Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.
Changes to legislation: There are currently no known outstanding effects for
the Credit Unions Act 1979, Section 13. (See end of Document for details)

Credit Unions Act 1979

1979 CHAPTER 34

Operation of credit union

13   Investments.

(1) A credit union may not invest any part of its surplus funds except in a manner authorised by an order made by the chief registrar with the consent of the Treasury; and such an order may contain provisions authorising the application of the funds of a credit union in any form of investment subject to any limitations as to amount, whether by reference to a fixed sum or by reference to a proportion of the total investments of the credit union or otherwise.

(2) Any surplus funds of a credit union which are not either—

    (a)   invested in accordance with subsection (1) above, or

    (b)   kept in cash in the custody of officers of the credit union,

shall be kept by the credit union on current account with, or otherwise on loan to, an authorised bank.

(3) Where an institution ceases to be an authorised bank and any funds of a credit union are on loan to that institution, the credit union shall take all practicable steps to call in and realise the loan within the period of three months from the time when the institution ceased to be an authorised bank or, if that is not possible, as soon after the end of that period as possible.

(4) In this section "surplus funds", in relation to a credit union, means funds not immediately required for its purposes.

(5) Nothing in this section shall—

    (a)   prevent a credit union from making a temporary loan to another credit union; or

    (b)   apply to funds held on trust as mentioned in section 9(2) above.

(6) If a credit union contravenes the provisions of this section, it shall be guilty of an offence and liable on conviction on indictment or on summary conviction to a fine which on summary conviction shall not exceed the statutory maximum.

Status:
Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation:
There are currently no known outstanding effects for the Credit Unions Act 1979, Section 13.