

These notes refer to the Commonhold and Leasehold Reform Act 2002 (c.15) which received Royal Assent on 1st May 2002

COMMONHOLD AND LEASEHOLD REFORM ACT 2002

EXPLANATORY NOTES

COMMENTARY ON THE SECTIONS: PART 1

Termination: miscellaneous

Section 56: Release of reserve fund

110. [Section 39\(4\)](#) protects reserve funds from creditors whilst the commonhold association is a going concern, but once the association has decided to wind itself up voluntarily or is wound up by the court on the petition of a creditor or the court orders that the land should no longer be commonhold land (see [section 55](#)) that protection is lifted.