

These notes refer to the Insolvency (Amendment) Act (Northern Ireland) 2016 (c.2) which received Royal Assent on 29 January 2016

Insolvency (Amendment) Act (Northern Ireland) 2016

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 3: Removal of requirement for annual meetings in a members' voluntary and a creditors' voluntary winding up

Subsection (1) substitutes Article 79 of the Insolvency Order with a new provision. The Article as substituted provides that in a members' voluntary liquidation the liquidator has to produce a progress report on prescribed matters for each prescribed period and send a copy of it within such further period as may be prescribed to the members of the company and any other persons who are prescribed. Paragraph (2) of the Article as substituted makes it an offence punishable by a fine for a liquidator to fail to comply with the Article.

Subsection (2) substitutes Article 91 of the Insolvency Order with a new provision. The Article as substituted provides that in a creditors' voluntary liquidation the liquidator has to produce a progress report on prescribed matters for each prescribed period and send a copy of it within such further period as may be prescribed to the members and creditors of the company and any other persons who are prescribed. Paragraph (2) of the Article as substituted makes it an offence punishable by a fine for a liquidator to fail to comply with the Article.

Subsection (3) amends Schedule 7 to the Insolvency Order to set the fines for failure to comply with the requirements to issue progress reports under Articles 79 and 91 as substituted.