
STATUTORY INSTRUMENTS

2005 No. 1455

The Insolvency (Northern Ireland) Order 2005

Individuals

Income payments agreement

16. The following shall be inserted after Article 283 of the 1989 Order (income payments order)

“Income payments agreement

283A.—(1) In this Article “income payments agreement” means a written agreement between a bankrupt and his trustee or between a bankrupt and the official receiver which provides—

- (a) that the bankrupt is to pay to the trustee or the official receiver an amount equal to a specified part or proportion of the bankrupt’s income for a specified period, or
- (b) that a third person is to pay to the trustee or the official receiver a specified proportion of money due to the bankrupt by way of income for a specified period.

(2) A provision of an income payments agreement of a kind specified in paragraph (1) (a) or (b) may be enforced as if it were a provision of an income payments order.

(3) While an income payments agreement is in force the High Court may, on the application of the bankrupt, his trustee or the official receiver, discharge or vary an attachment of earnings order that is for the time being in force to secure payments by the bankrupt.

(4) The following provisions of Article 283 shall apply to an income payments agreement as they apply to an income payments order—

- (a) paragraph (5) (receipts to form part of estate), and
- (b) paragraphs (7) to (9) (meaning of income).

(5) An income payments agreement must specify the period during which it is to have effect; and that period—

- (a) may end after the discharge of the bankrupt, but
- (b) may not end after the period of 3 years beginning with the date on which the agreement is made.

(6) An income payments agreement may (subject to paragraph (5)(b)) be varied—

- (a) by written agreement between the parties, or
- (b) by the High Court on an application made by the bankrupt, the trustee or the official receiver.

(7) The High Court—

- (a) may not vary an income payments agreement so as to include provision of a kind which could not be included in an income payments order, and

- (b) shall grant an application to vary an income payments agreement if and to the extent that the Court thinks variation necessary to avoid the effect mentioned in Article 283(2).”.