



May 15, 2020

All Caribbean Credit Union Prudential Regulators

Re: COVID -19 Statutory Relief – Virtual Annual General Meetings

Dear Sir/Madam:

We are writing you to urge you to consider additional regulatory or statutory relief for credit unions to assist in the recovery of the Caribbean from the effects of the COVID-19 pandemic. Credit unions in the Caribbean can play a significant role in aiding the economic recovery. However, regulatory requirements often require the physical presence of members or management for certain meetings such as annual general meetings, which is contrary to prudent health practices during the COVID-19 pandemic. Credit unions are committed not only to the economic recovery, but also to operating their institutions in a manner that is safe for their members and employees.

As such, we urge prudential regulators to provide regulatory relief that will allow credit unions to conduct their annual general meetings, or any management/board meeting by virtual means during the pandemic. To ensure a safe and sound operation of these virtual meetings we urge consideration of the following conditions when granting relief:

1. That all are part of the community served by the credit union has been adversely affected by the COVID-19 pandemic;
2. That the credit union has the technology or technological capacity to conduct or facilitate a virtual meeting, including allowing for attendance, voting, and participation in the meeting;
3. Adequate notice must be provided to members and/or management (at least 7-days) in advance identifying the change to a virtual meeting and adequate instructions for how to join, participate, and vote during the meeting; and
4. Authorization by the prudential regulator is delivered to the credit union (either directly (physical or electronic mail) or through a general order or rule) authorizing the conduct of a virtual meeting.

We note that numerous jurisdictions around the world have authorized electronic meetings. Most notably, in the United States, the National Credit Union Administration has authorized virtual meetings during the pandemic.¹ In Canada,

¹ National Credit Union Administration, *Letter to Credit Unions*, 20-FCU-02 (March, 2020) available at <https://www.ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/ncua-actions-related-covid-19-annual-meeting-flexibility>.



credit unions are provincially regulated but numerous provinces permit electronic meetings. In British Columbia for example, the Credit Union Incorporation Act, requires notice to be given of the date, time, and place of the meeting, but the decision to conduct a meeting electronically is left to the rules (or bylaws) of the credit union.

We also note numerous other jurisdictions are in the process of considering other related relief to help avoid a regulatory requirement of a physical meeting during the pandemic. These items include consideration of the ability to issue a dividend without an annual meeting so long as either credit union management or the board certifies that such a dividend is supported by the financials, and other relief items such as not requiring a quorum to be met vis-à-vis physical presence.

We urge consideration of this relief during the pandemic to help ensure the safety and well-being of Caribbean citizens, our member credit unions and their members.

The World Council of Credit Unions is the leading trade association and development organization for the international credit union movement. Credit unions are cooperative depository institutions and worldwide there are over 85,000 credit unions in 119 countries with USD 2.2 trillion in total assets serving 274 million physical-person members.² The Caribbean Confederation of Credit Unions represents over 200 credit unions in 17 countries with USD 2.2 billion in total assets serving 2.3 million physical person members.

If you have questions about our comments, please feel free to contact Andy at aprince@woccu.org or +1-850-766-5699 or Denise at gm@caribccu.coop or 1-869-767-0453.

Sincerely,

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² World Council, *Statistical Report (2018)*, available at https://www.woccu.org/impact/global_reach/statreport.