
STATUTORY INSTRUMENTS

2014 No. 229

The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014

Citation, commencement and interpretation

1.—(1) This Order may be cited as the [^{F1}Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014], and comes into force on 6th April 2014.

(2) In this Order—

^{F2} ...

^{F2} ...

“the 1986 Act” means the Insolvency Act 1986 ^{M1}[^{F3}(see also paragraph (5))];

“the 2006 Act” means the Companies Act 2006 ^{M2};

[^{F4}“the 2014 Act” means the Co-operative and Community Benefit Societies Act 2014;]

[^{F5}“the 2015 Act” means the Small Business, Enterprise and Employment Act 2015;]

“authorised person” has the meaning given in section 31(2) of FSMA;

“authorised deposit taker” has the meaning given in section 359(4) of FSMA ^{M3};

^{F6} ...

“deposit” has the meaning given by article 5 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ^{M4};

^{F6} ...

“FSMA” means the Financial Services and Markets Act 2000 ^{M5};

“member”, in relation to a relevant society, means a person whose name is entered as a member in the register kept by the society in accordance with [^{F7}section 30(1) of the 2014 Act];

^{F6} ...

[^{F8}“relevant CCBS” means a co-operative society or community benefit society, that is registered under the 2014 Act but not a society that is—

(a) registered as a social landlord under Part 1 of the Housing Act 1996 or Part 2 of the Housing (Scotland) Act 2010; or

(b) a credit union within the meaning of section 31(1) of the Credit Unions Act 1979];

“relevant person” has the meaning given in section 213(9)(a) of FSMA ^{M6}; and

“relevant society” means a [^{F9}registered society which] is not—

(a) a private registered provider of social housing; or

Changes to legislation: There are currently no known outstanding effects for the *The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014*. (See end of Document for details)

- (b) registered as a social landlord under Part 1 of the Housing Act 1996^{M7} or under Part 2 of the Housing (Scotland) Act 2010^{M8}.
- (3) The definition of “authorised deposit taker” is to be construed in accordance with—
- (a) section 22 of, and Schedule 2 to, FSMA^{M9}; and
- (b) any relevant order under section 22^{M10}.
- (4) For the purposes of this Order a relevant society is “in administration” while the appointment of an administrator of the society under Schedule B1 to the 1986 Act^{M11} has effect.
- [^{F10}(5) In this Order a reference to the 1986 Act is to the 1986 Act without the amendments made by section 1 of, and Schedules 1 to 3 to, the Corporate Insolvency and Governance Act 2020.]

Textual Amendments

- F1** Words in art. 1(1) substituted (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions Act 2010 \(Consequential Amendments\) Regulations 2014 \(S.I. 2014/1815\)](#), reg. 1(2), [Sch. para. 33](#)
- F2** Words in art. 1(2) omitted (1.8.2014) by virtue of [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), [3\(a\)](#)
- F3** Words in art. 1(2) inserted (26.6.2020) by [Corporate Insolvency and Governance Act 2020 \(c. 12\)](#), s. 49(1), [Sch. 3 para. 54\(a\)](#) (with ss. 2(2), 5(2))
- F4** Words in art. 1(2) inserted (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), [3\(b\)](#)
- F5** Words in art. 1(2) inserted (13.3.2018) by [The Small Business, Enterprise and Employment Act 2015 \(Consequential Amendments, Savings and Transitional Provisions\) Regulations 2018 \(S.I. 2018/208\)](#), regs. 1(3), [15\(2\)](#)
- F6** Words in art. 1(2) omitted (1.8.2014) by virtue of [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), [3\(c\)](#)
- F7** Words in art. 1(2) substituted (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), [3\(d\)](#)
- F8** Words in art. 1(2) inserted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, [6](#)
- F9** Words in art. 1(2) substituted (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), [3\(e\)](#)
- F10** Art. 1(5) inserted (26.6.2020) by [Corporate Insolvency and Governance Act 2020 \(c. 12\)](#), s. 49(1), [Sch. 3 para. 54\(b\)](#) (with ss. 2(2), 5(2))

Marginal Citations

- M1** 1986 c. 45.
- M2** 2006 c. 46.
- M3** The definition was amended by the [Financial Services Act 2012 \(c. 21\)](#), [Schedule 14](#), paragraphs 1 and 6(1) and (5).
- M4** [S.I. 2001/544](#).
- M5** 2000 c. 8.
- M6** Section 213(9)(a) was amended by the [Financial Services Act 2012](#), [Schedule 10](#), paragraphs 1 and 3(1) and (6).

- M7** 1996 c. 52.
- M8** 2010 asp 17.
- M9** Section 22 and Schedule 2 were amended by the Financial Services Act 2012, section 7.
- M10** [The Financial Services and Markets Act 2000 \(Regulated Activities\) Order 2001 \(S.I. 2001/544\)](#) is relevant.
- M11** Schedule B1 was inserted by the Enterprise Act 2002, section 248(2) and Schedule 16; and was amended by the Financial Services Act 2012, Schedule 18, paragraphs 51 and 55, and by [S.I. 2003/2096](#), [2008/948](#) and [2008/1897](#). There are other amendments not relevant to this Order.

Application to relevant societies [^{F11}and relevant CCBS] of law about company arrangements, [^{F12}administration and moratoriums]

2.—^{F13}(A1) Part A1 of the 1986 Act (moratorium) applies in relation to relevant CCBS with the modifications set out in paragraph 1(2) of Part 1, and Part 1A, of Schedule 1]

(1) Part 1 of the 1986 Act (company voluntary arrangements) applies in relation to a relevant society with the modifications set out in Parts 1 and 2 of Schedule 1.

(2) Part 2 of the 1986 Act (administration) ^{M12} applies in relation to a relevant society with the modifications set out in Parts 1, 3 and 4 of Schedule 1.

^{F14}(2A) Schedule 1A applies in relation to a proposal by the members of the committee of a relevant CCBS for a moratorium under Part A1 of the 1986 Act (as applied in relation to a relevant CCBS), and—

- (a) the courts in England and Wales have jurisdiction to wind up the relevant CCBS, or
- (b) a sheriff court in Scotland has jurisdiction to wind up the relevant CCBS.]

(3) Part 26 of the 2006 Act (arrangements and reconstructions) applies in relation to a relevant society with the modifications set out in Schedule 2.

^{F15}(4) Part 26A of the 2006 Act (arrangements and reconstructions: companies in financial difficulty) applies in relation to a relevant society with the modifications set out in Schedule 2A.]

^{F16}(5)

Textual Amendments

- F11** Words in art. 2 heading inserted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, **7(a)(i)**
- F12** Words in art. 2 heading substituted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, **7(a)(ii)**
- F13** Art. 2(A1) inserted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, **7(b)**
- F14** Art. 2(2A) inserted (30.9.2021) by [The Co-operative and Community Benefit Societies \(Administration\) \(Amendment\) Order 2021 \(S.I. 2021/1048\)](#), arts. 1(1), **2(2)(a)**
- F15** Art. 2(4)(5) inserted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, **7(c)**
- F16** Art. 2(5) omitted (30.9.2021) by virtue of [The Co-operative and Community Benefit Societies \(Administration\) \(Amendment\) Order 2021 \(S.I. 2021/1048\)](#), arts. 1(1), **2(2)(b)**

Changes to legislation: There are currently no known outstanding effects for the *The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014*. (See end of Document for details)

Marginal Citations

M12 Part 2, substituted by the Enterprise Act 2002, section 248(1), gives effect to Schedule B1, which is inserted in the 1986 Act by the Enterprise Act 2002, section 248(2) and Schedule 16.

[^{F17}Application of section 176ZB of the 1986 Act

2A. Section 176ZB of the 1986 Act (application of proceeds of office-holder claims) applies in relation to a relevant society which is in administration, and for that purpose—

- (a) a reference to a company includes a reference to a relevant society;
- (b) a reference to a section of the 1986 Act is a reference to that section as applied in relation to a relevant society; and
- (c) the reference to Part 26 of the 2006 Act is a reference to that Part as applied in relation to a relevant society.]

Textual Amendments

F17 Art. 2A inserted (7.4.2017) by [The Deregulation Act 2015, the Small Business, Enterprise and Employment Act 2015 and the Insolvency \(Amendment\) Act \(Northern Ireland\) 2016 \(Consequential Amendments and Transitional Provisions\) Regulations 2017 \(S.I. 2017/400\)](#), regs. 1(2), **12(2)**

Application of section 176A of the 1986 Act

3. Section 176A of the 1986 Act (share of assets for unsecured creditors) ^{M13} applies in relation to a relevant society which is in administration, and for that purpose—

- (a) a reference to a company includes a reference to a relevant society;
- (b) a reference to a receiver is to be ignored; and
- (c) in subsection (4)(b) ^{M14} the reference to Part 26 of the 2006 Act is a reference to that Part as applied in relation to a relevant society.

Marginal Citations

M13 Section 176A was inserted by the Enterprise Act 2002, section 252.

M14 Subsection (4)(b) was amended by [S.I. 2008/948](#).

Application of other provisions of the 1986 Act

4. The following provisions of the 1986 Act, so far as they have effect for the purposes of [^{F18}Part A1,] Part 1 or Part 2 of that Act as applied in relation to a relevant society, apply with the modifications set out in Schedule 3—

- (a) Part 6 (miscellaneous provisions applying to companies which are insolvent or in liquidation);
- (b) Part 7 (interpretation for first group of Parts); and
- (c) Parts 12 to 19 (the third group of Parts).

Textual Amendments

- F18** Words in art. 4 inserted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, **8**

Application of section 215 of FSMA

5.—(1) Section 215 of FSMA (rights of the compensation scheme in insolvency)^{M15} applies in relation to a relevant society—

- (a) which is a relevant person; and
- (b) in relation to which an administration application is made, an administrator is appointed or a copy of notice of intention to appoint an administrator is filed with the court under Schedule B1 to the 1986 Act.

(2) For that purpose in subsection (3) the reference to a company includes a reference to a relevant society.

Marginal Citations

- M15** Section 215 was amended by the [Banking Act 2009 \(c. 1\)](#), [section 175](#); by the Enterprise Act 2002, Schedule 17, paragraph 54(2), and by the Finance Act 2012, Schedule 10, paragraph 5. There are other amendments not relevant to this Order.

[^{F19}Application of sections 355A and 355B of FSMA

5A.—(1) Sections 355A (powers of FCA and PRA to participate in proceedings) and 355B (enforcement of requirements imposed by section 355A) of FSMA apply in relation to a relevant society which meets the criteria in section 355A(1).

(2) For that purpose, in sections 355A and 355B a reference to a company is a reference to a relevant society of a kind specified in paragraph (1).]

Textual Amendments

- F19** Art. 5A inserted (18.7.2020) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) and Consequential Amendments Order 2020 \(S.I. 2020/744\)](#), arts. 1, **9**

Application of section 356 of FSMA

6.—(1) Section 356 of FSMA (powers of FCA and PRA to participate in proceedings: company voluntary arrangements)^{M16} applies in relation to a relevant society—

- (a) which is an authorised person; and
- (b) in relation to which a voluntary arrangement has effect under Part 1 of the 1986 Act.

(2) For that purpose—

- (a) in subsection (1) the reference to a company includes a reference to a relevant society; and

Changes to legislation: There are currently no known outstanding effects for the The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014. (See end of Document for details)

- (b) in subsection (3) the reference to an application to the court in relation to the company is a reference to an application to the court under section 6^{M17} or 7^{M18} of the 1986 Act in relation to a relevant society of the kind described in paragraph (1).

Marginal Citations

- M16** Section 356 was amended by the [Insolvency Act 2000 \(c.39\)](#), [section 15\(3\)](#), and by the Financial Services Act 2012, Schedule 14, paragraphs 1 and 3.
- M17** Section 6 was amended by the Insolvency Act 2000, Schedule 2, paragraphs 1 and 7, and by the Enterprise Act 2002, Schedule 17, paragraphs 9 and 12. There are other amendments not relevant to this Order.
- M18** Section 7 was amended by the Insolvency Act 2000, Schedule 2, paragraphs 1 and 9.

Application of section 359 of FSMA

7.—(1) Section 359 of FSMA (administration order)^{M19} applies in relation to a relevant society which—

- (a) is or has been an authorised person; or
- (b) is carrying on or has carried on a regulated activity in contravention of the general prohibition.
- (2) For that purpose—
- (a) in subsection (1) the words from “which” to the end are to be ignored; and
- (b) except in the definition of “company” in subsection (4), a reference to a company is a reference to a relevant society of the kind described in paragraph (1).

Marginal Citations

- M19** Section 359 was substituted by the Enterprise Act 2002, Schedule 17, paragraphs 53 and 55; and was amended by the Financial Services Act 2012, Schedule 14, paragraphs 1 and 6. There are other amendments not relevant to this Order.

Application of section 361 of FSMA

8. Section 361 of FSMA (administrator's duty to report to FCA and PRA)^{M20} applies in relation to a relevant society, and for that purpose a reference to a company includes a reference to a relevant society.

Marginal Citations

- M20** Section 361 was substituted by the Enterprise Act 2002, Schedule 17, paragraphs 53 and 56; and was amended by the Financial Services Act 2012, Schedule 14, paragraphs 1 and 7. There are other amendments not relevant to this Order.

Application of sections 362 and 362A of FSMA

9.—(1) Section 362 of FSMA (powers of FCA and PRA to participate in proceedings)^{M21} and section 362A (administrator appointed by company or directors)^{M22} apply in relation to a relevant society which—

- (a) is or has been an authorised person; or
 - (b) is carrying on or has carried on a regulated activity in contravention of the general prohibition.
- (2) For that purpose—
- (a) in section 362—
 - (i) in subsection (1) the words from “which” to the end are to be ignored;
 - (ii) in subsection (1A) the words “of a kind described in subsection (1)(a) to (c)” are to be ignored;
 - (iii) a reference to a company is a reference to a relevant society of the kind described in paragraph (1); and
 - (b) in section 362A—
 - (i) in subsection (1) the words “of a kind described in section 362(1)(a) to (c)” are to be ignored;
 - (ii) a reference to a company is a reference to a relevant society of the kind described in paragraph (1).

Marginal Citations

- M21** Section 362 was amended by the Enterprise Act 2002, Schedule 17, paragraphs 53 and 57, by the Financial Services Act 2012, Schedule 14, paragraphs 1 and 8, and by [S.I. 2008/948](#). There are other amendments not relevant to this Order.
- M22** Section 362A was inserted by the Enterprise Act 2002, Schedule 17, paragraphs 53 and 58; and was amended by the Financial Services Act 2012, Schedule 14, paragraphs 1 and 9.

Application of provisions of FSMA: general provision

- 10.**—(1) In the application in relation to a relevant society of any of the provisions applied by articles 5 to 9, except sections 359(4) and 362(1B)—
- (a) a reference to a provision of the 1986 Act is a reference to that provision as applied in relation to a relevant society; and
 - (b) a reference to Schedule B1 to the Insolvency (Northern Ireland) Order 1989 ^{M23} is to be ignored.
- (2) In articles 5 to 9—
- (a) a reference to a provision of the 1986 Act is a reference to that provision as applied in relation to a relevant society;
 - (b) “general prohibition” has the meaning given in section 19(2) of FSMA; and
 - (c) “regulated activity” has the meaning given in section 22 of FSMA ^{M24}.

Marginal Citations

- M23** [S.I. 1989/2405 \(N.I. 19\)](#). Schedule B1 was inserted by [S.I. 2005/1455 \(N.I. 10\)](#) and amended by [S.R. 2006/370](#). There are other amendments not relevant to this Order.
- M24** Section 22 was amended by section 7(1) of the Financial Services Act 2012.

Changes to legislation: There are currently no known outstanding effects for the *The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014*. (See end of Document for details)

Application of insolvency rules

11.—(1) Part 1 (company voluntary arrangements) and, so far as applicable to voluntary arrangements, Parts 7 to 13 (the third group of Parts) of the Insolvency Rules 1986^{M25} apply where—

- (a) it is intended to make, and there is made, a proposal to a relevant society and its creditors for a voluntary arrangement within the meaning given in section 1 of the 1986 Act^{M26} (as applied in relation to a relevant society); and
- (b) the courts in England and Wales have jurisdiction to wind up the society.

(2) Part 1 (company voluntary arrangements) and, so far as applicable to voluntary arrangements, Part 7 (provisions of general application) of the Insolvency (Scotland) Rules 1986^{M27} apply where—

- (a) it is intended to make, and there is made, a proposal to a relevant society and its creditors for a voluntary arrangement within the meaning given in section 1 of the 1986 Act (as applied in relation to a relevant society); and
- (b) a sheriff court in Scotland has jurisdiction to wind up the society.

(3) Part 2 (administration procedure) and, so far as applicable to administration procedure, Parts 7 to 13 of the Insolvency Rules 1986 apply in relation to the appointment of an administrator of a relevant society which the courts in England and Wales have jurisdiction to wind up.

(4) Part 2 (administration procedure) and, so far as applicable to administration procedure, Part 7 of the Insolvency (Scotland) Rules 1986 apply in relation to the appointment of an administrator of a relevant society which a sheriff court in Scotland has jurisdiction to wind up.

(5) Schedule 4 (which makes further provision about the application in relation to a relevant society of the Insolvency Rules 1986 and the Insolvency (Scotland) Rules 1986) has effect.

^{F20}(6)

Textual Amendments

F20 Art. 11(6) omitted (30.9.2021) by virtue of [The Co-operative and Community Benefit Societies \(Administration\) \(Amendment\) Order 2021 \(S.I. 2021/1048\)](#), arts. 1(1), **2(3)**

Marginal Citations

M25 [S.I. 1986/1925](#) as amended by [S.I. 1987/1919](#); 1989/397; 2003/1730; s004/584; 2005/527; 2006/1272; 2009/642 and 2010/686. There are other amendments not relevant to this Order.

M26 Section 1 was amended by the Insolvency Act 2000, Schedule 2, paragraphs 1 and 2, and by the Enterprise Act 2002, Schedule 17, paragraphs 9 and 10. There are other amendments not relevant to this Order.

M27 [S.I. 1986/1915](#) as amended by [S.I. 1987/1921](#); 2002/2709; 2003/2111; 2006/734; 2008/662; 2009/662; 2009/2375; and 2010/688. There are other amendments not relevant to this Order.

Application of other subordinate legislation

12. Schedule 5 applies other subordinate legislation in relation to a relevant society with the modifications set out in that Schedule.

^{F21}Modified application of section 111 of the 2014 Act

13.—(1) Paragraph (2) applies where, in relation to a relevant society which is in administration, the administrator’s proposals under paragraph 49 or a revision to proposals under paragraph 54 include relevant provision.

(2) Section 111 of the 2014 Act (special resolutions under section 109 or 110) has effect as if—

- (a) it provided that—
 - (i) the second meeting referred to in subsection (2) is to be treated as having been summoned by the administrator for consideration of the proposals or the revision under paragraph 53 or 54;
 - (ii) where that meeting confirms the resolution passed in relation to the relevant provision at the first meeting referred to in subsection (2), the relevant provision is to be treated as approved by the members of the society for the purposes of paragraph 53(1) or 54(5);
 - (b) in subsection (5) for the words from “Within 14 days” to “a copy of it” there were substituted “The society must send the FCA a copy of the special resolution that is”; and
 - (c) subsection (8) were omitted.
- (3) In this article—
- (a) a reference to a numbered paragraph, except the reference to paragraph (2) of this article, is a reference to the paragraph so numbered in Schedule B1 to the Insolvency Act 1986 as applied in relation to a relevant society by this Order; and
 - (b) “relevant provision” means provision for amalgamation in pursuance of section 109 of the 2014 Act (amalgamation of societies) or for a transfer of engagements in pursuance of section 110 of that Act (transfer of engagements between societies).]

Textual Amendments

- F21** Arts. 13-15 substituted for arts. 13-16 (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), 4

[^{F21}Modified application of section 113 of the 2014 Act

14.—(1) Paragraph (2) applies where, in relation to a relevant society which is in administration, the administrator’s proposals under paragraph 49 or a revision to proposals under paragraph 54 include relevant provision.

- (2) Section 113 of the 2014 Act (special resolutions under section 112) has effect as if—
- (a) it provided that—
 - (i) the second meeting referred to in subsection (2) is to be treated as having been summoned by the administrator for consideration of the proposals or the revision under paragraph 53 or 54;
 - (ii) where that meeting confirms the resolution passed in relation to the relevant provision at the first meeting referred to in subsection (2), the relevant provision is to be treated as approved by the members of the society for the purposes of paragraph 53(1) or 54(5);
 - (b) in subsection (5) the words from “Within 14 days from the day of the second meeting,” were omitted; and
 - (c) subsection (8) were omitted.
- (3) In this article—
- (a) a reference to a numbered paragraph, except the reference to paragraph (2) of this article, is a reference to the paragraph so numbered in Schedule B1 to the Insolvency Act 1986 as applied in relation to a relevant society by this Order; and

Changes to legislation: There are currently no known outstanding effects for the *The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014*. (See end of Document for details)

- (b) “relevant provision” means provision in pursuance of section 112 of the 2014 Act (conversion of society into a company, amalgamation with a company etc) for conversion into a company, amalgamation with a company or a transfer of engagements to a company.]

Textual Amendments

F21 Arts. 13-15 substituted for arts. 13-16 (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), 4

[^{F21}Modified application of section 126 of the 2014 Act

15. Section 126 of the 2014 Act (dissolution etc to occur only after society’s property dealt with) has effect in relation to a relevant society which is in administration as if in subsection (3) the reference to the liquidator included a reference to the administrator.]

Textual Amendments

F21 Arts. 13-15 substituted for arts. 13-16 (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), 4

Modified application of section 59 of the 1965 Act

^{F21}**16.**

Textual Amendments

F21 Arts. 13-15 substituted for arts. 13-16 (1.8.2014) by [The Co-operative and Community Benefit Societies and Credit Unions \(Arrangements, Reconstructions and Administration\) \(Amendment\) Order 2014 \(S.I. 2014/1822\)](#), arts. 1(2), 4

Amendment of the 1965 Act

17.—(1) The 1965 Act is amended as follows.

(2) After section 43 (duties of receiver or manager of society's property) insert—

“43A Floating charge holder not to appoint administrative receiver

(1) The holder of a qualifying floating charge in respect of the property of a relevant society whose registered office is situated in England and Wales may not appoint an administrative receiver of the society.

(2) This section applies to a floating charge which is created by a relevant society on or after 6th April 2014 and is either—

- (a) a charge in respect of which an application has been made for the purposes of section 1 of the Industrial and Provident Societies Act 1967 ^{M28}; or
- (b) created by a debenture registered under section 9 of the Agricultural Credits Act 1928 ^{M29} as applied by section 14 of that Act.

(3) This section applies in spite of any provision of an agreement or instrument which purports to empower a person to appoint an administrative receiver (by whatever name).

(4) In this section—

“administrative receiver”, in relation to a relevant society, means—

- (a) a receiver or manager of the whole (or substantially the whole) of the society's property appointed by or on behalf of the holder of a floating charge; or
- (b) a person who would be such a receiver or manager but for the appointment of some other person as the receiver of part of the society's property; and

“holder of a qualifying floating charge in respect of the property of a relevant society” has the meaning given in paragraph 14 of Schedule B1 to the Insolvency Act 1986 as applied in relation to a relevant society by an order made under section 255 of the Enterprise Act 2002.”.

(3) In section 49 (appointment of inspectors and calling of special meetings) ^{M30} after subsection (1) insert—

“(1A) The power of the FCA to call a special meeting of a relevant society in respect of which a moratorium is in force under section 1A of the Insolvency Act 1986 is subject to paragraph 12(1)(b) of Schedule A1 to that Act ^{M31} as applied in relation to a relevant society by an order made under section 255 of the Enterprise Act 2002.”.

(4) In section 55 (dissolution of society) ^{M32} after subsection (1C) insert—

“(1D) A relevant society may also be dissolved under paragraph 84 of Schedule B1 to the 1986 Act as applied in relation to a relevant society by an order made under section 255 of the Enterprise Act 2002.”.

(5) In section 74 (interpretation — general), in subsection (1) at the end insert—

““relevant society” means a registered society which is not—

- (a) a private registered provider of social housing; or
- (b) registered as a social landlord under Part 1 of the Housing Act 1996 or under Part 2 of the Housing (Scotland) Act 2010.”.

Marginal Citations

M28 Section 1 was amended by [S.I. 1996/1738](#), 2001/2617 and 2001/3649.

M29 [1928 c. 43](#). Section 9 was amended by the [Land Charges Act 1972 \(c. 61\)](#), [Schedule 3](#), paragraph 7, and by [S.I. 2011/2436](#).

M30 Section 49 was amended by [S.I. 2001/2617](#) and 2013/496.

M31 Section 1A and Schedule A1 were inserted by the [Insolvency Act 2000 \(c. 39\)](#), [section 1](#) and Schedule 1, paragraphs 1, 2 and 4.

M32 Section 55 was substituted by [S.I. 2009/1941](#); and was amended by [S.I. 2011/2687](#) and 2013/496.

Sam Gyimah
Mark Lancaster
Two of the Lords Commissioners of Her
Majesty's Treasury

Changes to legislation: *There are currently no known outstanding effects for the The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014. (See end of Document for details)*

I concur

Department for Business, Innovation and Skills

Jenny Willott
Parliamentary Under Secretary of State for
Employment Relations and Consumer Affairs

Changes to legislation:

There are currently no known outstanding effects for the The Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014.