
STATUTORY INSTRUMENTS

1985 No. 1205

The Credit Unions (Northern Ireland) Order 1985

Amalgamations and transfers of engagements

Restrictions on amalgamations and transfers of engagements

64. For the purposes of Articles 65 and 66, a credit union with which another credit union may amalgamate or to which that other credit union may transfer its engagements or from which that other credit union may accept a transfer of engagements shall be a credit union with a membership which has a common bond similar to the common bond between the members of that other credit union.

Amalgamation of credit unions

65.—(1) Any 2 or more credit unions may by special resolution of each of those credit unions become amalgamated together as one credit union, with or without any dissolution or division of the funds of those credit unions or any of them; and the property of each of those credit unions shall become vested in the amalgamated credit union without the necessity of any form of conveyance other than that contained in the special resolution.

(2) In this Article “special resolution” means a resolution which is—

- (a) passed by not less than two-thirds of such members of the credit union for the time being entitled under the credit union's rules to vote as may have voted in person, or by proxy where the rules allow proxies, at any general meeting of which notice, specifying the intention to propose the resolution, has been duly given according to those rules; and
- (b) confirmed by a majority of such members of the credit union for the time being entitled as aforesaid as may have voted as aforesaid at a subsequent general meeting of which notice has been duly given held not less than 14 days nor more than one month from the day of the meeting at which the resolution was passed in accordance with sub-paragraph (a).

(3) At any such meeting as aforesaid, a declaration by the chairman that the resolution has been carried shall be deemed conclusive evidence of that fact.

(4) A copy of every special resolution for the purposes of this Article signed by the chairman of the meeting at which the resolution was confirmed and countersigned by the secretary of the credit union shall be sent to the [^{F1}FCA] and registered by [^{F2}it] ; and until that copy is so registered the special resolution shall not take effect.

(5) A credit union shall send a copy of any special resolution for registration in accordance with paragraph (4) within 14 days from the day on which the resolution is confirmed under paragraph (2) (b), but this paragraph shall not invalidate registration after that time.

(6) If credit unions become amalgamated together under this Article without the dissolution of any one or more of them, the registration of any such credit union not dissolved shall upon amalgamation become void and, subject to Article 71(2), be cancelled by the [^{F3}FCA] .

[^{F4}(7) If the appropriate authority is the FCA, the FCA must not register a special resolution under this Article unless the proposed amalgamation would not, in its opinion, result in a contravention of the 2000 Act, or any requirement imposed by or under that Act.

Status: Point in time view as at 06/04/2018.

Changes to legislation: The Credit Unions (Northern Ireland) Order 1985, Amalgamations and transfers of engagements is up to date with all changes known to be in force on or before 05 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

(8) If the appropriate authority is the PRA, the FCA must not register a special resolution under this Article unless the PRA, having first consulted the FCA, has confirmed to the FCA that the proposed amalgamation would not, in its opinion, result in a contravention of the 2000 Act, or any requirement imposed by or under that Act.]

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| F1 | Word in art. 65(4) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323) , art. 1, Sch. 3 para. 2(q) (with art. 3) |
| F2 | Word in art. 65(4) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323) , art. 1, Sch. 3 para. 18(a) (with art. 3) |
| F3 | Word in art. 65(6) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323) , art. 1, Sch. 3 para. 2(q) (with art. 3) |
| F4 | Art. 65(7)(8) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323) , art. 1, Sch. 3 para. 18(b) (with art. 3) |

Transfer of engagements between credit unions

66.—(1) Any credit union may by special resolution transfer its engagements to any other credit union which may undertake to fulfil those engagements; and if that resolution approves the transfer of the whole or any part of the credit union's property to that other credit union, the whole or, as the case may be, that part of the credit union's property shall vest in that other credit union without any conveyance or assignment.

(2) Paragraphs (2) to (5) of Article 65 shall have effect for the purposes of this Article as they have effect for the purposes of that Article.

(3) If a credit union transfers all its engagements under paragraph (1), the registration of that credit union upon the transfer shall become void and, subject to Article 71(2), be cancelled by the [^{F5}FCA] .

[^{F6}(4) If the appropriate authority is the FCA, the FCA must not register a special resolution under this Article unless the proposed transfer would not, in its opinion, result in a contravention of the 2000 Act, or any requirement imposed by or under that Act.

(5) If the appropriate authority is the PRA, the FCA must not register a special resolution under this Article unless the PRA, having first consulted the FCA, has confirmed to the FCA that the proposed transfer would not, in its opinion, result in a contravention of the 2000 Act, or any requirement imposed by or under that Act.]

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| F5 | Word in art. 66(3) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323) , art. 1, Sch. 3 para. 2(r) (with art. 3) |
| F6 | Art. 66(4)(5) substituted (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by The Financial Services Act 2012 (Mutual Societies) Order 2018 (S.I. 2018/323) , art. 1, Sch. 3 para. 19 (with art. 3) |

Saving for rights of creditors

67. An amalgamation or transfer of engagements in pursuance of Article 65 or 66 shall not prejudice any right of a creditor of any credit union which is a party to such amalgamation or transfer of engagements.

Status:

Point in time view as at 06/04/2018.

Changes to legislation:

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