

[F1]SCHEDULE 2A

Regulation 47(2A)

How special administration applies to Northern Ireland partnerships

F1 Sch. 2A inserted (4.1.2024) by [The Payment and Electronic Money Institution Insolvency \(Amendment\) Regulations 2023 \(S.I. 2023/1399\)](#), reg. 1(2), [Sch. 2](#)

1. This Schedule makes provision about how special administration applies to institutions which are formed as partnerships under the law of Northern Ireland.

2. In this Schedule “IPO (NI) 1995” means the Insolvent Partnerships Order (Northern Ireland) 1995.

3. Where an institution is formed as a partnership, then—

- (a) in these Regulations, and
- (b) in the CDD(NI)O 2002 as applied and modified by these Regulations,

references to the things in the first column of Table 1 are to be read in accordance with the corresponding modification in the second column.

Table 1

<i>Reference</i>	<i>Modification</i>
References to companies	To be read as if they were references to partnerships.
References to the registrar of companies	To be omitted.
References to shares of a company	To be read as if they were— <ul style="list-style-type: none"> (a) in relation to a partnership with capital, to rights to share in that capital, and (b) in relation to a partnership without capital, to interests— <ul style="list-style-type: none"> (i) conferring any right to share in the profits or liability to contribute to the losses of the partnership, or (ii) giving rise to an obligation to contribute to the debts or expenses of the partnership in the event of special administration.
Other references appropriate to companies	To be read as if they were to the corresponding persons, officers, documents or organs (as the case may be) appropriate to a partnership.

4. Table 2 sets out—

- (a) in the first column, versions of provisions of the I(NI)O 1989 set out in the IPO (NI) 1995 (“IPO (NI) 1995 version”),
- (b) in the second column, the subject of each of those versions, and
- (c) in the third column, modifications to those versions.

5. Each IPO (NI) 1995 version in the first column of Table 2 applies to an institution which is formed as a partnership with any corresponding modification in the third column.

6. Where there is an entry for an IPO (NI) 1995 version in Table 2, that version of the provision of the I(NI)O 1989 applies, as modified by Table 2, to an institution which is formed as a partnership,

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and the entry relating to that provision of the I(NI)O 1989 in the table in regulation 37A is to be disregarded.

Table 2

<i>Provision (IPO (NI) Subject 1995 version)</i>	<i>Modifications</i>
Provisions except Schedule B1	
Generally (for those provisions mentioned below except Schedule B1)	To be read as if references to— (a) references to the I(NI)O 1989 were to these Regulations, (b) references to a provision of the I(NI)O 1989 which is applied and modified by these Regulations were to the provision as applied and modified by these Regulations, (c) being wound up were to being in special administration; (d) office-holder were to the administrator; (e) an insolvency order were to a special administration order.
Schedule 1 (version in Powers Schedule 2, paragraph 57) administrator	of To be read as if paragraph 20 were omitted.
Article 198 (version in Getting in the Schedule 3, paragraph 9) partnership property	To be read as if the reference in paragraph (1) to Article 7 of the IPO (NI) 1995 were to regulation 10.
Schedule 2 (version in Powers of liquidator in Schedule 3, paragraph 10) a winding-up	To be read as if— (a) paragraphs 4 to 11, and paragraph 13, were omitted; (b) in paragraph 14, the reference to winding up the partnership’s affairs and distributing its property were to pursuing the special administration objectives.
Article 175 (version in False representations to Schedule 4, paragraph 25) creditors	To be read as if for paragraph (1) there were substituted— “(1) This Article applies where a special administration order is made in respect of an insolvent partnership.”.
Schedule B1	
Generally (for those paragraphs mentioned below)	To be read as if— (a) references to a provision of the I(NI)O 1989 which is applied and modified

<i>Provision (IPO (NI) Subject 1995 version)</i>	<i>Modifications</i>
	<p>by these Regulations were to the provision as applied and modified by these Regulations;</p> <p>(b) references to action included inaction;</p> <p>(c) references to the administrator were to the administrator appointed under regulation 7;</p> <p>(d) references to the court were to the court as defined in regulation 6;</p> <p>(e) references to the creditors' meeting were to have the meaning given by paragraph 51 of Schedule B1 as applied and modified by these Regulations;</p> <p>(f) references to entering administration were to entering special administration;</p> <p>(g) references to a hire purchase agreement included a conditional sale agreement, a chattel leasing agreement and a retention of title agreement;</p> <p>(h) references to an insolvency order were to a special administration order;</p> <p>(i) references to an insolvency petition were to an application for a special administration order;</p> <p>(j) references to insolvency proceedings were to special administration;</p> <p>(k) references to market value were to the amount which would be realised on a sale of property in the open market by a willing vendor;</p> <p>(l) references to the purpose of administration were to the pursuit of the special administration objectives;</p> <p>(m) references to a partnership were to an institution;</p> <p>(n) references to the partnership being in administration were to the institution being in special administration;</p> <p>(o) references to a responsible insolvency practitioner were to the administrator;</p> <p>(p) references to a thing in writing included a thing in electronic form;</p> <p>(q) references to being unable to pay debts were to be read in accordance with section 93(4) of the BA 2009 (as applied and modified by the EMR 2011 and the PSR 2017).</p>

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<i>Provision (IPO (NI) 1995 version)</i>	<i>Subject</i>	<i>Modifications</i>
Paragraph 43 (version in Schedule 2, paragraph 22)	Moratorium on insolvency proceedings	on To be read as if sub-paragraph (5)(a) were omitted.
Paragraph 44 (version in Schedule 2, paragraph 23)	Moratorium on other legal processes	
Paragraph 48 (version in Schedule 2, paragraph 26)	Statement of company's affairs	of To be read as if in sub-paragraph (2), the statement were also required to include particulars of the relevant funds held by the institution.
Paragraph 50 (version in Schedule 2, paragraph 27)	Administrator's proposals	To be read as if— (a) sub-paragraph (2)(b) were omitted; (b) in sub-paragraph (4), the administrator were also required to send a copy of the statement of proposals to every user or holder of whose claim the administrator is aware and who the administrator has a means of contacting, and to the FCA; (c) the administrator were also required to give notice that the statement of proposals is to be provided free of charge to a payment system operator who applies in writing to a specified address. The application of paragraph 50(1) to (3) is subject to regulation 38(6)(b).
Paragraph 62 (version in Schedule 2, paragraph 30)	Directors	
Paragraph 66 (version in Schedule 2, paragraph 31)	Distribution to creditors	to To be read as if sub-paragraph (3) were omitted.
Paragraph 70 (version in Schedule 2, paragraph 32)	Agency	
Paragraph 74 (version in Schedule 2, paragraph 35)	Protection for secured or preferential creditors	
Paragraph 75 (version in Schedule 2, paragraph 36)	Challenge to administrator's conduct	To be read as if— (a) the FCA were also empowered to make an application to the court, on the grounds that— (i) the administrator is acting or has acted so as unfairly to harm the interests of some or all of the members, creditors or users or holders; (ii) the administrator is proposing to act in a way which would

<i>Provision (IPO (NI) Subject 1995 version)</i>	<i>Modifications</i>
	<ul style="list-style-type: none"> unfairly harm the interests of some or all of the members, creditors or users or holders; (iii) the administrator has failed to carry out a reconciliation in accordance with regulation 13; (b) a user or holder were also empowered to make an application to the court under sub-paragraph (1) or (2) (c) any of the following persons were also empowered to make an application on the grounds that the administrator is not taking any action in response to a request from that person under regulation 35(3) and that the person is of the opinion that the action requested would not lead to a material reduction in the value of the property of the institution— <ul style="list-style-type: none"> (i) the Bank of England; (ii) the Treasury; (iii) the FCA; (iv) the Payment Systems Regulator; (d) the following persons were also empowered to make an application on the grounds that the administrator has made, or proposes to make, a PPTA in contravention of regulation 32 or 34— <ul style="list-style-type: none"> (i) the Bank of England; (ii) the FCA; (e) any person, other than the institution, who is party to an arrangement of a kind referred to in regulation 31(1) were also empowered to make an application on the grounds that the administrator has made, or proposes to make, a relevant transfer in contravention of that regulation; (f) where an application is made on the grounds that the administrator has made a relevant transfer in contravention of regulation 34— <ul style="list-style-type: none"> (i) sub-paragraphs (3)(a), (d) and (e) and (4) were omitted; (ii) the court were also empowered to make an order declaring that the transfer was made in contravention of the regulation concerned; (g) where an application is made on the grounds that the administrator

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<i>Provision (IPO (NI) Subject 1995 version)</i>	<i>Modifications</i>
	<p>has made a relevant transfer in contravention of regulation 32 or 33, the court were also empowered to make such order as it thinks fit for restoring the position to what it would have been if the transfer had not been made in contravention of the regulation concerned;</p> <p>(h) where the FCA has given a direction under regulation 38, which has not been withdrawn, the court did not have power to make an order if it would impede or prevent compliance with the direction.</p>
Paragraph 85 (version in Schedule 2, paragraph 40)	<p>Termination: no more relevant funds for distribution</p> <p>To be read as if—</p> <p>(a) the administrator were only empowered to file a notice under sub-paragraph (1) if the institution no longer holds relevant funds;</p> <p>(b) in sub-paragraph (4), a copy of the notice were to be sent to every client of the institution of whom the administrator is aware and the FCA.</p>
Paragraph 88 (version in Schedule 2, paragraph 41)	<p>Resignation</p> <p>To be read as if—</p> <p>(a) where the administrator was appointed by the court on the application of the FCA or the Secretary of State, the notice given in accordance with sub-paragraph (2)(a) must also be given to the applicant</p> <p>(b) sub-paragraph (2)(b) were omitted.</p>
Paragraph 90 (version in Schedule 2, paragraph 42)	<p>Disqualification</p> <p>To be read as if—</p> <p>(a) where the administrator was appointed by the court on the application of the FCA or the Secretary of State, the notice given in accordance with sub-paragraph (2)(a) were also to be given to the applicant;</p> <p>(b) sub-paragraph (2)(b) were omitted.</p>
Paragraph 91 (version in Schedule 2, paragraph 43)	<p>Replacement</p> <p>To be read as if the reference to paragraphs 92, 94 and 96 were to paragraph 92.</p>
Paragraph 92 (version in Schedule 2, paragraph 44)	<p>Replacement</p> <p>To be read as if the FCA were added to the list of persons who may make an application to appoint an administrator but to whom the restrictions in sub-paragraph (2) apply.</p>
Paragraph 104 (version in Schedule 2, paragraph 54)	<p>Joint administrators</p> <p>To be read as if—</p>

<i>Provision (IPO (NI) Subject 1995 version)</i>	<i>Modifications</i>
	(a) in sub-paragraph (2)(a), the reference to paragraph 13(1)(a) to (c) were to regulation 8(1); (b) sub-paragraph (3) were omitted.
Paragraph 106 (version in Majority decision of Schedule 2, paragraph 55) directors	
Paragraph 107 (version in Fines Schedule 2, paragraph 56)	To be read as if sub-paragraph (2)(a), (i) and (j) was omitted.

7. Article 16 of the IPO (NI) 1995 applies to an institution which is formed as a partnership—
- (a) reading Article 16 as if the reference to being wound up under the I(NI)O 1989 were to entering special administration;
 - (b) reading the reference to the provisions of the CDD(NI)O 2002 as if it were a reference to—
 - (i) Articles 3, 4, 12 to 14, 19C and 23 of that Order as applied and modified by regulation 46A, and
 - (ii) the versions of Articles 9 to 11, 18 to 19 and 21 of and Schedule 1 to that Order set out in Schedule 8 to the IPO (NI) 1995, reading those versions as if they were modified by regulation 46A,

subject to the further general modifications of the provisions mentioned in sub-paragraphs (a) and (b) in paragraph 8.

8. The general modifications are—
- (a) references to a provision of the I(NI)O 1989 which is applied and modified by these Regulations are to be read as if they were to the provision as applied and modified by these Regulations;
 - (b) references to being wound up are to be read as if they were to the partnership being in special administration;
 - (c) references to office-holder are to be read as if they were to the administrator;
 - (d) references to an insolvency order are to be read as if they were to a special administration order.

9. Article 18 of and Schedule 10 to the IPO (NI) 1995 apply to institutions which are formed as partnerships—

- (a) reading Article 18 as if—
 - (i) in paragraph (1) from “giving effect” to “this Order” were substituted with “giving effect to the provisions of the I(NI)O 1989 and the CDD(NI)O 2002 as applied and modified by these Regulations”;
 - (ii) in paragraph (2) the reference to the IPO (NI) 1995 were to these Regulations;
- (b) reading Schedule 10 as if the list of legislation included any special administration insolvency rules and the following legislation were omitted—
 - The Insolvency (Monetary Limits) Order (Northern Ireland) 1991
 - The Administration of Insolvent Estates of Deceased Persons Order (Northern Ireland) 1991
 - The Companies (Disqualification Orders) Regulations (Northern Ireland) 2003

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The Insolvency Practitioners and Insolvency Account (Fees) Order (Northern Ireland) 2006

The Insolvency (Fees) Order (Northern Ireland) 2006

The Insolvency (Deposits) Order (Northern Ireland) 2006.]

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