

SCHEDULE 1

Modified application of Parts 1 and 2 of the Insolvency Act 1986 to relevant societies

PART 2

Modified application of Part 1 of the Insolvency Act 1986 to relevant societies (further modifications)

2. Part 1 of the 1986 Act applies in relation to a relevant society with the further modifications set out in this Part and with any other necessary modification.

Part 1 (company voluntary arrangements)

3. Section 1 of the 1986 Act (those who may propose an arrangement)^{M1} has effect as if—
- (a) it required any proposal under Part 1 to be so framed as to enable a relevant society to comply with the rules of the society and the provisions of [^{F1}the 2014 Act] and the Credit Unions Act 1979^{M2}; and
 - (b) in subsection (1)^{M3} the reference to debts included a reference to any amount owed by the society in respect of a member's shares where—
 - (i) the society is an authorised deposit taker; and
 - (ii) the amount concerned is owed in respect of a deposit.

Textual Amendments

- F1** Words in Sch. 1 para. 3(a) 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), **5(b)**

Marginal Citations

- M1** Section 1 was amended by the Insolvency Act 2000, Schedule 2, paragraphs 1 and 2, and by the [Enterprise Act 2002 \(c. 40\)](#), [Schedule 17](#), paragraphs 9 and 10. There are other amendments not relevant to this Order.
- M2** [1979 c.34](#).
- M3** Subsection 1 was amended by the Enterprise Act 2002, Schedule 17, paragraphs 9 and 10(a).

[^{F2}**3A**. Sections 2 to 6 and 7 of ^{F3}... the 1986 Act have effect without the amendments of those provisions made by paragraphs 2 to 9 of Schedule 9 to the 2015 Act (further amendments relating to the abolition of requirements to hold meetings: company voluntary arrangements).]

Textual Amendments

- F2** Sch. 1 para. 3A 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(3)(a)**
- F3** Words in Sch. 1 para. 3A omitted (18.7.2020) by virtue of [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, **11(d)**

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, PART 2.* (See end of Document for details)

4. Section 3 of the 1986 Act (summoning of meetings) has effect as if subsection (3) provided that the persons required to be summoned to a creditors' meeting included every member of the society to whom an amount is owed in respect of the member's shares where—

- (a) the society is an authorised deposit taker; and
- (b) the amount concerned is owed in respect of a deposit.

5. Section 7A of the 1986 Act (prosecution of delinquent officers of company) ^{M4} has effect as if—

- (a) in subsection (2), in the definition of “the appropriate authority”—
 - (i) at the end of sub-paragraph (i) there were added “ or the Financial Conduct Authority (“the FCA”) ”;
 - (ii) at the end of sub-paragraph (ii) there were added “ or the FCA ”;
- (b) for subsection (3) ^{M5} there were substituted—

“(3) Subsection (3A) applies where a report is made to the Secretary of State or the FCA under subsection (2) in relation to a relevant society (within the meaning given in [^{F4}article 1(2) of the Co-operative and Community Benefit Societies and Credit Unions (Arrangements, Reconstructions and Administration) Order 2014]) whose registered office is situated in England and Wales.

(3A) The Secretary of State or the FCA may, for the purpose of investigating the matter reported and such other matters relating to the society's affairs as appear to require investigation, exercise the power to appoint inspectors which would be exercisable by the FCA under [^{F5}section 106 of the Co-operative and Community Benefit Societies Act 2014] upon an application made for that purpose under subsection (1) of that section.”;

- (c) subsections (4) to (7) were omitted; and
- (d) in subsection (8), for the definition of “prosecuting authority” there were substituted—
 - ““prosecuting authority” means—
 - (a) in the case of a relevant society whose registered office is situated in England and Wales, the Director of Public Prosecutions, the Secretary of State or the FCA; and
 - (b) in the case of a relevant society whose registered office is situated in Scotland, the Lord Advocate.”.

Textual Amendments

- F4** Words in Sch. 1 para. 5(b) 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), **5(c)(i)**
- F5** Words in Sch. 1 para. 5(b) 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), **5(c)(ii)**

Marginal Citations

- M4** Section 7A was inserted by the Insolvency Act 2000, Schedule 2, paragraphs 1 and 10.
- M5** Subsection (3) was amended by [S.I. 2009/1941](#).

Schedule A1 (moratorium where directors propose voluntary arrangement)

^{F6}6.

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, PART 2. (See end of Document for details)

Textual Amendments

F6 Sch. 1 paras. 6-8 omitted (18.7.2020) by virtue of 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, **11(e)**

F67.

Textual Amendments

F6 Sch. 1 paras. 6-8 omitted (18.7.2020) by virtue of 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, **11(e)**

F68.

Textual Amendments

F6 Sch. 1 paras. 6-8 omitted (18.7.2020) by virtue of 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, **11(e)**

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, PART 2.