



Companies (Audit, Investigations and Community Enterprise) Act 2004

2004 CHAPTER 27

PART 2

COMMUNITY INTEREST COMPANIES

Supervision by Regulator

44 Civil proceedings

- (1) The Regulator may bring civil proceedings in the name and on behalf of a community interest company.
- (2) Before instituting proceedings under this section the Regulator must give written notice to the company stating—
 - (a) the cause of action,
 - (b) the remedy sought, and
 - (c) a summary of the facts on which the proceedings are to be based.
- (3) Any director of the company may apply to the court for an order—
 - (a) that proposed proceedings are not to be instituted under this section, or
 - (b) that proceedings instituted under this section are to be discontinued.
- (4) On an application under subsection (3) the court may make such order as it thinks fit.
- (5) In particular the court may (as an alternative to ordering that proposed proceedings are not to be instituted under this section or that proceedings instituted under this section are to be discontinued) order—
 - (a) that the proposed proceedings may be instituted under this section, or the proceedings instituted under this section may be continued, on such terms and conditions as the court thinks fit,
 - (b) that any proceedings instituted by the company are to be discontinued, or

Changes to legislation: There are currently no known outstanding effects for the Companies (Audit, Investigations and Community Enterprise) Act 2004, Section 44. (See end of Document for details)

- (c) that any proceedings instituted by the company may be continued on such terms and conditions as the court thinks fit.
- (6) The Regulator must indemnify the company against any costs (or expenses) incurred by it in connection with proceedings brought under this section.
- (7) Any costs (or expenses)—
 - (a) awarded to the company in connection with proceedings brought under this section, or
 - (b) incurred by the company in connection with the proceedings and which it is agreed should be paid by a defendant (or defender),are to be paid to the Regulator.

Commencement Information

II S. 44 in force at 1.7.2005 by [S.I. 2004/3322](#), art. 2(3), [Sch. 3](#)

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