



Credit Unions Act 1979

1979 CHAPTER 34

Powers of ^{F1}FCA and PRA

20 Cancellation or suspension of registration and petition for winding up.

^{F1}(1) Section 5 of the 2014 Act (grounds for cancellation of registration) applies in relation to a credit union as if it were modified as specified in subsections (1ZA) to (1ZD).

(1ZA) Subsection (1) applies as if for “any of conditions A to E” there were substituted “any of conditions A to F” .

(1ZB) Subsection (4)(b) (condition C) applies as if after “this Act” there were inserted “ or the Credit Unions Act 1979 ” .

(1ZC) The section applies as if for subsection (5) (condition D) there were substituted—

“(5) Condition D is that it appears to the FCA that the credit union's rules provide for one or more common bonds involving a connection with a locality and the requirements of section 1B of the Credit Unions Act 1979 are no longer met.”

(1ZD) The section applies as if after subsection (6) there were inserted—

“(7) Condition F is that the credit union's permission under Part 4A of the Financial Services and Markets Act 2000 has been cancelled or the credit union has received a warning notice under section 55Z of that Act.”]

^{F2}(1B) The FCA must not cancel the registration of a credit union [^{F3} by virtue of condition F in section 5 of the 2014 Act] unless the appropriate regulator (within the meaning of section 55A of the 2000 Act) has cancelled the credit union's permission under Part 4A of the 2000 Act and there is no possibility (or no further possibility) of that determination of the appropriate regulator being reversed or varied.]

^{F4}(1C) Section 7 of the 2014 Act (cancellation of registration: additional procedure in certain cases) applies in relation to credit unions as if references to condition D included condition F.

(1D) Section 9 of the 2014 Act (appeals) applies in relation to credit unions as if the reference to condition D included condition F (accordingly, no appeal may be made

Changes to legislation: There are currently no known outstanding effects for the Credit Unions Act 1979, Section 20. (See end of Document for details)

against a decision to cancel a credit union's registration on the ground that condition F is met).]

[^{F5}(1E) If the credit union is a PRA -authorised person, the FCA must consult the PRA before cancelling the registration of the credit union [^{F6} by virtue of condition F in section 5 of the 2014 Act].]

(2) A petition for the winding up of a credit union may be presented to the court by the [^{F7}FCA or the PRA] if it appears to [^{F8}the [^{F7}FCA or the PRA]] that—

(a) the credit union is unable to pay sums due and payable to its members, or is able to pay such sums only by obtaining further subscriptions for shares or by defaulting in its obligations to creditors; or

(b) there has been, in relation to that credit union, a failure to comply with any provision of, or of any direction given under, this Act or [^{F9} the 2014 Act]; or

[^{F10}(c) the rules of a credit union provide for one or more common bonds involving a connection with a locality and the requirements of section 1B are no longer met;]

or in any other case where it appears to [^{F8}the [^{F7}FCA or the PRA]] that the winding up of the credit union is in the public interest or is just and equitable having regard to the interests of all the members of the credit union.

[^{F11}(3) The FCA and the PRA must each consult the other before presenting a petition under subsection (2).]

Textual Amendments

- F1** S. 20(1)(1ZD) substituted (1.8.2014) for s. 20(1)-(1A) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 10(2)** (with Sch. 5)
- F2** S. 20(1A)(1B) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 6 para. 13(2)** (with Sch. 12)
- F3** Words in s. 20(1B) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 10(3)** (with Sch. 5)
- F4** S. 20(1C)(1D) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 10(4)** (with Sch. 5)
- F5** S. 20(1E) inserted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 6 para. 13(4)** (with Sch. 12)
- F6** Words in s. 20(1E) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 10(5)** (with Sch. 5)
- F7** Words in s. 20(2) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 6 para. 13(5)** (with Sch. 12)
- F8** Words in s. 20(2) substituted (1.12.2001) by S.I. 2001/2617, arts. 2(b), 13(1), **Sch. 3 Pt. IV para. 285** (with art. 13(3)); S.I. 2001/3538, **art. 2(1)**
- F9** Words in s. 20(2)(b) substituted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 10(6)** (with Sch. 5)
- F10** S. 20(2)(c) substituted (8.1.2012) by The Legislative Reform (Industrial and Provident Societies and Credit Unions) Order 2011 (S.I. 2011/2687), arts. 1(1)(b), **14(2)(b)** (with arts. 25, 26)
- F11** S. 20(3) inserted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 6 para. 13(6)** (with Sch. 12)

Changes to legislation:

There are currently no known outstanding effects for the Credit Unions Act 1979, Section 20.