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STATUTORY RULES OF NORTHERN IRELAND

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**2006 No. 78**

**CREDIT UNIONS**

**The Credit Unions (Deposits and Loans) Order (Northern Ireland) 2006**

*Made - - - - 2nd March 2006  
To be laid before Parliament under paragraph 7(3) of  
the Schedule to the Northern Ireland Act 2000*

*Coming into operation 1st April 2006*

The Department of Enterprise, Trade and Investment<sup>(1)</sup>, in exercise of the powers conferred by Articles 26(4), 28(2) and 28(4) of the Credit Unions (Northern Ireland) Order 1985<sup>(2)</sup> makes the following Order:

**Citation, commencement and interpretation**

1. This Order may be cited as the Credit Unions (Deposits and Loans) Order (Northern Ireland) 2006 and shall come into operation on 1st April 2006.

2. In this Order:

“Paid up shareholding” shall mean the sum total of shares held by a person in membership of a credit union.

“the 1985 Order” shall mean the Credit Unions (Northern Ireland) Order 1985.

**Limit on deposits by persons too young to be members**

3. Article 26(1) of the 1985 Order (which provides that a credit union may take deposits up to a total of £1,000<sup>(3)</sup> from a person who is under the age at which, by virtue of Article 15<sup>(4)</sup>, he may become a member of the credit union), is amended so as to specify the amount of £10,000 instead of £1,000.

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(1) Formerly the Department of Economic Development, renamed as the Department of Enterprise, Trade and Investment by the Departments (Northern Ireland) Order 1999 (S.I. 1999 No. 283 (N.I. 1))

(2) S.I.1985/1205 (N.I. 12)

(3) S.R. 1993/429 Article 5

(4) S.I. 1985/1205 (N.I. 12) Article 15

#### **Limit on loan amounts**

4. In Article 28(2) of the 1985 Order (which provides that the total amount on loan to a member of a credit union shall not at any time be more than £10,000<sup>(5)</sup> in excess of his total paid-up shareholding in the credit union at that time), the specified sum shall be “£15,000” instead of “£10,000”.

#### **Maximum repayment period for unsecured loans**

5. In Article 28(4)(a) of the 1985 Order (which provides that the maximum period within which an unsecured loan by a credit union must be repaid shall be 4 years<sup>(6)</sup>) the specified period shall be 5 years instead of 4 years.

#### **Revocation**

6. The Credit Unions (Loans and Deposits) Order (Northern Ireland) 1993 is revoked.

Sealed with the official seal of the Department of Enterprise, Trade and Investment on 2nd March 2006.

*Mike Bohill*  
A senior officer of the  
Department of Enterprise, Trade and Investment

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<sup>(5)</sup> S.R. 1993/429

<sup>(6)</sup> S.R. 1993/429

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order increases—

- (a) the amount which may be taken on deposit from juveniles by a credit union from £1,000 to £10,000;
- (b) the limit on the total amount which may be on loan by a credit union to a member from £10,000 to £15,000 above the member's paid-up shareholding; and
- (c) the maximum repayment period for an unsecured loan by a credit union from 4 years to 5 years.

This Order also revokes the Credit Unions (Loans and Deposits) Order (Northern Ireland) 1993.