

*These notes refer to the Insolvency (Amendment) Act (Northern Ireland) 2016 (c.2) which received Royal Assent on 29 January 2016*

# Insolvency (Amendment) Act (Northern Ireland) 2016

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### ***Section 5: Individual voluntary arrangements: removal of requirement to submit a nominee's report to the High Court***

Subsection (1) makes two amendments to Article 230A of the Insolvency Order.

Article 230A applies where the debtor has not sought protection from the High Court in the form of an interim order. The amendments have the effect that in cases where Article 230A applies a nominee no longer prepares a report to the High Court but prepares a report to the debtor's creditors.

Subsection (2) substitutes a new paragraph for paragraph (1) of Article 231 of the Insolvency Order. Paragraph (1) as substituted provides for either reporting to the High Court or to the creditors under Article 230A to be the event triggering the requirement for the nominee to summon a meeting of the debtor's creditors. The High Court is given power to direct otherwise, but only in cases to which Article 230 applies i.e. interim order cases.

Subsection (3) amends paragraph (2) of Article 233 of the Insolvency Order to reflect the fact that it is only in cases where a voluntary arrangement has been proposed under Article 230 that an interim order will exist to be discharged by the High Court.