

LIMITED LIABILITY PARTNERSHIPS ACT 2000

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Regulations

Section 14: Insolvency and winding up

Subsection (1) The Secretary of State is required to make regulations applying or incorporating, with such modifications as appear appropriate, Parts I to IV, VI and VII of the Insolvency Act 1986.

The Insolvency Act provides a comprehensive code of procedures relating to both corporate and individual insolvency. This subsection ensures that the major corporate insolvency and winding up procedures including company voluntary arrangements, administration, receivership and voluntary and compulsory winding up, will be applied to LLPs. Such procedures will be adapted as necessary to suit LLPs.

Subsection (2) The Secretary of State may make regulations making other provision about the winding up and insolvency of an LLP or an overseas limited liability partnership by applying or incorporating with or without modifications, or disapplying, any law relating to the insolvency or winding up of companies or other corporations.

Section 15: Application of company law etc

Section 15 allows the Secretary of State to make regulations applying or incorporating the law relating to corporations, companies and partnerships (with appropriate modifications) to LLPs.

Section 16: Consequential amendments

This section allows for enactments, in particular those affecting companies, other corporations or partnerships, to be amended in consequence of the provisions in the Act or of any regulations which may be made under it.

Section 17: General

This section makes general provision about regulations under the Act, and in particular allows regulations to provide that failure to comply with their requirements is a criminal offence. The section provides which of the regulations require the affirmative resolution procedure and which the negative resolution procedure.