

*These notes refer to the Debt Relief Act (Northern Ireland)
2010 (c.16) which received Royal Assent on 15 December 2010*

Debt Relief Act (Northern Ireland) 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 3: Debt relief restrictions orders and undertakings

Section 3 inserts a new Schedule 2ZB into the 1989 Order. Schedule 2ZB creates a regime of debt relief restrictions orders and undertakings.

Debtors who are guilty of misconduct that has in some way contributed to their insolvency will be subject to an enforcement regime that encompasses restrictions orders in the same way as bankruptcy. Schedule 2ZB sets out who may apply for a debt relief restrictions order or undertaking and possible grounds for obtaining one and gives details as to the timing of an application and the duration of the order or undertaking. Such orders may last from 2-15 years and will serve to protect the public from the culpable debtor. Whilst subject to a restrictions order, the debtor will remain subject to the same disabilities as those imposed by the original order – for example he will not be able to obtain credit beyond the prescribed amount without disclosing his status.