
STATUTORY RULES OF NORTHERN IRELAND

2015 No. 262

The Insolvency (Amendment) Rules (Northern Ireland) 2015

New Chapter in Part 7

28. After Rule 7.13 insert—

“CHAPTER 2A

BLOCK TRANSFER OF CASES WHERE
INSOLVENCY PRACTITIONER HAS DIED ETC.

Preliminary and interpretation

7.13A.—(1) The Rules in this Chapter relate to applications for a block transfer order.

(2) In this Chapter—

“outgoing office-holder” has the meaning in Rule 7.13B(1),

“replacement office-holder” has the meaning in Rule 7.13B(1),

“block transfer order” has the meaning in Rule 7.13B(2),

“substantive application” is that part of the application in Rule 7.13C(1)(a) and (b).

Power to make a block transfer order

7.13B.—(1) This Rule applies where an individual who is acting as an office-holder (“the outgoing office-holder”)—

(a) dies,

(b) retires from practice, or

(c) is otherwise unable or unwilling to continue in office,

and the court finds that it is expedient to make an order to transfer by way of a single transaction some or all of the cases in which the outgoing office-holder holds office (“a block transfer order”) to one or more office-holders (“the replacement office-holder”).

(2) In a case to which this Rule applies the court has the power to make an order, appointing a replacement office-holder in the place of the outgoing office-holder to be—

(a) liquidator in any winding up (including a case where the official receiver is the liquidator by virtue of Article 116 of the Order),

(b) administrator in any administration,

(c) trustee in a bankruptcy (including a case where the official receiver is the trustee by virtue of Article 273 of the Order), or

(d) supervisor of a voluntary arrangement under Part II or VIII of the Order.

(3) The replacement office-holder shall be—

(a) qualified to act as an insolvency practitioner, or

- (b) where the replacement office-holder is to be appointed supervisor of a voluntary arrangement under Part II or VIII of the Order—
 - (i) qualified to act as an insolvency practitioner, or
 - (ii) a person authorised so to act.

Application for a block transfer order

- 7.13C.**—(1) An application for a block transfer order may be made to the court for—
- (a) the removal of the outgoing office-holder for the cases specified in the schedule under paragraph (8) by the exercise of any of the powers in paragraph (2);
 - (b) the appointment of a replacement office-holder by the exercise of any of the powers in paragraph (3); and
 - (c) such other order or direction as may be necessary or expedient in connection with the application.
- (2) The powers referred to in paragraph (1)(a) are—
- (a) Article 146(2) and Rule 7.13B(2) (winding up by the court);
 - (b) Article 94 (voluntary liquidation);
 - (c) Article 31, paragraph 89 of Schedule B1 to the Order and Rule 7.13B(2) (administration);
 - (d) Article 271 and Rule 7.13B(2) (bankruptcy);
 - (e) Article 20(5) and paragraph 49(6) of Schedule A1 to the Order (voluntary arrangement under Part II of the Order); and
 - (f) Article 237(5) (voluntary arrangement under Part VIII of the Order).
- (3) The powers referred to in paragraph (1)(b) are—
- (a) Article 143(3) and (5) and Rule 7.13B(2) (winding up by the court);
 - (b) Article 94 (voluntary liquidation);
 - (c) Article 26, paragraphs 64, 92 and 96 of Schedule B1 to the Order and Rule 7.13B(2) (administration);
 - (d) Articles 271 and 276(2) and Rule 7.13B(2) (bankruptcy);
 - (e) Article 20(5) and paragraph 49(6) of Schedule A1 to the Order (voluntary arrangement under Part II of the Order); and
 - (f) Article 237(5) (voluntary arrangement under Part VIII of the Order).
- (4) Subject to paragraph (5), the application may be made by any of the following—
- (a) the outgoing office-holder (if able and willing to do so);
 - (b) any person who holds office jointly with the outgoing office-holder;
 - (c) any person who is proposed to be appointed as the replacement office-holder;
 - (d) any creditor in a case subject to the application;
 - (e) the recognised professional body or recognised body by which the outgoing office-holder is or was authorised; or
 - (f) the Department.
- (5) Where any outgoing office-holder in the schedule under paragraph (8) is an administrator, an application may not be made unless a person permitted to apply to replace that office-holder under Article 26, paragraph 64, 92 or 96 of Schedule B1 to the Order is the applicant or is joined as applicant in respect of the replacement of that office-holder.

- (6) An applicant (other than the Department) shall give notice of the application to the Department at least 5 business days before the hearing of the application.
- (7) The following shall be made a respondent to the application and served with it—
 - (a) the outgoing office-holder (if not the applicant or deceased);
 - (b) every person who holds office jointly with the outgoing office-holder; and
 - (c) such person as the court directs.
- (8) The application shall contain a schedule setting out—
 - (a) the name of each case;
 - (b) the case number (if any); and
 - (c) the capacity in which the outgoing office-holder was appointed.
- (9) The application shall be supported by evidence—
 - (a) setting out the circumstances which gave rise to it being expedient to appoint a replacement office-holder; and
 - (b) exhibiting the written consent to act of each person who is proposed to be appointed as replacement office-holder.

Action following application for a block transfer order

7.13D.—(1) The court may in the first instance consider the application without a hearing and make such order as the court thinks fit.

- (2) In the first instance, the court may do any of the following—
 - (a) if the documents are considered to be in order and that the matter is straightforward, make an order on the substantive application;
 - (b) give any directions which are considered to be necessary including (if appropriate) directions for the joinder of any additional respondents or requiring the service of the application on any person or requiring additional evidence to be provided; or
 - (c) if an order is not made on the substantive application, adjourn the matter for the further consideration of the substantive application by the court.
- (3) In any case other than an application relating to the appointment of an administrator, in deciding to what extent (if any) the costs of making an application under this Rule should be paid as an expense of the insolvency proceedings to which the application relates, the factors to which the court shall have regard include—
 - (a) the reasons for the making of the application;
 - (b) the number of cases to which the application relates;
 - (c) the value of assets comprised in those cases; and
 - (d) the nature and extent of the costs involved.
- (4) Where an application relates to the appointment of an administrator and is made by a person under Article 26, paragraph 64, 92 or 96 of Schedule B1 to the Order, the costs of making that application are to be paid as an expense of the administration to which the application relates unless the court directs otherwise.
- (5) Any appointment made under this Rule shall be notified—
 - (a) forthwith to the Department; and
 - (b) to—
 - (i) the creditors, and

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(ii) such other persons as the court may direct,
in such manner as the court may direct.”.