

Changes to legislation: *The Insolvency (Northern Ireland) Order 1989, Cross Heading: Distribution is up to date with all changes known to be in force on or before 07 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) View outstanding changes*

SCHEDULES

[^{F1}SCHEDULE B1 **N.I.**

ADMINISTRATION

- F1** Sch. B1 inserted (27.3.2006) by *Insolvency (Northern Ireland) Order 2005 (S.I. 2005/1455 (N.I. 10))*, arts. 1(3), 3(2), Sch. 1 (with art. 4); S.R. 2006/21, **art. 2** (with S.R. 2006/22, **arts. 2-7**)

Modifications etc. (not altering text)

- C1** Sch. B1 applied (with modifications) (1.10.2011) by *Postal Services Act 2011 (c. 5)*, ss. 73, 87(1)(2), 93(3), **Sch. 10 Pt. 1, Sch. 10 Pt. 2**
- C1** Sch. B1 applied (with modifications) by S.R. 1995/225, Sch. 2 (as amended (19.12.2018) by *The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244)*, arts. 1(2), **36** (with art. 3))
- C1** Sch. B1 modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by *The Bank Recovery and Resolution (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1350)*, regs. 1(4), **120** (with reg. 108)
- C1** Sch. B1 modified by S.R. 1995/225, art. 6, **Sch. 2** (as modified (28.12.2020 until IP completion day when the amending provision ceases to have effect in accordance with reg. 1(4) of the amending S.I.) by *The Bank Recovery and Resolution (Amendment) (EU Exit) Regulations 2020 (S.I. 2020/1350)*, regs. 1(4), **122(3)** (with reg. 108))
- C2** Sch. B1 applied (with modifications) (4.1.2024) by S.I. 2021/716, **Sch. 2A para. 6** (as inserted by *The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399)*, reg. 1(2), **Sch. 2**)

FUNCTIONS OF ADMINISTRATOR

Distribution

[
^{F2}**65A.**—(1) This paragraph applies where a company enters administration before the end of the period of 12 weeks beginning with the day after the end of any moratorium under Part 1A.

- (2) The administrator must make a distribution to the creditors of the company in respect of—
- moratorium debts (within the meaning given by Article 148A), and
 - priority pre-moratorium debts (within the meaning given by Article 148A).
- (3) A sum payable under sub-paragraph (2) is to be paid in priority to—
- any security to which paragraph 71 applies;
 - any sums payable under paragraph 100.
- (4) The administrator must realise any property necessary to comply with sub-paragraph (2).

(5) The rules may make provision as to the order in which the moratorium and priority pre-moratorium debts rank among themselves for the purposes of this paragraph in a case where the assets of the company are insufficient to meet them in full.]

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- F2** Sch. B1 para. 65A inserted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 7 para. 27(3)** (with ss. 2(2), 5(2))

Modifications etc. (not altering text)

- C1** Sch. B1 para. 65A applied (18.7.2020) by S.I. 1999/2979, reg. 14(5) (as amended by The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) (Amendment) and Consequential Amendments Order 2020 (S.I. 2020/744), arts. 1, **14(2)(d)**)

66.—^[F3](1) If the assets of a company are sufficient to meet any debts or other liabilities payable under paragraph 65A in full, the administrator of the company may make a distribution to any other creditor of the company.]

(2) ^[F4]Articles 149 and 150ZZA] shall apply in relation to a distribution under this paragraph as ^[F5]they apply] in relation to a winding up.

(3) A payment may not be made by way of distribution under this paragraph to a creditor of the company who is neither secured nor preferential unless the High Court gives permission.

- F3** Sch. B1 para. 66(1) substituted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 7 para. 27(4)** (with ss. 2(2), 5(2))

- F4** Words in Sch. B1 para. 66(2) substituted (19.12.2018) by The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), **31(2)(a)** (with art. 3)

- F5** Words in Sch. B1 para. 66(2) substituted (19.12.2018) by The Banks and Building Societies (Priorities on Insolvency) Order 2018 (S.I. 2018/1244), arts. 1(2), **31(2)(b)** (with art. 3)

Modifications etc. (not altering text)

- C3** Sch. B1 para. 66(1) modified (06.03.2008) by The Regulated Covered Bonds Regulations 2008 (S.I. 2008/346), reg. 1(1), **Sch. para. 9(2)(a)**

- C4** Sch. B1 para. 66 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)

- C5** Sch. B1 para. 66 applied (with modifications) (4.1.2024) by S.I. 2021/716, **Sch. 2A para. 6** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), reg. 1(2), **Sch. 2**)

- C6** Sch. B1 para. 66(2) applied by Financial Markets and Insolvency (Settlement Finality) Regulations 1999 (S.I. 1999/2979), **reg. 14(5)(a)(i)** (as substituted (1.10.2009) by Financial Markets and Insolvency (Settlement Finality) (Amendment) Regulations 2009 (S.I. 2009/1972), **reg. 4(d)(ii)**)

67. ^[F6]If the debts or other liabilities payable under paragraph 65A have been met, the administrator of a company] may make a payment otherwise than in accordance with paragraph 66 or paragraph 14 of Schedule 1 if he thinks it likely to assist achievement of the purpose of administration.]

- F6** Words in Sch. B1 para. 67 substituted (26.6.2020) by Corporate Insolvency and Governance Act 2020 (c. 12), s. 49(1), **Sch. 7 para. 27(5)** (with ss. 2(2), 5(2))

Modifications etc. (not altering text)

- C7** Sch. B1 para. 67 modified (06.03.2008) by The Regulated Covered Bonds Regulations 2008 (S.I. 2008/346), reg. 1(1), **Sch. para. 9(2)(a)**

Document Generated: 2024-07-07

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C8 Sch. B1 para. 67 applied (with modifications) (4.1.2024) by S.I. 2021/716, **reg. 37A** (as inserted by The Payment and Electronic Money Institution Insolvency (Amendment) Regulations 2023 (S.I. 2023/1399), regs. 1(2), **12**)

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Changes and effects yet to be applied to :

- Instrument amended by [1998 c. 11 s. 23 Sch. 5 Pt.1 Ch. 3 para. 40](#)
- Instrument amended (prosp) by [S.I. 1994/279 \(N.I.\) art. 26\(1\)Sch. 2 para. 15](#)

Changes and effects yet to be applied to the whole Order associated Parts and Chapters:

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch. 9 Pt. 2 para. 66 revoked by [1996 c. 23 s. 107\(2\)Sch. 4](#) (Amendment could not be applied. The relevant affected text is not available on [legislation.gov.uk](#))
- art. 2B inserted by [2016 c. 2 \(N.I.\) s. 2\(1\)](#)
- art. 208ZA applied (with modifications) by S.I. 2021/716, reg. 37A (as inserted) by [S.I. 2023/1399 reg. 12](#) (This amendment not applied to [Legislation.gov.uk](#). S. 208ZA is inserted by the Insolvency (Amendment) Act (Northern Ireland) 2016 (c. 2), s. 1(1) which is currently prospective.)
- art. 208ZA-208ZB inserted by [2016 c. 2 \(N.I.\) s. 1\(1\)](#)
- art. 208ZB applied (with modifications) by S.I. 2021/716, reg. 37A (as inserted) by [S.I. 2023/1399 reg. 12](#) (This amendment not applied to [Legislation.gov.uk](#). S. 208ZB is inserted by the Insolvency (Amendment) Act (Northern Ireland) 2016 (c. 2), s. 1(1) which is currently prospective.)
- art. 345A-345B inserted by [2016 c. 2 \(N.I.\) s. 1\(2\)](#)