

CODE OF PRACTICE

INTRODUCTION

The Association of Property and Fixed Charge Receivers (Nara) is an association set up to support its Members, to represent their interests, to provide the specialised technical training to Members, and to define and set standards in matters of Fixed Charge Receiverships.

The Code of Practice sets out the standards to which all Members must adhere.

Definitions: Throughout the **Code of Practice** the following definitions apply:-

“Administrative Receiver” has the meaning given by Section 29(2) Insolvency Act 1986.

“Appointor” means any body corporate (including a bank, friendly society, building society, or deposit taking institution), partnership, trust, individual person or persons who hold a charge, mortgage, lien or other security over Assets, which said charge, mortgage, lien or other security empowers the Appointer to appoint a Receiver, or where the said Appointor has power to appoint a Receiver pursuant to the provisions of Section 101 Law of Property Act 1925: together also with any Court of competent jurisdiction which has power to appoint a Receiver over Assets.

“Assets” means and includes any money, goods, things in action, land and property and every description

of property wherever situated and whether present or future or vested or contingent.

“Fixed Charge Receiverships” means the performance and discharge of functions, powers and duties which are attached or incidental to the offices or positions of Receivers of Assets who are not Administrative Receivers (including without limitation Law of Property Act Receivers, Fixed Charge Receivers, Receivers appointed in accordance with the Agricultural Credits Act 1928.)

“Member” means a Full Member of the Association of Property and Fixed Charge Receivers, whether a Registered Property Receiver or not.

“Professional Bodies” means either the Royal Institution of Chartered Surveyors (RICS) or the Insolvency Practitioners Association (IPA) or, in respect of Members who are not Registered Property Receivers such professional body to which the Member belongs and by which his practice is regulated.

“Receiver” Receiver or manager appointed under a security instrument or his personal representative.

“Registered Property Receiver” (RPR) means a Receiver with the Scheme to act as a Receiver.

“The Scheme” means the registration scheme created and operated by the joint agreement of the RICS and Nara set up to register, monitor and assess Registered Property Receivers who take Fixed Charge Receivership appointments and, if necessary, through that Member’s Professional Body, to discipline Members for non-compliance with the Code of Practice and Professional Statements of Nara or of the Professional Body, in relation to the Member practicing as a Receiver.

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The Code of Practice will apply to all Members who seek to or practice under the auspices of Nara. The overriding objective of the Code is to ensure that members maintain professional integrity, objectivity and competence in the conduct of appointments.

A Member is required to:-

1. Comply fully with this Code of Practice or as subsequently amended.
2. Comply with the terms and conditions of membership, education and continuing professional development and such other directions as may be issued from time to time by Nara, or by the Scheme in respect of Members who are also RPRs.
3. Use best practice at all times in the Member's conduct of matters relating to the receivership of fixed assets, both prior to and during such appointments.
4. Comply with all relevant statutory provisions and other legislation governing the conduct of Receivers so far as they relate to property and other assets.
5. Where appropriate, comply with any Regulations, Codes of Practice or other directions issued by any Professional Body to which the Member belongs, or by the Scheme for RPRs.
6. Comply with Professional Statements and to have regard to Guidance Notes and other information issued by Nara from time to time.
7. Comply with such rules and regulations as are issued by Nara with regard to the use of Nara's name and logo.

Members who are RPRs and act under the auspices of Nara or their Professional Body and who fail in the opinion of the Scheme to comply with the Code of Practice may be subject to disciplinary proceedings of their Professional Body. No Member shall offer any inducement (financial or otherwise) to an Appointor, an employee of an Appointor or anybody associated or connected with an Appointor to obtain an appointment as a Receiver.

This Code of Practice is issued for the benefit of Members as a guide to current best practice in the conduct of Property and Fixed Charge Receiverships. Members should only depart from it where justified by special circumstances and a Member who does so depart may be required to justify reasons for the departure. The circumstances of each case must be carefully considered and the Receiver must take his or her own independent advice. Neither Nara, nor its directors, nor its members of council nor the authors of this Code of Practice accept responsibility for any actions taken, or refrained from being taken, nor any loss consequent thereon.