STATUTORY INSTRUMENTS

2006 No. 2078

The European Cooperative Society Regulations 2006

PART 5

Compliance and offences

Holding of an inquiry

31.—(1) The competent authority may appoint a person to examine and report on the affairs of an SCE on the application of—

(a) one-tenth or more of the SCE's members; or

(b) in the case of an SCE with one thousand or more members, at least one hundred of those members.

(2) An application under paragraph (1) must be supported by evidence which shows that the applicants have good reason for their application.

(3) Before taking any action under paragraph (1), the competent authority—

(a) must inform the SCE of the application; and

(b) may require the applicants to give security for the costs of the proposed inquiry and report in such manner as the competent authority may direct.

(4) All expenses and incidental costs of the inquiry and report must be defrayed by—

(a) the applicants;

(b) the SCE; or

(c) the members (including former members) of the SCE's competent organ,

in such proportions as the competent authority may direct.

(5) A person appointed under paragraph (1) may require members (including former members) of the SCE's competent organ and members, servants or agents (including former members, servants or agents) of the SCE—

(a) to attend before him at a specified time and place to answer questions; or

(b) otherwise to provide such information as he may require.

(6) The competent authority must communicate the results of any inquiry under this regulation to the applicants and the SCE.

(7) In the case of an SCE that has its registered office in Northern Ireland, the competent authority must obtain the consent of the Department of Enterprise, Trade and Investment before appointing a person under paragraph (1).