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## STATUTORY INSTRUMENTS

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### 2002 No. 3152

## The Insolvency (Northern Ireland) Order 2002

### *Voluntary arrangements*

#### **Moratorium where directors propose voluntary arrangement**

3. Schedule 1 (which—
- (a) enables the directors of a company to obtain an initial moratorium for the company where they propose a voluntary arrangement under Part II of the Insolvency Order,
  - (b) makes provision about the approval and implementation of such a voluntary arrangement where a moratorium is obtained, and
  - (c) makes consequential amendments),

shall have effect.

#### **Company voluntary arrangements**

4. Schedule 2 (which—
- (a) amends the provisions about company voluntary arrangements under Part II of the Insolvency Order, and
  - (b) in consequence of Schedule 1 and those amendments, makes amendments to the Building Societies Act 1986 (c.53)),

shall have effect.

#### **Individual voluntary arrangements**

5. Schedule 3 (which enables the procedure for the approval of individual voluntary arrangements under Chapter II of Part VIII of the Insolvency Order to be started without an initial moratorium for the insolvent debtor and makes other amendments of the provisions about individual voluntary arrangements) shall have effect.

#### **Qualification or authorisation of nominees and supervisors**

- 6.—(1) In Article 3 of the Insolvency Order (meaning of “act as insolvency practitioner”)—
- (a) for paragraph (1)(b) there shall be substituted—
    - “(b) where a voluntary arrangement in relation to the company is proposed or approved under Part II, as nominee or supervisor.”;
  - (b) for paragraph (2)(c) there shall be substituted—
    - “(c) where a voluntary arrangement in relation to the individual is proposed or approved under Part VIII, as nominee or supervisor.”; and
  - (c) after paragraph (3) there shall be inserted—

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*Status: Point in time view as at 01/01/2006.*

*Changes to legislation: There are currently no known outstanding effects for the The Insolvency (Northern Ireland) Order 2002, Voluntary arrangements. (See end of Document for details)*

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“(3A) In relation to a voluntary arrangement proposed under Part II or VIII, a person acts as nominee if he performs any of the functions conferred on nominees under the Part in question.” .

(2) In Article 348 of the Insolvency Order (acting as insolvency practitioner without qualification), after paragraph (1) there shall be inserted—

“(1A) This Article is subject to Article 348A.” .

(3) After that Article there shall be inserted—

**“Authorisation of nominees and supervisors**

**348A.**—(1) Article 348 does not apply to a person acting, in relation to a voluntary arrangement proposed or approved under Part II or Part VIII, as nominee or supervisor if he is authorised so to act.

(2) For the purposes of paragraph (1) and those Parts, an individual to whom paragraph (3) does not apply is authorised to act as nominee or supervisor in relation to such an arrangement if—

- (a) he is a member of a body recognised for the purpose by the Department, and
- (b) there is in force security for the proper performance of his functions and that security meets the prescribed requirements with respect to his so acting in relation to the arrangement.

(3) This paragraph applies to a person if—

- (a) he has been adjudged bankrupt or sequestration of his estate has been awarded and (in either case) he has not been discharged,
- (b) he is subject to—
  - (i) a disqualification order made under Part II of the Companies (Northern Ireland) Order 1989 (NI 18), or
  - (ii) a disqualification order made or a disqualification undertaking accepted under the Company Directors Disqualification (Northern Ireland) Order 2002 or the Company Directors Disqualification Act 1986 (c. 46), or
- (c) he is a patient within the meaning of Part VIII of the Mental Health (Northern Ireland) Order 1986 (NI 4), Part VII of the Mental Health Act 1983 (c. 20) or section 125(1) of the Mental Health (Scotland) Act 1984 (c. 36).

(4) The Department may by order declare a body which appears to it to fall within paragraph (5) to be a recognised body for the purposes of paragraph (2)(a).

(5) A body may be recognised if it maintains and enforces rules for securing that its members—

- (a) are fit and proper persons to act as nominees or supervisors, and
- (b) meet acceptable requirements as to education and practical training and experience.

(6) For the purposes of this Article, a person is a member of a body only if he is subject to its rules when acting as nominee or supervisor (whether or not he is in fact a member of the body).

(7) An order made under paragraph (4) in relation to a body may be revoked by a further order if it appears to the Department that the body no longer falls within paragraph (5).

(8) An order of the Department under this Article has effect from such date as is specified in the order; and any such order revoking a previous order may make provision for members of the body in question to continue to be treated as members of a recognised body for a specified period after the revocation takes effect.” .

**Status:**

Point in time view as at 01/01/2006.

**Changes to legislation:**

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