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## EXPLANATORY NOTE

*(This note is not part of the Rules)*

These Rules amend the Insolvency Rules (Northern Ireland) 1991 ([S.R. 1991 No. 364](#)) (“the principal Rules”). The amendments make provision in respect of debt relief orders, debt relief restrictions orders and debt relief restrictions undertakings.

The changes to the principal Rules are consequential on amendments to the Insolvency (Northern Ireland) Order 1989 ([S.I. 1989/2405 \(N.I. 19\)](#)) (“the 1989 Order”) by the Debt Relief Act (Northern Ireland) 2010 ([c. 16](#)) (“the 2010 Act”).

Article 1 of the 2010 Act introduces a new Part 7A into the 1989 Order. Part 7A makes provision for debt relief orders. Applications for debt relief orders are made to the official receiver through an approved intermediary. A debt relief order is made in respect of qualifying debts. A debt relief order which is made in respect of qualifying debts imposes a moratorium on action in respect of the debts to which the order applies. At the end of the period of the moratorium, if the debt relief order has not been revoked, the debtor is discharged from his qualifying debts.

Articles 2 and 3 of the 2010 Act insert two new Schedules, Schedule 2ZA and Schedule 2ZB, into the 1989 Order. Schedule 2ZA sets out certain conditions with which an applicant for a debt relief order must comply in order to be eligible for a debt relief order. Schedule 2ZB introduces debt relief restrictions orders and undertakings. The Schedule to the 2010 Act makes amendments to the 1989 Order consequential to the introduction of debt relief orders and debt relief restrictions orders and undertakings.

The Rules relating to debt relief orders are made under Article 359 of the 1989 Order.

Rule 8 of these Rules inserts new Part 5A into the principal Rules by way of Schedule 1 to these Rules. Part 5A of the principal Rules sets out the matters which Part 7A of the 1989 Order either permits or requires to be prescribed by rules for the purpose of an application for, and the making of debt relief orders.

Rule 10 of these Rules inserts new Rules 6.245 to 6.256 into Part 6 of the principal Rules. The new Rules introduce debt relief restrictions orders and undertakings which correspond in almost every way to the bankruptcy restrictions orders and undertakings which are already provided for in Part 6.

Rules 11 to 14 amend the existing Rules to provide for the registration of debt relief orders and debt relief restrictions orders and undertakings. Provision is made for the insertion of new Rules 6A.3A and 6A.3B and new Rules 6A.5A and 6A.5B which make specific provision for the making of entries in, and deletion of information from the debt relief orders and debt relief restrictions registers.

Rules 3, 15 to 23, 24 to 26, 27 and 28, and 29 make amendments respectively to Part 1 (introductory provisions), Part 7 (court procedure and practice), Part 9 (examination of persons), Part 10 (official receivers), Part 12 (miscellaneous and general) of the principal Rules consequential upon the introduction of new Part 7A into the 1989 Order and new Part 5A into the principal Rules.

Rule 30 and Schedule 2 substitute new forms 7.08 (Warrant of Arrest), 7.09 (Order for Production of Persons Arrested) and 9.1 (Order to attend to be examined on oath). The new forms can be used with Article 208N to summon persons listed in that Article to appear before the High Court and for their arrest should they fail to appear.

An Impact Assessment was prepared for the Debt Relief Act (Northern Ireland) 2010. It can be viewed at [www.detini.gov.uk/insolvency](http://www.detini.gov.uk/insolvency)