

1972

c 172 The Credit Unions Amendment Act, 1972

Ontario

© Queen's Printer for Ontario, 1972

Follow this and additional works at: http://digitalcommons.osgoode.yorku.ca/ontario_statutes

Bibliographic Citation

The Credit Unions Amendment Act, 1972, SO 1972, c 172

Repository Citation

Ontario (1972) "c 172 The Credit Unions Amendment Act, 1972," *Ontario: Annual Statutes*: Vol. 1972, Article 174.

Available at: http://digitalcommons.osgoode.yorku.ca/ontario_statutes/vol1972/iss1/174

CHAPTER 172

**An Act to amend
The Credit Unions Act**

*Assented to December 15th, 1972
Session Prorogued December 15th, 1972*

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *c* of subsection 2 of section 4 of *The Credit Unions Act*, being chapter 96 of the Revised Statutes of Ontario, 1970, is amended by striking out "other than the guarantee fund" in the third and fourth lines. s. 4(2)(c),
amended

2. Section 30 of the said Act is repealed and the following s. 30,
re-enacted substituted therefor:

30.—(1) Every credit union in computing its annual profits shall make full provision for, Provision
for losses
and accrued
interest

(a) all doubtful loans, other doubtful receivables and losses on investments; and

(b) all interest accruing on deposits.

(2) A credit union may by resolution establish a reserve fund or funds and may transfer to such fund or funds out of earnings from time to time such amounts as the Board of Directors may by resolution direct provided that such resolution shall not become effective until it has been confirmed by a vote of two-thirds of the members present or represented at a meeting duly called for considering it. Establish-
ment of
reserve fund

(3) A credit union shall apply its guarantee fund required by section 30 of *The Credit Unions Act*, as it existed before the 31st day of December, 1972, to ensure provision is made as required by clause *a* of subsection 1 and the surplus then remaining in the guarantee fund shall be held as a reserve fund. Use of
guarantee
fund

Use of
reserve
fund

(4) The disposition of any amounts held in a reserve fund established under subsection 3 is subject to the written consent of the Director.

Funding of
provision
for losses

(5) Where the balance standing to the credit of the guarantee fund on the 30th day of December, 1972 is insufficient to provide the full amount required to be provided for under clause *a* of subsection 1, the credit union may either fund the deficiency over a period not exceeding three years in annual amounts approved by the Director or charge the deficiency against the balance standing to the credit of undivided earnings at that date.

Regulations

(6) The Lieutenant Governor in Council may make regulations prescribing the minimum amounts that may be considered as making adequate allowance for the provision referred to in clause *a* of subsection 1.

s. 31,
amended

3. Section 31 of the said Act is amended by striking out "and the credit union shall set aside a reserve fund, adjusted annually, in the amount of the interest accruing on such deposits" in the third, fourth and fifth lines.

Commence-
ment

4. This Act comes into force on the 31st day of December, 1972.

Short title

5. This Act may be cited as *The Credit Unions Amendment Act, 1972*.