



FINANCIAL SERVICES
COMMISSION

GUIDELINE No. 11

DEPOSITS IN SOCIETIES

This Guideline is issued by the Financial Services Commission (“the Commission”) pursuant to section 53 of the Financial Services Commission Act 2010-21 (“Act”) and comes into effect March 1, 2013.

This Guideline establishes the standards of the Commission with respect to the deposits of the funds of a credit union pursuant to section 34A of the Co-operative Societies Act (CSA), and the deposits for liquidity purposes of a credit union pursuant to Regulation 21 of the Co-operative Societies Regulations, 2008 (“Regulations”).

1. For the purposes of section 34A(1)(a)(ii) of the (CSA):
 - 1.1 a credit union may only make a deposit in a society registered under the CSA;
 - 1.2 a deposit or deposits of a credit union in any other credit union may not exceed in the aggregate 5% of the assets of the credit union making the deposit; and
 - 1.3 the aggregate of all deposits by a credit union in all other credit unions may not exceed 10% of the assets of the credit union making the deposits.