
STATUTORY INSTRUMENTS

1985 No. 1205

The Credit Unions (Northern Ireland) Order 1985

Operation of credit union

Shares

23.—(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.

[^{F1}(2) Shares in a credit union shall be transferable only in accordance with—

- (a) Article 18(1) (transfer to nominees on death of nominator), or
- (b) paragraph (2A) (transfer of certain corporate shares);

and a credit union shall not issue to a member a certificate denoting ownership of a share.

(2A) Shares held by an individual who is a corporate member may be transferred, in accordance with the rules of the credit union, to another individual (“the transferee”), who must be—

- (a) in the case of shares held by an individual acting in the capacity as a partner in a partnership, another partner in the partnership;
- (b) in the case of shares held by an individual acting in the capacity as an officer or member of the governing body of an unincorporated association, another officer or member of that governing body.

(2B) On the transfer of a share under paragraph (2A), all the rights and liabilities that the holder of the share has in respect of it, or in connection with it, are transferred to the transferee.]

(3) Subject to paragraph (4) [^{F2}and Article 28(1E)], 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 60 days' notice of withdrawal.

[^{F3}(4) Where a credit union has made a loan to a member which is treated by virtue of Article 28A as a secured loan, the member must not be permitted to withdraw shares if the member's shareholding is (or following withdrawal would be) less than the member's total liability.

(5) In paragraph (4)—

- (a) the member's “shareholding” is the member's paid-up shareholding in the credit union;
- (b) the member's “total liability” is the member's total liability (including contingent liability) to the credit union whether as borrower, guarantor or otherwise;
- (c) where the loan has been made to an individual in his or her capacity as a corporate member, the member's “shareholding” and “total liability” are any shareholding and total liability in that capacity.]

F1 Art. 23(2)-(2B) substituted for art. 23(2) (23.4.2016) by [Credit Unions and Co-operative and Community Benefit Societies Act \(Northern Ireland\) 2016 \(c. 16\)](#), s. 17, **Sch. 1 para. 8**

F2 Words in art. 23(3) inserted (6.4.2018) by [Credit Unions and Co-operative and Community Benefit Societies Act \(Northern Ireland\) 2016 \(c. 16\)](#), **ss. 4(1)(a), 17(2)** (with Sch. 2 para. 1); S.R. 2017/217, art. 2(a)

Changes to legislation: *The Credit Unions (Northern Ireland) Order 1985, Section 23 is up to date with all changes known to be in force on or before 30 June 2023. 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) View outstanding changes*

F3 Art. 23(4)(5) substituted for art. 23(4) (6.4.2018) by [Credit Unions and Co-operative and Community Benefit Societies Act \(Northern Ireland\) 2016 \(c. 16\), ss. 4\(1\)\(b\), 17\(2\) \(with Sch. 2 para. 1\); S.R. 2017/217, art. 2\(a\)](#)

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Changes and effects yet to be applied to the whole Order associated Parts and Chapters:

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch.1 Pt.I amended by [S.I. 1996/2653 art.2\(b\)](#)
- Sch.1 Pt.I rev.in pt. by [S.I. 1996/2653 art.2\(a\)](#)
- Sch. 1 Pt. 1 words inserted by [S.I. 1996/2653 art. 2\(b\)](#)
- Sch. 1 Pt. 1 words omitted by [S.I. 1996/2653 art. 2\(a\)](#)