



FINANCIAL SERVICES
COMMISSION

GUIDELINE No. 12

FUNDAMENTAL CHANGES

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 Part X of the Co-operative Societies Act (CSA), sections 128 – 135. Reference should be made to those sections.

1. With respect to subsection 128 of the CSA a credit union:
 - 1.1 may only amalgamate with one or more societies that are credit unions to form a single credit union;
 - 1.2 may only transfer all of its assets and liabilities to another credit union;
 - 1.3 may only divide into two or more societies if the resulting societies are credit unions.
2. No reorganization of a credit union described in subsection 128(1) of the CSA may take place without the prior approval in writing of the Commission.
3. No conversion of a company registered under the *Companies Act*, an industrial or provident society registered under the *Industrial and Provident Societies Act* or a friendly society registered under the *Friendly Societies Act* into a credit union may take place without the company or society concerned making an application pursuant to section 6 of the CSA and without the prior approval in writing of the Commission.