



New South Wales

Financial Institutions (New South Wales) Amendment Act 1996 No 32

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Financial Institutions (New South Wales) Amendment Act 1996 No 32

Act No 32, 1996

An Act to amend the *Financial Institutions (New South Wales) Act 1992* with respect to retained earnings in the Credit Unions Contingency Fund and with respect to appeals against decisions of the Australian Financial Institutions Appeals Tribunal. [Assented to 24 June 1996]

The Legislature of New South Wales enacts:**1 Name of Act**

This Act is the *Financial Institutions (New South Wales) Amendment Act 1996*.

2 Commencement

This Act commences on a day or days to be appointed by proclamation.

3 Amendment of Financial Institutions (New South Wales) Act 1992 No 46

The *Financial Institutions (New South Wales) Act 1992* is amended as set out in Schedule 1.

4 Saving

- (1) Section 13 of the *Financial Institutions (New South Wales) Act 1992*, although repealed by this Act, is taken to continue in force for the purpose only of conferring on the Queensland Supreme Court jurisdiction in the matter of
 - (a) an appeal referred to in subsection (1) (a) of that section that was instituted before the date of commencement of Schedule 1 [1], and
 - (b) a reference referred to in subsection (1) (b) of that section made before that date.
- (2) Nothing in this section affects the jurisdiction of the Supreme Court of New South Wales or the operation of the *Jurisdiction of Courts (Cross-vesting) Act 1987*.

Schedule 1 Amendments

(Section 3)

[1] Section 13 Conferral of jurisdiction on Queensland Supreme court

Omit the section.

[2] Sections 24 and 25

Omit the sections. Insert instead:

24 Distribution of retained earnings of Contingency Fund

- (1) The SSA may from time to time:
 - (a) determine that the retained earnings of the Contingency Fund, or such part of those earnings as may be specified in the determination, are to be treated as contributions to the fund and apportioned in accordance with paragraph (b), and
 - (b) apportion the earnings to which the determination applies to the contribution accounts of credit unions in an equitable manner, taking into account the extent to which, in the opinion of the SSA, the generation of retained earnings is attributable to the contributions of each credit union.
- (2) Before making a determination under this section, the SSA must be satisfied that the capital amount of the Contingency Fund will continue to be sufficient, after an apportionment under this section has been effected, for the purposes referred to in section 97 (2) (a)–(d) of the *Financial Institutions (NSW) Code*.
- (3) In this section, ***retained earnings*** means amounts for the time being standing to the credit of the Contingency Fund, other than unrefunded amounts:
 - (a) paid by credit unions as contributions under section 98 of the *Financial Institutions (NSW) Code*, or

- (b) paid by credit unions as deposits under the *Credit Union Act 1969* and reckoned as contributions under section 98 of that Code, or
 - (c) otherwise credited to the contribution accounts of credit unions.
- (4) An amount apportioned to a credit union under this section is to be treated as if it were a contribution paid to the Fund under section 98 of the *Financial Institutions (NSW) Code* by the credit union concerned.

[Minister's second reading speech made in—
Legislative Assembly on 13 June 1996 p.m.
Legislative Council on 20 June 1996]