



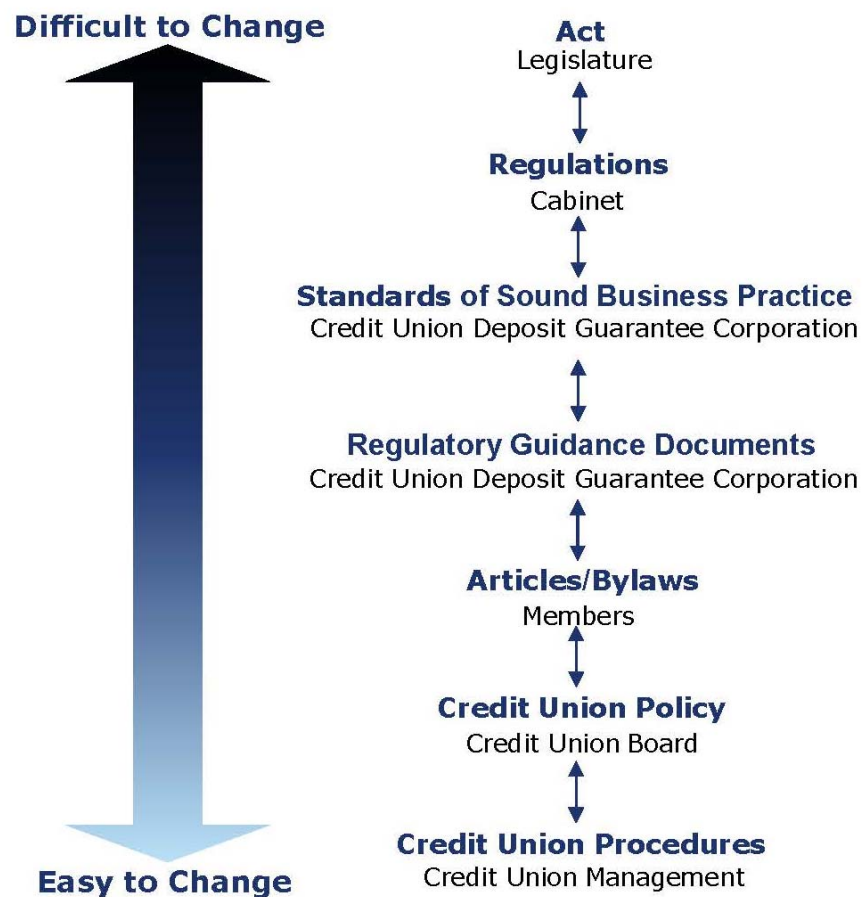
Legal Framework for Saskatchewan Credit Unions

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LEGISLATIVE AND GOVERNANCE MODEL

Saskatchewan credit unions are regulated by *The Credit Union Act, 1998* (the Act) and *The Credit Union Regulations, 1999* (the Regulations). Credit unions must comply with Credit Union Deposit Guarantee Corporation's (the Corporation) Standards of Sound Business Practice (the Standards) and Regulatory Guidance Documents, as well as credit union articles, bylaws and policies. Other provincial and federal legislation creates legal requirements and obligations that credit unions must comply with.

Legislative and Governance Model



REGULATORY ROLES

The regulation of Saskatchewan credit unions is a shared responsibility.

SASKATCHEWAN LEGISLATIVE ASSEMBLY

The Saskatchewan Legislative Assembly establishes public policy and enacts legislation for the Saskatchewan credit union system.

FINANCIAL AND CONSUMER AFFAIRS AUTHORITY (FCAA)

FCAA oversees the Corporation to ensure it is fulfilling its regulatory role. It has ultimate responsibility and authority for the regulation of Saskatchewan credit unions. FCAA is also responsible for approving and accepting credit unions' registrations and statutory filings. In regulating credit unions, FCAA's primary focus is consumer protection and the public interest. It may delegate powers and authority to the Corporation.

CREDIT UNION DEPOSIT GUARANTEE CORPORATION (THE CORPORATION)

The Corporation is the primary prudential and solvency regulator of Saskatchewan credit unions. It leads the development, monitoring and enforcement of regulatory requirements for Saskatchewan credit unions. The Corporation's primary focus is on deposit protection and credit union solvency. It also manages the deposit guarantee fund. The Corporation is accountable to FCAA and provides SaskCentral with appropriate information on risk within the credit union system to support sound liquidity management. FCAA may issue and enforce directives to the Corporation.

SASKATCHEWAN CREDIT UNIONS

Saskatchewan credit unions are member-owned financial cooperatives, democratically controlled by their members and operated for the purpose of providing financial services to their members. Financial products and services may be provided to non-members if authorized by the credit union's articles.

CREDIT UNION CENTRAL OF SASKATCHEWAN (SASKCENTRAL)

SaskCentral is the statutory liquidity manager for the Saskatchewan credit union system. In this role, it ensures credit unions hold liquidity at SaskCentral to enable them to participate in the national payments system, including clearing and settlement programs. It also manages the system's participation in regional and national liquidity programs.

As the trade association for credit unions, SaskCentral facilitates the establishment of credit union policy, develops programs, and offers services that assist credit unions in meeting their regulatory requirements. It also provides programs to assist in managing credit unions' image.

Regulatory Roles Model

