



## ***Membership Criteria Guidance***

**[Approved by Council 17 July 2007 and effective from 1 July 2008]**

The Membership Criteria covers:

- [Individual Ordinary Members](#)
- [Individual Fellow Members](#)
- [Individual Retired Members](#)
- [Affiliates](#)
- [Student Members](#)
- [Honorary Members](#)
- [Member Firms](#)
- [Affiliate Firms](#)

**Individual Ordinary Member** [Article 10.1 – [Form IM\(O\)1](#)]

- **An applicant** for Individual Ordinary Membership should:
  - Have passed the Joint Insolvency Examination (JIE) set by the Joint Insolvency Examination Board (JIEB) and been engaged in the three years immediately before applying in insolvency administration [see Definitions at Appendix I] involving not less than 600 hours higher experience in insolvency administration [see Definitions at Appendix I]; or
  - Have passed the IPA Certificate of Proficiency in Insolvency Examination (CPI) set by the IPA and been engaged in the three years immediately before applying in insolvency administration [see Definitions at Appendix I] involving not less than 1800 hours including not less than 1200 hours higher experience in insolvency administration [see Definitions at Appendix I] in the three years; or
  - Have been engaged in the five years immediately before applying in insolvency administration [see Definitions at Appendix I] involving not less than 3000 hours including 1200 hours higher experience in insolvency administration [see Definitions at Appendix I] in the five years; or
  - Hold a current authorisation to act as an IP from another recognised professional body or the Secretary of State; or
  - Be an official receiver or equivalent grade in H M Government's Insolvency Service.
- **The JIE or CPI** should have been passed in the ten years before the application: if the applicant passed the examination more than ten years previously, he/she may be asked to re-sit it unless he/she can show that in the intervening period he/she has been working in insolvency practice – and in which event, he/she may be able to apply for membership based on that experience.
- **The applicant's insolvency experience** should be certified by one or more IPs - he/she (or they) may be one (or both) of the applicant's sponsors; or the applicant should attach a copy of his/her current IP authorisation or appointment as an official receiver or equivalent grade. Generally, an applicant will be expected to have been engaged in insolvency administration for not less than 100 hours in each of the three years or five years before applying.

The Membership & Authorisation Committee may at its discretion consider whether and to what extent advisory work experience and/or regulatory work experience and/or insolvency related work experience [see

Definitions at Appendix I] may be taken into account in its assessment of the adequacy of the applicant's overall experience; and it may at its discretion accept engagement in insolvency administration of less than 100 hours in any of the three or five years before applying.

- The application should be supported** by two sponsors:
  - an IP (whether or not a member of or authorised by the IPA); and
  - another IP or a member of a professional body or a person of standingwho are each able to vouch for the applicant's good character and suitability to be an Ordinary Member of the IPA.
  
- The sponsors should each provide** a letter addressed to the President of the IPA (not "to whom it may concern") setting out:
  - his/her full name, address, telephone and fax numbers and e-mail;
  - his/her job title/position and any qualifications, honours, decorations;
  - the capacity in which he/she has known the applicant, and for how long; and
  - his/her view of the applicant's character and suitability to be an Ordinary Member of the IPA.
- The IPA will also take into account** the matters set out at Appendix II; and it may make such further and other enquiries of third parties as it considers appropriate as to the applicant's character and suitability to be an Ordinary Member.

**An individual admitted to individual ordinary membership** may describe him/herself as a Member of the Insolvency practitioners Association and use the designatory letters MIPA

### **Individual Fellow Member** [Article 10.2 – [Form IM\(F\)1](#)]

- An applicant for Individual Fellow Membership** should:
  - Have been an Individual Ordinary Member of the IPA for at least five years.
- An Individual Ordinary Member elected to Council** automatically becomes a Fellow Member: he/she does not need to submit an application for fellow membership.
- The application should be supported** by two sponsors:
  - a Fellow Member of the IPA; and
  - another Fellow Member of the IPA or a member of a professional body or a person of standingwho are each able to vouch for the applicant's good character and suitability to be a Fellow Member of the IPA.
- The sponsors should each provide a letter** addressed to the President of the IPA (not "to whom it may concern") setting out:
  - his/her full name, address, telephone and fax numbers and e-mail;
  - his/her job title/position and any qualifications, honours, decorations;
  - the capacity in which he/she has known the applicant, and for how long; and
  - his/her view of the applicant's character and suitability to be a Fellow Member of the IPA.
- The IPA may make such further** and other enquiries of third parties as it considers appropriate as to the applicant's character and suitability to be a Fellow Member.

**An individual admitted to individual fellow membership** may describe him/herself as a Fellow of the Insolvency Practitioners Association and use the designatory letters FIPA.

### **Individual Retired Member** [Article 10.3 – [Form RM1](#)]

- An applicant for Retired Membership** should:

- Have permanently retired from professional work and business and not hold an Insolvency Practitioner Authorisation
- Otherwise remain eligible to continue as an Individual Ordinary or Fellow Member or Affiliate Member – that is, he/she continues to be of good character and suitable to be a Member of the IPA.

**An individual admitted to individual retired membership** may continue to describe him/herself as a Member or Fellow or Affiliate of the Insolvency Practitioners Association as the case was at his/her retirement and use the designatory letters MIPA, FIPA or AIPA as appropriate.

**Affiliate** [Article 12.1 – 12.3 – [Form AM1](#)]

□ **An applicant for Affiliate Membership** should:

- Have passed the Joint Insolvency Examination (JIE) set by the Joint Insolvency Examination Board (JIEB); or
- Have passed the JIEB Personal Insolvency Paper and been engaged in the three years immediately before applying in insolvency administration involving not less than 400 hours higher experience in insolvency administration [see Definitions at Appendix I]; or
- Have passed the JIEB Company Insolvency Papers and been engaged in the three years immediately before applying in insolvency administration involving not less than 500 hours higher experience in insolvency administration [see Definitions at Appendix I]; or
- Have passed the IPA Certificate of Proficiency in Insolvency Examination (CPI); or
- Have been engaged in the five years immediately before applying in insolvency related work [see Definitions at Appendix I] involving not less than 2000 hours experience; or
- Have made a significant contribution to the knowledge and practice of insolvency [see Definitions at Appendix I]

Generally, an applicant will be expected to have been engaged in insolvency administration or insolvency related work for not less than 100 hours in each of the three years or five years before applying.

The Membership & Authorisation Committee may at its discretion consider whether and to what extent advisory work experience and/or regulatory work experience and/or insolvency related work experience [see Definitions at Appendix I] may be taken into account in its assessment of the adequacy of the applicant's overall insolvency administration experience; and it may at its discretion accept engagement in insolvency administration or insolvency related work of less than 100 hours in any of the three or five years before applying.

□ **The application should be supported** by two sponsors:

- an insolvency practitioner (IP) (whether or not a member of or authorised by the IPA); and
- another IP or a member of a professional body or some other person of standing

who are each able to vouch for the applicant's good character and suitability to be an Affiliate of the IPA.

□ **The sponsors should each provide a letter** addressed to the President of the IPA (not "to whom it may concern") setting out:

- his/her full name, address, telephone and fax numbers and e-mail;
- his/her job title/position and any qualifications, honours, decorations;
- the capacity in which he/she has known the applicant, and for how long; and
- his/her view of the applicant's character and suitability to be an Affiliate of the IPA.

□ **The IPA will also take into account** the matters set out at Appendix II; and it may make such further and other enquiries of third parties as it considers appropriate as to the applicant's character and suitability to be an Affiliate.

**An individual admitted to affiliate membership** may describe him/herself as an Affiliate of the Insolvency Practitioners Association and use the designatory letters AIPA.

**An Affiliate may be eligible** to become an Individual Ordinary Member if he/she subsequently:

- Passes the JIE and completes or has completed in the three years immediately before applying 600 hours higher experience of insolvency administration [see Definitions at Appendix I]; or
- Passes the CPI and completes or has completed in the three years immediately before applying 1800 hours experience of insolvency administration [see Definitions at Appendix I] including 1200 hours higher experience of insolvency administration [see Definitions at Appendix I]; or
- Completes or has completed in the five years immediately before applying 3,000 hours experience of insolvency administration [see Definitions at Appendix I] including 1,200 hours higher experience of insolvency administration [see Definitions at Appendix I].

**Student Member** [Article 10.4 – [Form SM1](#)]

**An applicant for Student Membership** should:

- be studying for, or about to start studying for, the Certificate of Proficiency Insolvency Examination (CPI) set by the IPA or one or more Papers of the Joint Insolvency Examination (JIE) set by the Joint Insolvency Examination Board (JIEB).

**The application should be supported** by a sponsor who may be an insolvency practitioner (IP) (whether or not a member of or authorised by the IPA); or the applicant's employer; or some other person of standing able to vouch for the applicant's good character and suitability to be a Student Member of the IPA.

**The sponsor should provide a letter** addressed to the President of the IPA (not "to whom it may concern") setting out:

- his/her full name, address, telephone and fax numbers and e-mail;
- his/her job title/position and any qualifications, honours, decorations;
- the capacity in which he/she has known the applicant, and for how long; and
- his/her view of your character and suitability to be a Student Member of the IPA.

**The IPA will also take into account** the matters set out at Appendix II; and it may make such further and other enquiries of third parties as it considers appropriate as to the applicant's character and suitability to be a Student Member.

**A student member may not use any IPA designatory letters.**

**Honorary Member** [Article 11]

**The power and discretion lies with Council** to resolve that an individual is elected as an Honorary Member.

**An individual admitted as an honorary member** may describe himself as a Member, or a Fellow, of the Insolvency Practitioners Association and use the designatory letters MIPA, or FIPA in the event that he/she is otherwise entitled to use the FIPA designatory letters or Council so resolves.

**Member Firm** [Article 9.1 – [Form MF1](#)]

**An applicant for Firm Membership** should be:

- A partnership, limited liability partnership, incorporated body (including unlimited companies) or sole proprietorship (referred to here as firm) which
- Carries on the business or practice of insolvency administration in the United Kingdom (excluding the Channel Islands and the Isle of Man) [see Definitions at Appendix III] and

- Whose activities contributing not less than 75% of turnover are subject to regulation by an entity or entities approved for such purposes by Council and where
- A partner or a director or the sole proprietor or a manager
  - is an Ordinary or Fellow Member of the IPA
  - has not less than five years practical experience of insolvency administration [see Definitions at Appendix I] and
  - is able to perform and discharge without supervision and with the appropriate degree of skill and competence the functions, powers and duties of an insolvency appointment [see Definitions at Appendix III].

□ **The 75% turnover** should be certified by a partner, member, director or the proprietor of the firm in respect of the financial year immediately preceding the application and for each subsequent year of membership: the entities approved by Council are the bodies recognised under the Insolvency Act to authorise insolvency practitioners, together with the Financial Services Authority.

□ **The experience requirement** of a partner or a director or the sole proprietor or a manager would be sufficiently evidenced by confirmation that he/she holds a current IP authorisation: otherwise, details of the experience relied on should be set out fully in an attachment to the application and at least some of the experience should be certified by one or more IPs. The five years practical experience requirement may be reduced where Council considers that there are exceptional circumstances justifying it.

□ **The firm's application should** be supported by three sponsors:

- an IPA Member Firm;
- an IP (whether or not a member of or authorised by the IPA); and
- another IP or a member of a professional body or a person of standing who are each able to vouch for the applicant firm's good reputation and suitability to be a Member Firm of the IPA.

□ **The Membership & Authorisation Committee**, which first considers membership applications, may allow sponsorship by a present or past Member of Council or a person of equivalent standing in the insolvency, accountancy or legal professions in place of an IPA Member Firm where for example because of the applicant firm's geographical location it is not sufficiently well known to an IPA Member Firm.

□ **The sponsors should each provide a letter** addressed to the President of the IPA (not "to whom it may concern") setting out:

- Their full name, address, telephone and fax numbers and e-mail;
- For individuals, their job title/position and any qualifications, honours, decorations;
- How long they known the applicant firm and the basis of their knowledge;
- His/her/its opinion of applicant firm's reputation and suitability to be a Member Firm of the IPA.

□ **The IPA will also take into account** the matters set out at Appendix IV; and it may make such further and other enquiries of third parties as it considers appropriate as to the applicant firm's reputation and suitability to be a Member Firm.

**A firm admitted to firm membership** may describe itself as a Member Firm of the Insolvency Practitioners Association, but its partners, directors or other officers or a sole proprietor or a manager may not describe themselves as members of the IPA or use any designatory letters unless and to the extent that they are individually admitted to membership.

No subsidiary, affiliate, shareholder or associate of a member firm which or who practices under a different name or names is deemed to be that firm or part of it for the purposes of firm membership rights, entitlements and benefits; but it may be entitled to apply for firm, or affiliate firm, membership itself.

**Partnerships, limited liability partnerships**, incorporated bodies, sole proprietorships, bodies of persons (including barristers' chambers) or registered charities engaged in insolvency related work which may not qualify to be a full Member Firm may nevertheless be eligible to be an Affiliate Member Firm, and may apply using [Form AF1](#).

### **Affiliate Firm** [Article 12A – [Form AF 1](#)]

- An applicant for Affiliate Firm Membership** should be:
  - A partnership, limited liability partnership, incorporated body, sole proprietorship, body of persons (including barristers' chambers) or registered charity (referred to here as firm) engaged in insolvency related work [see Definitions at Appendix III] in the United Kingdom (excluding the Channel Islands and Isle of Man) [see Definitions at Appendix III]
  
- The nature and range of the applicant firm's** insolvency related work should be certified by one of its sponsors based on his/her knowledge of it. Alternatively or additionally, the applicant firm may provide evidence of it.
  
- The firm's application should be supported** by two Sponsors:
  - an insolvency practitioner (IP) (whether or not a member of or authorised by the IPA); and
  - another IP or a member of a professional body or a person of standingwho are each able to vouch for the applicant firm's good reputation and suitability to be an Affiliate Firm of the IPA.
  
- The sponsors should each provide a letter** addressed to the President of the IPA (not "to whom it may concern") setting out:
  - his/her full name, address, telephone and fax numbers and e-mail;
  - his/her job title/position and any qualifications, honours, decorations;
  - how long he/she has known the applicant firm and the basis of his/her knowledge; and
  - his/her opinion of the applicant firm's reputation and suitability to be an Affiliate Firm of the IPA.
  
- The IPA will also take into account** the matters set out at Appendix IV; and it may make such further and other enquiries of third parties as it considers appropriate as to the applicant firm's reputation and suitability to be a Member Firm.

**A firm admitted to affiliate firm membership** may describe itself as an Affiliate Member Firm of the Insolvency Practitioners Association, but its partners, directors or other officers or a sole proprietor or a manager may not describe themselves as members of the IPA or use any designatory letters unless and to the extent that they are individually admitted to membership.

**Partnerships, limited liability partnerships**, incorporated bodies (including unlimited companies) or sole proprietorships (referred to here as firm) which carry on the business or practice of insolvency administration in the United Kingdom (excluding the Channel Islands and the Isle of Man) may be eligible to be a full Member Firm, and should apply using [Form MF1](#).

## Appendix

### Definitions relating to individuals

• **Insolvency administration** is defined in the Articles as the performance, administration and discharge of those functions, powers, activities and duties which are attached to or are incidental to any office, appointment or position held by an insolvency practitioner or any other similar office or position or appointment as a professional adviser concerning the realisation, recovery, reorganisation, reconstruction, settlement or distribution of the assets, liabilities or affairs of any individual, corporation or other person or body of persons.



- **Higher experience in insolvency administration** is engagement in work relating to the administration of estates in respect of which an insolvency practitioner has been appointed where the work involves the management or supervision of the conduct of cases on behalf of an IP.
- **Advisory work experience** is experience obtained in providing advice to an office holder in insolvency proceedings
- **Regulatory work experience** is experience relating to the regulation of office holders for or on behalf of a body recognised under the Insolvency Act 1986.
- **Insolvency related work** is defined in the Articles as work requiring knowledge and understanding of current UK insolvency legislation and practice and would include working in a general accountancy, legal or equivalent practice or in a banking or financial institution or other business or organisation or in a government department or agency or public authority where insolvency knowledge and understanding is relevant, as well as advisory and representative work for an insolvency practitioner or anyone who is a party to or whose interests are affected by insolvency or reorganisation or reconstruction of an insolvent's affairs (whether or not subject to a formal insolvency procedure).
- **Significant contribution to the knowledge and practice of insolvency** is for Council to judge, but would include authorship of recognised published insolvency books, articles and research: applicants on this basis should submit a summary of the matters which they would invite Council to consider in support of their application.

## Appendix II

### Matters which are also taken into consideration by the IPA in determining an application for membership in relation to an individual include:

- **Whether the applicant** has been refused admission to, or been removed from, any professional body or similar association; or any action is pending
- **Whether the applicant** has been the subject of any adverse findings by the IPA or another professional body or any government, statutory or regulatory authority (including The Insolvency Service) in relation to any matters, whether by way of financial penalty or other disciplinary action (including reprimands, warnings and undertakings); or any matters (including complaints) are currently being considered by any of them
- **Whether the applicant** has been the subject of a bankruptcy order, sequestration order, voluntary arrangement, deed, scheme, composition or other form of agreement or debt management plan with his/her creditors; or any proceedings are pending
- **Whether the applicant** has been or is a director of, or involved in the management of, a company which has gone into liquidation, administration or administrative receivership or entered into a company voluntary arrangement, scheme, composition or other form of agreement with its creditors; or which has been or is the subject of a statutory or regulatory investigation
- **Whether the applicant** has been the proprietor or partner in any business or been a director of or involved in the management of any company which ceased trading leaving creditors unpaid
- **Whether the applicant** has had any judgments entered against him/her; and any are still outstanding
- **Whether the applicant** has been or is the subject of proceedings alleging negligence, misconduct or other liability in relation to an insolvency or other professional matter; or any proceedings are pending
- **Whether the applicant** has been convicted of any criminal offence, other than a minor motoring offence not resulting in disqualification; or any proceedings are pending
- **Whether the applicant** has been or is subject to a disqualification order or undertaking in relation to a company or office or subject to a bankruptcy restriction order or undertaking; or any proceedings are pending
- **Whether the applicant** has been removed or dismissed from any form of employment or engagement on grounds of misconduct, incompetence or unfitness or from any fiduciary office or position of trust (whether or not remunerated) including as an insolvency office holder; or any action is pending
- **Whether the applicant** has been or is a patient within the meaning of the Mental Health Acts
- **Whether the applicant** has committed any breach of any of the IPA Articles, Rules, Regulations or Guidance or has been or is engaged in any conduct or practice likely to bring discredit upon him/herself, the IPA and its membership or the insolvency profession; or he/she had or has any relationship or dealings with any individual, firm, partnership or company which has been or is the subject of complaint to or investigation by it (the IPA), another professional body or any government, statutory or regulatory authority (including The Insolvency Service).

The applicant should also disclose any other facts and circumstances which are material to consideration of his/her application.

### Appendix III

#### Definitions in relation to firms

- **Insolvency administration** and **insolvency appointment** are together defined in the Articles as the performance, administration and discharge of those functions, powers, activities and duties which are attached to or are incidental to any office, appointment or position held by an insolvency practitioner or any other similar office or position or appointment as a professional adviser concerning the realisation, recovery, reorganisation, reconstruction, settlement or distribution of the assets, liabilities or affairs of any individual, corporation or other person or body of persons.
- **Insolvency related work** is defined in the Articles as work requiring knowledge and understanding of current UK insolvency legislation and practice and would include general accountancy, legal or equivalent practice or a banking or financial institution or other business or organisation or a government department or agency or public authority where insolvency knowledge and understanding is relevant, as well as advisory and representative work for an insolvency practitioner or anyone who is a party to or whose interests are affected by insolvency or reorganisation or reconstruction of an insolvent's affairs (whether or not subject to a formal insolvency procedure).
- **While the insolvency administration business or practice** has to be carried on in the UK, the firm may be resident elsewhere for tax purposes. Two or more partnerships practising under the same name are not deemed to be a single firm for the purposes of being one Member Firm.

### Appendix IV

#### Matters which are also taken into consideration by the IPA in determining an application for membership in relation to a firm include:

- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been refused admission to, or been removed from, any professional body or similar association; or any action is pending
- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been the subject of any adverse findings by the IPA or another professional body or any government, statutory or regulatory authority (including The Insolvency Service) in relation to any matters, whether by way of financial penalty or other disciplinary action (including reprimands, warnings and undertakings); or any matters (including complaints) are currently being considered by any of them
- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been the subject of a bankruptcy order, sequestration order, voluntary arrangement, deed, scheme, composition or other form of agreement or debt management plan with their creditors; or any proceedings are pending
- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been or is a director of, or involved in the management of, a company which has gone into liquidation, administration or administrative receivership or entered into a company voluntary arrangement, scheme, composition or other form of agreement with its creditors; or which has been or is the subject of a statutory or regulatory investigation
- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been the proprietor or partner in any other business or been a director of or involved in the management of, any company which ceased trading leaving creditors unpaid
- **Whether the applicant firm or any partner, director, sole proprietor or manager** has had any judgments entered against them; and any are still outstanding
- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been the subject of proceedings alleging negligence, misconduct or liability in relation to an insolvency or other professional matter; or any proceedings are pending
- **Whether the applicant firm** has in place appropriate and adequate professional indemnity insurance



- **Whether the applicant firm or any partner, director, sole proprietor or manager** has been convicted of any criminal offence, other than a minor motoring offence not resulting in disqualification; or any proceedings are pending
  - **Whether the applicant firm or any partner, director, sole proprietor or manager** has been or is subject to a disqualification order or undertaking in relation to a company or office or subject to a bankruptcy restrictions order or undertaking; or any proceedings are pending
  - **Whether the applicant firm or any partner, director, sole proprietor or manager** has been removed or dismissed from any form of employment or engagement on grounds of misconduct, incompetence or unfitness, or from any fiduciary office or position of trust (whether or not remunerated) including as an insolvency office holder; or any proceedings are pending
  - **Whether any partner, director, sole proprietor or manager** has been or is a patient within the meaning of the Mental Health Acts
  - **Whether the applicant firm or any partner, director, sole proprietor or manager** has committed any breach of any of the IPA Articles, Rules, Regulations or Guidance or has been or is engaged in any conduct or practice likely to bring discredit upon themselves, the IPA and its membership or the insolvency profession; or they had or have any relationship or dealings with any individual, firm, partnership or company which has been or is the subject of complaint to or investigation by it (the IPA), another professional body or any government, statutory or regulatory authority (including The Insolvency Service).
- The applicant should also** disclose any other facts and circumstances which are material to consideration of the application.