

2006 No. 370

INSOLVENCY

**The Insolvency (Northern Ireland) Order 1989 (Amendment)
Regulations (Northern Ireland) 2006**

Made - - - - - *14th September 2006*

Coming into operation - - - - - *18th October 2006*

The Department of Enterprise, Trade and Investment, being a Department designated(a) for the purposes of section 2(2) of the European Communities Act 1972(b) in relation to insolvency, in exercise of the powers conferred upon it by that section makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Insolvency (Northern Ireland) Order 1989 (Amendment) Regulations (Northern Ireland) 2006 and shall come into operation on 3 October 2006.

Interpretation

2. The Interpretation Act (Northern Ireland) 1954(c) shall apply to these Regulations as it applies to an Act of the Northern Ireland Assembly.

Amendments to the Insolvency (Northern Ireland) Order 1989

3.—(1) The Insolvency (Northern Ireland) Order(d) shall be amended as follows.

(2) In Article 2(2) (general interpretation) at the appropriate place, insert—

“EEA State” means a state that is a Contracting Party to the Agreement on the European Economic Area signed at Oporto on 2nd May 1992 as adjusted by the Protocol signed at Brussels on 17th March 1993;”.

(3) In Article 14 (company voluntary arrangements: those who may propose an arrangement), for paragraph (4) substitute—

“(4) In this Part “company” means—

- (a) a company within the meaning of Article 3(1) of the Companies (Northern Ireland) Order 1986
- (b) a company incorporated in an EEA State other than the United Kingdom; or

(a) S.I. 2001/3495

(b) 1972 c.68

(c) 1954 c.33 (N.I.)

(d) S.I. 1989/2405 (N.I. 19) Article 14 of the Insolvency (Northern Ireland) Order 1989 was amended by S.R. 2002 No. 334 and Schedule B1 was inserted into the Insolvency (Northern Ireland) Order 1989 by Article 3(2) of, Schedule 1 to, the Insolvency (Northern Ireland) Order 2005 (S.I. 2005/1455 (N.I. 10)).

- (c) a company not incorporated in an EEA State but having its centre of main interests in a member State other than Denmark.

(5) In paragraph (4) in relation to a company, “centre of main interests” has the same meaning as in the EC Regulation and, in the absence of proof to the contrary, is presumed to be the place of its registered office (within the meaning of that Regulation).

(6) If a company incorporated outside Northern Ireland has a principal place of business in England and Wales or Scotland (or both in England and Wales and in Scotland), no proposal under this Part shall be made in relation to it unless it also has a principal place of business in Northern Ireland.”.

(4) In paragraph 1 of Schedule B1 (administration)—

- (a) in sub-paragraph (1) omit the definition of “company”;
- (b) after sub-paragraph (1) insert—

“(1A) In this Schedule, “company” means—

- (a) a company within the meaning of Article 3(1) of the Companies (Northern Ireland) Order 1986,
- (b) a company incorporated in an EEA State other than the United Kingdom, or
- (c) a company not incorporated in an EEA State but having its centre of main interests in a member State other than Denmark.

(1B) In sub-paragraph (1A), in relation to a company, “centre of main interests” has the same meaning as in the EC Regulation and, in the absence of proof to the contrary, is presumed to be the place of its registered office (within the meaning of that Regulation).”;

(5) After paragraph (1) of Schedule B1 insert—

“Non-UK companies

1A. A company incorporated outside Northern Ireland that has a principal place of business in England and Wales or Scotland (or both in England and Wales and in Scotland) may not enter administration under this Schedule unless it also has a principal place of business in Northern Ireland.”.

4. The provisions of regulation 3 do not affect—

- (a) a voluntary arrangement under Part II of the Insolvency (Northern Ireland) Order 1989, or
- (b) the appointment of an administrator under Part III of that Order

that took effect before the date on which these Regulations came into operation.

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment on 14 September 2006



Michael J Bohill
A senior officer of the
Department of Enterprise, Trade and Investment

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations amend the Insolvency (Northern Ireland) Order 1989 to clarify that it is only companies as defined by Article 3(1) of the Companies (Northern Ireland) Order 1986 and certain companies formed or incorporated outside the United Kingdom that can enter administration or a company voluntary arrangement. These amendments are made in connection with the application of the Council Regulation of 29th May 2000 on insolvency proceedings (1346/2000/EC) within Northern Ireland. Amendments to the Insolvency (Northern Ireland) Order 1989 for the purposes of giving effect to the Council Regulation in relation to Northern Ireland were originally made by the Insolvency (Northern Ireland) Order 1989 (Amendment No. 2) Regulations (Northern Ireland) 2002 (S.R.2002 No. 334). These Regulations are a partial reimplementing of the subject matter covered by the 2002 Regulations.

No regulatory impact assessment has been prepared in relation to these Regulations as they will not impose any significant costs on business.