

## Part 2 - Indicative sanctions for various breaches of the Insolvency Act 1986, other relevant legislation, the Statements of Insolvency Practice, and the Insolvency Code of Ethics

The table below gives an indication of the level of sanction which may be imposed but should not be regarded as a tariff. Each disciplinary committee or tribunal will use its own judgement to set a sanction appropriate to the circumstance of the individual case, depending on the aggravating and mitigating factors.

	Allegation	Starting point for financial sanction	Range of financial sanctions	Non-financial sanction
1	Acts of dishonesty, criminal convictions, adverse findings by regulatory and other bodies where the underlying conduct involves dishonesty			Exclusion and licence withdrawal
2	Unauthorised diversion of funds into own account, other estates or third parties	Fine of £15,000 or equal to 150% of fee charged	Fine of £10,000 - £20,000	Exclusion or licence withdrawal
3	Acting as an insolvency practitioner without a licence	Fine of £10,000	Criminal matter Fine may not be appropriate in every case	Exclusion
4	Drawing unauthorised remuneration	Fine related to the level of the unauthorised fee drawn.	The full range of sanctions available to the RPB, taking into account the aggravating and mitigating factors above.	Severe reprimand
5	Material breach of the fundamental principles of the Insolvency Code of Ethics	Fine commensurate with the breach	Fine commensurate with the breach	Severe reprimand,

6	Major failure to submit returns (eg, CDDA returns)	Fine of £5,000	Fine of £500 - £7,500	Severe reprimand
7	Failure to convene key creditor meetings	Fine of £5,000	Fine of £500 - £7,500	Severe reprimand
8	Accepted an appointment as administrator when no statutory purpose achievable	If a major failure, fine of £5,000	Fine of £500 - £7,500	Severe reprimand
9	Material failure to comply with the provisions of a SIP	Fine of £5,000	Fine of £500 - £7,500	Severe reprimand
10	Failure to take adequate steps to realise assets	If a major failure, fine of £5,000	Fine of £500 - £7,500	Severe reprimand
11	Delay in progressing administration of an insolvency estate	Fine of £2,500	Fine £500 - £5,000	Reprimand,
12	Repeated failure to respond at all, or to respond promptly, to letters, telephone calls, emails	Fine of £1000	Fine £500 - £1,500	Reprimand
13	Minor delay in submitting returns	Fine of £500	Fine of £500 - £7,500	Reprimand
14	Delay in convening annual meetings	Fine of £500	Fine of £500 - £7,500	Reprimand