

CHAPTER 251

CREDIT UNIONS

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CREDIT UNIONS

Ordinances Nos. 21 of 1954, 5 of 1959, 37 of 1966, 28 of 1967
AN ACT TO REGULATE CREDIT UNIONS

[15th July, 1954.]

Short title

1. This Act may be cited as the Credit Unions Act.

Interpretation

2. In this Act, unless the context otherwise requires—
“credit union” means a credit union registered under the provisions of this Act;
“Registrar” means the Registrar of Credit Unions.
(Section amended by 5 of 1959, s. 2.)

Appointment of Registrar of Credit Unions

3. The Minister shall appoint* a person to administer this Act and such person shall be called the Registrar of Credit Unions.

Register to be kept

4. The Registrar shall keep a register of all credit unions registered under this Act.

Memorandum of association

5.—(1) Any fifteen or more persons resident in Fiji who desire to associate themselves together as a credit union for the objects set forth in this Act, may, in the presence of a witness, sign in duplicate a memorandum of association, and cause it to be filed in the office of the Registrar. Such memorandum of association, printed or typewritten, shall be in the form in the First Schedule and there shall be attached to the memorandum an affidavit verifying the signatures to such memorandum.

(2) Such persons, after signing the memorandum of association, shall appoint a provisional secretary who shall hold office until a secretary is appointed in accordance with section 23.

Contents of memorandum

6. The memorandum of association shall state—
(a) the name of the credit union;
(b) the group of persons to whom membership shall be limited;
(c) the address in Fiji at which the registered office of the credit union is to be situated;
(d) the par value of its shares;
(e) the names and addresses of the subscribers to the memorandum, the number of shares subscribed by each and the qualification of each within the group to which membership is limited.

Registration

7. On the memorandum of association being filed the Registrar, if he is satisfied that registration is advisable and in particular that the group to which membership is limited is such as to ensure reasonable personal contact amongst the members, shall register the credit union and shall issue to the provisional secretary a certificate of incorporation in the form in the Second Schedule.

Incorporation of credit union with limited liability

8. The registration of a credit union shall render it a body corporate by the name under which it is registered, by which it may sue and be sued, with perpetual

* Administrator-General appointed by Notice 20th April, 1955.

succession and a common seal and with limited liability; and shall vest in the credit union all property for the time being vested in any person in trust for the credit union; and all legal proceedings pending by or against the trustees of any such credit union may be prosecuted by or against the credit union in its registered name without abatement.

Publication of notice of registration

9. The Registrar shall cause a notice of registration under the provisions of section 8 to be published in the Gazette.

Restriction on name

10. No credit union shall be registered under a name identical with that by which any other existing credit union has been registered, or so nearly resembling the same as to be likely to deceive, and the words "Credit Union" shall be the last words of the name of every credit union registered under this Act.

By-laws

11.—(1) The Register shall prepare and submit for approval by the Minister standard by-laws not inconsistent with the Act, which shall apply subject as hereinafter provided to every credit union registered hereunder.

(2) The Registrar shall supply a copy of the standard by-laws to any person bona fide applying therefor for any purpose relating to a credit union or the proposed formation of a credit union.

(3) A credit union may by a two-thirds vote of the members present at an annual general meeting or at a special general meeting called for the purpose make by-laws for the credit union to be known as supplementary by-laws. Such supplementary by-laws may be in addition to, or in amendment or repeal of, any standard by-laws but no supplementary by-law shall be of any effect until the same has been approved by the Registrar. Supplementary by-laws may provide for fines not exceeding two dollars for failure to make repayments on loans and payments on shares when due.

Capitalisation

12. The capital of every credit union shall be unlimited in amount and shall be divided into shares of a par value of not less than two dollars each.

Shares, how purchased

13. The shares may be purchased outright or by instalments in such manner as may be determined by by-laws.

Dividends

14. A shareholder shall receive dividends only on fully paid up shares.

Transfer of shares

15.—(1) Subject to the other provisions of this section and to the by-laws, shares may be assigned, transferred or withdrawn by the holder.

(2) Shares may only be assigned or transferred to a member of the credit union.

(3) No assignment, transfer or withdrawal shall be valid unless approved by the directors elected in accordance with section 22, but such approval shall not be unreasonably withheld.

(4) No assignment, transfer or withdrawal shall be approved by the directors if the total number of shareholders is thereby reduced below fifteen.

Objects

16. The objects of a credit union shall be—

- (a) to promote thrift among its members;
- (b) to receive the savings of its members either as payment on shares or as deposits;
- (c) to make loans to members exclusively for provident or productive purposes.

Powers

17. For the purpose of carrying out its objects, a credit union may, subject to the provisions of this Act—

- (a) deposit money in any bank in Fiji or in the National Bank of Fiji;
- (b) invest in any stock, debenture stock, funds or securities in which trustees may invest funds by virtue of the provisions of any Act for the time being in force relating to the investment of trust moneys or in any security or local loan of the Government;
(Amended by 37 of 1966, s. 72.)
- (c) borrow money as hereinafter provided;
- (d) insure its loans, funds, and property against loss;
- (e) draw, make, accept, endorse, execute and issue promisory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments;
- (f) do all such other acts and things as are incidental or conducive to or consequential upon the attainment of its objects.

(Section amended by 5 of 1959, s. 2.)

Land

18. A credit union may, in its own name, hold, purchase or take on lease any land, and may sell, exchange, mortgage or lease the same.

Entrance fee

19. A credit union may charge an entrance fee not exceeding that authorised by the by-laws.

Change of registered office

20. A credit union may change its registered office on written notice to the Registrar.

Meetings

21.—(1) There shall be an annual general meeting at such time as the by-laws may provide.

(2) Special general meetings may be called in the way and manner provided by the by-laws.

(3) Within ten days after receipt by the provisional secretary of the certificate of incorporation, he shall notify each of the applicants for incorporation that the certificate has been received, and shall call a meeting of the credit union for the organisation thereof which shall be deemed to be the annual general meeting for that year.

Election of directors and committees

22.—(1) At the first annual general meeting the credit union shall elect a board of directors of not less than five members, a credit committee of not less than three members and a supervisory committee of three members.

(2) One half of the members of the board and of each of the committees aforesaid shall go out of office in each year and their successors shall be elected at the annual general meeting. Where the number of members of the board or of either of the committees aforesaid is not evenly divisible by two, the number of members of the board or of such committee to go out of office shall be half the number next below the number of members of the board or committee.

(3) The members of the Board or a committee to go out of office shall be those members who have been longest in office without re-election and in the case of equality shall be determined by ballot.

(4) Any retiring member shall be eligible for re-election.

(5) No director or member of the credit committee shall be a member of the supervisory committee.

Appointment of officers

23. At their first meeting, which shall be held within ten days after their election or at any subsequent meeting in the event of a vacancy among the officers, the directors shall appoint from their own number a president and a vice-president, and shall appoint a secretary and a treasurer or a secretary-treasurer, who may not be a director.

Remuneration

24. No member of the board of directors or of the credit committee or supervisory committee shall, as such, receive remuneration, but the secretary and the treasurer or the secretary-treasurer may be paid such salaries as the members may determine at any annual or special meeting.

Returns of Registrar

25. A record of the names and addresses of the directors, the members of the committees and of the officers shall be filed with the Registrar within ten days after election or appointment.

Duties of directors

26. Subject to the provisions of this Act, the directors shall have the general management of the affairs of a credit union and in particular shall—

- (a) act on applications for membership and on the expulsion of members;
- (b) determine the maximum individual share holdings and the maximum individual loan which may be made with or without security;
- (c) determine interest rates on loans and on deposits;
- (d) declare dividends;

- (e) fix the form and amount of the security which shall be required from officers and employees handling money;
- (f) fill casual vacancies on the board of directors and on the credit committee until the election of successors at the next annual general meeting;
- (g) perform such other duties as are required by this Act or by the by-laws.

Credit committees and loan officers

27.—(1) The credit committee shall have the general supervision of all loans to members and subject to any general order of the board and the provisions of this Act shall fix the amount of, and rate of interest on, each loan.

(2) The credit committee shall not consider any loan unless a majority of the committee is present and no loan shall be approved except by the unanimous decision of the members present.

(3) A credit committee may delegate its functions to a loan officer to be appointed thereby. Such loan officer may grant loans of amounts not exceeding one hundred dollars, subject to and in accordance with any directions given to him by the credit committee, upon the security of the unencumbered shares of any member or members of the same credit union.

(4) Where a loan officer has made a loan not in accordance with the provisions of subsection (3) or of any written directions given to him by the credit committee, the loan officer shall be personally liable to refund to the credit union the amount of such loan which shall be deemed to be a debt due by him thereto.

(Section amended by 28 of 1967, s. 2.)

Purpose of loans

28. Every loan shall be for a provident or productive purpose.

Security of loans

29.—(1) The credit committee shall require security to be given on all loans in excess of an amount to be fixed by the Registrar.

(2) The credit committee shall determine the security and guarantors which shall be required for each loan and the conditions of repayment.

Restrictions

30. No director, officer or member of the credit or supervisory committee shall be allowed to borrow in excess of the value of his shares and deposits except upon the unanimous vote of a majority of the other members of the board of directors, a majority of the credit committee and a majority of the supervisory committee, sitting together, the said director, officer or member not being present when the vote is taken.

Prohibitions

31. No credit union shall lend money to or accept deposits from any person who is not a member of the credit union, but this section shall not limit the powers contained in paragraphs (a) and (b) of section 17.

Interest rates

32. The interest rate on any loan made by a credit union shall not exceed one

per cent per month on the unpaid balance of such loan:

Provided that the minimum amount of interest charged shall be ten cents per month. (*Inserted by 5 of 1959, s. 3.*)

Repayment

33. A borrower may repay his loan in whole or in part on any day on which the office of the credit union is open for business.

Duties of supervisory committee

34. The supervisory committee shall—

- (a) make an examination of the affairs of the credit union at least quarterly and audit its books and if deemed necessary by them, call a special general meeting of the credit union for consideration of the report of the supervisory committee;
- (b) make or provide for an annual audit and submit a report thereon to the annual meeting;
- (c) fill casual vacancies in its own membership until the next annual meeting and successors are chosen.
- (d) if deemed necessary and by unanimous vote, suspend any officer, and call a meeting of the credit union to consider their report on such suspension;
- (e) call a special general meeting to consider any matter or matters, which in their opinion, should be placed before the credit union.

Borrowing powers

35.—(1) Subject to the other provisions of this section a credit union may borrow moneys for the carrying out of its objects and functions.

(2) A credit union shall not borrow any money so that the total indebtedness of the credit union in respect of borrowings exceeds fifty per cent of the sum of the deposits and the paid up value of the issued capital.

(3) No money shall be borrowed by a credit union save upon a resolution by the directors.

(4) Where any borrowing would make the total indebtedness of the credit union in respect of borrowings exceed twenty-five per cent of the sum of the deposits and the paid up value of the issued capital, the resolution of the directors to borrow such money shall require confirmation either by a vote of not less than three-quarters of the members present at a general meeting duly called for considering such resolution or by the unanimous sanction in writing of the members of the credit union.

Powers of hypothecation

36. A credit union may charge, hypothecate, mortgage or pledge its real or personal property to secure any liability for the repayment of moneys borrowed in pursuance of a resolution passed under the provisions of section 35.

Reserve fund

37.—(1) Every credit union shall have a reserve fund into which shall be paid all entrance fees and fines.

(2) The directors shall at the end of each financial year before declaring any dividend set aside for payment into the reserve fund not less than twenty per cent of the net earnings for that year:

Provided that the directors shall not be required to set aside for or to pay into the reserve fund any sum which would make the amount of the reserve fund exceed ten per cent of the sum of the deposits and the issued capital of the credit union for the time being.

(3) The moneys in the reserve fund may be invested in the same manner as other moneys of the credit union but any interest or dividend on such investments shall be paid to the general revenue of the credit union.

(4) The reserve fund shall be held as a reserve against bad loans or losses other than operating deficits and shall not be used for any other purpose except on liquidation.

Procedure for payment of dividend

38. After making provision for the reserve fund, as required by section 37, the board of directors may declare a dividend from the remainder of the net earnings and in such case shall present its resolution to the annual meeting of the credit union for confirmation. Any dividend authorised at that meeting shall be paid on all shares fully paid up and in the possession of the same member throughout the previous fiscal year, except that shares which become fully paid up during the previous fiscal year shall be entitled to a proportionate part of such dividend from the first day of the month following such payment in full. In no case shall the dividend declared by the credit union exceed six per cent per annum.

Members limited to groups

39.—(1) The membership of a credit union shall be limited to groups of persons having a common bond of occupation or association or to groups of persons residing within a well defined neighbourhood, community, rural or urban district.

(2) A person admitted to membership shall not exercise any of the rights of a member until he has subscribed to one share and has paid an amount thereon not less than the initial instalment provided by the by-laws.

Minors

40.—(1) A minor may be a member, provided that a minor shall not vote until he has reached the age of eighteen years, nor shall he be elected as a director or as a member of the credit committee or supervisory committee until he has attained the age of twenty-one years.

(2) The minority of any person duly admitted as a member of any credit union shall not debar that person from executing any instrument or giving any acquittance necessary to be executed or given under this Act, and shall not be a ground for invalidating or avoiding any contract entered into by any such person with the credit union; and any such contract entered into by any such person with the credit union, whether as principal or as surety, shall be enforceable at law by or against such person notwithstanding his minority.

Register of members

41. A register, or list of shareholders, shall be kept by every credit union. Such register shall show and shall be prima facie evidence of—

- (a) the names, addresses and occupations of the shareholders, the number of shares held by them respectively, the number of such shares and the amount paid or considered as paid thereon;
- (b) the date on which each shareholder was registered;
- (c) the date at which any shareholder ceased to be such.

Expulsion of member

42.—(1) The board of directors may by a two-thirds vote, at a meeting duly called, expel a member from the credit union.

(2) The secretary shall within five days from the date on which the member is expelled, notify him in writing of the action of the board of directors.

(3) An appeal from the action of the board of directors may be taken by the member to the next general meeting of the credit union:

Provided that written notice of intention to appeal shall be given by him to the secretary within thirty days from the date of receipt of the notice mentioned in subsection (2).

(4) At such meeting a majority of the members present may confirm or rescind the action of the board of directors.

(5) The expulsion of a member shall take effect—

(a) where no notice of appeal has been given within the time for appealing, upon the expiration of such time;

(b) where an appeal has been made, upon the date of confirmation by the members at the general meeting.

Withdrawal of member

43. A member may withdraw from the credit union at any time on giving such notice of withdrawal as may be required by the by-laws.

Payments upon death, withdrawal or expulsion of a member

44. All amounts paid in on shares or as deposits by a member who is expelled or withdraws from the credit union or who dies and any relative dividends or interest shall be paid to him or in the case of death to his personal representative as funds become available and after deducting all amounts due from him to the credit union. Any shares paid off under this section shall for the purpose of paragraph (e) of section 69, be deemed to have been withdrawn by a notice given on the date of such expulsion, withdrawal or death, as the case may be.

Effect of expulsion or withdrawal

45. A member who is expelled or withdraws shall have no further rights in the credit union but shall not, by such expulsion or withdrawal, be released from any remaining liability to the credit union.

Officers, etc., not to withdraw or transfer shares

46. No member entrusted with or participating in the direct management of the affairs of the credit union shall withdraw or transfer or otherwise dispose of his shares, during the exercise of his functions. In case of insolvency of the credit union any such withdrawal or transfer made by him within four months preceding such insolvency shall be null and void. Such member shall remain liable to creditors of the credit union to the extent of such shares so disposed of or transferred.

Voting

47. No member shall have more than one vote at any meeting and no member may vote by proxy.

Fiscal year

48. The financial year of a credit union shall end on the thirty-first day of March in each year or on such other date as the by-laws may provide.

Federation of credit unions

49.—(1) Credit unions incorporated or registered under the provisions of this Act that desire to associate as a federation for the furtherance of their common interests and the benefit of their members may execute in duplicate, under seal and attested by the hands of their proper officers a memorandum of association and, if such memorandum is approved by the Registrar, cause it to be filed in the office of the Registrar.

(2) The memorandum of association shall state the name of the federation, the par value of the shares, the objects of the federation, the place at which its registered office will be situated, the names and addresses of the subscribers to the memorandum of association and the names of the credit unions which they respectively represent and shall be accompanied by a copy of the by-laws by which the federation is to be governed and such other documentary evidence as the Registrar may require.

(3) If the Registrar approves of incorporation he shall endorse upon both copies of the memorandum of association a certificate of incorporation and such endorsement shall be conclusive evidence of incorporation under this Act.

(4) The Registrar shall cause a notice of the incorporation to be published in the Gazette.

(5) From the date of the certificate of incorporation the credit unions on whose behalf application has been made for incorporation in the memorandum of association and such other credit unions as from time to time become members shall be a body corporate by the name contained in the memorandum and the provisions of this Act shall apply *mutatis mutandis* to the federation.

Security by officers

50. Every person appointed to an office touching the receipt, management or expenditure of money for the purposes of a credit union shall, before entering upon the duties of his office, give such security as is deemed sufficient by the directors, which security may be varied in amount or renewed from time to time.

By-laws binding

51. The by-laws of a credit union shall bind the credit union and the members thereof to the same extent as if each member had subscribed his name and affixed his seal thereto and there were in such by-laws a covenant on the part of himself, his heirs, executors and administrators to conform to such by-laws subject to the provisions of this Act.

Debts due by members

52.—(1) All moneys payable to a credit union by a member shall be a debt due from him to the credit union and shall be recoverable as such in any court of competent jurisdiction.

(2) The credit union shall have a lien on the shares and deposits of a member, past member or deceased member from any sum due from him to the credit union and for any loan endorsed by him.

Shareholders entitled to receive copies of accounts

53. Every credit union shall, within one month of receiving an application to that effect and without charge, supply to any shareholder so applying a copy of the accounts of the credit union giving details of receipts and expenditure and the assets

and liabilities thereof in respect of the financial year immediately prior to the date of such application. (*Substituted by 28 of 1967, s. 3.*)

Other returns

54. Every credit union shall furnish the Registrar with such information as he may from time to time require.

Form of documents

55. Every document required for the purposes of this Act and the books of accounts kept by credit unions shall be in such form as the Registrar may prescribe. (*Amended by 28 of 1967, s. 4.*)

Examination of affairs

56—(1) The affairs of any credit union—

(a) may be examined by or under the direction of the Registrar, at any time; or

(b) shall be examined by or under the direction of the Registrar whenever he suspects fraud or other irregularity,

and in either of such cases the credit union shall produce all books, documents and other papers required by the person conducting the examination.

(2) The cost of any examination carried out under the provisions of this section shall be borne by the credit union.

(*Section substituted by 28 of 1967, s. 5.*)

Offences

57. It shall be an offence against this Act if any credit union—

(a) fails to give any notice, send any return or document, or do or allow to be done any act or thing which the credit union is by this Act required to give, send, do or allow to be done;

(b) wilfully neglects or refuses to do any act or to furnish any information required for the purposes of this Act by the Registrar or any other official or person whose duties require him to obtain the information, or does any act or thing forbidden by this Act;

(c) wilfully furnishes information in any respect false or insufficient.

(*Amended by 28 of 1967, s. 6.*)

Liability of officers and directors

58. Every offence by a credit union shall be deemed to have been also committed by every officer of the credit union who is bound by the by-laws thereof to fulfil the duties whereof such an offence is a breach or, if there is no such officer, then by each of the directors and members of the credit and supervisory committees, unless such officer, director or member of committee is proved to have been ignorant of or to have attempted to prevent the commission of such offence.

Prohibition of use of words "Credit Union"

59.—(1) No person other than a credit union shall trade or carry on business under any name or title of which the words "Credit Union" is part:

Provided that nothing in this section shall apply to the use by any person or his successors in interest of any name or title under which he traded or carried on business at the commencement of this Act.

(2) Any person who contravenes the provisions of this section shall be guilty of an offence and liable on conviction to a fine not exceeding fifty dollars and in the case of a continuing offence to a further fine not exceeding two dollars for each day during which the offence continues.

General penalty

60. Any person guilty of an offence against this Act for which no specified penalty is provided shall be liable on conviction to a fine not exceeding fifty dollars and, in the case of a continuing offence, to a fine not exceeding two dollars for each day during which such offence continues. (*Amended by 28 of 1967, s. 7.*)

Consent of Registrar required to amalgamation

***61.** Save with the consent of the Registrar, no credit union shall amalgamate with another credit union.

Application for consent to amalgamation

***62.—**(1) Where two or more credit unions desire to amalgamate as one credit union, an application shall be made to the Registrar for his consent to the amalgamation.

(2) Every application made under the provisions of subsection (1) shall be signed by the president and one other director of each credit union and shall be accompanied by three copies of any proposed supplementary by-laws of the credit union to be formed by the intended amalgamation.

Vote on application for consent to amalgamation

***63.** No application under the provisions of section 62 for the consent of the Registrar to the amalgamation of any registered credit union shall be made unless, in the case of each credit union desiring amalgamation, the proposal for amalgamation is passed by a majority of not less than two-thirds of all the members of such credit union.

Procedure for amalgamation, etc.

***64.** No credit unions shall be amalgamated as one credit union unless the notice in writing of the consent of the Registrar to the amalgamation has been posted at the registered office of each of the credit unions party to the amalgamation and in every branch thereof for a period of not less than fourteen days.

Transfer of liabilities etc. to credit union formed by amalgamation

***65.—**(1) All deeds, bonds, agreements and instruments to which any credit union that is amalgamated with any other credit union was a party that are subsisting at the time of the amalgamation shall be of as full force and effect against or in favour of the credit union formed by the amalgamation as if, instead of such credit union, the credit union so formed had been named therein or had been a party thereto.

(2) Where, in respect of any credit union that has amalgamated with any other credit union, any proceedings or cause of action was pending or existing or existed at the time of amalgamation, the same may be continued or enforced by or against the credit union formed by the amalgamation as it might have been continued or enforced by or against such credit union if the amalgamation had not taken place.

*Inserted by 28 of 1967, s. 7.

Disputes as to assets and liabilities

*66. In the event of any dispute arising concerning the assets or liabilities of any credit union amalgamating with any other credit union, such dispute shall be referred to a referee to be appointed by the Registrar for the purpose, in which event the decision of such referee shall be final and conclusive.

Cancellation of registration

67.—(1) Subject to the approval of the Minister, the Registrar may by order cancel the registration of a credit union if satisfied that—

- (a) the incorporation of the credit union was obtained by fraud or mistake;
- or
- (b) the credit union exists for an illegal purpose; or
- (c) The number of members has been reduced to less than fifteen; or
- (d) the credit union is not carrying on business or is not in operation; or
- (e) the credit union has wilfully, after notice by the Registrar, violated any of the provisions of this Act.

(2) The Registrar shall give the credit union not less than two months' notice of proposed cancellation, specifying the reason therefor and stating that, unless cause is shown to the contrary within the said period, the registration will be cancelled.

(3) At the expiration of the time mentioned in the notice the Registrar may, unless cause to the contrary is previously shown by the credit union, cancel the registration. In such case the Registrar shall publish notice thereof in the Gazette, whereupon the credit union shall be dissolved.

(4) A credit union whose registration has been cancelled shall from the date of publication in the Gazette of the notice of cancellation absolutely cease to enjoy as such the privileges of a credit union but without prejudice to any liability incurred by such credit union which may be enforced against the same as if such cancellation had not taken place.

Dissolution by consent of members

68. A credit union may be dissolved—

- (a) by an order to wind up the credit union or a resolution for the winding up thereof, made as directed in regard to companies by the Companies Act the provisions whereof shall apply to any such order or resolution except that the term "Registrar" shall for the purposes of such winding up have the meaning given to it by this Act; or
(Cap. 247.)
- (b) by the consent of three-fourths of the members testified by their signatures to an instrument of dissolution.

Liability of members in winding-up

69. Where a credit union is wound up in pursuance of an order or resolution the liability of a present or past member of the credit union to contribute for payment of the debts and liabilities of the society the expenses of winding-up, and the adjustment of the rights of contributories amongst themselves, shall be qualified as follows:—

*Inserted by 28 of 1967, s. 7.

- (a) no person who has ceased to be a member for one year or upwards prior to the commencement of the winding-up, shall be liable to contribute;
- (b) no person shall be liable to contribute in respect of any debt or liability contracted after he ceased to be a member;
- (c) no person, not a member, shall be liable to contribute unless it appears to the court that the contributions of the existing members are insufficient to satisfy the just demands on the credit union;
- (d) no contribution shall be required from any person exceeding the amount, if any, unpaid on the shares in respect of which he is liable as a past or present member;
- (e) a person shall be taken to have ceased to be a member, in respect of any withdrawable share withdrawn, from the date of the notice or application for withdrawal.

Provisions as to instrument of dissolution

70. Where a credit union is terminated by an instrument of dissolution:—

- (a) the instrument of dissolution shall set forth the liabilities and assets of the credit union in detail, the number of members and the nature of their interests in the credit union respectively, the claims of creditors (if any) and the provisions to be made for their payment, and the intended appropriation or division of the funds and property of the credit union, unless the same be stated in the instrument of dissolution to be left to the award of the Registrar;
- (b) alterations in the instrument of dissolution may be made with the like consents as hereinbefore provided, and testified in the same manner;
- (c) a statutory declaration shall be made by the president and the secretary of the credit union that the provisions of this Act have been complied with, and shall be sent to the Registrar with the instrument of dissolution; and any person knowingly making a false or fraudulent declaration in the matter shall be guilty of an offence and liable on conviction to imprisonment for a period not exceeding two years;
- (d) the instrument of dissolution and all alterations therein shall be binding upon all the members of the credit union;
- (e) the Registrar shall cause a notice of the dissolution to be advertised at the expense of the credit union in the Gazette; and unless, within three months from the date of the Gazette in which such advertisement appears, a member or other person interested in or having any claim on the funds of the credit union commences proceedings to set aside the dissolution of the credit union, and such dissolution is set aside accordingly, the credit union shall be legally dissolved from the date of such advertisement, and the requisite consents to the instrument of dissolution shall be considered to have been duly obtained without proof of the signatures thereto;
- (f) notice shall be sent to the Registrar of any proceeding to set aside the dissolution of a credit union, not less than seven days before it is commenced, by the person by whom it is taken, or of any order setting it aside, within seven days after it is made by the credit union.

Income tax

71. The income of a credit union shall not be liable to income tax.

Appeal

72. If the Registrar refuses to approve of any application for incorporation or of any proposed by-law or amendment of any standard by-laws, the provisional secretary or the credit union as the case may be may appeal from such refusal to an appeal board to be appointed by the Minister consisting of not more than three members one of whom shall be a member of some other credit union. The decision of the appeal board shall be final.

Fees

73.—(1) The Minister may from time to time by order prescribe the fees payable to the Registrar for services under this Act.

(2) All fees received by the Registrar under or by virtue of this Act shall be paid by him into the Consolidated Fund.

FIRST SCHEDULE

(Section 5)

THE CREDIT UNIONS ACT

MEMORANDUM OF ASSOCIATION

1. The undersigned are desirous of being incorporated under the provisions of the Credit Unions Act.
2. The group of persons to whom membership is limited.
3. The corporate name of the credit union is to be *[insert name proposed]* Credit Union.
4. The registered office of the credit union is situated at:
5. The par value of each share is \$
6. The names and addresses of the undersigned; the number of shares for which each has subscribed, and the qualification of each within the group to which membership is limited, are as follows:—

Names	Addresses	No. of Shares Subscribed

will be provisional secretary of the proposed credit union.

Dated at this day of , 19

Signatures of Witnesses.

Signatures of Applicants.

NOTE.—Not less than five of the above applicants must be of the full age of twenty-one years.

SECOND SCHEDULE

(Section 7)

THE CREDIT UNIONS ACT

CERTIFICATE OF INCORPORATION

The Credit Union, having filed a duly executed Memorandum of Association, is incorporated under the Credit Unions Act.

Registrar of Credit Unions.

Controlled by Ministry of the Attorney-General

CHAPTER 251
CREDIT UNIONS

SECTION 73—CREDIT UNIONS (FEES) ORDER

TABLE OF PROVISIONS

PARAGRAPH

1. Short title
2. Fees
Schedule—Fees

Legal Notices Nos. 235 of 1959, 196 of 1974

Short title

1. This Order may be cited as the Credit Unions (Fees) Order.

Fees

2. Every credit union registered under the provisions of the Credit Unions Act shall pay to the Registrar of Credit Unions the fees set out in the Schedule at the times specified therein.

SCHEDULE
(Paragraph 2)
(Amended by Legal Notice 196 of 1974)

FEES

Upon first registration	\$	c
		10.00

Controlled by Ministry of Justice