



Small Business, Enterprise and Employment Act 2015

2015 CHAPTER 26

PART 10

INSOLVENCY

Administration

129 Administration: sales to connected persons

- (1) Schedule B1 to the Insolvency Act 1986 (administration) is amended as follows.
- (2) Paragraph 60 (power of administrators) becomes sub-paragraph (1) of that paragraph.
- (3) After that sub-paragraph insert—
 - “(2) But the power to sell, hire out or otherwise dispose of property is subject to any regulations that may be made under paragraph 60A.”
- (4) After paragraph 60 insert—
 - “60A (1) The Secretary of State may by regulations make provision for—
 - (a) prohibiting, or
 - (b) imposing requirements or conditions in relation to,the disposal, hiring out or sale of property of a company by the administrator to a connected person in circumstances specified in the regulations.
 - (2) Regulations under this paragraph may in particular require the approval of, or provide for the imposition of requirements or conditions by—
 - (a) creditors of the company,
 - (b) the court, or
 - (c) a person of a description specified in the regulations.

Status: This is the original version (as it was originally enacted).

- (3) In sub-paragraph (1), “connected person”, in relation to a company, means—
- (a) a relevant person in relation to the company, or
 - (b) a company connected with the company.
- (4) For the purposes of sub-paragraph (3)—
- (a) “relevant person”, in relation to a company, means—
 - (i) a director or other officer, or shadow director, of the company;
 - (ii) a non-employee associate of such a person;
 - (iii) a non-employee associate of the company;
 - (b) a company is connected with another if any relevant person of one is or has been a relevant person of the other.
- (5) In sub-paragraph (4), “non-employee associate” of a person means a person who is an associate of that person otherwise than by virtue of employing or being employed by that person.
- (6) Subsection (10) of section 435 (extended definition of company) applies for the purposes of sub-paragraphs (3) to (5) as it applies for the purposes of that section.
- (7) Regulations under this paragraph may—
- (a) make different provision for different purposes;
 - (b) make incidental, consequential, supplemental and transitional provision.
- (8) Regulations under this paragraph are to be made by statutory instrument.
- (9) Regulations under this paragraph may not be made unless a draft of the statutory instrument containing the regulations has been laid before Parliament and approved by a resolution of each House of Parliament.
- (10) This paragraph expires at the end of the period of 5 years beginning with the day on which it comes into force unless the power conferred by it is exercised during that period.”