



## THOMAS P. BROUGHAN T.D.

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DÁIL ÉIREANN  
BAILE ÁTHA CLIATH 2

Governor Patrick Honohan,  
Central Bank of Ireland,  
PO Box 559  
Dame Street  
Dublin 2



27<sup>th</sup> February 2015

Dear Governor Honohan,

Please find enclosed a copy of the submission from Mr. Bill Galgey, the Chairman of Ayrfield Credit Union regarding the Consultation Paper on Regulations for Credit Unions. I previously made similar points myself during the passage of the Credit Union Bill through the Oireachtas

Very Best Wishes,



Tommy Broughan T.D

RE : Consultation Paper on Regulations for Credit Unions on commencement of the remaining sections of the 2012 Act

In relation to the above the Board of Directors of Ayrfield Credit Union Limited wish to submit the following views for consideration by the Central Bank.

Section 5 – The proposal that newly-formed Credit Unions must hold (1) an Initial Reserve, (2) a Regulatory Reserve and (3) an Operational Reserve, will be a deterrent to the creation of new credit unions and to future growth of the credit union movement.

Section 7 – If the proposal to impose a first legal charge on family property which is being renovated or extended and is already subject to mortgage, is implemented then credit unions will no longer be able to grant loans for such purposes

The proposed restriction to the granting of loans to “Related Parties” needs to be clearly defined.

Section 9- Savings – An individual member of a credit union who has savings in excess of €100,000 should not be compelled to withdraw savings above that limit.

W Galgey Chairman