

**Changes to legislation:** *The Insolvency (Northern Ireland) Order 1989, Cross Heading: Distribution is up to date with all changes known to be in force on or before 22 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

## SCHEDULES

### [<sup>F1</sup>SCHEDULE B1

#### ADMINISTRATION

**F1** Sch. B1 inserted (27.3.2006) by [Insolvency \(Northern Ireland\) Order 2005 \(S.I. 2005/1455 \(N.I. 10\)\)](#), arts. 1(3), 3(2), Sch. 1 (with art. 4); S.R. 2006/21, [art. 2](#) (with S.R. 2006/22, [arts. 2-7](#))

#### **Modifications etc. (not altering text)**

- C1** Sch. B1 applied (with modifications) (1.10.2011) by [Postal Services Act 2011 \(c. 5\)](#), ss. 73, 87(1)(2), 93(3), [Sch. 10 Pt. 1](#), [Sch. 10 Pt. 2](#)
- C1** Sch. B1 applied (with modifications) by S.R. 1995/225, Sch. 2 (as amended (19.12.2018) by [The Banks and Building Societies \(Priorities on Insolvency\) Order 2018 \(S.I. 2018/1244\)](#), arts. 1(2), [36](#) (with art. 3))
- C1** Sch. B1 modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), regs. 1(4), [120](#) (with reg. 108)
- C1** Sch. B1 modified by S.R. 1995/225, art. 6, [Sch. 2](#) (as modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), regs. 1(4), [122\(3\)](#) (with reg. 108))
- C2** Sch. B1 applied (with modifications) (4.1.2024) by S.I. 2021/716, [Sch. 2A para. 6](#) (as inserted by [The Payment and Electronic Money Institution Insolvency \(Amendment\) Regulations 2023 \(S.I. 2023/1399\)](#), reg. 1(2), [Sch. 2](#))

#### FUNCTIONS OF ADMINISTRATOR

##### *Distribution*

[  
<sup>F2</sup>**65A.**—(1) This paragraph applies where a company enters administration before the end of the period of 12 weeks beginning with the day after the end of any moratorium under Part 1A.

- (2) The administrator must make a distribution to the creditors of the company in respect of—
- moratorium debts (within the meaning given by Article 148A), and
  - priority pre-moratorium debts (within the meaning given by Article 148A).
- (3) A sum payable under sub-paragraph (2) is to be paid in priority to—
- any security to which paragraph 71 applies;
  - any sums payable under paragraph 100.
- (4) The administrator must realise any property necessary to comply with sub-paragraph (2).
- (5) The rules may make provision as to the order in which the moratorium and priority pre-moratorium debts rank among themselves for the purposes of this paragraph in a case where the assets of the company are insufficient to meet them in full.]

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- F2** Sch. B1 para. 65A inserted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 7 para. 27(3)** (with ss. 2(2), 5(2))

**Modifications etc. (not altering text)**

- C1** Sch. B1 para. 65A applied (18.7.2020) by S.I. 1999/2979, reg. 14(5) (as amended by The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) (Amendment) and Consequential Amendments Order 2020 (S.I. 2020/744), arts. 1, **14(2)(d)**)

**66.**—<sup>[F3]</sup>(1) If the assets of a company are sufficient to meet any debts or other liabilities payable under paragraph 65A in full, the administrator of the company may make a distribution to any other creditor of the company.]

(2) <sup>[F4]</sup>Articles 149 and 150ZZA] shall apply in relation to a distribution under this paragraph as <sup>[F5]</sup>they apply] in relation to a winding up.

(3) A payment may not be made by way of distribution under this paragraph to a creditor of the company who is neither secured nor preferential unless the High Court gives permission.

- F3** Sch. B1 para. 66(1) substituted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 7 para. 27(4)** (with ss. 2(2), 5(2))

- F4** Words in Sch. B1 para. 66(2) substituted (19.12.2018) by The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), **31(2)(a)** (with art. 3)

- F5** Words in Sch. B1 para. 66(2) substituted (19.12.2018) by The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), **31(2)(b)** (with art. 3)

**Modifications etc. (not altering text)**

- C3** Sch. B1 para. 66(1) modified (06.03.2008) by The Regulated Covered Bonds Regulations 2008 (S.I. 2008/346), reg. 1(1), **Sch. para. 9(2)(a)**

- C4** Sch. B1 para. 66 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)

- C5** Sch. B1 para. 66 applied (with modifications) (4.1.2024) by S.I. 2021/716, **Sch. 2A para. 6** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), reg. 1(2), **Sch. 2**)

- C6** Sch. B1 para. 66(2) applied by Financial Markets and Insolvency (Settlement Finality) Regulations 1999 (S.I. 1999/2979), **reg. 14(5)(a)(i)** (as substituted (1.10.2009) by Financial Markets and Insolvency (Settlement Finality) (Amendment) Regulations 2009 (S.I. 2009/1972), **reg. 4(d)(ii)**)

**67.** <sup>[F6]</sup>If the debts or other liabilities payable under paragraph 65A have been met, the administrator of a company] may make a payment otherwise than in accordance with paragraph 66 or paragraph 14 of Schedule 1 if he thinks it likely to assist achievement of the purpose of administration.]

- F6** Words in Sch. B1 para. 67 substituted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 7 para. 27(5)** (with ss. 2(2), 5(2))

**Modifications etc. (not altering text)**

- C7** Sch. B1 para. 67 modified (06.03.2008) by The Regulated Covered Bonds Regulations 2008 (S.I. 2008/346), reg. 1(1), **Sch. para. 9(2)(a)**

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**C8** Sch. B1 para. 67 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)

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**Changes and effects yet to be applied to :**

- Instrument amended by [1998 c. 11 s. 23 Sch. 5 Pt.1 Ch. 3 para. 40](#)
- Instrument amended (prosp) by [S.I. 1994/279 \(N.I.\) art. 26\(1\)Sch. 2 para. 15](#)

**Changes and effects yet to be applied to the whole Order associated Parts and Chapters:**

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch. 9 Pt. 2 para. 66 revoked by [1996 c. 23 s. 107\(2\)Sch. 4](#) (Amendment could not be applied. The relevant affected text is not available on [legislation.gov.uk](#))
- art. 2B inserted by [2016 c. 2 \(N.I.\) s. 2\(1\)](#)
- art. 208ZA applied (with modifications) by S.I. 2021/716, reg. 37A (as inserted) by [S.I. 2023/1399 reg. 12](#) (This amendment not applied to [Legislation.gov.uk](#). S. 208ZA is inserted by the Insolvency (Amendment) Act (Northern Ireland) 2016 (c. 2), s. 1(1) which is currently prospective.)
- art. 208ZA-208ZB inserted by [2016 c. 2 \(N.I.\) s. 1\(1\)](#)
- art. 208ZB applied (with modifications) by S.I. 2021/716, reg. 37A (as inserted) by [S.I. 2023/1399 reg. 12](#) (This amendment not applied to [Legislation.gov.uk](#). S. 208ZB is inserted by the Insolvency (Amendment) Act (Northern Ireland) 2016 (c. 2), s. 1(1) which is currently prospective.)
- art. 345A-345B inserted by [2016 c. 2 \(N.I.\) s. 1\(2\)](#)