STATUTORY INSTRUMENTS

1981 No. 226

Judgments Enforcement (Northern Ireland) Order 1981

PART VI

MULTIPLE DEBT, INSOLVENCY AND WINDING-UP

Bankruptcy and winding-up

Effect of bankruptcy or winding-up on enforcement

- **88.**—(1) Subject to paragraph (2)[FI of this Article, Articles 106 and 258 of the Insolvency (Northern Ireland) Order 1989 (restrictions on proceedings and remedies)] and, generally, to the following provisions of this Part, a creditor who has obtained a money judgment against a debtor who is subsequently adjudged bankrupt or, being a company, is subsequently wound up under the[FI Insolvency (Northern Ireland) Order 1989] shall be entitled—
 - (a) [F1 as against the official receiver or trustee of the bankrupt's estate] ("the trustee"), as the case may require;
- (b) as against the liquidator in the winding-up of the company ("the liquidator"); to any money paid by or on behalf of the debtor either to avoid enforcement of the judgment or in

to any money paid by or on behalf of the debtor either to avoid enforcement of the judgment or in full or part satisfaction thereof, or to any proceeds of the enforcement, including any charge on the property of the debtor.

- (2) A creditor shall be entitled to any such money or proceeds as are referred to in paragraph (1) where—
 - (a) the money (being money received otherwise than as proceeds of enforcement) is paid or the enforcement producing the proceeds is completed before the date[FI] on which the bankruptcy order is made] or, as the case may be, the date on which the winding-up is under the[FI] Insolvency (Northern Ireland) Order 1989] deemed to commence; and
 - (b) within 21 days after the receipt of the money or, as the case may be, the completion of the enforcement, the creditor or the Office—
 - (i) has not received notice of the [FI making of the bankruptcy order] or of a bankruptcy petition [FI presented] by or against the debtor or, as the case may require, has not received notice of the presentation of a petition for the winding-up of the company or of the calling of a meeting at which a resolution for the voluntary winding-up of the company is to be proposed; or
 - (ii) has received a notice of such a bankruptcy petition but[F1 a bankruptcy order] is not at any time made on foot thereof or, as the case may require, has received a notice of the presentation of such a winding-up petition or of the calling of such a meeting but a winding-up order is not at any time made or a resolution for voluntary winding-up is not at any time passed as a result of that petition or, as the case may be, the resolution so proposed.

- (3) Save as provided by this Article, [F1 and Article 90(3A), the official receiver] or the trustee or the liquidator, as the case may be, shall be entitled as against the creditor to such money or proceeds as are referred to in paragraph (1)[F1 and, subject to paragraph (3A), that money and proceeds shall be comprised in the bankrupt's estate].
- [F1(3A)] The rights conferred by this Article on the official receiver, the trustee or the liquidator may, to such extent and on such terms as it thinks fit, be set aside by the High Court in favour of the creditor.]
- (4) Where an administration order has been made, this Article applies to the persons whose names have been scheduled to the order and to money paid to the Office under the order as it applies to a creditor and to proceeds of enforcement.

F1 1989 NI 19

Modifications etc. (not altering text)

C1 Arts. 88-94 applied (with modifications) (4.1.2024) by S.I. 2021/716, reg. 37A(3) (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), 12)

Changes to legislation:
There are currently no known outstanding effects for the Judgments Enforcement (Northern Ireland) Order 1981, Section 88.