
STATUTORY INSTRUMENTS

1989 No. 2405

The Insolvency (Northern Ireland) Order 1989

PART VIII

INDIVIDUAL VOLUNTARY ARRANGEMENTS

CHAPTER II

VOLUNTARY ARRANGEMENTS

Consideration and implementation of debtor's proposal

Decisions of creditors' meeting

232.—(1) A creditors' meeting summoned under Article 231 shall decide whether to approve the proposed voluntary arrangement.

(2) The meeting may approve the proposed voluntary arrangement with modifications, but shall not do so unless the debtor consents to each modification.

(3) Subject to paragraph (4), the modifications subject to which the proposed voluntary arrangement may be approved may include one conferring the functions proposed to be conferred on the nominee on another person qualified to act as an insolvency practitioner^[F1] or authorised to act as nominee, in relation to the voluntary arrangement].

(4) The modifications mentioned in paragraph (3) shall not include any modification by virtue of which the proposal ceases to be a proposal^[F1] under this Part].

(5) The meeting shall not approve any proposal or modification which affects the right of a secured creditor of the debtor to enforce his security, except with the concurrence of the creditor concerned.

(6) Subject to paragraph (7), the meeting shall not approve any proposal or modification under which—

(a) any preferential debt of the debtor is to be paid otherwise than in priority to such of his debts as are not preferential debts, ^{F2}...

^[F3](aa) any ordinary preferential debt of the debtor is to be paid otherwise than in priority to any secondary preferential debts that the debtor may have,]

(b) a preferential creditor of the debtor is to be paid an amount in respect of ^[F4]an ordinary preferential debt] that bears to that debt a smaller proportion than is borne to ^[F5]another ordinary] preferential debt by the amount that is to be paid in respect of that other debt, ^[F6]or

(c) a preferential creditor of the debtor is to be paid an amount in respect of a secondary preferential debt that bears to that debt a smaller proportion than is borne to another secondary preferential debt by the amount that is to be paid in respect of that other debt.]

Status: Point in time view as at 16/06/2016. This version of this provision has been superseded.

Changes to legislation: The Insolvency (Northern Ireland) Order 1989, Section 232 is up to date with all changes known to be in force on or before 04 July 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)

(7) The meeting may approve a proposal or modification such as is mentioned in paragraph (6) with the concurrence of the preferential creditor concerned.

(8) Subject to paragraphs (2) to (7), the meeting shall be conducted in accordance with the rules.

(9) In this Article “preferential debt” [^{F7}], “ordinary preferential debt” and “secondary preferential debt” each has] the meaning given by Article 346; and “preferential creditor” is to be construed accordingly.

F1 2002 NI 6

F2 Word in art. 232(6)(a) 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), **18(2)(a)** (with art. 3)

F3 Art. 232(6)(aa) inserted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **18(2)(b)** (with art. 3)

F4 Words in art. 232(6)(b) substituted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **18(2)(c)(i)** (with art. 3)

F5 Words in art. 232(6)(b) substituted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **18(2)(c)(ii)** (with art. 3)

F6 Art. 232(6)(c) 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), **18(2)(d)** (with art. 3)

F7 Words in art. 232(9) substituted (1.1.2015) by The Banks and Building Societies (Depositor Preference and Priorities) Order 2014 (S.I. 2014/3486), arts. 1(2), **18(3)** (with art. 3)

Modifications etc. (not altering text)

C1 Art. 232 excluded (with application in accordance with reg. 1 of the amending S.I.) by The Education (Postgraduate Master's Degree Loans) Regulations 2016 (S.I. 2016/606), regs. 1(1), **97(2)(c)**

Status:

Point in time view as at 16/06/2016. This version of this provision has been superseded.

Changes to legislation:

The Insolvency (Northern Ireland) Order 1989, Section 232 is up to date with all changes known to be in force on or before 04 July 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.