



# Credit Unions Act 1979

## 1979 CHAPTER 34

### *Operation of credit union*

#### **7 Shares**

- (1) All shares in a credit union shall be of £1 denomination and may, subject to the rules of the credit union, be subscribed for either in full or by periodical or other subscriptions but no share shall be allotted to a member until it has been fully paid in cash.
- (2) Shares in a credit union shall not be transferable and a credit union shall not issue to a member a certificate denoting ownership of a share.
- (3) Nothing in subsection (2) above shall affect the operation of section 24(1) of the 1965 Act (transfer in pursuance of nomination on death of nominator).
- (4) Subject to subsection (5) below, shares in a credit union shall be withdrawable but a credit union shall not issue shares except on terms enabling it to require not less than sixty days' notice of withdrawal.
- (5) If a withdrawal of shares would reduce a member's paid-up shareholding in the credit union to less than his total liability (including contingent liability) to the credit union whether as borrower, guarantor or otherwise, then—
  - (a) in the case of a non-qualifying member the withdrawal shall not be permitted ;  
and
  - (b) in any other case the withdrawal shall be permitted only at the discretion of the committee.