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STATUTORY INSTRUMENTS

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**2014 No. 229**

**INDUSTRIAL AND PROVIDENT SOCIETIES  
CREDIT UNIONS**

The [<sup>F1</sup>Co-operative and Community Benefit  
Societies and Credit Unions (Arrangements,  
Reconstructions and Administration) Order 2014]

*Made* - - - - *4th February 2014*

*Laid before Parliament* *7th February 2014*

*Coming into force* *6th April 2014*

**THE CO-OPERATIVE AND COMMUNITY BENEFIT  
SOCIETIES AND CREDIT UNIONS (ARRANGEMENTS,  
RECONSTRUCTIONS AND ADMINISTRATION) ORDER 2014**

1. Citation, commencement and interpretation
  2. Application to relevant societies and relevant CCBS of law about company arrangements, administration and moratoriums
  - 2A. Application of section 176ZB of the 1986 Act
  3. Application of section 176A of the 1986 Act
  4. Application of other provisions of the 1986 Act
  5. Application of section 215 of FSMA
  - 5A. Application of sections 355A and 355B of FSMA
  6. Application of section 356 of FSMA
  7. Application of section 359 of FSMA
  8. Application of section 361 of FSMA
  9. Application of sections 362 and 362A of FSMA
  10. Application of provisions of FSMA: general provision
  11. Application of insolvency rules
  12. Application of other subordinate legislation
  13. Modified application of section 111 of the 2014 Act
  14. Modified application of section 113 of the 2014 Act
  15. Modified application of section 126 of the 2014 Act
  16. Modified application of section 59 of the 1965 Act
  17. Amendment of the 1965 Act
- Signature

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

PART 1 — General modifications

1. (1) Unless the context otherwise requires and subject to any...
  - PART 1A — Modified application of Part A1 of the Insolvency Act 1986 to Co-operative and Community Benefit Societies (further modifications)
    - 1A Part A1 of the 1986 Act (moratorium) applies in relation...
    - 1B Section A5 (obtaining a moratorium for other overseas companies) is...
    - 1C Section A20 (restrictions on insolvency proceedings etc) has effect as...
    - 1D Section A28 (restrictions on payment of certain pre-moratorium debts) has...
    - 1E Section A35 (monitoring) has effect as if after subsection (2)...
    - 1F Section A48 of the 1986 Act (prosecution of delinquent officers...
    - 1G Chapter 8 of Part A1 of the 1986 Act (miscellaneous...
    - 1H Section A50 (power to modify this Part etc in relation...
    - 1I Section A54 has effect as if— (a) in subsection (1),...
    - 1J Section A55 is omitted.
    - 1K Schedule ZA1 has effect as if— (a) in paragraph 15—...
      - 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...
        3. Part 1 (company voluntary arrangements)
        - 3A Sections 2 to 6 and 7 of ... the 1986...
        4. Section 3 of the 1986 Act (summoning of meetings) has...
        5. Section 7A of the 1986 Act (prosecution of delinquent officers...
        6. Schedule A1 (moratorium where directors propose voluntary arrangement)
        7. Schedule A1 to the 1986 Act has effect as if...
        8. Schedule A1 to the 1986 Act has effect as if—...
        - PART 3 — Modified application of Part 2 of the Insolvency Act 1986 to relevant societies (further modifications)
          9. Part 2 of the 1986 Act applies in relation to...
          10. In this Part— (a) a reference to a numbered paragraph...
          - 10A Creditors' meetings and creditors' notices
          11. Nature of administration
          12. Appointment of administrator by court
          13. Appointment of administrator by holder of floating charge
          14. Paragraph 15 (restrictions on power to appoint) has effect as...
          15. Effect of administration
          16. In paragraph 45 (publicity) sub-paragraph (3) has effect as if...
          17. Paragraph 46 (announcement of administrator's appointment) has effect as if...
          18. Process of administration
          19. Paragraph 51 (requirement for initial creditors' meeting) has effect as...
          20. Paragraph 52 (requirement for initial creditors' meeting) has effect as...
          21. In paragraph 53 (business and result of initial creditors' meeting),...
          22. Paragraph 54 (revision of administrator's proposals) has effect as if—...
          23. In paragraph 55 (failure to obtain approval of administrator's proposals)...
          24. Paragraph 56 (further creditors' meetings) has effect as if—
          25. In paragraph 58 (correspondence instead of creditors' meeting)—
          26. Functions of administrator
          27. Paragraph 61 (removal and appointment of director) has effect as...

28. In paragraph 64 (exercise of management power), in sub-paragraph (2)(b)...
29. In paragraph 65 (distribution) sub-paragraph (1) has effect as if...
30. Ending administration
31. In paragraph 84 (moving from administration to dissolution) sub-paragraph (5)...
32. Replacing administrator
33. Paragraph 96 (substitution of administrator: competing floating charge-holder) has effect...
34. General
  - PART 4 — Modified application of Schedule 1 to the Insolvency Act 1986 to relevant societies (further modifications)
35. Schedule 1 to the 1986 Act applies in relation to...
36. This Part has effect without limiting paragraph 26 of this...
37. In this Part— (a) a reference to a numbered paragraph...
38. Paragraph 3 (power to borrow) has effect as if it...
39. Paragraphs 15 (power to establish subsidiaries) and 16 (power to...
40. Paragraph 16 has effect in relation to a relevant society...

#### SCHEDULE 1A — Supplementary provision on moratoriums

##### PART 1 — General provision

1. Interpretation
  - PART 2 — England and Wales
2. Content of documents relating to the obtaining or extending of a moratorium: general
3. Authentication of documents relating to obtaining or extending moratorium: general
4. Notice that members of the committee wish to obtain a moratorium
5. Proposed monitor's statement and consent to act
6. Timing of statements for obtaining moratorium
7. Notice by monitor where moratorium comes into force
8. Notice that members of the committee wish to extend a moratorium
9. Extension under section A10 or A11 of the 1986 Act: notices and statements
10. Timing of statements for extension under section A10 or A11
11. Obtaining creditor consent: qualifying decision procedure
12. Rule 15.11 of the England and Wales Insolvency Rules (notice...
13. Rule 15.28 of the England and Wales Insolvency Rules (creditors' ...
14. Rule 15.31 of the England and Wales Insolvency Rules (calculation...
15. Rule 15.32 of the England and Wales Insolvency Rules (calculation...
16. Rule 15.34 of the England and Wales Insolvency Rules (requisite...
17. Content of application to the court for extension of moratorium
18. Timing of statements accompanying application to court for extension of moratorium
19. Notices about change in end of moratorium
20. (1) A notice under section A17(2) or (3) of the...
21. Where a moratorium comes to an end under section A16...
22. (1) A notice under section A17(4) of the 1986 Act...
23. Notification by members of the committee of insolvency proceedings etc
24. Notice of termination of moratorium
25. Termination of moratorium under section A38(1)(d) of the 1986 Act
26. Replacement of monitor or additional monitor: statement and consent to act
27. Replacement of monitor or additional monitor: notification
28. Challenge to monitor's remuneration

29. Challenge to actions of the members of the committee: qualifying decision procedure
30. Priority of moratorium debts etc in subsequent winding up
31. Priority of moratorium debts etc in subsequent administration
32. Prescribed format of documents
33. (1) The following provisions of the England and Wales Insolvency...
34. Delivery of documents
35. Applications to court
36. Identification details for a relevant CCBS
37. Contact details of a monitor or other office-holder
38. Meaning of “The England and Wales Insolvency Rules”  
PART 3 — Scotland
39. Content of documents relating to the obtaining or extending of a moratorium: general
40. Authentication of documents relating to obtaining or extending moratorium: general
41. Notice that members of the committee wish to obtain a moratorium
42. Proposed monitor’s statement and consent to act
43. Timing of statements for obtaining moratorium
44. Notice by monitor where moratorium comes into force
45. Notice that members of the committee wish to extend a moratorium
46. Extension under section A10 or A11 of the 1986 Act: notices and statements
47. Timing of statements for extension under section A10 or A11
48. Obtaining creditor consent: qualifying decision procedure
49. Rule 5.11 of the Scottish Insolvency Rules (notice of decision...
50. Rule 5.26 of the Scottish Insolvency Rules (creditors’ voting rights)...
51. Rule 5.28 of the Scottish Insolvency Rules (calculation of voting...
52. Rule 5.29 of the Scottish Insolvency Rules (calculation of voting...
53. Rule 5.31 of the Scottish Insolvency Rules (requisite majorities) has...
54. Content of application to the court for extension of moratorium
55. Timing of statements accompanying application to court for extension of moratorium
56. Notices about change in end of moratorium
57. (1) A notice under section A17(2) or (3) of the...
58. Where a moratorium comes to an end under section A16...
59. (1) A notice under section A17(4) of the 1986 Act...
60. Notification by members of the committee of insolvency proceedings etc
61. Notice of termination of moratorium
62. Termination of moratorium under section A38(1)(d) of the 1986 Act
63. Replacement of monitor or additional monitor: statement and consent to act
64. Replacement of monitor or additional monitor: notification
65. Challenge to monitor’s remuneration
66. Challenge to actions of the members of the committee: qualifying decision procedure
67. Priority of moratorium debts etc in subsequent winding up
68. Priority of moratorium debts etc in subsequent administration
69. Prescribed format of documents
70. (1) The following provisions of the Scottish Insolvency Rules apply,...
71. Delivery of documents
72. Identification details for a relevant CCBS
73. Contact details of a monitor or other office-holder
74. Meaning of “The Scottish Insolvency Rules”

SCHEDULE 2 — Modified application of Part 26 of the Companies Act 2006 to relevant societies

1. Unless the context otherwise requires and subject to any further...
2. Part 26 of the 2006 Act applies in relation to...
3. In section 895 (application of Part 26) subsection (2) has...
4. In section 899 (court sanction for compromise or arrangement) —...
5. Section 900 (powers of court to facilitate reconstruction or amalgamation)...
6. Section 901 (obligations of company with respect to articles etc.)...
7. Where a copy of any order or other document is...
8. In paragraph 7— “PRA-authorized person” has the meaning given in...

Schedule 2A — Modified application of Part 26A of the Companies Act 2006 to relevant societies

1. Unless the context otherwise requires and subject to any further...
2. Part 26A of the 2006 Act applies in relation to...
3. Section 901A (application of this part) subsection (4) has effect...
4. Section 901B is omitted.
5. Section 901F (court sanction for compromise or arrangement) has effect...
6. Section 901I is omitted.
7. Section 901J (powers of court to facilitate reconstruction or amalgamation)...
8. In section 901K (obligations of company with respect to articles...
9. Section 901L is omitted.
10. Where a copy of any order or other document is...
11. In paragraph (10)— (a) “PRA-authorized person” has the meaning given...

SCHEDULE 3 — Modified application of other provisions of the Insolvency Act 1986

1. Interpretation
2. Modification of provisions applied by article 4
3. Miscellaneous provisions applying to companies which are insolvent
- 3A Section 233B (protection of supplies of goods and services) does...
4. Interpretation for first group of Parts
5. Insolvency practitioners: qualification and regulation
- 5A Section 390 (persons not qualified to act as insolvency practitioners)...
- 5B (1) In the following provisions, in a reference to authorisation...
- 5C Creditors’ meetings
- 5D Creditors’ notices
6. Punishment of offences
7. Schedule 10 to the 1986 Act (punishment of offences under...
8. Schedule 10 to the 1986 Act also has effect without...

SCHEDULE 4 — Modified application of insolvency rules in relation to relevant societies

PART 1 — Interpretation

1. In this Schedule— “applied provisions”— in Part 2, means the...
2. In this Schedule— (a) a reference to the FCA is...

PART 2 — Modified application of the Insolvency Rules 1986

3. This Part modifies the Parts of the Insolvency Rules 1986...
4. Unless the context otherwise requires and subject to any further...
5. The applied provisions have effect as if they provided that...
6. The applied provisions have effect with the further modifications set...
7. Proposal by directors for company voluntary arrangement
8. Consideration of proposals where moratorium obtained

**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)

9. Appointment of administrator by holder of floating charge
10. Process of administration
11. Rule 2.31 (release from duty to submit statement of affairs;...
12. Meetings and reports
13. Rule 2.35 has effect as if— (a) paragraph (3) required...
14. Rule 2.37 (meeting requisitioned by creditors) has effect as if...
15. Rule 2.43 has effect as if— (a) in paragraph (1)...
16. In Rule 2.45 (revision of the administrator's proposals)—
17. In Rule 2.47 (reports to creditors), in paragraphs (1)(g) and...
18. In Rule 2.48 (correspondence instead of creditors' meetings)—
19. Rule 2.49 (venue and conduct of company meeting) has effect...
20. Distributions to creditors
21. Rule 2.69 (debts of insolvent society to rank equally) has...
22. Rule 2.85 (mutual credits and set off) has effect as...
23. Rule 2.95 (notice of proposed distribution) has effect as if—...
24. In Rule 2.97 (declaration of dividend) member-depositors are to be...
25. Rule 2.98 (notice of declaration of dividend) has effect as...
26. In Rule 2.99 (payment of dividends and related matters), in...
27. Rule 2.100 (notice of no dividend, or no further dividend)...
28. Rule 2.103 (disqualification from dividend) has effect as if it...
29. Ending administration
30. In Rule 2.113 (notice of end of administration), in paragraphs...
31. Replacing administrator
32. (1) Rule 2.122 (application to court to remove administrator from...
33. Quorum at meetings
34. Forms
35. “Prescribed part”
  - PART 3 — Modified application of the Insolvency (Scotland) Rules 1986
  36. This Part modifies the Parts of the Insolvency (Scotland) Rules...
  37. Unless the context otherwise requires and subject to any further...
  38. The applied provisions have effect with the further modifications set...
  39. Proposal by directors for company voluntary arrangement
  40. Consideration of proposals where moratorium obtained
  41. Appointment of administrator by holder of floating charge
  42. Process of administration
  43. Rule 2.23 (release from duty to submit statement of affairs;...
  44. Meetings
  45. Rule 2.27 has effect as if in paragraph (3) the...
  46. In Rule 2.28— (a) in paragraphs (3), (4) and (10),...
  47. In Rule 2.29 (applicable law (company meetings)) ignore paragraph (a)...
  48. In Rule 2.34 (revision of the administrator's proposals)—
  49. In Rule 2.35, in paragraph (1)(a), in the case of...
  50. Distributions to creditors
  51. Rule 2.41 (distributions to creditors) has effect in relation to...
  52. Ending administration
  53. Replacing administrator
  54. (1) Rule 2.53 (application to replace administrator) and Rule 2.56...
  55. Quorum at meetings
  56. Rule 7.7 (quorum) has effect in relation to a relevant...
  57. Rule 7.12 (resolutions) has effect in relation to a meeting...
  58. Forms
    - PART 4 — Modified application of Part 3 of Schedule 4 to the Corporate Insolvency and Governance Act 2020

59. This Part modifies Part 3 of Schedule 4 to the...
60. Unless the context otherwise requires and subject to any further...
61. The applied provisions have effect as if they provided that...
62. The applied provisions have effect with the further modifications set...

SCHEDULE 5 — Application of other subordinate legislation with modifications

1. Application of the Insolvency Act 1986 (Prescribed Part) Order 2003
- 1A Modified application of the Insurers (Reorganisation and Winding Up) Regulations 2004
2. Modified application of the Pension Protection Fund (Entry Rules) Regulations 2005
3. Modified application of the Financial Services and Markets Act 2000 (Administration Orders Relating to Insurers) Order 2010

Explanatory Note

**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.