#### SCHEDULE 3

Regulation 5

#### MODIFICATIONS TO THE 1989 ORDER

Provisions Modifications

### **Article 2 (general interpretation)(1)**

paragraph (2)

The following expressions and definitions shall be added –

""designated member" has the same meaning as it has in the Limited Liability Partnerships Act (Northern Ireland) 2002; "limited liability partnership" means a limited liability partnership formed and registered under the Limited Liability Partnerships Act (Northern Ireland) 2002; "limited liability partnership agreement", in relation to a limited liability partnership, means any agreement, express or implied, made between the members of the limited liability partnership or between the limited liability partnership and the members of the limited liability partnership which determines the mutual rights and duties of the members, and their rights and duties in relation to the limited liability partnership;".

### **Article 3** ("act as insolvency practitioner")(2)

paragraph (2)

Omit paragraph (2).

paragraph (3)

Omit paragraph (3).

paragraph (4)

Delete

""company" means a company within the meaning given by Article 3(1) of the Companies Order or a company which may be wound up under Part VI of this Order (unregistered companies) or a building society within the meaning of the Building Societies Act 1986".

#### Article 4 ("associate")

new paragraph (3A)

Insert a new paragraph (3A) as follows –

"(3A) A member of a limited liability partnership is an associate of that limited liability partnership and of every other member of that limited liability partnership and of the husband

<sup>(1)</sup> Article 2 was amended by S.R. 1991 No. 366, S.R. 1995 No. 225, S.R. 2002 No. 223 and Article 3 of, and paragraph 2 of Schedule 1 to, the Insolvency (Northern Ireland) Order 2002 (S.I.2002/3152 (N.I. 6))

<sup>(2)</sup> Article 3 was amended by Article 6(1) of the Insolvency (Northern Ireland) Order 2002 and by S.R. 2002 No. 334

Provisions	Modifications
	or wife or relative of every other member of that limited liability partnership.".
paragraph (11)	For paragraph (11) substitute the following –
	"(11) In this Article "company" includes any body corporate (whether incorporated in Northern Ireland or elsewhere); and references to directors and other officers of a company and to voting power at any general meeting of a company have effect with any necessary modifications."
Article 5 (interpretation)	
paragraph (1)	In paragraph (1), omit –  ""a resolution for voluntary winding up" means a resolution passed under any of the sub-paragraphs of Article 70(1);".
	After the definition of "shadow director" insert the following –  ""shadow member", in relation to a limited liability partnership, means a person in accordance with whose directions or instructions the members of the limited liability partnership are accustomed to act (but so that a person is not deemed a shadow member by reason only that the members of the limited liability partnership act on advice given by him in a professional capacity);".
Article 6 ("insolvency" and "go into liquidation")(3)	
paragraph (2)	For "passes a resolution for voluntary winding up" substitute "makes a determination that it be wound up voluntarily" and for "passing such a resolution" substitute "making such a determination".
Article 7 ("connected with a company")	For the existing words substitute –
	"7. For the purposes of any provision in Parts II to VII, a person is connected with a company (including a limited liability partnership) if –
	(a) he is a director or shadow director of the company or an

associate of such a director or shadow director (including a member or a shadow member of a limited liability partnership

<sup>(3)</sup> Article 6 was amended by S.R. 2002 No. 334

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Provisions	Modifications
	or an associate of such a member or shadow member); or
	(b) he is an associate of the company or of the limited liability partnership.".
Article 8 ("member of a company")	Delete Article 8.
Article 9 (interpretation for Parts VIII to $\boldsymbol{X}$ )	Delete Article 9.
Article 10 ("security", etc.)	Delete Article 10.
Article 11 ("bankrupt's estate")	Delete Article 11.
Article 13 ("contributory")	
paragraph (1)	In paragraph (1), for "every person" substitute "(a) every present member of the limited liability partnership and (b) every past member of the limited liability partnership".
paragraph (2)	After "Article 178 (wrongful trading)" insert "or 178A (adjustment of withdrawals)".
paragraphs (3) and (4)	Delete paragraphs (3) and (4).
Article 14 (those who may propose an arrangement)(4)	
paragraph (1)	For "The directors of a company" substitute "A limited liability partnership" and delete "to the company and".
paragraph (3)	At the end, add "but where a proposal is so made it must also be made to the limited liability partnership".
Article 14A (moratorium)(5)	
paragraph (1)	In paragraph (1), for "the directors of an eligible company intend" substitute "an eligible limited liability partnership intends". For "they" substitute "it".
The following modifications to Articles 15 to 20 apply where a proposal under Article 14 has	

The following modifications to Articles 15 to 20 apply where a proposal under Article 14 has been made by the limited liability partnership.

# Article 15 (procedure where the nominee is not the liquidator or administrator)(6)

paragraph (1) In paragraph (1), for "the directors do" substitute "the limited liability partnership does".

<sup>(4)</sup> Article 14 was amended by S.R. 2002 No. 334 and Article 4 of, and paragraph 2 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002

<sup>(5)</sup> Article 14A was inserted by Article 3 of, and paragraph 3 of Schedule 1 to, the Insolvency (Northern Ireland) Order 2002

<sup>(6)</sup> Article 15 was amended by Articles 3 and 4 of, and paragraph 4 of Schedule 1 and paragraph 3 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002

Provisions	Modifications
paragraph (2)	In sub-paragraph (aa), for "meetings of the company and of its creditors" substitute "a meeting of the creditors of the limited liability partnership";
	In sub-paragraph (b), for the first "meetings" substitute "a meeting" and for the second "meetings" substitute "meeting".
paragraph (3)	For "the person intending to make the proposal" substitute "the designated members of the limited liability partnership".
paragraph (4)	In sub-paragraph (a), for "the person intending to make the proposal" substitute "the designated members of the limited liability partnership".
	In sub-paragraph (b), for "that person" substitute "those designated members".
Article 16 (summoning of meetings)	
paragraph (1)	For "such meetings as are mentioned in Article 15(2)" substitute "a meeting of creditors" and for "those meetings" substitute "that meeting".
paragraph (2)	Delete paragraph (2).
Article 17 (decisions of meetings)(7)	
paragraph (1)	For "meetings" substitute "meeting".
paragraph (5)	For "each of the meetings" substitute "the meeting".
new paragraph (5A)	Insert a new paragraph (5A) as follows —  "(5A) If modifications to the proposal are proposed at the meeting the chairman of the meeting shall, before the conclusion of the meeting, ascertain from the limited liability partnership whether or not it accepts the proposed modifications; and if at that conclusion the limited liability partnership has failed to respond to a proposed modification it shall be presumed not to have agreed to it.".
paragraph (6)	For "either" substitute "the"; after "the result of the meeting", in the first place where it occurs, insert "(including, where modifications to the proposal were proposed at the meeting, the response to those proposed modifications made by the limited liability partnership)";

<sup>(7)</sup> Article 17 was amended by Article 4 of, and paragraph 4 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002

Provisions	Modifications
	and at the end, add "and to the limited liability partnership".
Article 17A (approval of arrangement)(8)	
paragraph (2)	Delete "(a)". For "both meetings" substitute "the meeting" and delete from ", or" to "that Article".
paragraphs (3) to (6)	Delete these paragraphs.
Article 18 (effect of approval)(9)	
paragraph (4)	In sub-paragraph (a), for "each of the reports" substitute "the report".
Article 19 (challenge of decisions)(10)	
paragraph (1)	In sub-paragraph (b), for "either of the meetings" substitute "the meeting".
paragraph (2)	In sub-paragraph (a), for "either of the meetings" substitute "the meeting" and after sub-paragraph (aa) add a new sub-paragraph (ab) as follows –
	"(ab) any member of the limited liability partnership; and".
	Omit the word "and" at the end of subparagraph (b).
	Omit sub-paragraph (c).
paragraph (3)	In sub-paragraph (a), for "each of the reports" substitute "the report".
paragraph (4)	For paragraph (4) substitute the following –
	"(4) Where on such an application the High Court is satisfied as to either of the grounds mentioned in paragraph (1), it may do one or both of the following namely –
	<ul> <li>(a) revoke or suspend any decision approving the voluntary arrangement which has effect under Article 17A;</li> </ul>
	(b) give a direction to any person for the summoning of a further meeting to consider any revised proposal the limited liability partnership may make or, in a case falling within

<sup>(8)</sup> Article 17A was inserted by Article 4 of, and paragraph 5 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002

<sup>(9)</sup> Article 18 was amended by Articles 4 and 13 of, and paragraph 6 of Schedule 2 and Schedule 4 to, the Insolvency (Northern Ireland) Order 2002

<sup>(10)</sup> Article 19 was amended by Article 4 of, and paragraph 7 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002

Provisions	Modifications
	paragraph (1)(b), a further meeting to consider the original proposal.".
paragraph (5)	For "meetings" substitute "a meeting" and for "person who made the original proposal" substitute "limited liability partnership".
Article 19A (false representations, etc)(11)	
paragraph (1)	Omit "members or".
Article 20 (implementation of proposal)(12)	
paragraph (2)	In sub-paragraph (a), for "one or both of the meetings" substitute "the meeting".
The following modifications to Articles 15 and has been made, where an administration order is partnership, by the administrator or, where the liquidator.	
Article 15 (procedure where nominee is not the liquidator or administrator)	
paragraph (2)	In sub-paragraph (aa), for "meetings of the company" substitute "meetings of the members of the limited liability partnership".
Article 16 (summoning of meetings)	
paragraph (2)	For "meetings of the company" substitute "a meeting of the members of the limited liability partnership".
Article 21 (power of High Court to make order)(13)	
paragraphs (4) to (6)	Omit paragraphs (4) to (6).
Article 22 (application for order)(14)	
paragraph (1)	Delete ", or the directors".
Article 23 (effect of application)(15)	
paragraph (1)	In sub-paragraph (a), for "no resolution may be passed" to the end of the sub-paragraph substitute "no determination may be made or order made for the winding up of the limited liability partnership;".
Article 24 (effect of order)(16)	

<sup>(11)</sup> Article 19A was inserted by Article 4 of, and paragraph 8 of Schedule 2 to, the Insolvency (Northern Ireland) Order

<sup>(12)</sup> Article 20 was amended by Article 4 of, and paragraph 9 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002

<sup>(13)</sup> Article 21 was amended by S.I. 2001/3649, S.R. 2002 No. 334 and S.I. 2002/1555

<sup>(14)</sup> Article 22 was amended by Article 26(1) of, and paragraph 15 of Schedule 2 to, the Criminal Justice (Northern Ireland) Order 1994 (S.I. 1994/2795 (N.I. 15))

<sup>(15)</sup> Article 23 was amended by Article 7(2) of the Insolvency (Northern Ireland) Order 2002
(16) Article 24 was amended by Article 7(3) of the Insolvency (Northern Ireland) Order 2002

Provisions	Modifications
paragraph (3)	In sub-paragraph (a), for "no resolution may be passed" to the end of the sub-paragraph substitute "no determination may be made or order made for the winding up of the limited liability partnership;".
Article 26 (appointment of administrator)	
paragraph (3)	In sub-paragraph (c), delete "or the directors".
Article 27 (general powers)	
paragraph (2)	For sub-paragraph (a) substitute –
	"(a) to prevent any person from taking part in the management of the business of the limited liability partnership and to appoint an person to be a manager of the business, and";
	and at the end add the following –  "Paragraphs (3) and (4) of Article 78 sha apply for the purposes of this paragraph as they apply for the purposes of that Article.".
Article 60 (alternative modes of winding up)	
paragraph (1)	Delete ", within the meaning given by Article 3 of the Companies Order,".
Article 61 (liability as contributories of	For Article 61, substitute the following –
present and past members)	"61. When a limited liability partnership is wound up every preser and past member of the limited liability partnership who has agreed with the other members or with the limited liability partnership that he will, in circumstance which have arisen, be liable to contribute to the assets of the limited liability partnership in the event that the limited liability partnership goes into liquidational liable, to the extent that he has so agreed to contribute to its assets to any amount sufficient for payment of its debts and liabilities, and the expenses of the winding up, and for the adjustment of the rights of the contributories among themselves.
	However, a past member shall only be liable if the obligation arising from such agreement survived his ceasing to

partnership.".

such agreement survived his ceasing to be a member of the limited liability

Provisions	Modifications
Articles 62 to 65	Delete Articles 62 to 65.
Article 69 (companies registered under Companies Order, Part XXII, Chapter II)	Delete Article 69.
Article 70 (circumstances in which company may be wound up voluntarily)	
paragraph (1)	For paragraph (1) substitute the following –
	"(1) A limited liability partnership may be wound up voluntarily when it determines that it is to be wound up voluntarily.".
paragraph (2)	For paragraph (2) substitute the following –
	"(2) Within 15 days after a limited liability partnership has determined that it be wound up there shall be forwarded to the registrar either a printed copy or else a copy in some other form approved by the registrar of the determination.".
new paragraph (3)	After paragraph (2), insert a new paragraph (3)
	"(3) If a limited liability partnership fails to comply with this Article the limited liability partnership and every designated member of it who is in default is liable on summary conviction to a fine not exceeding level 3 on the standard scale.".
Article 71 (notice of resolution to wind up voluntarily)	
paragraph (1)	For paragraph (1) substitute the following –
	"(1) When a limited liability partnership has determined that it shall be wound up voluntarily, it shall within 14 days after the making of the determination give notice of the determination by advertisement in the Belfast Gazette."
Article 72 (commencement of voluntary	For Article 72, substitute the following –
winding up)	"72. A voluntary winding up is deemed to commence at the time when the limited liability partnership determines that it be wound up voluntarily.".
Article 73 (effect on business and status of company)	
paragraph (2)	In paragraph (2), for "articles" substitute "limited liability partnership agreement".
Article 74 (avoidance of share transfers, etc, after winding-up resolution)	For "shares" substitute "the interest of any member in the property of the limited liability partnership".

Provisions	Modifications
Article 75 (statutory declaration of solvency)	For "director(s)" wherever it appears substitute "designated member(s)";
paragraph (2)	For sub-paragraph (a) substitute the following –
	"(a) it is made within the 5 weeks immediately preceding the date when the limited liability partnership determined that it be wound up voluntarily or on that date but before the making of the determination, and".
paragraph (3)	For "the resolution for winding up is passed" substitute "the limited liability partnership determined that it be wound up voluntarily".
paragraph (5)	For "in pursuance of a resolution passed" substitute "voluntarily".
Article 76 (distinction between "members'" and "creditors'" voluntary winding up)	For "directors" substitute "designated members".
Article 77 (appointment of liquidator)	
paragraph (1)	Delete "in general meeting".
paragraph (2)	For paragraph (2) substitute the following –
	"(2) On the appointment of a liquidator the powers of the members of the limited liability partnership shall cease except to the extent that a meeting of the members of the limited liability partnership summoned for the purpose or the liquidator sanctions their continuance."
new paragraph (3)	After paragraph (2), insert the following –
	"(3) Paragraphs (3) and (4) of Article 78 shall apply for the purposes of this Article as they apply for the purposes of that Article.".
Article 78 (power to fill vacancy in office of liquidator)	
paragraph (1)	For "the company in general meeting" substitute "a meeting of the members of the limited liability partnership summoned for the purpose".
paragraph (2)	For "a general meeting" substitute "a meeting of the members of the limited liability partnership".
paragraph (3)	In paragraph (3), for "articles" substitute "limited liability partnership agreement".
new paragraph (4)	After paragraph (3), insert the following –
	"(4) The quorum required for a meeting of the members of the limited liability partnership

Provisions	Modifications
	shall be any quorum required by the limited liability partnership agreement for meetings of the members of the limited liability partnership and if no requirement for a quorum has been agreed upon the quorum shall be 2 members.".
Article 79 (general company meeting at each year's end)	
paragraph (1)	For "a general meeting of the company" substitute "a meeting of the members of the limited liability partnership".
new paragraph (4)	After paragraph (3), insert the following –
	"(4) Paragraphs (3) and (4) of Article 78 shall apply for the purposes of this Article as they apply for the purposes of that Article.".
Article 80 (final meeting prior to dissolution)	
paragraph (1)	For "a general meeting of the company" substitute "a meeting of the members of the limited liability partnership".
new paragraph (5A)	After paragraph (5), insert the following –
	"(5A) Paragraphs (3) and (4) of Article 78 shall apply for the purposes of this Article as they apply for the purposes of that Article."
paragraph (6)	For "a general meeting of the company" substitute "a meeting of the members of the limited liability partnership".
Article 81 (effect of company's insolvency)	
paragraph (1)	For "directors" substitute "designated members".
paragraph (6)	For paragraph (6) substitute the following –
	"(6) In this Article "the relevant period" means the period of 6 months immediately preceding the date on which the limited liability partnership determined that it be wound up voluntarily."
Article 82 (conversion to creditors' voluntary winding up)	
paragraph (a)	For "directors" substitute "designated members".
paragraph (b)	Substitute a new paragraph (b) as follows –
	"(b) the creditors' meeting was the meeting mentioned in Article 84;".
Article 84 (meeting of creditors)	
paragraph (1)	For sub-paragraph (a) substitute the following –

Provisions	Modifications
	"(a) cause a meeting of its creditors to be summoned for a day not later than 14 days from the day on which the limited liability partnership determines that it be wound up voluntarily;".
paragraph (4)	For "were sent the notices summoning the company meeting at which it was resolved that the company be wound up voluntarily" substitute "the limited liability partnership determined that it be wound up voluntarily".
Article 85 (directors to lay statement of affairs before creditors)	
paragraph (1)	For "the directors of the company" substitute "the designated members" and for "the director so appointed" substitute "the designated member so appointed".
paragraph (2)	For "directors" substitute "designated members".
paragraph (3)	For the word "directors" wherever it occurs substitute "designated members" and for the word "director" wherever it occurs substitute "designated member".
Article 86 (appointment of liquidator)	
paragraph (1)	For "The creditors and the company at their respective meetings mentioned in Article 84" substitute "The creditors at their meeting mentioned in Article 84 and the limited liability partnership".
paragraph (3)	Delete "director,".
Article 87 (appointment of liquidation committee)	
paragraph (2)	For paragraph (2) substitute the following – "(2) If such a committee is appointed, the limited liability partnership may, when it determines that it be wound up voluntarily or at any time thereafter, appoint such number of persons as they think fit to act as members of the committee, not exceeding 5.".
Article 91 (meetings of company and creditors at each year's end)	
paragraph (1)	For "a general meeting of the company" substitute "a meeting of the members of the limited liability partnership".
new paragraph (5)	After paragraph (4) insert the following –

"(5) Paragraphs (3) and (4) of Article 78 shall apply for the purposes of this Article as they apply for the purposes of that Article."

#### **Article 92 (final meeting prior to dissolution)**

paragraph (1)

For a "general meeting of the company" substitute "a meeting of the members of the limited liability partnership".

new paragraph (5A)

After paragraph (5), insert the following –

"(5A) Paragraphs (3) and (4) of Article 78 shall apply for the purposes of this Article as they apply for the purposes of that Article."

paragraph (6)

For "a general meeting of the company" substitute "a meeting of the members of the limited liability partnership".

Article 96 (acceptance of shares, etc., as consideration for sale of company's property)

For Article 96 substitute the following –

- "96.—(1) This Article applies, in the case of a limited liability partnership proposed to be, or being, wound up voluntarily, where the whole or part of the limited liability partnership's business or property is proposed to be transferred or sold to another company whether or not it is a company within the meaning of the Companies Order ("the transferee company") or to a limited liability partnership ("the transferee limited liability partnership").
- (2) With the requisite sanction, the liquidator of the limited liability partnership being, or proposed to be, wound up ("the transferor limited liability partnership") may receive, in compensation or part compensation for the transfer or sale, shares, policies or other like interests in the transferee company or the transferee limited liability partnership for distribution among the members of the transferor limited liability partnership.
- (3) The sanction required under paragraph (2) is
  - (a) in the case of a members' voluntary winding up, that of a determination of the limited liability partnership at a meeting of the members of the limited liability partnership conferring either a general

authority on the liquidator or an authority in respect of any particular arrangement, (paragraphs (3) and (4) of Article 78 to apply for this purpose as they apply for the purposes of that Article), and

- (b) in the case of a creditors' voluntary winding up, that of either the High Court or the liquidation committee.
- (4) Alternatively to paragraph (2), the liquidator may (with that sanction) enter into any other arrangement whereby the members of the transferor limited liability partnership may, in lieu of receiving cash, shares, policies or other like interests (or in addition thereto), participate in the profits, or receive any other benefit from the transferee company or the transferee limited liability partnership.
- (5) A sale or arrangement in pursuance of this Article is binding on members of the transferor limited liability partnership.
- (6) A determination by the limited liability partnership is not invalid for the purposes of this Article by reason that it is made before or concurrently with a determination by the limited liability partnership that it be wound up voluntarily or for appointing liquidators; but, if an order is made within a year for winding up the limited liability partnership by the High Court, the determination by the limited liability partnership is not valid unless sanctioned by the Court."

## Article 97 (dissent from arrangement under Article 96)

paragraphs (1) to (3)

For paragraphs (1) to (3) substitute the following –

- "(1) This Article applies in the case of a voluntary winding up where, for the purposes of Article 96(2) or (4), a determination of the limited liability partnership has provided the sanction requisite for the liquidator under that Article.
- (2) If a member of the transferor limited liability partnership who did not vote in favour of providing the sanction required for the liquidator

under Article 96 expresses his dissent from it in writing addressed to the liquidator and left at the registered office of the limited liability partnership within 7 days after the date on which that sanction was given, he may require the liquidator either to abstain from carrying the arrangement so sanctioned into effect or to purchase his interest at a price to be determined by agreement or arbitration under this Article.

(3) If the liquidator elects to purchase the member's interest, the purchase money must be paid before the limited liability partnership is dissolved and be raised by the liquidator in such manner as may be determined by the limited liability partnership.".

Omit paragraph (4).

For Article 102 substitute the following –

"102. A limited liability partnership may be wound up by the High Court if –

- (a) the limited liability partnership has determined that the limited liability partnership be wound up by the Court,
- (b) the limited liability partnership does not commence its business within a year from its incorporation or suspends its business for a whole year,
- (c) the number of members is reduced below two,
- (d) the limited liability partnership is unable to pay its debts,
- (e) at the time at which a moratorium for the limited liability partnership under Article 14A comes to an end, no voluntary arrangement approved under Part II has effect in relation to the limited liability partnership, or
- (f) the Court is of the opinion that it is just and equitable that the limited liability partnership should be wound up.".

paragraph (4)

Article 102 (circumstances in which company may be wound up by the High Court)(17)

<sup>(17)</sup> Article 102 was amended by S.R. 1992 No. 405 and by Article 3 of, and paragraph 7 of Schedule 1 to, the Insolvency (Northern Ireland) Order 2002

Provisions	Modifications
Article 104 (application for winding up)(18)	
paragraphs (2), (3), (4) and 5(a)	Delete these paragraphs.
paragraph (4A)	For "102(fa)" substitute "102(e)".
Article 104A (petition for winding up on grounds of public interest)(19)	
paragraph (1)	Omit sub-paragraphs (c) and (cc).
Article 106 (power to stay or restrain proceedings against company)	
paragraph (2)	Delete paragraph (2).
Article 107 (avoidance of property dispositions, etc)	For "any transfer of shares" substitute "any transfer by a member of the limited liability partnership of his interest in the property of the limited liability partnership".
Article 109 (commencement of winding up by the High Court)	
paragraph (1)	For "a resolution has been passed by the company" substitute "a determination has been made" and for "at the time of the passing of the resolution" substitute "at the time of that determination".
Article 110 (consequences of winding-up order)	
paragraph (3)	Delete paragraph (3).
Article 126 (settlement of list of contributories and application of assets)	
paragraph (1)	Delete ", with power to rectify the register of members in all cases where rectification is required in pursuance of the Companies Order or this Order,".
Article 127 (debts due from contributory to company)	
paragraph (1)	Delete "the Companies Order or".
paragraph (2)	Delete paragraph (2).
paragraph (3)	Delete ", whether limited or unlimited,".
Article 137 (delegation of powers to liquidator)	

<sup>(18)</sup> Article 104 was amended by Article 26 of, and paragraph 16 of Schedule 2 to, the Criminal Justice (Northern Ireland) Order 1994 (S.I. 1994/2795 (N.I. 15)), by Article 8 of the Companies (No. 2) (Northern Ireland) Order 1990 (S.I. 1990/1504 (N.I. 10)), by Article 3 of, and paragraph 8 of Schedule 1 to, the Insolvency (Northern Ireland) Order 2002 and by S.R. 2002 No. 334

<sup>(19)</sup> Article 104A was inserted by Article 8 of the Companies (No. 2) (Northern Ireland) Order 1990 and amended by section 79(14) of, and Part II of Schedule 6 to, the Criminal Justice Act 1993 (c. 36) and by S.I. 2001/3649

Provisions	Modifications
paragraph (1)	In sub-paragraph (b), delete "and the rectifying of the register of members where required".
paragraph (2)	For paragraph (2) substitute the following –
	"(2) But the liquidator shall not make any call without the special leave of the High Court or the sanction of the liquidation committee.".
Article 140 (voluntary winding up)	
paragraph (2)	In sub-paragraph (a), for "an extraordinary resolution of the company" substitute "a determination by a meeting of the members of the limited liability partnership".
paragraph (4)	For sub-paragraph (c) substitute the following –
	"(c) summon meetings of the members of the limited liability partnership for the purpose of obtaining their sanction or for any other purpose he may think fit.".
new paragraph (4A)	Insert a new paragraph (4A) as follows –
	"(4A) Paragraphs (3) and (4) of Article 78 shall apply for the purposes of this Article as they apply for the purposes of that Article."
Article 141 (creditors' voluntary winding up)	
paragraph (5)	In sub-paragraph (b), for "directors" substitute "designated members".
Article 145 (removal, etc. (voluntary winding up))	
paragraph (2)	For sub-paragraph (a) substitute the following –
	"(a) in the case of a member's voluntary winding up, by a meeting of the members of the limited liability partnership summoned specially for that purpose, or".
paragraph (6)	In sub-paragraph (a), for "final meeting of the company" substitute "final meeting of the members of the limited liability partnership" and in sub-paragraph (b), for "final meetings of the company" substitute "final meetings of the members of the limited liability partnership".
new paragraph (7)	Insert a new paragraph (7) as follows –
	"(7) Paragraphs (3) and (4) of Article 78 are to apply for the purposes of this Article as they apply for the purposes of that Article.".

Article 147 (release (voluntary winding up))

Provisions	Modifications
paragraph (2)	In sub-paragraph (a), for "a general meeting of the company" substitute "a meeting of the members of the limited liability partnership".
Article 158 (power to make over assets to employees)	Delete Article 158.
Article 163 (resolutions passed at adjourned meetings)	After "contributories" insert "or of the members of a limited liability partnership".
Article 164 (meeting to ascertain wishes of creditors or contributories)	
paragraph (3)	Delete "the Companies Order or".
Article 170 (fraud, etc., in anticipation of winding up)	
paragraph (1)	For "passes a resolution for voluntary winding up" substitute "makes a determination that it be wound up voluntarily".
Article 171 (transactions in fraud of creditors)	
paragraph (1)	For "passes a resolution for voluntary winding up" substitute "makes a determination that it be wound up voluntarily".
Article 174 (material omissions from statement relating to company's affairs)	
paragraph (2)	For "passed a resolution for voluntary winding up" substitute "made a determination that it be wound up voluntarily".
Article 178 (wrongful trading)	
paragraph (2)	Delete from "but the High Court shall not" to the end of the paragraph.
After Article 178	Insert the following new Article 178A –
	"Adjustment of withdrawals
	178A.—(1) This Article has effect in relation to a person who is or has been a member of a limited liability partnership where, in the course of the winding up of that limited liability partnership, it appears that paragraph (2) applies in relation to that person.  (2) This paragraph applies in relation to a person if —  (a) within the period of two years ending with the commencement

member of the limited liability partnership who withdrew property of the limited liability partnership, whether in the form of a share of profits, salary, repayment of or payment of interest on a loan to the limited liability partnership or any other withdrawal of property, and

- (b) it is proved by the liquidator to the satisfaction of the High Court that at the time of the withdrawal he knew or had reasonable grounds for believing that the limited liability partnership
  - (i) was at the time of the withdrawal unable to pay its debts within the meaning of Article 103, or
  - (ii) would become so unable to pay its debts after the assets of the limited liability partnership had been depleted by that withdrawal taken together with all other withdrawals (if any) made by any members contemporaneously with that withdrawal or in contemplating when that withdrawal was made.
- (3) Where this Article has effect in relation to any person the High Court, on the application of the liquidator, may declare that that person is to be liable to make such contribution (if any) to the limited liability partnership's assets as the Court thinks proper.
- (4) The High Court shall not make a declaration in relation to any person the amount of which exceeds the aggregate of the amounts or values of all the withdrawals referred to in paragraph (2) made by that person within the period of two years referred to in that paragraph.
- (5) The High Court shall not make a declaration under this Article with respect

to any person unless that person knew or ought to have concluded that after each withdrawal referred to in paragraph (2) there was no reasonable prospect that the limited liability partnership would avoid going into insolvent liquidation.

- (6) For the purposes of paragraph (5) the facts which a member ought to know or ascertain and the conclusions which he ought to reach are those which would be known, ascertained, or reached by a reasonably diligent person having both:
  - (a) the general knowledge, skill and experience that may reasonably be expected of a person carrying out the same functions as are carried out by that member in relation to the limited liability partnership, and
  - (b) the general knowledge, skill and experience that that member has.
- (7) For the purposes of this Article a limited liability partnership goes into insolvent liquidation if it goes into liquidation at a time when its assets are insufficient for the payment of its debts and other liabilities and the expenses of the winding up.
- (8) In this Article "member" includes a shadow member.
- (9) This Article is without prejudice to Article 178.".

## Article 179 (proceedings under Articles 177 and 178)

paragraph (1)	For "Article 177 or 178" substitute "Article 177, 178 or 178A".
paragraph (2)	For "either Article" substitute "any of those Articles".
paragraph (4)	For "either Article" substitute "any of those Articles".
paragraph (5)	For "Articles 177 and 178" substitute "Articles 177, 178 and 178A".

Provisions	Modifications
Article 182 (prosecution of delinquent officers and members of company)(20)	
paragraph (1)	For "officer, or any member, of the company" substitute "member of the limited liability partnership".
paragraphs (2), (3) and (5)	For "officer of the company, or any member of it," substitute "officer or member of the limited liability partnership".
Article 346 (categories of preferential debts)(21)	
paragraph (1)	In paragraph (1), omit the words "or an individual".
paragraph (2)	In paragraph (2), omit the words "or the individual".
Article 347 ("the relevant date")(22)	
paragraph (3)	In sub-paragraph (ab), for "passed a resolution for voluntary winding up" substitute "made a determination that it be wound up voluntarily".
	In sub-paragraph (c), for "passing of the resolution for the winding up of the company" substitute "making of the determination by the limited liability partnership that it be wound up voluntarily".
paragraph (5)	Omit paragraph (5).
paragraph (6)	Omit paragraph (6).
Article 348 (acting as insolvency practitioner without qualification)(23)	
paragraph (1)	Omit the words "or an individual".
Article 348A (authorisation of nominees and supervisors)(24)	
paragraph (1)	Omit "or Part VIII".
Article 359 (insolvency rules)(25)	

<sup>(20)</sup> Article 182 was amended by Article 27 of the Companies (No. 2) (Northern Ireland) Order 1990 and by Article 8 of the Insolvency (Northern Ireland) Order 2002

<sup>(21)</sup> Article 346 was amended by section 7 of, and Schedule 2 to, the Finance Act 1991 (c. 31) (as inserted by section 9 of the Finance (No. 2) Act 1992 (c. 48)), by section 36 of the Finance Act 1993 (c. 34), by section 64 of, and paragraph 7(6) of Schedule 7 to, the Finance Act 1994 (c. 9), by section 17 of the Finance Act 1995 (c. 4), by section 60 of, and paragraph 12(5) of Schedule 8 to, the Finance Act 1996 (c. 8) and by section 30(2) of, and paragraph 5(1) of Schedule 7 to, the Finance Act 2000 (c. 17)

<sup>(22)</sup> Article 347 was amended by Articles 3 and 4 of, and paragraph 10 of Schedule 1 and paragraph 11 of Schedule 2 to, the Insolvency (Northern Ireland) Order 2002 and by S.R. 2002 No. 334

<sup>(23)</sup> Article 348 was amended by Article 6(2) of the Insolvency (Northern Ireland) Order 2002

<sup>(24)</sup> Article 348A was inserted by Article 6(3) of the Insolvency (Northern Ireland) Order 2002

<sup>(25)</sup> Article 359 was amended by S.R. 2002 No. 223

Provisions	Modifications
paragraph (2)	Omit sub-paragraph (b).
paragraph (2A)	Omit the words "or Schedule 6".
Article 361 (fees orders)	
paragraph (2)	Omit sub-paragraph (b).
Article 362 (monetary limits)(26)	
paragraph (1)	In sub-paragraph (a), omit the following –  "Article 215(5) (maximum debt for calculating majority of creditors for assent to deed of arrangement);  Article 221(4) (maximum debt for calculating majority of creditors for assent to dispense with security by trustee under deed of arrangement);".
	Omit paragraph (1)(b).
Article 364 (insolvent partnerships)(27)	Delete Article 364.
Article 365 (insolvent estates of deceased persons)(28)	Delete Article 365.
Article 366 (power to apply Parts II to VII to formerly authorised banks, etc.)(29)	Delete Article 366.
Article 370 (Northern Ireland Assembly disqualification)	Delete Article 370.
Article 379 (transitional provisions and savings)	Delete Article 379.
Schedule A1 (moratorium where directors propose voluntary arrangement)(30)	In the heading, for "DIRECTORS PROPOSE" substitute "THE LIMITED LIABILITY PARTNERSHIP PROPOSES".
paragraph 17	
sub-paragraph (1)	For "directors of a company wish" substitute "limited liability partnership wishes".
	For "they" substitute "the designated members of the limited liability partnership".
sub-paragraph (2)	In head (c) for "meetings of the company and" substitute "a meeting of".
paragraph 18	

<sup>(26)</sup> Article 362(1) was amended by Article 3 of, and paragraph 11 of Schedule 1 to, the Insolvency (Northern Ireland) Order 2002

<sup>(27)</sup> Article 364(1) was amended by S.R. 2002 No. 223
(28) Article 365(1) was amended by S.R. 2002 No. 223

<sup>(29)</sup> Article 366 was amended by paragraph 4 of Schedule 5 to the Bank of England Act 1998 (c. 11) and by S.I. 2001/3649 and S.I. 2002/1555

<sup>(30)</sup> Schedule A1 was inserted by Article 3 of, and paragraph 5 of Schedule 1 to, the Insolvency (Northern Ireland) Order 2002

Provisions	Modifications
sub-paragraph (1)	For "directors of a company" substitute "designated members of the limited liability partnership".
	In sub-paragraph (1)(e)(iii) for "meetings of the company and" substitute "a meeting of".
paragraph 19	
sub-paragraph (2)	For "meetings" substitute "meeting".
	For "are" substitute "is".
	Omit the words in parentheses.
sub-paragraph (3)	For "either of those meetings" substitute "the meeting".
	For "those meetings were", substitute "that meeting was". Omit the words in parentheses.
sub-paragraph (4)	For "either" substitute "the".
sub-paragraph (6)(c)	For "one or both of the meetings" substitute "the meeting".
paragraph 20	
sub-paragraph (1)	For "directors" substitute "designated members of the limited liability partnership".
sub-paragraph (2)	For "directors" substitute "designated members of the limited liability partnership".
paragraph 23	
sub-paragraph (1)(b)	Omit.
sub-paragraph (1)(c)	For "resolution may be passed" substitute "determination that it may be wound up may be made".
sub-paragraph (2)	For "transfer of shares" substitute "any transfer by a member of the limited liability partnership of his interest in the property of the limited liability partnership".
paragraph 31	
sub-paragraph (8)	For "directors" substitute "designated members of the limited liability partnership".
sub-paragraph (9)	For "directors" substitute "designated members of the limited liability partnership".
paragraph 34	
sub-paragraph (2)	For "directors" substitute "designated members of the limited liability partnership".

Provisions	Modifications
paragraph 35	
sub-paragraph (2)(c)	For "directors" substitute "designated members of the limited liability partnership".
paragraph 36(1)	Omit ", director".
paragraph 39	
sub-paragraph (1)	For "meetings of the company and its creditors" substitute "a meeting of the creditors of the limited liability partnership.".
paragraph 40	
sub-paragraph (1)	For "meetings" substitute "meeting".
new sub-paragraph (2A)	Insert a new sub-paragraph (2A) as follows –
	"(2A) If modifications to the proposal are proposed at the meeting the chairman of the meeting shall, before the conclusion of the meeting, ascertain from the limited liability partnership whether or not it accepts the proposed modifications; and if at that conclusion the limited liability partnership has failed to respond to a proposed modification it shall be presumed not to have agreed to it."
sub-paragraph (3)	For "either" substitute "the".
	After "the result of the meeting", in the first place where it occurs, insert "(including, where modifications to the proposal were proposed at the meeting, the response to those proposed modifications made by the limited liability partnership)".
	At the end add "and to the limited liability partnership".
paragraph 41	
sub-paragraph (1)	For "meetings" substitute "meeting".
sub-paragraph (7)	For "directors of the company" substitute "designated members of the limited liability partnership".
	For "meetings (or either of them)" substitute "meeting". For "directors intend" substitute "limited liability partnership intends".
	For "those meetings" substitute "that meeting".
paragraph 42	

Provisions	Modifications
sub-paragraph (2)	For heads (a) and (b) substitute "with the day on which the meeting summoned under paragraph 39 is first held".
paragraph 46	
sub-paragraph (2)	For sub-paragraph (2) substitute "The decision has effect if, in accordance with the rules, it has been taken by the creditors' meeting summoned under paragraph 39.".
sub-paragraph (3)	Omit.
sub-paragraph (4)	Omit.
sub-paragraph (5)	Omit.
paragraph 47	
sub-paragraph (5)(a)	For "each of the reports of the meetings" substitute "the report of the meeting".
paragraph 48	
sub-paragraph (1)(a)	For "one or both of the meetings" substitute "the meeting".
sub-paragraph (1)(b)	For "either of those meetings" substitute "the meeting".
sub-paragraph (2)(a)	For "either of the meetings" substitute "the meeting".
	After sub-paragraph (2)(a) insert new (aa) as follows "(aa) any member of the limited liability partnership;".
sub-paragraph (2)(b)	Omit "creditors".
sub-paragraph (3)(a)	For "each of the reports" substitute "the report".
sub-paragraph (3)(b)	Omit "creditors".
sub-paragraph (4)(a)(ii)	Omit "in question".
sub-paragraph (4)(b)(i)	For "further meetings" substitute "a further meeting" and for "directors" substitute "limited liability partnership".
sub-paragraph (4)(b)(ii)	Omit "company or (as the case may be) creditors".
paragraph 49(1)	For "one or both of the meetings" substitute "the meeting".
Schedule 1 (powers of administrator or administrative receiver)	
paragraph 20	For paragraph 20 substitute the following –

Provisions	Modifications
	"20. Power to enforce any rights the limited liability partnership has against the members under the terms of the limited liability partnership agreement.".
Schedule 6 (provisions capable of inclusion in individual insolvency rules)	Omit Schedule 6.
Schedule 7 (punishment of offences)(31)	
Article 19A(1)	In the entry relating to Article 19A(1), delete "members' or".
Article 71(2)	In the entry relating to Article 71(2), for "resolution for voluntary winding up" substitute "making of determination for voluntary winding up".
Article 75(4)	In the entry relating to Article 75(4), for "Director" substitute "Designated member".
Article 79(3)	In the entry relating to Article 79(3), for "general meeting of company" substitute "meeting of members of the limited liability partnership".
Article 85(3)	In the entry relating to Article 85(3), for "Directors" substitute "Designated members."
Article 91(3)	In the entry relating to Article 91(3), for "company general meeting" substitute "meeting of the members of the limited liability partnership".
Article 92(6)	In the entry relating to Article 92(6), for "final meeting of company" substitute "final meeting of members of the limited liability partnership".
Articles 324(1) to 333(1)	Delete the entries relating to Articles 324(1) to 333(1).
Schedule A1	In the entry relating to Schedule A1, para. 20(2) for "Directors" substitute "Designated members".
	In the entry relating to Schedule A1, para. 31(9) for "Directors" substitute "Designated members".

<sup>(31)</sup> Schedule 7 was amended by Article 113 of, and Schedule 6 to, the Companies (No.2) (Northern Ireland) Order 1990 and by Articles 3, 4 and 5 of, and paragraph 12 of Schedule 1, paragraph 12 of Schedule 2 and paragraph 15 of Schedule 3 to, the Insolvency (Northern Ireland) Order 2002