



New Ross Credit Union Ltd.



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Our Ref:

Your Ref:

Date: 25th February 2015.

Registry of Credit Unions
Central Bank of Ireland
PO Box No. 559
Dame Street
Dublin 2

Re: Consultation Paper CP 88

Dear Sirs,

We refer to recently published Consultation Paper CP 88 re: Consultation on Regulations for Credit Unions on commencement of the remaining sections of the 2012 Act.

The Board of Directors of New Ross Credit Union at their monthly Board meeting held on the 16th February 2015 discussed the issues raised within the document and wish to highlight the following areas of concern:

1. Savings – the proposal that all Credit Unions can have individual member's savings of up to €100,000. The Board views this as restrictive as the cap on Savings may inhibit the growth of the Credit Union. It may also impact on Member confidence, particularly those Members who have saved regularly with the Credit Union over a number of years and who may be forced to withdraw their savings from the Credit Union. Consequently the Board would not be prepared to consider asking our members to withdraw existing savings that may be in excess of the limit proposed in CP 88.
2. Liquidity – the requirement for a short term liquidity ratio of at least 10% of unattached savings where short term liquidity is defined as cash and investments with maturity of less than eight days. This proposal would affect investment returns as a greater proportion of a credit union's investment portfolio would have to be held in short term deposits.
3. Lending – the requirement for credit unions to hold the first legal charge secured on the property for any house loans made following commencement of the regulations. If the home loan includes home improvement loans it is unrealistic to expect credit unions to seek a first legal charge on a property for moderate home improvement loans.

Yours sincerely

Marie Therese Wall.
Honorary Secretary
New Ross Credit Union Limited