (3) of section 387 of the 1986 Act (“the relevant date”)(15) insert before the modification to paragraph (c)—

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“In paragraph (ab) for “passed a resolution for voluntary winding up” substitute “made a determination that it be wound up voluntarily”.”.

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**12.** After the entry relating to section 389 of the 1986 Act (acting without qualification an offence)(16) insert—

<i>“Provisions</i>	<i>Modifications</i>
Section 389A (authorisation of nominees and supervisors)	
subsection (1)	Omit “or Part VIII”.”.

**13.** After the entry relating to section 422 of the 1986 Act (recognised banks, etc.)(17) insert—

<i>“Provisions</i>	<i>Modifications</i>
Section 426A (disqualification from Parliament (England and Wales))	Omit.
Section 426B (devolution)	Omit.
Section 426C (irrelevance of privilege)	Omit.”.

**14.** Before the entry relating to Schedule 1 to the 1986 Act (powers of the administrator or administrative receiver) insert—

<i>“Provisions</i>	<i>Modifications</i>
Schedule A1(18)	
Paragraph 6	
sub-paragraph (1)	For “directors of a company wish” substitute “limited liability partnership wishes”.
	For “they” substitute “the designated members of the limited liability partnership”.
sub-paragraph (2)	For “directors” substitute “the designated members of the limited liability partnership”.
	In sub-paragraph (c), for “meetings of the company and” substitute “a meeting of”.
Paragraph 7	

(15) Section 387 was amended by section 1 of, and paragraph 9 of Schedule 1 to, and section 3 of, and paragraph 15 of Schedule 3 to, the Insolvency Act 2000, by regulation 16 of S.I. 2002/1240 and by section 248 of, and paragraph 34 of Schedule 17 to, the Enterprise Act 2002.

(16) Section 389A was inserted by section 4 of the Insolvency Act 2000.

(17) Section 422 was amended by section 248 of, and paragraph 35 of Schedule 17 to, the Enterprise Act 2002.

(18) Schedule A1 was inserted by section 1 of, and paragraph 4 of Schedule 1 to, the Insolvency Act 2000.

<i>“Provisions</i>	<i>Modifications</i>
sub-paragraph (1)	For “directors of a company” substitute “designated members of the limited liability partnership”.  In sub-paragraph (e)(iii), for “meetings of the company and” substitute “a meeting of”.
Paragraph 8	
sub-paragraph (2)	For “meetings” substitute “meeting”.  For “are” substitute “is”.  Omit the words in parenthesis.
sub-paragraph (3)	For “either of those meetings” substitute “the meeting”.  For “those meetings were” substitute “that meeting was”.  Omit the words in parenthesis.
sub-paragraph (4)	For “either” substitute “the”.
sub-paragraph (6)(c)	For “one or both of the meetings” substitute “the meeting”.
Paragraph 9	
sub-paragraph (1)	For “directors” substitute “designated members of the limited liability partnership”.
sub-paragraph (2)	For “directors” substitute “designated members of the limited liability partnership”.
Paragraph 12	
sub-paragraph (1)(b)	Omit.
sub-paragraph (1)(c)	For “resolution may be passed” substitute “determination that it may be wound up may be made”.
sub-paragraph (2)	For “transfer of shares” substitute “any transfer by a member of the limited liability partnership of his interest in the property of the limited liability partnership”.
Paragraph 20	
sub-paragraph (8)	For “directors” substitute “designated members of the limited liability partnership”.
sub-paragraph (9)	For “directors” substitute “designated members of the limited liability partnership”.
Paragraph 24	

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<i>“Provisions</i>	<i>Modifications</i>
sub-paragraph (2)	For “directors” substitute “designated members of the limited liability partnership”.
Paragraph 25	
sub-paragraph (2)(c)	For “directors” substitute “designated members of the limited liability partnership”.
Paragraph 26	
sub-paragraph (1)	Omit “, director”.
Paragraph 29	
sub-paragraph (1)	For “meetings of the company and its creditors” substitute “a meeting of the creditors of the limited liability partnership”.
Paragraph 30	
sub-paragraph (1)	For “meetings” substitute “meeting”.
new sub-paragraph (2A)	Insert new sub-paragraph (2A) as follows— “(2A) If modifications to the proposal are proposed at the meeting the chairman of the meeting shall, before the conclusion of the meeting, ascertain from the limited liability partnership whether or not it accepts the proposed modifications; and if at that conclusion the limited liability partnership has failed to respond to a proposed modification it shall be presumed not to have agreed to it.”.
sub-paragraph (3)	For “either” substitute “the”.  After “the result of the meeting” in the first place where it occurs insert “(including, where modifications to the proposal were proposed at the meeting, the response to those proposed modifications made by the limited liability partnership)”.  At the end add “and to the limited liability partnership”.
Paragraph 31	
sub-paragraph (1)	For “meetings” substitute “meeting”.
sub-paragraph (7)	For “directors of the company” substitute “designated members of the limited liability partnership”.  For “meetings (or either of them)” substitute “meeting”.  For “ directors” substitute “limited liability partnership”.

<i>“Provisions</i>	<i>Modifications</i>
	For “those meetings” substitute “that meeting”.
Paragraph 32	
sub-paragraph (2)	For sub-paragraphs (a) and (b) substitute “with the day on which the meeting summoned under paragraph 29 is first held.”.
Paragraph 36	
sub-paragraph (2)	For sub-paragraph (2) substitute— “(2) The decision has effect if, in accordance with the rules, it has been taken by the creditors' meeting summoned under paragraph 29.”.
sub-paragraph (3)	Omit.
sub-paragraph (4)	Omit.
sub-paragraph (5)	Omit.
Paragraph 37	
sub-paragraph (5)	For “each of the reports of the meetings” substitute “the report of the meeting”.
Paragraph 38	
sub-paragraph (1)(a)	For “one or both of the meetings” substitute “the meeting”.
sub-paragraph (1)(b)	For “either of those meetings” substitute “the meeting”.
sub-paragraph (2)(a)	For “either of the meetings” substitute “the meeting”.
	After sub-paragraph (2)(a) insert new (aa) as follows— “(aa) any member of the limited liability partnership;”.
sub-paragraph (2)(b)	Omit “creditors”.
sub-paragraph (3)(a)	For “each of the reports” substitute “the report”.
sub-paragraph (3)(b)	Omit “creditors”.
sub-paragraph (4)(a)(ii)	Omit “in question”.
sub-paragraph (4)(b)(i)	For “further meetings” substitute “a further meeting” and for “directors” substitute “limited liability partnership”.
sub-paragraph (4)(b)(ii)	Omit “company or (as the case may be) creditors”.

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<i>“Provisions</i>	<i>Modifications</i>
sub-paragraph (5)	For “directors do” substitute “limited liability partnerships does”.
Paragraph 39	
sub-paragraph (1)	For “one or both of the meetings” substitute “the meeting”.
Schedule B1(19)	
Paragraph 2	
sub-paragraph (c)	For “company or its directors” substitute “limited liability partnership”.
Paragraph 8	
sub-paragraph (1)(a)	For “resolution for voluntary winding up” substitute “determination to wind up voluntarily”.
Paragraph 9	Omit.
Paragraph 12	
sub-paragraph (1)(b)	Omit.
Paragraph 22	For sub-paragraph (1) substitute— “(1) A limited liability partnership may appoint an administrator.”  Omit sub-paragraph (2).
Paragraph 23	
sub-paragraph (1)(b)	Omit “or its directors”.
Paragraph 42	
sub-paragraph (2)	For “resolution may be passed for the winding up of” substitute “determination to wind up voluntarily may be made by”.
Paragraph 61	For paragraph 61 substitute— “ <b>61.</b> The administrator has power to prevent any person from taking part in the management of the business of the limited liability partnership and to appoint any person to be a manager of that business.”
Paragraph 62	At the end add the following— “Subsections (3) and (4) of section 92 shall apply for the purposes of this paragraph as they apply for the purposes of that section.”
Paragraph 83	

(19) Schedule B1 was inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002.



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<i>“Provisions</i>	<i>Modifications</i>
sub-paragraph (6)(b)	For “resolution for voluntary winding up” substitute “determination to wind up voluntarily”.
sub-paragraph (8)(b)	For “passing of the resolution for voluntary winding up” substitute “determination to wind up voluntarily”.
sub-paragraph (8)(e)	For “passing of the resolution for voluntary winding up” substitute “determination to wind up voluntarily”.
Paragraph 87	
sub-paragraph (2)(b)	Insert at the end “or”.
sub-paragraph (2)(c)	Omit “, or”.
sub-paragraph (2)(d)	Omit the words from “(d)” to “company”.
Paragraph 89	
sub-paragraph (2)(b)	Insert at the end “or”.
sub-paragraph (2)(c)	Omit “, or”.
sub-paragraph (2)(d)	Omit the words from “(d)” to “company”.
Paragraph 91	
sub-paragraph (1)(c)	Omit.
Paragraph 94	Omit.
Paragraph 95	For “to 94” substitute “and 93”.
Paragraph 97	
sub-paragraph (1)(a)	Omit “or directors”.
Paragraph 103	
sub-paragraph (5)	Omit.
Paragraph 105	Omit.”.

15. In the entry relating to Schedule 10 to the 1986 Act (punishment of offences under this Act)(20)—

(a) before the entry relating to section 85(2) insert—

<i>“Provisions</i>	<i>Modifications</i>
Section 6A(1)	In the entry relating to section 6A omit “members' or”.

(b) after the entry relating to section 429(5) insert—

(20) Schedule 10 was amended by section 1 of, and paragraph 2 of Schedule 1 to, and section 2 of, and paragraph 12 of Schedule 2 to, the Insolvency Act 2000 and by section 248 of, and paragraph 39 of Schedule 17 to, the Enterprise Act 2002.

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<i>Provisions</i>	<i>Modifications</i>
Schedule A1, paragraph 9(2)	For “Directors” substitute “Designated Members”.
Schedule A1, paragraph 20(9)	For “Directors” substitute “Designated Members”.
Schedule B1, paragraph 27(4)	Omit “or directors”.
Schedule B1, paragraph 29(7)	Omit “or directors”.
Schedule B1, paragraph 32	Omit “or directors”.