

2002 No. 2710

**INSOLVENCY
INSOLVENCY PRACTITIONERS**

**The Insolvency Practitioners (Amendment)
Regulations 2002**

<i>Made</i> - - - - -	<i>29th October 2002</i>
<i>Laid before Parliament</i>	<i>29th October 2002</i>
<i>Coming into force</i> - -	<i>1st January 2003</i>

The Secretary of State in exercise of the powers conferred on her by sections 390 and 419 of the Insolvency Act 1986(a) hereby makes the following Regulations:—

Citation and commencement

1. These Regulations may be cited as the Insolvency Practitioners (Amendment) Regulations 2002 and shall come into force on 1st January 2003.

Amendments to the 1990 Regulations

2.—(1) Subject to paragraph (2), the Insolvency Practitioners Regulations 1990(b) (“the 1990 Regulations”) are amended as set out below.

(2) In relation to a case where—

- (a) a proposal is made by the directors of a company and before the appointed day the intended nominee has endorsed a copy of the written notice of the proposal under Rule 1.4(3) of the Insolvency Rules 1986(c), or, in Scotland, under Rule 1.4(3) of the Insolvency (Scotland) Rules 1986(d);
- (b) a proposal is made by the liquidator or the administrator (acting as nominee) and before the appointed day the liquidator or administrator (as the case may be) has sent out a notice summoning the meetings under section 3 of the Act as required by Rule 1.11 of the Insolvency Rules 1986, or, in Scotland, by Rule 1.11 of the Insolvency (Scotland) Rules 1986; or
- (c) a proposal is made by the liquidator or the administrator of a company (not acting as the nominee) and before the appointed day the intended nominee has endorsed a copy of the written notice of the proposal under Rule 1.12(2) of the Insolvency Rules 1986, or, in Scotland, Rule 1.12(2) of the Insolvency (Scotland) Rules 1986,

the amendments made by these Regulations shall not apply and the 1990 Regulations as they stand immediately before the coming into force of these Regulations shall continue to apply.

(a) 1986 c. 45; Section 390 of the Insolvency Act 1986 was amended by section 8 of, and paragraph 16 of Schedule 4 to, the Insolvency Act 2000 (c. 39) and by section 88(2) of, and paragraph 18 of Schedule 5 to, the Adults with Incapacity (Scotland) Act 2000.

(b) S.I. 1990/439 as amended by S.I. 1993/221.

(c) S.I. 1986/1925.

(d) S.I. 1986/1915.

3. In regulation 13 of the 1990 Regulations, after paragraph (d) there is inserted—
“or
(e) a nominee in relation to a voluntary arrangement under Part I or Part VIII of the Act who subsequently becomes supervisor of the arrangement;”.
4. In regulation 15A of the 1990 Regulations, after paragraph (2) there is inserted—
“(3) In this regulation a reference to an insolvency practitioner obtaining his release or discharge includes any case where the insolvency practitioner—
(a) has acted as nominee in relation to a voluntary arrangement under Part I or Part VIII of the Act; and
(b) is replaced by another insolvency practitioner (whether acting as nominee or supervisor in relation to the voluntary arrangement in question).”.
5. In Part II of Schedule 2 to the 1990 Regulations—
(a) after paragraph 1(a)(x) there is inserted—
“(xi) a nominee in relation to a voluntary arrangement proposed under Parts I or VIII of the Act;” ; and
(b) for the words “and (x)” in paragraph 2(a) there is substituted “, (x) and (xi)”.

Melanie Johnson,
Parliamentary Under-Secretary of State for
Competition, Consumers and Markets,
Department of Trade and Industry

29th October 2002

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make amendments to the Insolvency Practitioners Regulations 1990 in the light of the amendments made by section 4 of the Insolvency Act 2000 to section 388 of the Insolvency Act 1986 which defines the meaning of “act as an insolvency practitioner”. The requirements of the 1990 Regulations relating to security or caution are extended to cover cases where a person acts as a nominee in relation to a voluntary arrangement under Part I or Part VIII of the Insolvency Act 1986.

The costs to business of the commencement of the above-mentioned provisions of the Insolvency Act 2000 are detailed in the Regulatory Impact Assessment prepared for that Act. Copies of the Assessment are available from the Policy Unit, The Insolvency Service, 21 Bloomsbury Street, London WC1B 3QW

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