

Changes to legislation: The Insolvency (Northern Ireland) Order 1989, Cross Heading: Protection for priority creditor is up to date with all changes known to be in force on or before 06 August 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

[^{F1}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))
- C1** 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

Protection for [^{F2}priority] creditor

F2 Word in Sch. B1 para. 74 heading substituted (19.12.2018) by The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), 31(3)(a) (with art. 3)

74.—(1) An administrator's statement of proposals under paragraph 50 may not include any action which—

- (a) affects the right of a secured creditor of the company to enforce his security,
- (b) would result in a preferential debt of the company being paid otherwise than in priority to its non-preferential debts,^{F3}...

[would result in an ordinary preferential debt of the company being paid otherwise than in ^{F4}(bb) priority to its secondary preferential debts,]

- (c) would result in one preferential creditor of the company being paid a smaller proportion of [^{F5}an ordinary preferential debt] than another,^{F6}[^{F7}...
- (d) would result in one preferential creditor of the company being paid a smaller proportion of a secondary preferential debt than another,][^{F8}or

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- (e) if the company is a relevant financial institution (see Article 347A), would result in any non-preferential debt being paid otherwise than in accordance with the rules in Article 150ZZA(2) or (3).]
- (2) Sub-paragraph (1) does not apply to—
- (a) action to which the relevant creditor consents,
- (b) a proposal for a voluntary arrangement under Part II of this Order (although this sub-paragraph is without prejudice to Article 17(3)), ^{F9} . . .
- (c) a proposal for a compromise or arrangement to be sanctioned under [^{F10}Part 26 [^{F11}or 26A] of the Companies Act 2006 (arrangements and reconstructions)].
- [^{F12}or
- (d) a proposal for a cross-border merger within the meaning of regulation 2 of the Companies (Cross-Border Mergers) Regulations 2007.]
- (3) The reference to a statement of proposals in sub-paragraph (1) includes a reference to a statement as revised or modified.]

- F3** Word in Sch. B1 para. 74(1)(b) omitted (1.1.2015) by virtue of The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **22(2)** (with art. 3)
- F4** Sch. B1 para. 74(1)(bb) inserted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **22(3)** (with art. 3)
- F5** Words in Sch. B1 para. 74(1)(c) substituted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **22(4)** (with art. 3)
- F6** Word in Sch. B1 para. 74(1)(c) omitted (19.12.2018) by virtue of The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), **31(3)(b)** (with art. 3)
- F7** Sch. B1 para. 74(1)(d) and word inserted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **22(5)** (with art. 3)
- F8** Sch. B1 para. 74(1)(e) and word inserted (19.12.2018) by The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), **31(3)(c)** (with art. 3)
- F9** Word in Sch. B1 para. 74(2)(b) omitted (15.12.2007) by virtue of Companies (Cross-Border Mergers) Regulations 2007 (S.I. 2007/2974), **reg. 66(2)**
- F10** Words in Sch. B1 para. 74(2)(c) substituted (6.4.2008) by Companies Act 2006 (Consequential Amendments etc) Order 2008 (S.I. 2008/948), arts. 2(2), 3(1)(b), **Sch. 1 para. 166(a)** (with arts. 6, 11, 12)
- F11** Words in Sch. B1 para. 74(2)(c) inserted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 9 para. 10(3)** (with ss. 2(2), 5(2))
- F12** Sch. B1 para. 74(2)(d) and preceding word inserted (15.12.2007) by Companies (Cross-Border Mergers) Regulations 2007 (S.I. 2007/2974), **reg. 66(3)**

Modifications etc. (not altering text)

- C2** Sch. B1 para. 74 modified by S.R. 1995/225, Sch. 2 para. 35 (as amended (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **25** (with art. 3))
- C3** Sch. B1 para. 74 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**)
- C4** Sch. B1 para. 74 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**)

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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\(2\)](#)