

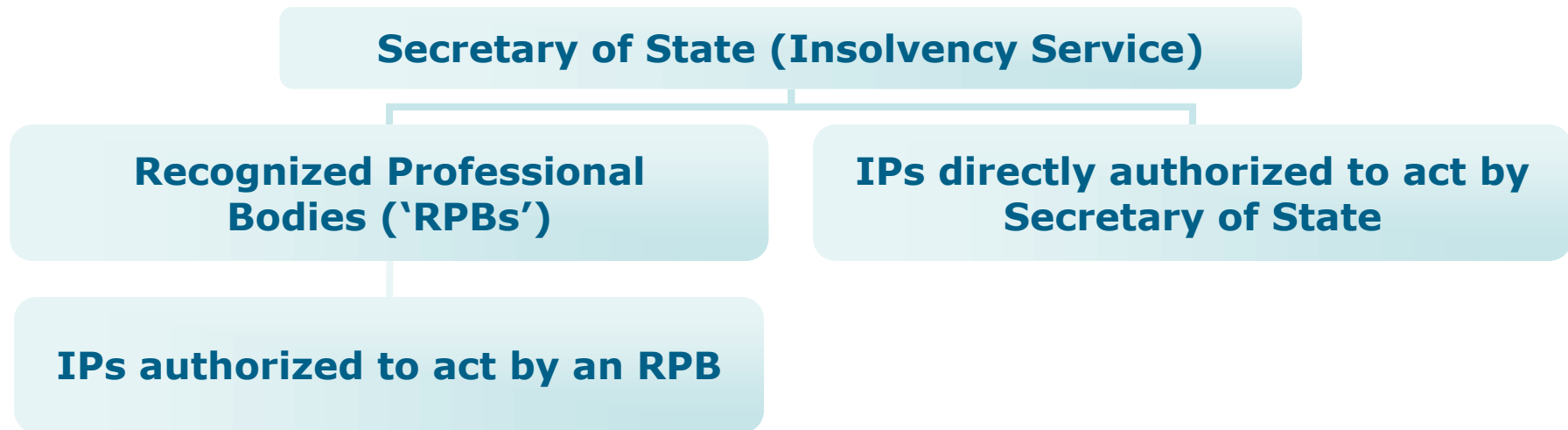
The Licensing, Regulation & Supervision of Insolvency Practitioners in the UK

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'Acting' as an IP

- Criminal offence to act as an IP when not qualified to do so.
- A person acts as an IP if s/he takes any of the following appointments:
 - Liquidator of a company.
 - Provisional liquidator of a company.
 - Administrator of a company.
 - Administrative receiver in relation to a company.
 - Nominee or supervisor of a company voluntary arrangement.
 - Trustee in bankruptcy of an individual (England and Wales).
 - Permanent or interim trustee in the sequestration of an individual's estate (Scotland).
 - Nominee or supervisor of an individual voluntary arrangement (England and Wales).
 - Trustee of a trust deed for the benefit of an individual's creditors (Scotland).

Regulatory Framework



Practitioner-led regulation – the RPBs

- Chartered Association of Certified Accountants
- Institute of Chartered Accountants in England and Wales
- Institute of Chartered Accountants in Scotland
- Institute of Chartered Accountants in Ireland
- Insolvency Practitioners Association
- Law Society of England & Wales
- Law Society of Scotland

RPBs - achieving consistency of approach

- Memorandum of understanding
- Joint Insolvency Committee
- Harmonized approach on following matters:
 - Criteria for assessing whether person is 'fit and proper'
 - Education & training framework (eg JIEB examination)
 - Professional standards (Statements of Insolvency Practice)
 - Ethics
 - Monitoring conduct & performance

Summary

- Licensing by RPB or S/S
- Requirements:
 - Fit and proper person
 - JIEB examination
 - Relevant insolvency experience
- NB also, IPs are only qualified to act if security is provided for the proper performance of his or her functions (bonding)

Accountability of IPs as office-holders

- Removal from office by creditors' meeting or court
- Remuneration is generally fixed by creditors' committee or creditors' meeting but can be reviewed by the court
- Misfeasance