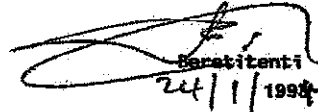


35/13

REPUBLIC OF KIRIBATI
(No. 10 of 1993)

(7)

I assent


Beretitenti
24/11/1993

AN ACT TO AMEND THE CREDIT UNION ACT 1990 (NO. 5 OF 1990); AND FOR CONNECTED PURPOSES

Commencement:

1993

MADE by the Maneaba ni Maungatabu and assented to by the Beretitenti.

Short title

1. This Act may be cited as the Credit Union (Amendment) Act 1993.

Amendment of section 2

2. Section 2 of the Credit Union Act 1990 (hereinafter referred to as the "principal Act") is amended in subsection (1) by -

- (a) inserting the words "including a savings and loan society" between the word "organisation" and "registered" in the definition of credit union; and
- (b) inserting a new definition between the definition of "Registrar" and "standard by-laws" as follows -

"savings and loan society" means a co-operative, non-profit making organisation registered under section 8 and having as its objects the principles set out in section 15."

Amendment of section 14

3. Section 14 of the principal Act is amended by inserting the words "or savings and loan society" between the words "union" and "shall" in the 4th and 5th lines.

Amendment of section 42

4. Section 42 of the principal Act is repealed and the following new section is substituted therefor -

"42. A credit union may accept deposits -

- (a) from members either as savings or as contributions towards share subscription; or

- (b) with the prior approval in writing of the Registrar and the members either with or without any condition from persons who are not members."

Amendment of section 61

5. Section 61 of the principal Act is amended as follows -

- (a) by inserting at the beginning of the section the following words -

"Subject to subsection (2)"; and

- (b) by renumbering the said section as "subsection (1)"; and

- (c) by adding a new subsection (2) as follows -

"(2) Any credit union may accept deposits from any person who is not a member if the prior approval in writing of the Registrar and the members have been given who, in giving such approval may impose such conditions as they think fit to impose."

Amendment of section 74

6. Section 74 of the principal Act is amended in subsection (1) by inserting the words "or savings and loan society" between the words "union" and "are" in the last line of the said subsection (1).

This printed impression has been examined by me with the Bill which passed the Maneaba ni Maungatabu on 14 December 1993 and is found by me to be a true and correctly printed copy of the said Bill.

J. Arakawa
Clerk to the Maneaba
ni Maungatabu

Published by exhibition at the Maneaba ni Maungatabu this 1st day of February, 1994.

K. Kumana
Clerk to the Maneaba
ni Maungatabu

CREDIT UNION (AMENDMENT) ACT 1993

EXPLANATORY MEMORANDUM

The principal object of this Act is to enable credit unions to be called by the alternative title of Savings and Loan Societies in order to make a clear differentiation in the minds of the public between such bodies and trade unions; to enable deposits to be accepted from non-members with the prior permission of the Registrar and the members.

1. Section 2 therefore seeks to amend section 2 of the Credit Union Act 1990 to include a definition of a savings and loan society in order to make clear that a credit union includes a savings and loan society.

2. Section 3 on the other hand seeks to amend section 4 to permit the use of the title "Credit Union" or "Savings and Loan Society" in the mandatory name of a credit union.

3. Sections 4 and 5 however seek to amend section 42 and section 61 with a view to expanding these sections to permit, with the prior approval of the Registrar and the members, the acceptance of deposits from non-members. This is not intended to permit acceptance of deposits from the public, but rather to allow the augmentation of savings and loan society funds by deposit of revolving funds.

4. Section 6 seeks to amend Section 74(1) to include the prohibition of the use of the title "Savings and Loan Society" by any body or organisation other than a credit union.

Michael N. Takabwabwa
The Attorney General
14 July 1993

LEGAL REPORT

I hereby certify my opinion that none of the provisions of the above Act conflict with the Constitution and that the Beretitenti may properly assent to the Act.

Michael N. Takabwabwa
The Attorney General
22 December 1993