

Status: Point in time view as at 01/01/2006.

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STATUTORY INSTRUMENTS

1989 No. 2405

The Insolvency (Northern Ireland) Order 1989

^{F1F2F3}PART III **N.I.**

ADMINISTRATION ORDERS

- F1** Pt. III art. 21 substituted (27.3.2006) for Pt. III arts. 21 - 39 by [Insolvency \(Northern Ireland\) Order 2005 \(S.I. 2005/1455 \(N.I. 10\)\)](#), arts. 1(3), 3(1) (with art. 4); S.R. 2006/21, **art. 2** (with S.R. 2006/22**arts. 2 - 7**); specified substituted provisions amended (1.10.2009) by S.I. 2009/1941, arts. 2(1), 8, **Sch. 1 para. 109** (with art. 10); and by S.I. 2009/1972, **regs. 4(d)(iii), 7(b)**
- F2** mod. by S.I. 2005/1644
- F3** Pts. I-V modified by S.R. 2004/307 (as amended (1.10.2006) by [Limited Liability Partnerships \(Amendment\) Regulations \(Northern Ireland\) 2006 \(S.R. 2006/377\)](#), reg. 3, **Sch. 2**)

Making, etc., of administration order

Power of High Court to make order **N.I.**

21.—(1) Subject to this Article, if the High Court—

- (a) is satisfied that a company is or is likely to become unable to pay its debts (within the meaning of Article 103), and
- (b) considers that the making of an order under this Article would be likely to achieve one or more of the purposes mentioned in paragraph (3),

the Court may make an administration order in relation to the company.

[^{F4}(1A) For the purposes of a petition presented by the Financial Services Authority alone or together with any other party, an authorised deposit taker who defaults in an obligation to pay any sum due and payable in respect of a relevant deposit is deemed to be unable to pay its debts as mentioned in paragraph (1).

(1B) In paragraph (1A)—

- (a) “authorised deposit taker” means a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits, but excludes a person who has such permission only for the purpose of carrying on another regulated activity in accordance with that permission; and
- (b) “relevant deposit” must be read with—
 - (i) section 22 of the Financial Services and Markets Act 2000,
 - (ii) any relevant order under that section, and
 - (iii) Schedule 2 to that Act,

but any restriction on the meaning of deposit which arises from the identity of the person making it is to be disregarded.]

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(2) An administration order is an order directing that, during the period for which the order is in force, the affairs, business and property of the company shall be managed by a person (“the administrator”) appointed for the purpose by the High Court.

- (3) The purposes for whose achievement an administration order may be made are—
- (a) the survival of the company, and the whole or any part of its undertaking, as a going concern;
 - (b) the approval of a voluntary arrangement under Part II;
 - (c) ^{F5} the sanctioning under Article 418 of the Companies Order of a compromise or arrangement between the company and any such persons as are mentioned in that Article; and
 - (d) a more advantageous realisation of the company's assets than would be effected on a winding up;

and the order shall specify the purpose or purposes for which it is made.

[^{F4}(4) ^{F6} An administration order shall not be made in relation to a company after it has gone into liquidation.

- (5) ^{F6} An administration order shall not be made against a company if—
- [it effects or carries out contracts of insurance, but is not—
 - ^{F7}(a) (i) exempt from the general prohibition, within the meaning of section 19 of the Financial Services and Markets Act 2000, in relation to effecting or carrying out contracts of insurance, or
 - (ii) an authorised deposit taker within the meaning given by paragraph (1B), and effecting or carrying out contracts of insurance in the course of a banking business;]
 - (b) it continues to have a liability in respect of a deposit which was held by it in accordance with the Banking Act 1979 or the Banking Act 1987^{F8}, but is not an authorised deposit taker, within the meaning given by paragraph (1B)].

- (6) ^{F6} Paragraph (5)(a) must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.]

[^{F9}(7) In this Part a reference to a company includes a reference to a company in relation to which an administration order may be made by virtue of Article 3 of the EC Regulation.]

F4	SI 2001/3649
F5	mod. by 1997 c. 32
F6	mod. by SR 2004/307
F7	SI 2004/355
F8	SI 2002/1555
F9	SR 2002/334

Application for order **N.I.**

22.—(1) ^{F10} An application to the High Court for an administration order shall be by petition presented either by the company or the directors, or by a creditor or creditors (including any contingent or prospective creditor or creditors),^{F11} or by the chief clerk in exercise of the power conferred by section 35(4A) of the Criminal Justice Act (Northern Ireland) 1945 (enforcement of fines imposed on companies) or a clerk of petty sessions in exercise of the power conferred by Article

92A of the Magistrates' Courts (Northern Ireland) Order 1981 (enforcement of fines imposed on companies)] or by all or any of those parties, together or separately.

(2) Where a petition is presented to the High Court—

(a) notice of the petition shall be given forthwith to any person who has appointed, or is or may be entitled to appoint, an administrative receiver of the company, and to such other persons as may be prescribed, and

(b) the petition shall not be withdrawn except with the leave of the Court.

(3) Where the High Court is satisfied that there is an administrative receiver of the company, the Court shall dismiss the petition unless it is also satisfied either—

(a) that the person by whom or on whose behalf the receiver was appointed has consented to the making of the order, or

(b) that, if an administration order were made, any security by virtue of which the receiver was appointed would—

^{F12}(i) be liable to be released or discharged under Articles 202 to 204 (transactions at an undervalue and preferences), or

(ii) be avoided under Article 207 (avoidance of floating charges).

(4) Subject to paragraph (3), on hearing a petition the High Court may dismiss it, or adjourn the hearing conditionally or unconditionally, or make an interim order or any other order that it thinks fit.

(5) Without prejudice to the generality of paragraph (4), an interim order under that paragraph may restrict the exercise of any powers of the directors or of the company (whether by reference to the consent of the High Court or of a person qualified to act as an insolvency practitioner in relation to the company, or otherwise).

F10 mod. by SR 2004/307

F11 1994 NI 15

F12 prosp. inserted and renumbered 1990 NI 10

Effect of application **N.I.**

23.—(1) During the period beginning with the presentation of a petition for an administration order and ending with the making of such an order or the dismissal of the petition—

(a) ^{F13} no resolution may be passed or order made for the winding up of the company;

[^{F14}(aa) no landlord or other person to whom rent is payable may exercise any right of forfeiture by peaceable re-entry in relation to premises let to the company in respect of a failure by the company to comply with any term or condition of its tenancy of such premises, except with the leave of the High Court and subject to such terms as the Court may impose]

(b) no steps may be taken to enforce any security over the company's property, or to repossess goods in the company's possession under any hire#purchase agreement, except with the leave of the High Court and subject to such terms as the Court may impose;

(c) no other proceedings and no legal process may be commenced or continued, and no distress may be levied, against the company or its property except with the leave of the Court and subject to such terms as aforesaid.

(2) Nothing in paragraph (1) requires the leave of the High Court—

(a) for the presentation of a petition for the winding up of the company,

(b) ^{F15} for the appointment of an administrative receiver of the company, or

(c) ^{F15} for the carrying out by such a receiver (whenever appointed) of any of his functions.

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(3)^{F16} Where—

- (a) a petition for an administration order is presented at a time when there is an administrative receiver of the company, and
- (b) the person by or on whose behalf the receiver was appointed has not consented to the making of the order,

the period mentioned in paragraph (1) is deemed not to begin unless and until that person so consents.

(4) References in this Article and Article 24 to hire#purchase agreements include conditional sale agreements, chattel leasing agreements and retention of title agreements.

F13 mod. by SR 2004/307

F14 2002 NI 6

F15 mod. by 1997 c. 32

F16 mod. by 1997 c. 32

Effect of order **N.I.**

24.—(1) On the making of an administration order—

- (a) any petition for the winding up of the company shall be dismissed, and
- (b)^{F17} any administrative receiver of the company shall vacate office.

(2) Where an administration order has been made, any receiver of part of the company's property shall vacate office on being required to do so by the administrator.

(3) During the period for which an administration order is in force—

- (a)^{F18} no resolution may be passed or order made for the winding up of the company;
- (b)^{F19} no administrative receiver of the company may be appointed;
- [^{F20}(ba) no landlord or other person to whom rent is payable may exercise any right of forfeiture by peaceable re-entry in relation to premises let to the company in respect of a failure by the company to comply with any term or condition of its tenancy of such premises, except with the consent of the administrator or the leave of the High Court and subject (where the Court gives leave) to such terms as the Court may impose;]
- (c) no other steps may be taken to enforce any security over the company's property, or to repossess goods in the company's possession under any hire#purchase agreement, except with the consent of the administrator or the leave of the High Court and subject (where the Court gives leave) to such terms as the Court may impose; and
- (d) no other proceedings and no legal process may be commenced or continued, and no distress may be levied, against the company or its property except with the consent of the administrator or the leave of the High Court and subject (where the Court gives leave) to such terms as aforesaid.

(4)^{F17} Where at any time an administrative receiver of the company has vacated office under paragraph (1)(b), or a receiver of part of the company's property has vacated office under paragraph (2)—

- (a) his remuneration and any expenses properly incurred by him, and
- (b) any indemnity to which he is entitled out of the assets of the company,

shall be charged on and (subject to paragraph (3)) paid out of any property of the company which was in his custody or under his control at that time in priority to any security held by the person by or on whose behalf he was appointed.

(5^{F21} Neither an administrative receiver who vacates office under paragraph (1)(b) nor a receiver who vacates office under paragraph (2) is required on or after so vacating office to take any steps for the purpose of complying with any duty imposed on him by Article 50 (duty to pay preferential creditors).

F17 mod.by 1997 c. 32
F18 mod. by SR 2004/307
F19 mod. by 1997 c. 32
F20 2002 NI 6
F21 mod.by 1997 c. 32

Notification of order **N.I.**

25.—(1) Every invoice, order for goods or business letter which, at a time when an administration order is in force in relation to a company, is issued by or on behalf of the company or the administrator, being a document on or in which the company's name appears, shall also contain the administrator's name and a statement that the affairs, business and property of the company are being managed by the administrator.

(2) If default is made in complying with this Article, the company and any of the following persons who without reasonable excuse authorises or permits the default, namely, the administrator and any officer of the company, shall be guilty of an offence.

Administrators

Appointment of administrator **N.I.**

26.—(1) The administrator of a company shall be appointed either by the administration order or by an order under paragraph (2).

(2) If a vacancy occurs by death, resignation or otherwise in the office of the administrator, the High Court may by order fill the vacancy.

(3) An application for an order under paragraph (2) may be made—

(a) by any continuing administrator of the company; or

(b) where there is no such administrator, by a creditors' committee established under Article 38; or

(c^{F22} where there is no such administrator and no such committee, by the company or the directors or by any creditor or creditors of the company.

F22 mod. by SR 2004/307

General powers **N.I.**

27.—(1) The administrator of a company—

(a) may do all such things as may be necessary for the management of the affairs, business and property of the company, and

(b) without prejudice to the generality of sub#paragraph (a), has the powers specified in Schedule 1;

and in the application of that Schedule to the administrator of a company the words “he” and “him” refer to the administrator.

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(2)^{F23} The administrator also has power—

- (a)^{F23} to remove any director of the company and to appoint any person to be a director of it, whether to fill a vacancy or otherwise, and
- (b) to call any meeting of the members or creditors of the company.

(3) The administrator may apply to the High Court for directions in relation to any particular matter arising in connection with the carrying out of his functions.

(4) Any power conferred on the company or its officers, whether by this Order or the Companies Order or by the memorandum or articles of association, which could be exercised in such a way as to interfere with the exercise by the administrator of his powers is not exercisable except with the consent of the administrator, which may be given either generally or in relation to particular cases.

(5) In exercising his powers the administrator is deemed to act as the company's agent.

(6) A person dealing with the administrator in good faith and for value is not concerned to inquire whether the administrator is acting within his powers.

F23 mod. by SR 2004/307

Power to deal with charged property, etc. N.I.

28.—(1)^{F24} The administrator of a company may dispose of or otherwise exercise his powers in relation to any property of the company which is subject to a security to which this paragraph applies as if the property were not subject to the security.

(2) Where, on an application by the administrator, the High Court is satisfied that the disposal (with or without other assets) of—

- (a) any property of the company subject to a security to which this paragraph applies, or
- (b) any goods in the possession of the company under a hire#purchase agreement,

would be likely to promote the purpose or one or more of the purposes specified in the administration order, the Court may by order authorise the administrator to dispose of the property as if it were not subject to the security or to dispose of the goods as if all rights of the owner under the hire#purchase agreement were vested in the company.

(3)^{F25} Paragraph (1) applies to any security which, as created, was a floating charge; and paragraph (2) applies to any other security.

(4) Where property is disposed of under paragraph (1), the holder of the security has the same priority in respect of any property of the company directly or indirectly representing the property disposed of as he would have had in respect of the property subject to the security.

(5) It shall be a condition of an order under paragraph (2) that—

- (a) the net proceeds of the disposal, and
- (b) where those proceeds are less than such amount as may be determined by the High Court to be the net amount which would be realised on a sale of the property or goods in the open market by a willing vendor, such sums as may be required to make good the deficiency,

shall be applied towards discharging the sums secured by the security or payable under the hire#purchase agreement.

(6) Where a condition imposed in pursuance of paragraph (5) relates to 2 or more securities, that condition requires the net proceeds of the disposal and, where sub#paragraph (b) of that paragraph applies, the sums mentioned in that sub#paragraph to be applied towards discharging the sums secured by those securities in the order of their priorities.

(7) An office copy of an order under paragraph (2) shall, within 14 days from the making of the order, be sent by the administrator to the registrar.

(8) If the administrator without reasonable excuse contravenes paragraph (7), he shall be guilty of an offence and for continued contravention, he shall be guilty of a continuing offence.

(9) References in this Article to hire#purchase agreements include conditional sale agreements, chattel leasing agreements and retention of title agreements.

F24 mod.by 1997 c. 32

F25 mod.by 1997 c. 32

General duties **N.I.**

29.—(1) The administrator of a company shall, on his appointment, take into his custody or under his control all the property to which the company is or appears to be entitled.

(2) The administrator shall manage the affairs, business and property of the company—

- (a) at any time before proposals have been approved (with or without modifications) under Article 36, in accordance with any directions given by the High Court, and
- (b) at any time after proposals have been so approved, in accordance with those proposals as revised, whether by him or a predecessor of his.

(3) The administrator shall summon a meeting of the company's creditors if—

- (a) he is requested, in accordance with the rules, to do so by one#tenth, in value, of the company's creditors, or
- (b) he is directed to do so by the High Court.

Discharge or variation of administration order **N.I.**

30.—(1) The administrator of a company may at any time apply to the High Court for the administration order to be discharged, or to be varied so as to specify an additional purpose.

(2) The administrator shall make an application under this Article if—

- (a) it appears to him that the purpose or each of the purposes specified in the order either has been achieved or is incapable of achievement, or
- (b) he is required to do so by a meeting of the company's creditors summoned for the purpose in accordance with the rules.

(3) On the hearing of an application under this Article, the High Court may by order discharge or vary the administration order and make such consequential provision as it thinks fit, or adjourn the hearing conditionally or unconditionally, or make an interim order or any other order it thinks fit.

(4) Where the administration order is discharged or varied the administrator shall, within 14 days from the making of the order effecting the discharge or variation, send an office copy of that order to the registrar.

(5) If the administrator without reasonable excuse contravenes paragraph (4), he shall be guilty of an offence and, for continued contravention, he shall be guilty of a continuing offence.

Vacation of office **N.I.**

31.—(1) The administrator of a company may at any time be removed from office by order of the High Court and may, in the prescribed circumstances, resign his office by giving notice of his resignation to the Court.

(2) The administrator shall vacate office if—

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- (a) he ceases to be qualified to act as an insolvency practitioner in relation to the company, or
 - (b) the administration order is discharged.
- (3) Where at any time a person ceases to be administrator,^{F26} the following paragraphs] apply.
- (4)^{F27} His remuneration and any expenses properly incurred by him shall be charged on and paid out of any property of the company which is in his custody or under his control at that time in priority to any security to which Article 28(1) then applies.
- (5) Any sums payable in respect of debts or liabilities incurred, while he was administrator, under contracts entered into^{F28} . . . by him or a predecessor of his in the carrying out of his or the predecessor's functions shall be charged on and paid out of any such property as is mentioned in paragraph (4) in priority to any charge arising under that paragraph;^{F28} . . .
- [^{F29}(6) Any sums payable in respect of liabilities incurred, while he was administrator, under contracts of employment adopted by him or a predecessor of his in the carrying out of his or the predecessor's functions shall, to the extent that the liabilities are qualifying liabilities, be charged on and paid out of any such property as is mentioned in paragraph (4) and enjoy the same priority as any sums to which paragraph (5) applies; and for the purpose of this paragraph the administrator is not to be taken to have adopted a contract of employment by reason of anything done or omitted to be done within 14 days from his appointment.
- (7) For the purposes of paragraph (6), a liability under a contract of employment is a qualifying liability if—
- (a) it is a liability to pay a sum by way of wages or salary or contribution to an occupational pension scheme, and
 - (b) it is in respect of services rendered wholly or partly after the adoption of the contract.
- (8) There shall be disregarded for the purposes of paragraph (6) so much of any qualifying liability as represents payment in respect of services rendered before the adoption of the contract.
- (9) For the purposes of paragraphs (7) and (8)—
- (a) wages or salary payable in respect of a period of holiday or absence from work through sickness or other good cause are deemed to be wages or (as the case may be) salary in respect of services rendered in that period, and
 - (b) a sum payable in lieu of holiday is deemed to be wages or (as the case may be) salary in respect of services rendered in the period by reference to which the holiday entitlement arose.
- (10) In paragraph (9)(a), the reference to wages or salary payable in respect of a period of holiday includes any sums which, if they had been paid, would have been treated for the purposes of the statutory provisions relating to social security as earnings in respect of that period.]

F26 1994 c.7

F27 mod.by 1997 c. 32

F28 1994 c.7

F29 1994 c.7

Release of administrator **N.I.**

32.—(1) A person who has ceased to be the administrator of a company has his release with effect from the following time, that is to say—

- (a) in the case of a person who has died, the time at which notice is given to the High Court in accordance with the rules that he has ceased to hold office;

(b) in any other case, such time as the High Court may determine.

(2) Where a person has his release under this Article, he is, with effect from the time specified in paragraph (1), discharged from all liability both in respect of acts or omissions of his in the administration and otherwise in relation to his conduct as administrator.

(3) However, nothing in this Article prevents the exercise, in relation to a person who has had his release under this Article, of the High Court's powers under Article 176 (summary remedy against delinquent directors, liquidators, etc.).

Ascertainment and investigation of company's affairs

Information to be given by administrator **N.I.**

33.—(1) Where an administration order has been made, the administrator shall—

- (a) forthwith send to the company and publish in the prescribed manner a notice of the order, and
- (b) within 28 days from the making of the order, unless the High Court otherwise directs, send such a notice to all creditors of the company (so far as he is aware of their addresses).

(2) Where an administration order has been made, the administrator shall also, within 14 days from the making of the order, send an office copy of the order to the registrar and to such other persons as may be prescribed.

(3) If the administrator without reasonable excuse contravenes this Article, he shall be guilty of an offence and, for continued contravention, he shall be guilty of a continuing offence.

Statement of affairs to be submitted to administrator **N.I.**

34.—(1) Where an administration order has been made, the administrator shall forthwith require some or all of the persons mentioned in paragraph (3) to make out and submit to him a statement in the prescribed form as to the affairs of the company.

(2) The statement shall be verified by affidavit by the persons required to submit it and shall show—

- (a) particulars of the company's assets, debts and liabilities;
- (b) the names and addresses of its creditors;
- (c) the securities held by them respectively;
- (d) the dates when the securities were respectively given; and
- (e) such further or other information as may be prescribed.

(3) The persons referred to in paragraph (1) are—

- (a) those who are or have been officers of the company;
- (b) those who have taken part in the company's formation at any time within one year before the date of the administration order;
- (c) those who are in the company's employment or have been in its employment within that year, and are in the administrator's opinion capable of giving the information required;
- (d) those who are or have been within that year officers of or in the employment of a company which is, or within that year was, an officer of the company;

and in this paragraph “employment” includes employment under a contract for services.

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(4) Where any persons are required under this Article to submit a statement of affairs to the administrator, they shall do so (subject to paragraph (5)) before the expiration of 21 days from the day after that on which the prescribed notice of the requirement is given to them by the administrator.

(5) The administrator, if he thinks fit, may—

- (a) at any time release a person from an obligation imposed on him under paragraph (1) or (2), or
- (b) either when giving notice under paragraph (4) or subsequently, extend the period so mentioned;

and where the administrator has refused to exercise a power conferred by this paragraph, the High Court, if it thinks fit, may exercise it.

(6) If a person without reasonable excuse contravenes any obligation imposed under this Article, he shall be guilty of an offence and, for continued contravention, he shall be guilty of a continuing offence.

Administrator's proposals

Statement of proposals N.I.

35.—(1) Where an administration order has been made, the administrator shall, within 3 months (or such longer period as the High Court may allow) after the making of the order—

- (a) send to the registrar and (so far as he is aware of their addresses) to all creditors a statement of his proposals for achieving the purpose or purposes specified in the order, and
- (b) lay a copy of the statement before a meeting of the company's creditors summoned for the purpose on not less than 14 days' notice.

(2) The administrator shall also, within 3 months (or such longer period as the High Court may allow) from the making of the order, either—

- (a) send a copy of the statement (so far as he is aware of their addresses) to all members of the company, or
- (b) publish in the prescribed manner a notice stating an address to which members of the company should write for copies of the statement to be sent to them free of charge.

(3) If the administrator without reasonable excuse contravenes this Article, he shall be guilty of an offence and, for continued contravention, he shall be guilty of a continuing offence.

Consideration of proposals by creditors' meeting N.I.

36.—(1) A meeting of creditors summoned under Article 35 shall decide whether to approve the administrator's proposals.

(2) The meeting may approve the proposals with modifications, but shall not do so unless the administrator consents to each modification.

(3) Subject to paragraph (2), the meeting shall be conducted in accordance with the rules.

(4) After the conclusion of the meeting in accordance with the rules, the administrator shall report the result of the meeting to the High Court and shall give notice of that result to the registrar and to such persons as may be prescribed.

(5) If a report is given to the High Court under paragraph (4) that the meeting has declined to approve the administrator's proposals (with or without modifications), the Court may by order discharge the administration order and make such consequential provision as it thinks fit, or adjourn the hearing conditionally or unconditionally, or make an interim order or any other order that it thinks fit.

(6) Where the administration order is discharged, the administrator shall, within 14 days from the making of the order effecting the discharge, send an office copy of that order to the registrar.

(7) If the administrator without reasonable excuse contravenes paragraph (6), he shall be guilty of an offence and, for continued contravention, he shall be guilty of a continuing offence.

Approval of substantial revisions **N.I.**

37.—(1) This Article applies where—

- (a) proposals have been approved (with or without modifications) under Article 36, and
- (b) the administrator proposes to make revisions of those proposals which appear to him substantial.

(2) The administrator shall—

- (a) send to all creditors of the company (so far as he is aware of their addresses) a statement in the prescribed form of his proposed revisions, and
- (b) lay a copy of the statement before a meeting of the company's creditors summoned for the purpose on not less than 14 days' notice;

and he shall not make the proposed revisions unless they are approved by the meeting.

(3) The administrator shall also either—

- (a) send a copy of the statement (so far as he is aware of their addresses) to all members of the company, or
- (b) publish in the prescribed manner a notice stating an address to which members of the company should write for copies of the statement to be sent to them free of charge.

(4) The meeting of creditors may approve the proposed revisions with modifications, but shall not do so unless the administrator consents to each modification.

(5) Subject to paragraphs (2) and (4), the meeting shall be conducted in accordance with the rules.

(6) After the conclusion of the meeting in accordance with the rules, the administrator shall give notice of the result of the meeting to the registrar and to such persons as may be prescribed.

Miscellaneous

Creditors' committee **N.I.**

38.—(1) Where a meeting of creditors summoned under Article 35 has approved the administrator's proposals (with or without modifications), the meeting may, if it thinks fit, establish a committee ("the creditors' committee") to exercise the functions conferred on it by or under this Order.

(2) If such a committee is established, the committee may, on giving not less than 7 days' notice, require the administrator to attend before it at any reasonable time and furnish it with such information relating to the carrying out of his functions as it may reasonably require.

Protection of interests of creditors and members **N.I.**

39.—(1) At any time when an administration order is in force, a creditor or member of the company may apply to the High Court for an order under this Article on the ground—

- (a) that the company's affairs, business and property are being or have been managed by the administrator in a manner which is unfairly prejudicial to the interests of its creditors or members generally, or of some part of its creditors or members (including at least himself),
or

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Changes to legislation: The Insolvency (Northern Ireland) Order 1989, PART III is up to date with all changes known to be in force on or before 14 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)

- (b) that any actual or proposed act or omission of the administrator is or would be so prejudicial.
- (2) On an application for an order under this Article the High Court may, subject to paragraphs (3) and (4), make such order as it thinks fit for giving relief in respect of the matters complained of, or adjourn the hearing conditionally or unconditionally, or make an interim order or any other order that it thinks fit.
- (3) An order under this Article shall not prejudice or prevent—
- (a) the implementation of a voluntary arrangement approved under^{F30} Part II], or any compromise or arrangement sanctioned under Article 418 of the Companies Order; or
 - (b) where the application for the order was made more than 28 days from the approval of any proposals or revised proposals under Article 36 or 37, the implementation of those proposals or revised proposals.
- (4) Subject to paragraph (3), an order under this Article may in particular—
- (a) regulate the future management by the administrator of the company's affairs, business and property;
 - (b) require the administrator to refrain from doing or continuing an act complained of by the petitioner, or to do an act which the petitioner has complained he has omitted to do;
 - (c) require the summoning of a meeting of creditors or members for the purpose of considering such matters as the High Court may direct;
 - (d) discharge the administration order and make such consequential provision as the Court thinks fit.
- (5) Nothing in Article 28 is to be taken as prejudicing applications to the High Court under this Article.
- (6) Where the administration order is discharged, the administrator shall, within 14 days from the making of the order effecting the discharge, send an office copy of that order to the registrar; and if without reasonable excuse he contravenes this paragraph, he shall be guilty of an offence and, for continued contravention, he shall be guilty of a continuing offence.

F30 2002 NI 6

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