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**An Bille um Chomhar Creidmheasa (Leasú), 2022**  
**Credit Union (Amendment) Bill 2022**

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*Mar a tionscnaíodh*

*As initiated*

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ACTS REFERRED TO

Companies Act 2014 (No. 38)

Credit Union Act 1997 (No. 15)

Industrial and Provident Societies Act 1893 (56 & 57 Vict., c. 39)



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**AN BILLE UM CHOMHAR CREIDMHEASA (LEASÚ), 2022  
CREDIT UNION (AMENDMENT) BILL 2022**

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# Bill

*entitled*

An Act to provide for the establishment of corporate credit unions; to amend the requirements and qualifications for membership of credit unions; to alter the scope of permitted investments by credit unions; to provide for changes to the governance of credit unions; to provide for the setting of maximum interest rates on loans by credit unions; to provide for the provision of services by credit unions to members of other credit unions; to provide for the participation by credit unions in loans to members of other credit unions; and for those purposes to amend the Credit Union Act 1997; and to provide for related matters. 5 10

**Be it enacted by the Oireachtas as follows:**

## **Short title and commencement**

1. (1) This Act may be cited as the Credit Union (Amendment) Act 2022. 15
- (2) This Act shall come into operation on such day or days as the Minister for Finance may by order or orders appoint either generally or with reference to any particular purpose or provision and different days may be so appointed for different purposes or different provisions.

## **Definition**

2. In this Act, “Principal Act” means the Credit Union Act 1997. 20

## **Amendment of section 2 of Principal Act (interpretation)**

3. Section 2 of the Principal Act is amended, in subsection (1), by the insertion of the following definitions: 25
  - “ ‘Act of 2014’ means the Companies Act 2014;
  - ‘company’ means a company formed and registered under the Act of 2014 or an existing company within the meaning of that Act;
  - ‘corporate credit union’ means a credit union registered pursuant to section 6(6);
  - ‘public body’ means— 30

- (a) a Department of State,
  - (b) an entity established by or under any enactment (other than the Act of 2014 or a former enactment relating to companies within the meaning of section 5 of that Act),
  - (c) any other entity established (other than under the Act of 2014 or a former enactment relating to companies within the meaning of section 5 of that Act) or appointed by the Government or a Minister of the Government, including an entity established (other than under the Act of 2014 or a former enactment relating to companies within the meaning of section 5 of that Act) by a Minister of the Government under any scheme,
  - (d) a company a majority of the shares in which are held by or on behalf of a Minister of the Government,
  - (e) a subsidiary of a company to which paragraph (d) relates, or
  - (f) an entity (other than a subsidiary to which paragraph (e) relates) that is directly or indirectly controlled by an entity to which paragraph (b), (c), (d) or (e) relates;
- ‘subsidiary’ has the same meaning as it has in the Act of 2014;”.

**Amendment of section 6 of Principal Act (conditions for registration as a credit union)**

4. Section 6 of the Principal Act is amended—
- (a) in subsection (1)—
    - (i) by the substitution of “Subject to subsection (6), a society may be registered” for “A society may be registered”, and
    - (ii) in paragraph (a), by the substitution of “paragraphs (d) to (h)” for “paragraphs (d) to (g)”,
  - (b) in subsection (2)—
    - (i) in paragraph (f), by the substitution of “community;” for “community; and”,
    - (ii) in paragraph (g), by the substitution of “for their mutual benefit; and” for “for their mutual benefit.”, and
    - (iii) by the insertion of the following paragraph after paragraph (g):
      - “(h) to promote and provide support to co-operative groups and voluntary associations.”,

and
  - (c) by the insertion of the following subsections after subsection (5):
    - “(6) A society may be registered under this Act as a credit union where all of the members of the society are credit unions and the Bank is satisfied that the society is formed for no object other than to provide services to those credit unions and their members.



- (7) Where—
- (a) a website is maintained by or on behalf of a credit union, and
  - (b) admission to membership of the credit union is restricted to persons who have, in relation to all the other members of the credit union, the common bond specified in paragraph (a) or (b) of subsection (3),  
5
- the credit union shall publish, on the website maintained by it or on its behalf, as the case may be—
- (i) where the common bond referred to in paragraph (b) is that specified in paragraph (a) of subsection (3), a description of the occupation concerned, and  
10
  - (ii) where the common bond referred to in paragraph (b) is that specified in paragraph (b) of subsection (3), a map on which the locality concerned is marked.
- (8) Where—  
15
- (a) no website is maintained by or on behalf of a credit union, and
  - (b) admission to membership of the credit union is restricted to persons who have, in relation to all the other members of the credit union, the common bond specified in paragraph (a) or (b) of subsection (3),  
20
- the credit union shall include in its annual accounts—
- (i) where the common bond referred to in paragraph (b) is that specified in paragraph (a) of subsection (3), a description of the occupation concerned, and
  - (ii) where the common bond referred to in paragraph (b) is that specified in paragraph (b) of subsection (3), a map on which the locality concerned is marked.”.  
25

**Amendment of section 7 of Principal Act (application for registration as a credit union)**

**5.** Section 7 of the Principal Act is amended—

- (a) in subsection (1), by the substitution of “Subject to subsection (1A), an application” for “An application”,  
30
  - (b) by the insertion of the following subsection after subsection (1):  
    - “(1A) An application for the registration of a society as a credit union pursuant to section 6(6) shall be made to the Bank and shall be signed on behalf of each credit union which is a member of the society by the secretary of each such credit union.”,  
35
- and
- (c) in subsection (2), by the substitution of “An application under subsection (1) or (1A)” for “An application under subsection (1)”.

**Amendment of section 13 of Principal Act (rules)**

6. Section 13 of the Principal Act is amended—

(a) in subsection (1), by the substitution of “The rules of a credit union, other than a corporate credit union, shall be in such form” for “The rules of a credit union shall be in such form”, and 5

(b) by the insertion of the following subsection after subsection (1):

“(1A) The rules of a corporate credit union shall be in such form and contain such provisions as the Bank may determine after consultation with the Advisory Committee and such other bodies as appear to the Bank to be expert or knowledgeable in matters relating to credit unions.”. 10

**Amendment of section 14 of Principal Act (amendment of registered rules)**

7. Section 14 of the Principal Act is amended—

(a) by the substitution of the following subsection for subsection (2):

“(2) An amendment of the registered rules of a credit union shall not be valid until the amendment has been registered under this Act, for which purpose a copy of the amendment— 15

(a) in the case of a credit union other than a corporate credit union, signed by 4 members, one of whom shall be the secretary and another a director, and

(b) in the case of a corporate credit union, signed on behalf of not less than 2 members by the secretary of each of those members, shall be sent to the Bank.”, 20

(b) by the substitution of the following subsection for subsection (4):

“(4) Except where the Bank is satisfied that an amendment of a credit union’s rules sent to it under subsection (2) is not in the interests of the proper and orderly regulation of the credit union, the Bank shall issue to the credit union, within 3 months of its receipt of the amendment, an acknowledgement of registration which, unless the contrary is proved, shall be sufficient evidence that the amendment is duly registered.”, 25 30

and

(c) by the insertion of the following subsections after subsection (8):

“(9) Notwithstanding anything in the rules of a credit union, the board of directors may, by resolution passed during the second transitional period, make such amendments of the rules of the credit union as may be consequential on the provisions of the *Credit Union (Amendment) Act 2022*. 35

(10) For the purposes of subsection (9), the second transitional period is the period of one year from the commencement of *section 7(c)* of the *Credit Union (Amendment) Act 2022* or such longer period as may be 40

determined by the Bank.

(11) Notwithstanding anything in subsection (4), after the expiry of one year from the commencement of *section 7(c) of the Credit Union (Amendment) Act 2022*, the Bank shall not be required to register any amendment of a credit union’s rules unless such consequential amendments of the registered rules as are mentioned in subsection (9) either—

- (a) have been made before the Bank receives the amendment, or
- (b) are to be effected by the amendment.”.

**Amendment of section 15 of Principal Act (rules to bind members) 10**

**8.** Section 15 of the Principal Act is amended—

(a) in subsection (1)—

- (i) in paragraph (a), by the substitution of “subscribed the member’s name and affixed the member’s seal” for “subscribed his name and affixed his seal”, and 15
- (ii) in paragraph (b), by the substitution of “claiming through the member” for “claiming through him”,

and

(b) in subsection (2)—

- (i) by the substitution of “without the member’s consent” for “without his consent”, 20
- (ii) by the substitution of “after they became a member” for “after he became a member”,
- (iii) in paragraph (a)—
  - (I) by the substitution of “requires the member to subscribe” for “requires him to subscribe”, and 25
  - (II) by the substitution of “held by the member” for “held by him”,
- (iv) in paragraph (b), by the substitution of “requires the member to pay” for “requires him to pay”, and
- (v) in paragraph (c), by the substitution of “increases the member’s liability” for “increases his liability”. 30

**Amendment of section 17 of Principal Act (requirements of, and qualifications for, membership)**

**9.** Section 17 of the Principal Act is amended—

- (a) in subsection (2), by the substitution of “Subject to subsection (2A), membership of a credit union” for “Membership of a credit union”, 35
- (b) by the insertion of the following subsection after subsection (2):

- “(2A) Where a signatory to an application to register a society as a credit union has signed on behalf of a non-natural person, the non-natural person and not the signatory shall be the member of the credit union.”,
- (c) in subsection (3), by the substitution of “unless the person has” for “unless he has”, 5
- (d) in subsection (5), by the substitution of “a natural person” for “a person”,
- (e) by the substitution of the following subsection for subsection (7):
- “(7) Notwithstanding any other provision of this Act, a body (whether incorporated or unincorporated) may be admitted to, and retain membership of, a credit union, with the same rights and obligations as a natural person where— 10
- (a) the majority of the members of the body are, and continue to be, eligible for membership of the credit union,
- (b) the body has the common bond, set out in the rules of the credit union, in relation to the other members of the credit union, or 15
- (c) the body is a public body designated in an order made under subsection (7B) as being eligible for membership of—
- (i) the credit union, or
- (ii) a category of credit unions to which the credit union belongs.”,
- and 20
- (f) by the insertion of the following subsections after subsection (7):
- “(7A) For the purposes of ascertaining whether a body has the common bond referred to in paragraph (b) of subsection (7)—
- (a) a body shall be treated as following a particular occupation where its business is that of a person following the occupation, and 25
- (b) a body shall be treated as residing in a particular locality where it has a place of business in that locality.
- (7B) The Minister may, following consultation with the Advisory Committee and the Bank, by order designate a public body as being eligible for membership of a credit union or a specified category of credit unions, which order shall specify the reasons for which the public body is so eligible. 30
- (7C) The reasons referred to in subsection (7B) shall—
- (a) where a credit union is specified in the order, be reasons relating to the common bond of the credit union, or 35
- (b) where a category of credit unions is specified in the order, be reasons relating to the common bonds of credit unions falling within that category.”.

**Amendment of section 19 of Principal Act (expulsion and withdrawal from credit union)**

10. Section 19 of the Principal Act is amended—

(a) in subsection (1), by the substitution of “by a resolution for the member’s expulsion” for “by a resolution for his expulsion”, and

(b) by the substitution of the following subsection for subsection (6): 5

“(6) Subject to subsections (7) and (8), all moneys due in respect of withdrawable shares and deposits by a credit union to a member who withdraws or is expelled from the credit union shall be paid to the member after deduction of all moneys due from the member to the credit union; and the nominal value of non-withdrawable shares held 10 by a member who is expelled (but not one who withdraws) may also be paid to the member (after deduction of all moneys so due).”.

**Amendment of section 22 of Principal Act (proceedings on death of nominator)**

11. Section 22 of the Principal Act is amended—

(a) in subsection (1), by the substitution of “credit union” for “board of directors”, 15 and

(b) in subsection (2), by the substitution of “credit union” for “board of directors”.

**Amendment of section 29 of Principal Act (transfer of shares)**

12. Section 29 of the Principal Act is amended—

(a) in subsection (1), by the substitution of the following paragraph for paragraph 20 (b):

“(b) if the credit union so requires in any case, the transfer has the approval of the credit union.”,

(b) by the substitution of the following subsection for subsection (3):

“(3) If, in a case where the credit union has imposed a requirement under 25 subsection (1)(b), the credit union refuses to approve the proposed transfer of shares in the credit union by a member, the member may appeal against the refusal to a Judge of the District Court for the district in which the registered office of the credit union is situated.”,

and 30

(c) in subsection (4), by the substitution of “credit union” for “board of directors”.

**Amendment of section 30 of Principal Act (dividends on shares)**

13. Section 30 of the Principal Act is amended, in paragraph (a) of subsection (5), by the deletion of “(as ascertained under section 45)”.

**Amendment of section 32 of Principal Act (restrictions on withdrawal of shares and deposits)**

14. Section 32 of the Principal Act is amended—

- (a) in subsection (1), by the substitution of “from a member of the member’s intention” for “from a member of his intention”, 5
- (b) in subsection (2), by the substitution of “from a member of the member’s intention” for “from a member of his intention”, and
- (c) in subsection (3)(a)(ii), by the substitution of “the credit union” for “a majority of the members of the board of directors voting at a meeting of the board”.

**Amendment of section 33 of Principal Act (power to borrow) 10**

15. Section 33 of the Principal Act is amended, in subsection (2), by the substitution of the following paragraph for paragraph (a):

“(a) the maximum amount of money a credit union may borrow at any one time, and”.

**Amendment of section 35 of Principal Act (making of loans) 15**

16. Section 35 of the Principal Act is amended—

(a) by the substitution of the following subsection for subsection (2):

“(2) A credit union may—

- (a) make a loan to a member, or
  - (b) participate in a loan to a member of another credit union, 20
- for such purpose as the credit union considers appropriate and upon such security (or without security) and terms as the rules of the credit union may provide.”,

and

(b) by the insertion of the following subsection after subsection (2): 25

“(2A) The ability of the loan applicant to repay a loan shall be the primary consideration in—

- (a) the underwriting process of the credit union making the loan, and
- (b) where applicable, the decision of a credit union to participate in the loan.”. 30

**Amendment of section 37 of Principal Act (appeal against non-approval of loan)**

17. Section 37 of the Principal Act is amended—

(a) in subsection (2), by the substitution of the following paragraph for paragraph (a):

“(a) persons approved by the board of directors, but excluding— 35

- (i) any officer who considered the application for the loan, and
  - (ii) where the application for the loan was considered by the credit committee, any person who is a member of that committee,
- and”,

and

5

- (b) by the deletion of subsection (3).

**Amendment of section 37B of Principal Act (credit agreement in respect of loans exceeding €200)**

- 18. Section 37B of the Principal Act is amended, in paragraph (a) of subsection (2), by the substitution of “credit union” for “board of directors”.

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**Amendment of section 38 of Principal Act (interest on loans)**

- 19. Section 38 of the Principal Act is amended—

- (a) in subsection (1), by the substitution of the following paragraph for paragraph (a):

“(a) the interest on a loan shall not at any time exceed the rate, specified in the order made under subsection (3) applicable to—

15

- (i) the credit agreement under which the loan is made, or
- (ii) where there is no credit agreement, the loan;”

and

- (b) by the insertion of the following subsections after subsection (2):

20

“(3) The Minister may, after consultation with the Advisory Committee and such other body as the Minister considers appropriate in the circumstances, by order specify a rate of interest for the purpose of subsection (1)(a).

- (4) An order made under subsection (3) shall apply to a credit agreement entered into, or, where there is no credit agreement, a loan made—

25

- (a) after the date on which the order comes into operation, and
- (b) before the date, if any, on which the order next made under subsection (3) comes into operation.

- (5) The Minister shall have regard to the following when making an order under subsection (3):

30

- (a) the interest rates charged in respect of loans by credit institutions and other providers of credit;
- (b) the interest rates payable by credit unions on deposit accounts and in respect of other sources of funding for loans;
- (c) the need to avoid distortions in competition between credit unions,

35

- credit institutions and other providers of credit;
- (d) the financial stability and well-being of credit unions generally.”.

**Amendment of section 42 of Principal Act (receipt for repayment of secured debt)**

20. Section 42 of the Principal Act is amended by the substitution of “the debtor or the debtor’s successor in title” for “the debtor or his successor in title”. 5

**Amendment of section 43 of Principal Act (investments)**

21. Section 43 of the Principal Act is amended, in subsection (2), by the substitution of the following paragraph for paragraph (b):

- “(b) the shares of, stocks in, deposits with, loans to, or any other obligation of, a corporate credit union, a society registered under the Industrial and Provident Societies Act 1893 or a company— 10
- (i) providing services relating to the objects and purposes specified in section 6(2), or
- (ii) engaging in activities relating to the operations of credit unions, as the Bank may prescribe;”. 15

**Amendment of section 48 of Principal Act (power to provide additional services)**

22. Section 48 of the Principal Act is amended, in subsection (4)—
- (a) in paragraph (b), by the substitution of “of the approval.” for “of the approval; and”, and
- (b) by the deletion of paragraph (c). 20

**Referral to another credit union**

23. The Principal Act is amended by the insertion of the following section after section 51:

- “51A. (1) Where the rules of a credit union so provide, the credit union may refer a member of the credit union (in this section referred to as the ‘referring credit union’) to another credit union (in this section referred to as the ‘receiving credit union’) for the purpose of the provision by the receiving credit union of a service, which is not provided by the referring credit union, to the member of the referring credit union. 25
- (2) Where a member of a referring credit union is referred in accordance with subsection (1)— 30
- (a) the receiving credit union may provide the service in respect of which the referral is made to the member concerned, and
- (b) the member concerned shall be deemed, for the purpose only of the provision of the service concerned, to be a member of the receiving credit union for the period during which the service is provided.”. 35



**Amendment of section 53 of Principal Act (board of directors)**

24. Section 53 of the Principal Act is amended—

- (a) in subsection (6), by the substitution of “Subject to section 63A(6), the board of directors” for “The board of directors”,
- (b) in paragraph (a) of subsection (10), by the substitution of “an employee or voluntary assistant of the credit union (other than the manager)” for “an employee or voluntary assistant of the credit union”, 5
- (c) in subsection (14), by the substitution of “A director of a credit union (other than the chair of the board of directors of the credit union)” for “Directors of a credit union”, and 10
- (d) in subsection (17), by the substitution of “to the Bank and, in the case of a credit union other than a corporate credit union, the board oversight committee” for “to the Bank and the board oversight committee.”.

**Amendment of section 54 of Principal Act (directors: procedural divisions)**

25. Section 54 of the Principal Act is amended, in subsection (1)— 15

- (a) in paragraph (a), by the substitution of “6 meetings” for “10 meetings”, and
- (b) in paragraph (b), by the substitution of “10 weeks” for “6 weeks”.

**Amendment of section 55 of Principal Act (functions of board of directors)**

26. Section 55 of the Principal Act is amended, in paragraph (o) of subsection (1), by the substitution of “every 3 years, all plans and policies” for “annually, all plans, policies and procedures”. 20

**Amendment of section 55A of Principal Act (chair of board of directors, etc.)**

27. Section 55A of the Principal Act is amended, in paragraph (g) of subsection (3), by the substitution of “in the case of a credit union other than a corporate credit union, facilitating the work of the board oversight committee” for “facilitating the work of the board oversight committee”. 25

**Amendment of section 56B of Principal Act (nomination committee)**

28. Section 56B of the Principal Act is amended—

- (a) in subsection (2), by the substitution of “3 members or 5 members” for “not less than 3 members and not more than 5 members”, 30
- (b) in subsection (3), by the insertion of “, other than a member of the board of directors who is also the manager of a credit union,” after “directors of a credit union”, and
- (c) in paragraph (j) of subsection (4), by the insertion of “initial” after “following a director’s”. 35

**Amendment of section 57 of Principal Act (directors: supplemental provisions)**

29. Section 57 of the Principal Act is amended—

- (a) in subsection (2), by the substitution of “and, in the case of a credit union other than a corporate credit union, the board oversight committee of the credit union” for “and the board oversight committee of the credit union”, and 5
- (b) in subsection (4), by the substitution of “then, in the case of a credit union other than a corporate credit union, the board oversight committee” for “then the board oversight committee”.

**Amendment of section 63 of Principal Act (officers: principal posts)**

30. Section 63 of the Principal Act is amended, in subsection (1), by the substitution of the following paragraph for paragraph (b): 10

“(b) in the case of a credit union other than a corporate credit union, which is chaired by a member of the board oversight committee.”.

**Amendment of section 63A of Principal Act (manager of credit union)**

31. Section 63A of the Principal Act is amended by the insertion of the following subsections after subsection (5): 15

“(6) Subject to subsection (7), the board of directors of a credit union may appoint the manager of the credit union to be a member of the board of directors for such term as they determine.

(7) Where a person appointed under subsection (6) ceases to be a manager of the credit union concerned, that person shall immediately upon such cessation cease to be a member of the board of directors of that credit union.”. 20

**Amendment of section 66 of Principal Act (officers: suspension and removal by Supervisory Committee)** 25

32. Section 66 of the Principal Act is amended—

(a) in subsection (1), by the substitution of “after notifying the Bank” for “after consulting the Bank”, and

(b) by the substitution of the following subsection for subsection (2):

“(2) Where a director of a credit union has— 30

(a) been suspended by the board oversight committee in accordance with subsection (1), and

(b) within 7 days of that suspension, notified the board oversight committee that he or she is aggrieved by the suspension,

the board oversight committee shall ensure that the secretary of the credit union issues, within 14 days of that notification, a notice of a special general meeting— 35

- (i) for the purpose of reviewing the suspension, and
- (ii) to consider whether to remove the director having regard to the action or decision taken by that director.”.

**Amendment of section 66C of Principal Act (reporting to Bank)**

33. Section 66C of the Principal Act is amended, in subsection (1), by the substitution of “this Part, Part IVA and any regulations prescribed under either of those Parts” for “this Part and any other regulations prescribed under it”. 5

**Amendment of section 67 of Principal Act (credit, credit control and membership committees)**

34. Section 67 of the Principal Act is amended— 10

- (a) by the substitution of the following subsection for subsection (3):

“(3) The membership committee shall—

- (a) at least once in every month notify the persons designated by the board of directors under subsection (4) for the purpose of this paragraph or, where no persons have been so designated, the board of directors, of the new members whose applications the membership committee has approved, and 15

- (b) where there is doubt in respect of an applicant’s qualification for membership of the credit union, submit the application for membership to the persons designated by the board of directors under subsection (4) for the purpose of paragraph (a) or, where no persons have been so designated, to the board of directors, for a decision.”, 20

and

- (b) by the insertion of the following subsection after subsection (3): 25

“(4) The board of directors of a credit union may designate a person for the purpose of paragraph (a) of subsection (3).”.

**Amendment of section 68 of Principal Act (limitation of remuneration)**

35. Section 68 of the Principal Act is amended—

- (a) in paragraph (b) of subsection (1), by the deletion of “or a principal Committee”, and 30

- (b) in subsection (2), by the substitution of the following paragraph for paragraph (b):

“(b) which are approved by at least 2 directors (not including the director whose expenses are being approved).” 35

**Amendment of section 76 of Principal Act (inspection of books)**

36. Section 76 of the Principal Act is amended—

(a) in paragraph (b) of subsection (2), by the substitution of “the member’s own account” for “his own account”, and

(b) by the substitution of the following subsection for subsection (4): 5

“(4) Subject to subsection (5), on the application of—

(a) in the case of a credit union other than a corporate credit union, 30 members of the credit union, and

(b) in the case of a corporate credit union, one or more members of the credit union holding or together holding not less than 10 per cent of the shares in the credit union, 10

the Bank may appoint an accountant to inspect and report on the books and documents of the credit union.”.

**Amendment of section 76B of Principal Act (risk management systems and systems and control)** 15

37. Section 76B of the Principal Act is amended, in subsection (5), by the deletion of “under this section”.

**Amendment of section 76F of Principal Act (records management)**

38. Section 76F of the Principal Act is amended, in paragraph (a) of subsection (1), by the substitution of “, its auditor and, in the case of a credit union other than a corporate credit union, its board oversight committee,” for “and its board oversight committee and auditor”. 20

**Amendment of section 76J of Principal Act (outsourcing)**

39. Section 76J of the Principal Act is amended, in paragraph (a)(ii) of subsection (11), by the substitution of “and the service provider’s ability” for “and his or her ability”. 25

**Amendment of section 76K of Principal Act (internal audit)**

40. Section 76K of the Principal Act is amended, in subsection (2), by the substitution of “which shall define” for “which, subject to subsection (4), shall define”.

**Amendment of section 76O of Principal Act (board oversight committee: procedural provisions)** 30

41. Section 76O of the Principal Act is amended—

(a) in paragraph (a) of subsection (1), by the substitution of “in every 2 months” for “in every month”,

(b) in subsection (2), by the substitution of “subsection (1)(b)” for “subsection (1) (a)”, and 35

(c) by the substitution of the following subsection for subsection (4):

“(4) Members of the board oversight committee shall have the right to attend all meetings of—

(a) the board of directors, and

(b) a committee acting on behalf of the board of directors under section 56A(1).”.

**Amendment of section 77 of Principal Act (the organisation meeting)**

42. Section 77 of the Principal Act is amended, in subsection (2), by the substitution of the following paragraph for paragraph (b):

“(b) shall, within the relevant period, be delivered, personally, by post or by electronic means, to each member of the credit union, to such address as has been notified in writing to the credit union by that member for the purpose of receiving the notice.”.

**Amendment of section 78 of Principal Act (the annual general meeting)**

43. Section 78 of the Principal Act is amended, in subsection (5), by the substitution of “together with the notice of the meeting, personally, by post or by electronic means, to every person entitled under section 80(1) to receive a notice of the meeting, to such address as has been notified in writing to the credit union by that person for the purpose of receiving the notice” for “together with the notice of the meeting, to every person entitled to receive such a notice”.

**Amendment of section 80 of Principal Act (notice of general meetings)**

44. Section 80 of the Principal Act is amended—

(a) in subsection (2)—

(i) by the substitution of the following paragraph for paragraph (d):

“(d) shall, within the relevant period, be delivered, personally, by post or by electronic means, to the auditor and to each member of the credit union, to such address as has been notified in writing to the credit union by the auditor or member, as the case may be, for the purpose of receiving the notice, and”.

and

(ii) in subparagraph (iii) of paragraph (e), by the substitution of “confirm the attendee’s intention” for “confirm his or her intention”.

(b) by the insertion of the following subsection after subsection (2):

“(2A) A copy of the notice required by subsection (1) and, in the case of a notice for an annual general meeting, the annual accounts for the financial year in respect of which the meeting is held (in this subsection referred to as the ‘relevant documents’), shall be treated, for the purposes of this section, as having been delivered by a credit

- union to a person within the relevant period where—
- (a) the credit union and the person have agreed to the person having access to the relevant documents on a website maintained by or on behalf of the credit union,
  - (b) that person is notified, in a manner for the time being agreed for the purpose of such notification between the person and the credit union, of—
    - (i) the publication of the relevant documents on the website referred to in paragraph (a),
    - (ii) the address of that website,
    - (iii) the place on that website where the relevant documents may be accessed, and
    - (iv) how the relevant documents may be accessed,
  - (c) in the case of annual accounts—
    - (i) the credit union’s rules allow for distribution or access by electronic means,
    - (ii) the member has been contacted in writing to request the member’s consent to the use of electronic means for conveying information and has not objected to such use within a reasonable period of time, and
    - (iii) the member may request at any time in the future that information be conveyed in writing,
  - (d) the relevant documents are published on that website in the period from the start of the relevant period to the conclusion of the meeting concerned, and
  - (e) the notification given for the purposes of paragraph (b) is given during the relevant period.”,
- (c) in subsection (3), by the substitution of “References in subsections (1), (2) and (2A)” for “References in subsections (1) and (2)”, and
- (d) in subsection (6)—
- (i) in paragraph (a), by the substitution of “of the meeting,” for “of the meeting; or”,
  - (ii) in paragraph (b), by the substitution of “of the meeting, or” for “of the meeting.”, and
  - (iii) by the insertion of the following paragraph after paragraph (b):
    - “(c) in the case of publication on a website maintained by or on behalf of the credit union, documents which are required to be published on the website being published for a part, but not all, of the period required, where the failure to publish those documents throughout that period is wholly attributable to circumstances which it would

not be reasonable to have expected the credit union to prevent or avoid.”.

**Amendment of section 82 of Principal Act (supplementing provisions as to general meetings)**

45. Section 82 of the Principal Act is amended, in subsection (2), by the substitution of “irrespective of the member’s shareholding” for “irrespective of his shareholding”. 5

**Amendment of section 82A of Principal Act (proxies)**

46. Section 82A of the Principal Act is amended—

- (a) in subsection (1), by the substitution of “as the member’s proxy to attend and vote instead of the member” for “as his or her proxy to attend and vote instead of him or her”, 10
- (b) in subsection (4), by the substitution of “the appointer or of the appointer’s attorney” for “the appointer or of his or her attorney”, and
- (c) in subsection (12), by the substitution of “at the member’s request in writing” for “at his or her request in writing”. 15

**Amendment of section 87 of Principal Act (power of Bank to give regulatory directions)**

47. Section 87 of the Principal Act is amended, in paragraph (b) of subsection (5), by the substitution of “against the member’s indebtedness” for “against his indebtedness”.

**Amendment of section 88 of Principal Act (procedural provisions relating to regulatory directions)** 20

48. Section 88 of the Principal Act is amended, in subsection (1), by the substitution of the following paragraph for paragraph (b):

“(b) the secretary of the credit union concerned shall, as soon as practicable, notify—

- (i) every member of the board of directors of the credit union, and 25
- (ii) in the case of a credit union other than a corporate credit union, every member of the board oversight committee of that credit union,

of the giving of those directions,”.

**Amendment of section 111 of Principal Act (annual accounts)** 30

49. Section 111 of the Principal Act is amended, in subsection (4), by the substitution of the following paragraph for paragraph (c):

“(c) it has been signed by the manager of the credit union and by a member of the board of directors acting on behalf of the board.”.

**Amendment of section 120 of Principal Act (auditor’s report, right of access and to be heard)**

50. Section 120 of the Principal Act is amended, in subsection (2), by the substitution of “and, in the case of a credit union other than a corporate credit union, the members of the board oversight committee,” for “and the members of the board oversight committee”. 5

**Amendment of section 125 of Principal Act (settlement of disputes)**

51. Section 125 of the Principal Act is amended—
- (a) in paragraph (a) of subsection (1), by the substitution of “in their capacity as a member” for “in his capacity as a member”,
  - (b) in subsection (2), by the substitution of “Subject to subsection (5),” for “Subject to subsections (3) and (5),”, 10
  - (c) by the deletion of subsection (3), and
  - (d) in subsection (4), by the substitution of “mentioned in subsection (2)” for “mentioned in subsection (2) or subsection (3)”.

**Amendment of section 126 of Principal Act (arbitration and procedural matters) 15**

52. Section 126 of the Principal Act is amended by the deletion of subsections (3), (4) and (5).

**Amendment of section 134 of Principal Act (winding up under the Companies Acts)**

53. Section 134 of the Principal Act is amended, in subsection (4)—
- (a) in paragraph (b), by the substitution of “after the person ceased to be a member” for “after he ceased to be a member”, 20
  - (b) in paragraph (d), by the substitution of “in respect of which the person is liable” for “in respect of which he is liable”, and
  - (c) in paragraph (e), by the substitution of “as from the date of the person’s notice” for “as from the date of his notice”. 25

**Amendment of section 136 of Principal Act (restriction on dissolution or cancellation of registration)**

54. Section 136 of the Principal Act is amended by the substitution of the following subsection for subsection (1):
- “(1) Until a certificate under this section has been lodged with the Bank— 30
    - (a) a credit union shall not be dissolved in accordance with section 135(6), and
    - (b) the Bank shall not cancel the registration of a credit union under section 97(2)(b).”.



**Amendment of section 161 of Principal Act (proposals for compromise or scheme of arrangement)**

55. Section 161 of the Principal Act is amended, in subsection (6), by the substitution of “the member is deprived” for “he is deprived” in each place where it occurs.

**Disapplication of certain provisions to corporate credit unions** 5

56. The Principal Act is amended by the insertion of the following section after section 189:

“190. The following provisions shall not apply in respect of a corporate credit union:

- (a) section 17(1);
- (b) sections 21 to 25; 10
- (c) section 27(2) and (3);
- (d) section 53(10)(a) and (c);
- (e) section 65;
- (f) section 66;
- (g) section 67; 15
- (h) section 68;
- (i) Part IVA;
- (j) section 81(5);
- (k) section 97(1)(a)(i) and (d);
- (l) section 128; 20
- (m) Part VIII.”.

# BILLE

(mar a tionscnaíodh)

dá ngairtear

Acht do dhéanamh socrú maidir le comhair chreidmheasa chorparáideacha a bhunú; do leasú na gceanglas agus na gcáilíochtaí le haghaidh comhaltas de chomhair chreidmheasa; d'athrú raon na n-infheistíochtaí ceadaithe ag comhair chreidmheasa; do dhéanamh socrú maidir le hathruithe ar rialachas comhar creidmheasa; do dhéanamh socrú maidir le huasrátaí úis ar iasachtaí ag comhair chreidmheasa a leagan síos; do dhéanamh socrú maidir le comhair chreidmheasa do sholáthar seirbhísí do chomhaltaí de chuid comhair chreidmheasa eile; do dhéanamh socrú maidir le comhair chreidmheasa a bheith páirteach in iasachtaí do chomhaltaí de chuid comhair chreidmheasa eile; agus, chun na gcíoch sin, do leasú an Achta um Chomhar Creidmheasa, 1997; agus do dhéanamh socrú i dtaobh nithe gaolmhara.

*An Seanadóir Ríona Uí Dhochartaigh a thíolaic  
thar ceann an Aire Airgeadais,*

*30 Samhain, 2022*

# BILL

(as initiated)

entitled

An Act to provide for the establishment of corporate credit unions; to amend the requirements and qualifications for membership of credit unions; to alter the scope of permitted investments by credit unions; to provide for changes to the governance of credit unions; to provide for the setting of maximum interest rates on loans by credit unions; to provide for the provision of services by credit unions to members of other credit unions; to provide for the participation by credit unions in loans to members of other credit unions; and for those purposes to amend the Credit Union Act 1997; and to provide for related matters.

*Presented by Senator Regina Doherty on behalf of  
the Minister for Finance,*

*30th November, 2022*

BAILE ÁTHA CLIATH  
ARNA FHOILSIÚ AG OIFIG AN tSOLÁTHAIR  
Le ceannach díreach ó  
FOILSEACHÁIN RIALTAIS,  
BÓTHAR BHAILE UÍ BHEOLÁIN, CILL MHAIGHNEANN,  
BAILE ÁTHA CLIATH 8, D08 XAO6.  
Teil: 046 942 3100  
r-phost: publications@opw.ie  
nó trí aon díoltóir leabhar.

DUBLIN  
PUBLISHED BY THE STATIONERY OFFICE  
To be purchased from  
GOVERNMENT PUBLICATIONS,  
MOUNTSHANNON ROAD, KILMAINHAM,  
DUBLIN, D08 XAO6.  
Tel: 046 942 3100  
Email: publications@opw.ie  
or through any bookseller.

€3.05

