

People... Purpose... Passion!

OUR WAY TO SUCCESS

40TH

ANNUAL REPORT





VISION STATEMENT

To become the first choice financial institution for the community we serve.

MISSION STATEMENT

To enhance the quality of life of our members and of the entire community, by providing superior quality financial services to them through a well trained staff and the utilization of appropriate technology.

THEME FOR AGM 2021

People... Purpose... Passion!

OUR WAY TO SUCCESS

OUR SONG

With us there are no barriers
Cause we are all the same
The more of us the happier
The louder we'll proclaim.
That we are owner members
Our rule is honesty
We are the Credit Union
And all the world can see.

Chorus

*Together we give and receive
Together we help each other to
achieve
cause in our world today
It's not safe to be alone
Let's make each other's cares
To be our own.*

We all will be true savers
Though it is great or small
We will become shareholders
Providing loans for all
So when great need arises
There's no uncertainty
Once in the Credit Union
There's help for you and me

We pledge to be of service
To better our land
We harbor no prejudice
Upon this theme we stand
One man one vote for members
Of high or low degree
For in the Credit Union
There's pure democracy.

OUR PRAYER

Lord, make me an instrument of thy peace,
Where there is hatred let me sow love,
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
And where there is sadness, joy.

O Divine Master, grant that I may not
So much seek to be consoled as to console;
To be understood as to understand;
To be loved as to love;
For it is giving that we received;
It is in pardoning that we are pardoned;
And it is in dying that we are born to eternal
life.

Bless O Lord, our deliberations
And grant that whatever we may so do,
Will have thy blessing and guidance,
Through Jesus Christ our Lord,
Amen

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NOTICE OF THE 40TH ANNUAL GENERAL MEETING

Dear Member,

Notice is hereby given of the **40th Annual General Meeting** of **The Communal Cooperative Credit Union Ltd.** to be held on **Wednesday 24th August 2022** at the **Grenada Trade Centre Annex**, Morne Rouge, St. George's, beginning at **3:30pm** with simultaneous **Live Streaming** via **Zoom**.

Please email marketing@thecommunalcu.com, call 440-1755 (Ext. 108/132) or scan the QR code to register to attend via Zoom.

AGENDA

1. Call to Order
2. Ascertainment of Quorum
3. Adoption of the Agenda
4. Election of Officers
 - 4.1 Nominations Committee Report
 - 4.2 Elections and Voting
 - 4.3 Sitting of New Directors
5. Review and Confirmation of the Minutes of the 39th Annual General Meeting
6. Reports
 - 6.1 Board of Directors
 - 6.2 Supervisory & Compliance Committee
 - 6.3 Credit Committee
 - 6.4 Treasurer and Auditor (BDO Eastern Caribbean)
7. Resolutions
 - 7.1 Appointment of Auditors
 - 7.2 Approval of Budget
 - 7.3 Amendments to Bye-Laws
 - 7.4 Approval of Honorarium Structure
8. Any Other Business
9. Conclusion



Walker
Dawn Walker (Mrs.)

Secretary

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CORPORATE INFORMATION

The Communal Cooperative Credit Union Ltd. Headquarters

Halifax Street

St. George

Telephone: (473) 440-1755

Fax: (473) 440-7545

Email: comcreditunion@thecommunalcu.com

Website: www.thecommunalcu.com

e-Services:



Online Banking



Mobile App
(Android)



Mobile App
(iOS)

Grand Anse Business Centre

Grand Anse Shopping Complex

Grand Anse

St. George

Telephone: (473) 439-1755

Fax: (473) 439-7545

Perdmontemps Branch Office

Perdmontemps

St. David

Telephone/Fax: (473) 440-4264

Gouyave Branch Office

Central Depradine Street

Gouyave

St. John

Telephone/Fax: (473) 437-1129

Carriacou Branch Office

Alexis Food Complex

Harvey Vale

Carriacou

Telephone: (473) 443-6699

Fax: (473) 443-8899

Auditors

BDO Eastern Caribbean

Bankers

Republic Bank (G'da) Ltd.

Grenada Cooperative Bank Ltd.

Solicitors/Attorneys

Law Office of George E. D. Clyne

Wilkinson, Wilkinson & Wilkinson

Grant Joseph & Co.

Duncan Phillip & Associates

Executive Officers

President: Petra Fraser

Vice President: Phil Antoine

Treasurer: Troy Noel

Secretary: Dawn Walker

Assistant Secretary/Treasurer:

Shawonna Thomas-Cuffie

General Manager (Ag.): John Marryshow



STANDING ORDERS

1. No member shall address the meeting except through the Chairman
2. A member, attending in person, shall stand when addressing the Chairman, must speak into the microphone and any utterances shall be clear and relevant to the agenda item under discussion
3. A member, attending in person, shall only address the meeting when called upon by the Chairman to so do, shall state his/her name first and immediately sit once finished
4. A member, attending virtually, shall only be acknowledged via the "Raise Hand" feature and address the meeting when called upon by the Chairman to so do, shall state his/her name first and immediately mute his/her microphone once finished
5. A member shall not speak twice on the same subject except: (a) he/she, with the permission of the Chairman, rises to raise an objection or provide an explanation; or (b) the mover of a motion who has a right to reply
6. No speeches shall be made after the question has been put to and carried or negated by the meeting
7. The mover of a procedural motion (adjournment, postponement, lay on table) shall have no right of reply
8. A member rising on a point of order shall state the point clearly and concisely and such point of order must have relevance to the Standing Orders
9. A member shall not call to order another member but may draw a breach of order to the attention of the Chairman
10. Under no circumstance shall a member call to order the Chairman
11. A question shall not be put to a vote if a member desires to speak on it or move an amendment to it, except the following: (a) a Procedural Motion; (b) the Previous Question; (c) Proceed to the next business or the Closure; or (d) that the question be put now, all of which may be moved at any given time
12. Only one (1) amendment shall be before the meeting at any given time
13. When a motion is withdrawn, any amendment to it automatically fails
14. The Chairman shall have, in addition to his/her ordinary vote, a casting vote in the event where there are equal votes on a motion at hand
15. If there is an equality of votes on an amendment and the Chairman does not exercise his/her casting vote, the amendment automatically fails
16. The Chairman shall make provisions for the protection of members from vilification or personal abuse
17. No member shall impute improper motives against the Chairman, Board of Directors, Officers or any other member
18. Only members are allowed to vote



BOARD OF DIRECTORS



Ms. Petra Fraser
President

Mr. Phil Antoine
Vice President

Mr. Troy Noel
Treasurer

Mrs. Dawn Walker
Secretary

Ms. Shawanna Thomas-Cuffie
Assistant Secretary/Treasurer

Mr. Ernest Bleasdille

Mr. Michael Francois

Ms. Lawrene Griffith

Ms. Sibyl Alexander



BOARD OF DIRECTORS REPORT

Dear Communal Cooperators,

The year 2021 marked the continuation of a difficult operating environment marred by the impact of the Covid-19 Pandemic, the impact of which has been unprecedented. Notwithstanding, we are ever mindful of the light that awaits us at the end of every tunnel.

I now present for your earnest consideration the following report on our performance during the year under review.

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COMPOSITION

At our 39th Annual General Meeting, the following members were elected to serve on the Board of Directors:

Mrs. Dawn Walker
Mr. David Bruno
Mr. Ernest Bleasdale
Mr. Troy Noel
Ms. Lawrence Griffith
Mr. Michael Francois
Ms. Petra Fraser
Mr. Phil Antoine
Ms. Shawna Thomas-Cuffie

At the 1st meeting of the Joint Committee held on 21st July 2021, the following Directors were elected as the Executive of the Board of Directors:

Ms. Petra Fraser – President
Mr. Phil Antoine – Vice President
Ms. Shawna Thomas-Cuffie – Secretary
Mr. Troy Noel – Treasurer
Mrs. Dawn Walker – Assistant Secretary/Treasurer

In November 2021, there were two (2) changes within the Board of Directors:

- Mr. David Bruno resigned his position as a member of the Board of Directors, and he was subsequently replaced by Ms. Sibyl Alexander to serve his unexpired term in accordance with Bye-Law 47. (A); and
- Ms. Shawna Thomas-Cuffie resigned her role as Secretary and assumed the role of Assistant Secretary/Treasurer while Mrs. Dawn Walker was elevated to Secretary.

Therefore, as of 31st December 2021, the composition and Executive of the Board of Directors were as follows:

Ms. Petra Fraser – President
 Mr. Phil Antoine – Vice President
 Mrs. Dawn Walker – Secretary
 Mr. Troy Noel – Treasurer
 Ms. Shawna Thomas-Cuffie – Assistant Secretary/Treasurer
 Mr. Ernest Bleasdille
 Mr. Michael Francois
 Ms. Lawrene Griffith
 Ms. Sibyl Alexander

CORPORATE GOVERNANCE

The Board met monthly to review the performance of the organization in compliance with our bye-laws. These meetings included the examination of management reports and deliberations on other pertinent matters related to the operations of our credit union. Additionally, four (4) Joint Committee meetings were convened during the year under review.

In executing our mandate to govern and monitor the progress and development of our credit union by providing the requisite oversight

of and guidance to our management team, the following Committees were constituted:

- Bye-Laws Review Committee
- Human Resources Committee
- Investment, Finance & Delinquency Management Committee
- Loans Committee
- Marketing Committee
- Risk & Compliance Committee

These Committees met as often as needed to deliberate on crucial matters under their purview in order to provide robust oversight and support to management and sound guidance to the wider Board of Directors in our decision-making.

TRAINING FOR DIRECTORS, COMMITTEE MEMBERS & STAFF

In order to strengthen our institutional capacity, we continued to invest heavily in the development of our human resources at all levels of the credit union. Against this backdrop, the following training was undertaken during 2021:

NAMES	TRAINING DETAILS	FACILITATED BY	DATE ATTENDED
Jayde Williams Lyndon Clyne	CISCO Certification	T.A. Marryshow Community College	9th February – 15th May
Fiona Alexander-Baptiste Kimberly Andrews Mellisa Robertson	Women in Finance	Caribbean Confederation of Credit Unions	4th March
Jayde Williams Sheldon Baptiste	Cybersecurity & Ethical Hacking	T.A. Marryshow Community College	15th March – 15th August



Germain Knight Jamie Julien	Loan Securities	Caribbean Confederation of Credit Unions	19th – 20th May
Christopher Holder Elsa Hastick Kimberly Andrews	Fundamentals of Asset-Based Lending	CariCRIS	23rd – 25th March
Ann-Marie Montrose Larissa La Touche-Francis Lydia Courtney-Francis	The New Labour Code	Grenada Employers Federation	25th May
David Bruno Fiona Alexander-Baptiste Kimberly Andrews Lydia Courtney-Francis Mellisa Robertson Shawwna Thomas-Cuffie	CCCU Convention	Caribbean Confederation of Credit Union	20th – 24th June
Carol Paul Cassandra Cox-Peters Elsa Hastick Elvis Frederick Jeanette Rattoo-Humphrey Kingsturn Noel Lorna Cyrus Morland Humphrey Sheldon Baptiste Tara Eastman-Charles Verdessa Morain	Supervisory Skills	MBA Consultancy	7th – 8th July
Larissa La Touche-Francis	Correspondent Banking Certificate	Florida International Bankers Association	25th August – 30th September



All Staff	Annual AML/CFT Training	Risk and Compliance Manager (In house)	20th October
Mellisa Robertson Larissa La Touche-Francis Lydia Courtney-Francis Jeanette Rato-Humphrey	Essential Elements of AML/CFT Regime	Financial Intelligence Unit	26th October
Ann-Marie Montrose	SHRM-SCP Certification	Society of Human Resource Management	19th July – present
Ann-Marie Montrose Larissa La Touche-Francis Morland Humphrey	Disruptive Leadership	Go Blue Inc.	11th – 12th November

PERFORMANCE SUMMARY

During the period under review, the fallout from the Covid-19 pandemic deepened and exacerbated the already dire outlook for our economic and financial landscape, which every business, including our credit union, continued to grapple with. As a result, our Board continued to embark on extraordinary measures to protect our staff, their families and our members and ensure that lives and livelihoods were at the forefront of all decision-making. While we did not lose any staff to Covid-19, some of our staff lost close relatives and our EAP (Employee Assistance Program) proved to be invaluable at such moments.

The financial fallout to our credit union has been significant, with 2021 posting our first deficit/loss in over a decade – the previous loss being in 2010. The growing unemployment within the local economy due to the subdued tourism sector and burgeoning inflation due to external supply-side shocks resulted in a deterioration of our overall performance as many of our valued members and their families continued to be adversely impacted. The sectors that were most significantly impacted included:

- Bus operators
- Taxi and tour operators
- Hotel & restaurant workers
- Cruise ship workers
- Self-employed workers within the tourism sector

In order to minimize the impact on these members, we employed strategies including extended loan moratoriums as well as loan restructuring and refinancing. While we were fully cognizant of the long-term impact of such strategies on the financial health of both our members and our credit union by extension, the underlying challenging economic circumstances warranted this approach. Unexpectedly, we have experienced an increase in the level of delinquency, but we are equally hopeful of an improvement in this aspect of operations as we put the Covid-19 Pandemic in our rear-view mirror, and we return to a greater semblance of normalcy in due course.

The Board's response during this difficult period has been focused and our vision continued to gravitate around member care, improved



service delivery and service excellence, development of our digital platforms and e-services, remote working capability and flexibility, and astute delinquency management.

FINANCIAL HIGHLIGHTS

Although our net income experienced year-on-year growth of 4.0% in 2021, our credit union still experienced a deficit/loss of \$103,960. This is primarily attributable to a substantial increase in expected credit loss expense to the tune of \$1,150,257, which represents a 236.0% increase compared to the prior year. To a lesser albeit significant extent, our general and administrative expenses also increased by 6.7%, which had a negative impact on our bottom-line. As such, we are unable to make any transfers to our statutory reserve, development fund and declare a dividend for 2021.

LOANS

Our loan portfolio grew by 9.6% in 2021, and stood at \$173,019,087 as of 31st December 2021. A new credit risk management policy was approved by the Board and adopted by our credit union in August 2021, the key tenet of which is risk-based lending. The resultant impact of this new risk-based approach has been immediate and substantial as it has resulted in greater emphasis on assessing loans for risks to minimize loss and maximize our interest-earning opportunities. As this new policy is fully implemented, we expect greater efficiency and improved customer satisfaction within the loans and credit administration department.

MEMBERSHIP

In 2021, eight hundred and fifty-one (851) new members joined our credit union, which represented an increase of 8.1% over last year and continues to underscore the confidence by the general public in the soundness and competitiveness of our credit union. Our total membership now stands at 23,595 as of 31st December 2021.

OUTLOOK

Despite the dire year behind, we are confident that the highlighted pillars of our strategy, in combating the harsh economic realities of today, have laid the solid foundation for a bright future ahead. We anticipate considerably improved performance and confidently forecast a return to profitability in 2022. While we are indeed optimistic about our future, we are mindful that tourism, per IMF forecasts, is not projected to recover to pre-pandemic levels before 2023 or 2024 and many of our members will continue to be adversely impacted as a result. Still, the Board commits to being compassionate and cautious but proactive in meeting the needs of our members.

The year under review was indeed an exceptional one overshadowed by the global challenge stemming from the Covid-19 Pandemic, and its disruption resulted in significant changes, both positive and negative, within our credit union. In the face of adversity many will succumb, but your dedicated servants on the Board of Directors remain undeterred. We stand resolute despite the difficult year behind and are eagerly anticipating what tomorrow brings as we rise out of the ashes!

Undoubtedly, we must again acknowledge your vote of confidence to lead our credit union at this time and must also extend the deepest of appreciation to our management team who have adeptly navigated the course after the departure of the former General Manager. We have and continue to serve you, our dearest members, by always putting the best interests of our credit union at the forefront.

We continue to support the management team to ensure lasting improvement and growth in our credit union and by God's grace coupled with our collective passion and purpose, we will succeed!

Best wishes!



Petra Fraser

President

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MANAGEMENT TEAM



John Marryshow



Fiona Alexander-Baptiste



Ann-Marie Montrose



Mellisa Telesford-Robertson



Elvis Frederick



Christopher Holder



Sheldon Baptiste



Larissa La Touche-Francis

ACCOUNTS AND FINANCE TEAM



Fiona Alexander-Baptiste



Carol Paul



Alison Noel



Cordina Miller



Shevon Noel



Koss St. Bernard



Kervis Renaud



Bryan Robinson

LOANS AND CREDIT ADMINISTRATION TEAM



Christopher Holder

Lorna Cyrus

Germain Knight

Shirley Stephens



Alonzo Pope

Elsa Hastick

Stonna Barry

Glennisha Williams

MEMBER SERVICE TEAM



Mellisa Telesford-Robertson



Betty Charles



Shennel Alexander



Rodney Jessemy



Mary Holder



Keston Calliste



Alanna Pascal



Jeanette Rattoo-Humphrey

GRAND ANSE BUSINESS CENTRE TEAM



Elvis Frederick



Michele Grey



Suieann Telesford



Anique Silvester



Taricke Anthony



Joshua Young



Glendon Roberts



Kirlan Hosten

CARRIACOU BRANCH TEAM



Cassandra Cox-Peters



Treicia Frank



Husby Adams

PERDMONTEMPS BRANCH TEAM



Kingsturn Noel



Lisa Simon

GOUYAVE BRANCH TEAM



Rhonda Charles



Verdessa Morain

INTERNATIONAL DEBIT CARD TEAM



Kellon Passee



Ryan Antoine



Kellon Sylvester



Cherissa Rennie

DELINQUENCY, RECOVERIES & SECURITIES TEAM



Morland Humphrey



Karel Collier



Leroy Peters

INFORMATION TECHNOLOGY TEAM



Sheldon Baptiste

Lyndon Clyne

Jayde Williams

RISK & COMPLIANCE TEAM



Larissa La Touche-Francis

Janelle Gabriel

MARKETING TEAM



Sherene Thomas-Isaac

Magdalene Steele



CREDIT COMMITTEE REPORT

INTRODUCTION

The Credit Committee hereby submits its annual report to our valued members of The Communal Co-operative Credit Union informing of the loan portfolio performance for the year ended 31st December, 2021.

At the 39th Annual General Meeting, Ms. Sheena Lewis was elected as the newest member to serve on the Credit Committee. Her appointment was in accordance with No. 59 of Article XVII of the Bye laws: “...that the composition of the Credit Committee shall consist of at least five (5) but no more than seven (7) members”.

The Committee comprised of the following members:

Composition of Credit Committee

NAME	POSITION
Allen Gilbert	Chairman
Lisa Grappy-James	Secretary (Sep 2021)
Roslyn Telesford	Member
Glendalyn Phillip	Member
Pamela Aird	Member
Sheena Lewis	Member (Sep 2021)

CHAIRMAN’S REMARKS

Serving as Chairman in 2021 has been another year of intrigue and tremendous privilege. The committee worked harmoniously, even amidst the lingering effects of the Covid-19 Pandemic. Working with the new credit risk management policy has brought a more professional and structured approach to our loan application and approval processes. I speak on behalf of the Committee to communicate that, as expected from all stakeholders, we will continue to serve with professionalism and ethics, and always with the success of the organization in mind.

LOAN PORTFOLIO

Portfolio Growth

There was consistent growth in the loan portfolio from \$157.9m in December 2020, to \$173.0m in December 2021, an increase of \$15.1m,

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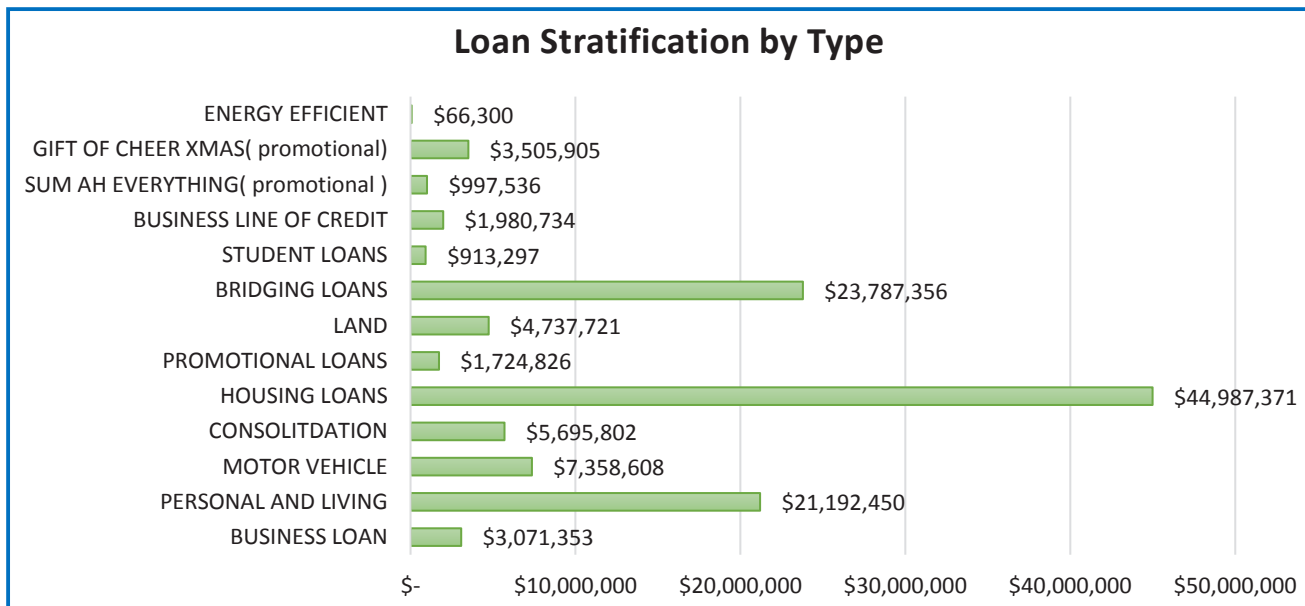
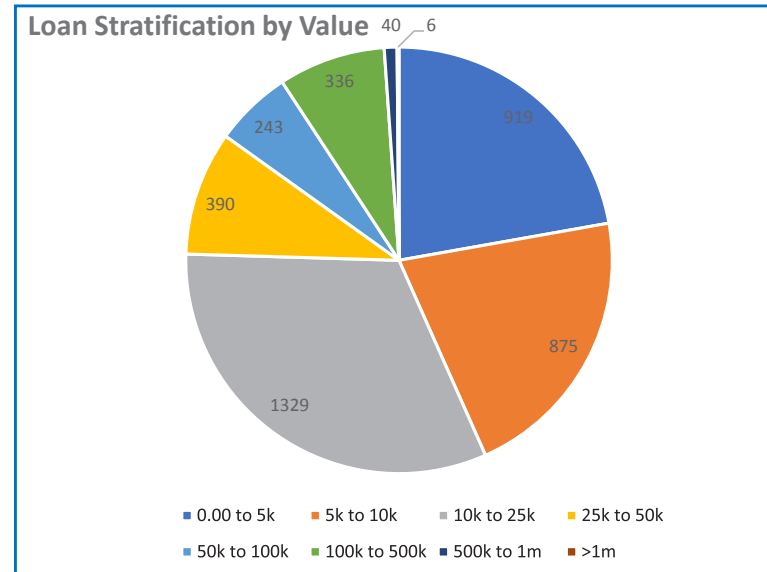
which represents an approximate increase of 9.6%. Considering the declined activity during that time, the increase in the portfolio by \$15.1m is noteworthy..

Monthly Value of Loans Disbursed

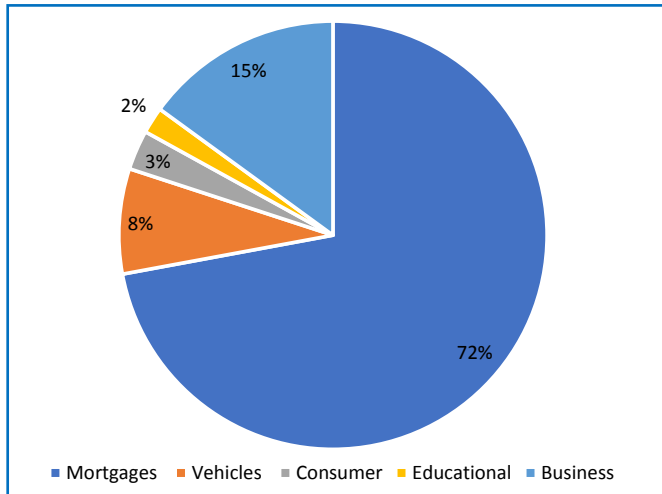
The largest disbursements were made in the month of July, totaling \$7.7m, and the smallest disbursements were made in the month of October, totaling \$3.8m. The average monthly disbursement for the year 2021 was \$5.3m.

Loan Stratification

The following charts show the categorization of loans, within a range of values and by type, disbursed for the year 2021:



The largest value disbursements came from housing loans: 72% of the loans were mortgage loans for building construction, purchase or repairs, and land purchase. Business loans and vehicle loans accounted for 23%. It is also significant to note that fisheries and farming loans were non-existent in 2021. Student loans were also small in comparison. It is expected that there will be an uptake in these categories of loans as the pandemic eases.



CREDIT COMMITTEE LOAN REVIEW

The following table presents the number and value of loans reviewed by the Credit Committee along with the resulting decisions:

Decision Type	Count	Value (XCD)
Approved & Recommended for Approval	108	\$22,096,748.43
Declined	37	\$10,150,011.96
Deferred	6	\$1,000,648.55
Total	151	\$33,247,408.94

Of all the loan applications reviewed by the Committee, the major reasons for loan decline were:

- Risky venture
- High DSR (debt service ratio)
- Delinquent credit history
- Insufficient security

DELINQUENCY & RECOVERIES

Delinquency

Since 2020, Grenada's economy has been experiencing negative growth, which has resulted in many individuals losing their jobs or having reduced income and ultimately caused the skyrocketing of delinquency to over 12% at some point. Notwithstanding, this was managed with moratoriums for our members, which led to a reduction to 11.92% as of 31st December, 2021 as the impacts of the pandemic persisted. We are confident that our delinquency ratio will return to within the 5% threshold by the end of 2022.

Recoveries and Mitigation

Our Collections Team continues to provide members with moratoriums, reduced repayment plans and restructuring where applicable.

The Recoveries Team continues to strengthen its efforts to recover equity on delinquent loans in an effort to bring the delinquency ratio to an acceptable standard. Efforts are being made to ensure that the Recoveries Unit was properly staffed and equipped to handle this important role.

TIPS TO CONSIDER WHEN APPLYING FOR A LOAN

We encourage members to apply the following tips in preparation for loan requests:

- Begin by saving a small percentage (5% to 20%) of earnings every month

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- Keep good records of all financial and business transactions made, if self-employed
- Always visit a loans officer first to see how much money you can qualify for and get advice on what is needed and how to proceed
- Always get job letters and other important documents on a credible letterhead
- Always use a credible valuator or building contractor to get your builder's estimate
- Avoid bad debts as they could stain your record and hinder further opportunities to qualify for loans

OUTLOOK

The Credit Committee anticipates consistent growth in the loan portfolio by 10% to 12% per annum and a reduction in the delinquency ratio to the required benchmark in 2022.

We are committed to working assiduously to improve the functioning of the Loans and Credit Administration Department in order to solidify the sustainability of our credit union, our members, and our nation as a whole.



Allen Gilbert
Chairman





SUPERVISORY AND COMPLIANCE COMMITTEE REPORT

This report was prepared in accordance with the requirements of Section 66(1) (F) of the Co-operative Societies Act No. 08 of 2011 with Amendments in 2017 and the Bye-Laws of The Communal Credit Union, which were revised in May 2008.

The Supervisory and Compliance Committee is pleased to present its report for the year ending 31st December 2021 at the 40th Annual General Meeting of The Communal Credit Union. The report covers the period January to December 2021 and presents an appraisal and opinion of the performance, actions, considerations, and activities completed during the year under review.

The Committee acknowledges the seven (7) overarching principles of the Credit Union League, which were sanctioned by the Credit Union National Association (CUNA) in the execution of its functions. The seven (7) principles are as follows: -

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member's Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Co-operation among Co-operatives
7. Concern for Community

COMPOSITION

Subsequent to the Annual General Meeting, the Supervisory and Compliance Committee was constituted on 21st July 2021. Mrs. Theresa Benjamin-Noel was elected to serve as Chairman and Ms. Desnor Paul was elected as Secretary.

Your esteemed Committee comprised of the following members and the particulars of our meeting attendance are captured in the table below:

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Members	Portfolio	Regular Meetings		Joint Committee Meetings	
		No. of Meetings	Attendance	No. of Meetings	Attendance
Theresa Noel	Chairman	14	14	4	3
Desnor Paul	Secretary	14	14	4	4
Anthony Phillip	Member	14	13	4	3
Kenita Paul	Member	14	14	4	4
Clint Roberts	Member	14	11	4	3

METHOD OF OPERATIONS

The role of the Supervisory and Compliance Committee is to act as an internal auditor to safeguard the assets of The Communal Credit Union by reviewing and sample testing operational procedures, monitoring the management of the Credit Union and ensuring compliance within the Act, the Regulations, Bye-laws and policies of the Credit Union. To this end, the Supervisory and Compliance Committee accomplished the following tasks during the period under review:

- Performed Cash Counts at all branches
- Verified Assets Register Management and Assets Protection
- Reviewed the Member's Equity Share Register
- Reviewed the Board Minutes
- Reviewed Bank Reconciliations
- Reviewed Members Complaints
- Conducted Meetings with Loan Officers, Credit Committee and other management personnel as needed
- Monitored the Management Committee meeting attendance
- Reviewed the loan files of Directors and Committee members

to ensure proper servicing and no impairment in the security offered

- Examined Draft Unaudited Financial Statements
- Examined random monthly samples of new loan applications and existing loans
- Verified and reviewed monthly financial statements and financial reports
- Monitored the performance of the institutional capital
- Monitored the delinquency ratio and made recommendations
- Reviewed the new Credit Risk Management Policy
- Reviewed new accounts to ascertain AML/CTF compliance

The Committee would like to take this opportunity to express thanks to all the requisite staff for their co-operation and patience during these undertakings.

RETREAT

The committee participated in a Leadership Retreat on 27th November 2021.

OBSERVATIONS

- Results for the Cash Counts were satisfactory
- Attendance by management committee members were generally good
- Meetings were held as needed and the annual report was prepared
- Recommendations were made to management with regards to loan recovery and administration
- There is greater need to utilize strong and consistent cost control measures



RECOMMENDATIONS

In order to improve the general operations of The Communal Credit Union, the Supervisory and Compliance Committee offered the following recommendations:

- Continuous development of an effective AML/CTF program to demonstrate our commitment to conducting business ethically and responsibly
- Development and promotion of new products and services for members and direct targeting to increase loan portfolio
- Promotion of The Communal's vision and core principles at all branches with the aim of educating members
- Investment in attractive and lucrative long-term investment opportunities to increase earning capacity
- Continuous training opportunities for staff and committee members to develop competencies and efficiencies
- Annual external audit is performed in a timely manner, so that the letter to management facilitated by this audit can be made available for review and action
- The Credit Union needs to engage in robust and consistent cost control measures as a means of maintaining sustainability
- Create innovative ways to stimulate interest amongst members to increase the level of participation in our activities especially the Annual General Meeting and the Credit Union Day celebrations through community engagements

CONCLUSION

Notwithstanding the recommendations above, the Supervisory and Compliance Committee is confident that there are adequate and applicable measures in place to improve and ensure the long-term sustainability of the Credit Union.

ACKNOWLEDGEMENTS

The Supervisory and Compliance Committee wishes to express appreciation for the invaluable assistance, guidance and commitment of the Board of Directors, Credit Committee, General Manager, Heads of Department, Supervisors, Staff, Grenada Cooperative League and GARFIN in making it possible for this Committee to accomplish its task during the period under review

As Chairperson of the Supervisory and Compliance Committee, I have been privileged to work with a dedicated team and would like to take this opportunity to extend gratitude for their time and the wisdom that they have provided.



Theresa Noel
Chairman





The Communal Co-operative Credit Union Ltd

GROUP HEALTH & LIFE PLAN

This insurance plan offers its members the unique opportunity to access the best health care services through our LifeCare Quantum Plan.

Our Medical Insurance Plan, secures you and your family against the high cost of medical care and the serious financial burdens which accompany it. At Guardian Life, we understand your unique needs for health insurance and medical services.

We are confident that our LifeCare Quantum plan will meet your specific medical and financial needs.

SCHEDULE OF BENEFITS

COMPREHENSIVE MAJOR MEDICAL BENEFITS

Maximum Benefit: \$250,000.00

Benefits include but not limited to the following:

- Dental
- Vision
- Maternity
- Doctors' Visits
- Specialist' Visits
- Home Nursing Care
- Psychiatric Services
- Physiotherapy
- Surgical
- Hospital Daily Room & Board Limit
- Preventative Care
- Life & AD&D Coverage



How To Join:

Step 1:

Be a member of CCCU

Step 2:

Fill out application form and submit to CCCU

Step 3 :

Pay premium

Step 4:

Coverage approved (Conditions may apply)

Subjected to deductibles and benefit limits.

Terms & Conditions

1. Open Enrolment Period of 60 days from plan effective date will be provided.
2. Members age 60 and over can only join the plan during open enrolment.
3. Member can join the plan up to age 59, subject to underwriting requirements as advised by GLOC. Upon attainment of age 60 they would be transferred to the corresponding "Senior Members" plan.

4. A member's coverage does not begin until confirmed by GLOC.
5. Claims payments for Members will only be available via ACH – directly to the account of the Member. It is imperative that the correct account information and supporting documents are provided at time of application.
6. All pre-existing conditions will be excluded for coverage. A pre-existing condition is defined as follows:

"Pre-Existing Condition shall be deemed to refer to any:

- a. Condition resulting from illness or injury for which a covered person has received consultation, medical treatment, services, supply or drug prescription for a diagnosis that existed prior to the effective date of coverage whether or not the insured was aware or diagnosed prior to the effective date of coverage or reinstatement of coverage.
- b. A condition for which symptom and/or sign of illness, if presented to a physician would have resulted in the diagnosis of illness or medical condition.



FREQUENTLY ASKED QUESTIONS

What is the Deductible?

This is the dollar amount of covered expenses for which the Insured is responsible before benefits are payable under the major medical plan.

What is Co-Insurance?

Under your Major Medical plan, the co-insurance is:

80% up to Maximum Benefit stated in the Schedule.

What are Reasonable & Customary Charges (R&C)?

These are charges or fees determined by the Insurer to be the general rates charged by Providers who render or furnish treatments, services or supplies to persons who reside in the same area; and whose injury or illness is comparable in nature and severity.

For example, if a doctor charges \$3,000.00 for a surgical procedure and the normal level of fees for the procedure is \$2,000.00, then the plan will reimburse you based on the charge of \$2,000.00.

What is the timeframe for submission?

All claims must be submitted to the insurer within 90 days of the date the service was rendered.

What is Pre-Certification?

Pre-certification is a notification of anticipated or scheduled medical services that is required in advance of the medical treatment.

All expenses for surgery must be Pre-certified.



EXPENSES NOT COVERED

PRE-EXISTING CONDITIONS

Pre-existing conditions are defined as conditions that were in existence before the cover was effective whether the insured was aware of it or not, and for which he/she may or may not have received advice or treatment.

“Limitations”

New Groups: This limitation applies only during the first twelve (12) months of a Covered Insured’s Coverage Insurance unless exclusion has been placed on insured’s coverage.

Expenses incurred before the effective date of coverage.

Cosmetic or plastic surgery unless necessitated

by accidental injury incurred while covered under this plan.

About Guardian Life of the Caribbean Ltd

Guardian Life of the Caribbean Ltd is the Life, Health and Pensions services provider of Guardian Group, the number one insurance and financial services group across the English and Dutch Caribbean.

Guardian Life of the Caribbean Ltd provides integrated financial services for the discerning customer and underwrites all classes of long-term (individual and group) life, health and pensions insurance business. The Company has been rated A-Excellent by AM Best, the most respected global credit rating agency, with a focus on the insurance industry worldwide.

For more information on Guardian Group you can call 800-5433 or visit www.myguardiangroup.com

Trinidad: Head Office, 1 Guardian Drive, Westmoorings, Trinidad and Tobago

t: 868 226 myGG (6944) f: 868 632 5695



NOMINATIONS COMMITTEE REPORT

The Board of Directors, at its meeting on 24th February 2022, acting in accordance with Article XIII (41) (2), appointed a Nominations Committee for the purpose of proposing members to fill vacancies for which elections will be held at the 40th Annual General Meeting.

The Nominations Committee comprised of the following persons:

Mr. Michael Francois – Member of the Board of Directors

Mr. Isaac Bhagwan – Member

Mrs. Larissa La Touche-Francis – Member of Staff

MEETINGS

The Nominations Committee met on May 12th, May 23rd and June 15th, 2022. All meetings were held at 6.00 pm via Zoom.

INVITATION FOR NOMINATIONS

The Invitation for Nominations, to fill positions on the Board of Directors, Credit Committee and Supervisory and Compliance Committee, was published in the local print press and on social Media during the period April 14th – 29th, 2022.

NOTICE OF RETIREMENT

Board of Directors:

During the year, Mr. David Bruno resigned and was replaced by Ms. Sibyl Alexander to complete his second term which expires in 2022.

Mr. Ernest Bleasdille and Ms. Shawna Thomas-Cuffie have both completed their second term and are due to retire.

Mr. Phil Antoine has completed his first term and will not be continuing for a second term.

Supervisory & Compliance Committee:

Mr. Anthony Phillip and Ms. Kenita Paul have completed their second term and are due to retire.

Ms. Desnor Paul completed her first term and has agreed to continue for a second term.

Credit Committee:

Mr. Allen Gilbert and Ms. Sandra Aird completed their first term and have agreed to continue for a second term.

Mrs. Roslyn Telesford has completed her second term and is due to retire.

APPLICATIONS

A total of twelve (12) applications were received, inclusive of previous applications on file, and thoroughly reviewed in order to select the most suitable candidates with the requisite expertise for the vacant positions.

RECOMMENDATIONS

The general membership at this meeting may make its own nominations from the floor to fill any vacancies on the respective Committees and Board of Directors. The criteria and recommendations to fill the vacancies on the management committees are based on the International Union norms of good governance, especially covering the principles of:

- Integrity
- Commitment to serving without reward
- Availability to attend meetings
- Good financial standing
- Expertise and experience
- Demonstration of interest in the Credit Union Movement
- Good interpersonal skills.

The Nominations Committee's recommendations, in alphabetical order, to serve their 1st term are as follows:

	RETIRED/RESIGNED	NOMINATED
BOARD OF DIRECTORS	David Bruno	Francis Antoine
	Ernest Bleasdille	Jason Hinds
	Phil Antoine	Kathy Ann Thompson
	Shawwna Thomas Cuffie	Keron Noel
		Sibyl Alexander
		Sonya Sally Ann Bagwhan-Logie
SUPERVISORY & COMPLIANCE COMMITTEE	Anthony Phillip	Chinnel Andrews
	Kenita Paul	Danielle Hillaire
		Dick Noel
CREDIT COMMITTEE	Roslyn Telesford	



The following persons will continue to serve unfinished terms on the various Committees and Board of Directors:

	Year Elected	End of First Term	End of Second Term
BOARD OF DIRECTORS			
Ms. Petra Fraser	2018	2021	2024
Mr. Michael Francois	2020	2023	2026
Mr. Troy Noel	2020	2023	2026
Mrs. Dawn Walker	2020	2023	2026
Ms. Lawrence Griffith	2021	2024	2027
SUPERVISORY & COMPLIANCE COMMITTEE			
Mrs. Theresa Noel	2018	2021	2024
Ms. Desnor Paul	2019	2022	2025
Mr. Clint Roberts	2020	2023	2026
CREDIT COMMITTEE			
Mrs. Glendalyn Phillip-Samuel	2018	2021	2023

Mr. Allen Gilbert	2019	2022	2025
Ms. Sandra Aird	2019	2022	2025
Mrs. Lisa Grappy-James	2020	2023	2026
Ms. Sheena Lewis	2021	2024	2027

The Nominations Committee expresses appreciation to the Board of Directors for the opportunity given to serve and to the Management and Staff for providing the necessary support during the execution of its work.

The Committee also extends thanks to all the applicants who expressed interest in serving the Credit Union.



Isaac Bhagwan
Chairperson





TREASURER'S REPORT

This report is hereby presented in accordance with Section 56 (E) of The Communal's Bye-laws and Section 130 (1) of the Cooperative Societies Act and also includes the audited financial report as of 31st December 2021.

The financial market continued to be impacted by the effects of the global pandemic. The economic environment started experiencing increased activity which improved in the latter half of the year as there was growth in the important tourism sector. The consequence has been stagnated growth in the organization, which necessitated a review of our strategy to improve our performance.

A thorough review of our loan policy and procedures showed up areas in our operations in which improvements can be achieved and so we moved swiftly to implement recommended changes.

Assets

Our assets grew by 4.3% over the previous year. This was primarily due to growth of the loan portfolio from \$157.9m to \$173m (9.6%). The average loan yield for the year was 7.25%. While the earning assets increased, there was a decrease in non-earning assets hence the overall results.

Liabilities

The liabilities grew by 4.9% as a result of the increase in members' deposits, which moved from \$193.8m to \$205.7m. Members continue to demonstrate confidence in the organization by depositing savings with us, which needs to be properly managed to benefit all.

Institutional Capital

A decline of 0.4% was realized in institutional capital, due to the more significant reduction in accumulated surplus despite the growth in qualifying equity shares as a result of increased membership.

Statement of Comprehensive Income

The credit union achieved less than optimal performance during the period under review. There was a 5.5% rise in the loan interest income over the prior period, but there was also an increase of 4.8% in the interest payments on deposits. The net effect was an increase of 6.0% in our net interest income from \$6.3m to \$6.6m. The overall performance reflected a decrease in net surplus, which can be attributed to a 7% increase in operational expenses over the previous period. As such, management proceeded to take necessary action to contain the expenses later in the year; however, the effect was unable to create a significant impact based on the trend established earlier in the year.

	Required Ratio	Actual Ratio 2021	Actual Ratio 2020
EFFECTIVE FINANCIAL STRUCTURE			
Net Loans / Total Assets	70-80%	74.08%	70.54%
Deposits / Total Assets	70-80%	88.10%	86.56%
Institutional Capital / Total Assets	7%	7.74%	8.10%
Shares/Total Assets	10-20%	5.16%	5.29%
Total Capital/Total Assets	10%	10.09%	10.59%
ASSET QUALITY			
Total Loan Delinquency / Gross Loan Portfolio	<=5%	11.92%	7.08%
Non-Earning Assets / Total Assets	<=5%	13.92%	15.90%
LIQUIDITY			
Liquid Assets-Short-Term Liabilities / Unencumbered Deposits	Min. 15%	21.00%	27.00%
SIGNS OF GROWTH			
Growth in Loans to Members	≥ 10%	9.55%	12.29%
Growth in Savings Deposits	20%	6.16%	7.10%
Growth in Institutional Capital	>5%	-0.38%	3.58%
Growth in Total Assets	> or =inflation	4.31%	6.22%
Growth in Membership	>12%	3.22%	3.09%

I wish to thank our members and Board of Directors for the opportunity to serve in this role and the management staff for the support provided along the way.



Troy Noel
Treasurer





THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

(WITH COMPARATIVE FIGURES FOR 2020)

THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED

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The Financial Services Centre
P.O. Box 561
Kingstown Park
St. Vincent and the Grenadines

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Communal Co-operative Credit Union Limited
Grenada

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Communal Co-operative Credit Union Limited (the "Credit Union"), which comprise the statement of financial position as at December 31, 2021, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Grenada and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Credit Union's 2021 Annual Report

Management is responsible for the information included in the Credit Union's 2021 Annual Report, other than the financial statements and our auditor's report thereon. The Credit Union's 2021 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the auditor otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Credit Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Credit Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Credit Union's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



BDO Eastern Caribbean
Kingstown, St. Vincent and the Grenadines
August 8, 2022

THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED
Statement of Financial Position
As at December 31, 2021
With comparative figures as at December 31, 2020
(Expressed in Eastern Caribbean Dollars)

		2021	2020
	Notes	\$	\$
EARNING ASSETS			
Investment properties	4	3,168,800	3,168,800
Loans to members	5	173,019,087	157,933,071
Investment securities at amortised cost	6(i)	23,809,620	26,160,523
Investment security at fair value through OCI	6(ii)	99,745	99,745
Total earning assets		200,097,252	187,362,139
NON-EARNING ASSETS			
Property, plant, and equipment	7	6,546,418	7,023,965
Intangible assets	8	310,292	566,042
		6,856,710	7,590,007
Other assets			
Right-of-use asset	9(i)	273,643	442,613
Inventories	10	130,001	197,058
Receivables and prepayments	11	8,633,474	10,149,204
Cash and cash equivalents	12	17,552,823	18,154,860
Total non-earning assets		26,589,941	28,943,735
TOTAL ASSETS		233,543,903	223,895,881
CAPITAL AND LIABILITIES			
Institutional capital			
Members qualifying equity shares	13(i)	6,548,030	6,337,875
Statutory reserve	14	3,393,388	3,367,844
Accumulated surplus		8,094,797	8,437,618
		18,036,215	18,143,337
Members' non-qualifying equity shares	13(ii)	5,492,046	5,497,402

Other funds and reserves

Development fund	15	-	23,726
Members' health fund reserve	16	37,342	44,929
		37,342	68,655
TOTAL EQUITY		23,565,603	23,709,394
Non-current lease liability	9(ii)	175,850	319,111
Current liabilities			
Current portion of lease liability	9(ii)	143,261	172,207
Members' deposits	17	205,741,100	193,807,195
Non-interest-bearing liabilities	18	3,918,089	5,887,974
TOTAL LIABILITIES		209,978,300	200,186,487
TOTAL EQUITY AND LIABILITIES		233,543,903	223,895,881

The notes on pages 48 to 80 are an integral part of these financial statements.

APPROVED ON BEHALF OF THE BOARD



Chairman



Director

THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2021
With comparative figures for the year ended December 31, 2020
(Expressed in Eastern Caribbean Dollars)

	Note	2021 \$	2020 \$
INCOME			
Loan interest income	19	11,217,688	10,630,650
Interest expense	20	(4,589,759)	(4,380,462)
Net interest income		6,627,929	6,250,188
Interest income - investment		996,758	1,322,224
Other operating income	21	1,260,756	1,032,083
Lease interest expense	9(ii)	(31,073)	(93,147)
Net income		8,854,370	8,511,348
General and administrative expenses	22	(8,184,199)	(7,673,611)
Bad debts recovered		136,126	58,516
Rental income		240,000	237,000
Expected credit loss expense		(1,150,257)	(342,380)
		(8,958,330)	(7,720,475)
Net surplus for the year before transfers		(103,960)	790,873
Deduct: Transfer to statutory reserve		-	(158,175)
Transfer to development fund		-	(23,726)
Net surplus for the year after transfers		(103,960)	608,972

The notes on pages 48 to 80 are an integral part of these financial statements.

THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED

Statement of Changes in Members' Equity

For the year ended December 31, 2021

With comparative figures for the year ended December 31, 2020

(Expressed in Eastern Caribbean Dollars)

	Qualifying Shares \$	Non- qualifying Shares \$	Statutory Reserve \$	Other Fund and Reserves \$	Accumulated Surplus \$	Total \$
Balance at 1 January, 2020	6,020,990	5,421,265	3,186,964	88,543	8,309,146	23,026,908
Net movement in shares	316,885	76,137	-	-	-	393,022
Entrance fees	-	-	22,705	-	-	22,705
Net movement on other funds and reserve	-	-	158,175	(19,888)	(662,401)	(524,114)
Net surplus for the year	-	-	-	-	790,873	790,873
Balance at 31 December, 2020	6,337,875	5,497,402	3,367,844	68,655	8,437,618	23,709,394
Net movement in shares	210,155	(5,356)	-	-	-	204,799
Entrance fees	-	-	25,544	-	-	25,544
Net movement on other funds and reserve	-	-	-	(31,313)	(238,861)	(270,174)
Net surplus for the year	-	-	-	-	(103,960)	(103,960)
Balance at 31 December, 2021	6,548,030	5,492,046	3,393,388	37,342	8,094,797	23,565,603

The notes on pages 48 to 80 are an integral part of these financial statements.

THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED
Statement of Cash Flows
For the year ended December 31, 2021
With comparative figures for the year ended December 31, 2020
(Expressed in Eastern Caribbean Dollars)

	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Net surplus for the year before transfers		(103,960)	790,873
Adjustments for non-cash transactions:			
Depreciation	7, 22	773,006	616,297
Amortisation	8, 22	287,340	283,958
Depreciation expense on right-of-use assets	9(i), 22	168,970	146,148
Bad debts recovered		(136,126)	(58,516)
Bad debt expense		1,150,257	342,380
Lease interest expense	9(ii)	31,073	93,147
Operating surplus before working capital changes		2,170,560	2,214,287
Decrease/(increase) in inventories		67,057	(109,726)
Decrease/(increase) in receivables and prepayments		1,515,730	(3,012,513)
Increase in members' deposits		11,933,905	12,854,578
Decrease in non-interest-bearing liabilities		(1,969,886)	(612,023)
Net cash generated from operating activities		13,717,366	11,334,603
Cash flows from investing activities			
Increase in investment securities		2,350,903	11,606,987
Purchase of property, plant, and equipment		(295,459)	(556,130)
Purchase of intangible asset		(31,589)	-
Increase in members' loans		(16,100,147)	(17,565,100)
Net cash used in investing activities		(14,076,292)	(6,514,243)

Cash flows from financing activities

Lease payments	(203,280)	(202,561)
Entrance fees received	25,545	22,705
Net movement in other funds and reserves	(270,173)	(524,114)
Shares issued	204,797	393,022
Net cash used in financing activities	(243,111)	(108,387)
Net increase/(decrease) in cash and cash equivalents	(602,037)	4,509,412
Net cash and cash equivalents - January 1, 2021	18,154,860	13,645,448
Net cash and cash equivalents - December 31, 2021	17,552,823	18,154,860

The notes on pages 48 to 80 are an integral part of these financial statements.

THE COMMUNAL CO-OPERATIVE CREDIT UNION LIMITED
Notes to the Financial Statements
For the year ended December 31, 2021
(Expressed in Eastern Caribbean Dollars)

1. Corporate information

The Credit Union was registered on 19th October, 1965 under the Co-operative Societies Ordinance as amended by the Co-operative Societies Act No. 8 of 2011 for the purpose of affording members of the Credit Union the opportunity to accumulate savings and to obtain credit for provident or productive purposes at reasonable rates of interest. The Credit Union employed on average fifty-five (55) persons during the year (2020:56).

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards are issued by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors and authorised for issue on July 28, 2022.

(b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Financial instruments - fair value through profit or loss
- Investment property

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Credit Union's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements are disclosed in Note 3.

(c) Changes in accounting policies and disclosures

(i) New accounting standards, amendments and interpretations

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Credit Union's annual financial statements for the year ended December 31, 2021 except for the adoption of new standards and interpretations below.

(ii) New accounting standards, amendments and interpretations (cont'd)

a) New standards, interpretations and amendments effective from 1 January 2021

New standards impacting the Board that will be adopted in the annual financial statements for the year ended 31 December 2021, and which have given rise to changes in the Board's accounting policies are:

- *Definition of a Business (Amendments to IFRS 3)*. The amendments in Definition of a Business (Amendments to IFRS 3) are changes to Appendix A Defined terms, the application guidance, and the illustrative examples of IFRS 3 only. They:
 - clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
 - narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
 - add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
 - remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
 - add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The amendment has no significant impact in the Credit Union's financial statements.

- *Definition of Material (Amendments to IAS 1 and IAS 8)*. The amendments in Definition of Material (Amendments to IAS 1 and IAS 8) clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.

The amendment has no significant impact in the Credit Union's financial statements.

- *Interest Rate Benchmark Reform-IBOR 'phase2' (Amendments to IFRS9, IAS 39, IFRS 7, IFRS 4 and IFRS 16).* The amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition. The amendment has no significant impact in the Credit Union's financial statements.

b) *New standards, interpretations, and amendments not yet effective*

- *IFRS 17 Insurance Contracts.* IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023.
- *Classification of Liabilities as Current or Non-Current (Amendments to IAS 1).* The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendment is effective for annual reporting periods beginning on or after 1 January 2023. An amendment was made to defer the effective date of the January 2020 amendments by one year, so that entities would be required to apply the amendment for annual periods beginning on or after 1 January 2023.
- *Amendments to IAS16-Property, Plant and Equipment: Proceeds before Intended Use (effective 1 January 2022).* The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.
- *Annual Improvements to IFRS Standards 2018-2021.* Makes amendments to the following standards:
 - IFRS 1 - The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
 - IFRS 9 - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

- IFRS 16 - The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- IAS 41 - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.
- *Definition of Accounting Estimates (Amendments to IAS 8)*. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. The amendment is effective for annual reporting periods beginning on or after 1 January 2023.

(d) *Property, plant and equipment*

Land and Buildings comprise properties located at Halifax Street, St. George and Perdmontemps, St. David. Land and buildings are stated at cost, less subsequent depreciation on buildings. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amounts or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Credit Union and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation reserve in the fund. Decreases that offset previous increases of the same assets are charged against the surplus directly in the fund; all other decreases are charged to the statement of comprehensive income.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. The rates used are as follows:

	Per annum
Buildings	2.5%
Leasehold improvements	20%
Furniture, fixtures, and equipment	10%
Computers	20%
Motor vehicle	20%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(e) Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Credit Union and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The intangible assets are amortized as follows:

	Per annum %
Computer software	20%

(f) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property of the Credit Union comprises of land and building situated at Herbert Blaize Street, St. George's held for long-term rental yields and which is not occupied by the Credit Union. Investment property is treated as a long-term investment and is carried at fair value. The Credit Union investment property is being depreciated using the straight-line method over a period of forty (40) years.

(g) Financial instruments

(i) Classification and measurement

Initial recognition

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Credit Union recognises loans to borrowers on the date on which they are originated. All other financial instruments (including regular-way purchases and sale of financial assets) are recognised on the trade date, which is the date on which the Credit Union becomes a party to the contractual provisions of the instrument.

Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss (FVPL) whereby transaction costs are added to, or subtracted from, this amount.

Measurement categories of financial assets and liabilities

The Credit Union classifies all of its assets at either:

- Amortised cost or
- FVPL

The Credit Union retained the existing requirements in IAS 39 for the classification of financial liabilities which is at amortised cost.

Amortised cost

The Credit Union measures its cash and cash equivalents, debt securities, mortgage and other loans and contributions and other receivables at amortised cost. Financial assets are measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9.

The Credit Union irrevocably elected to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination in other comprehensive income.

When equity investment designated as measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is subsequently transferred to accumulated surplus.

Dividend income from equity instruments measured at FVPL is recorded in profit or loss as other income when the right to the payment has been established.

(ii) Impairment

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss (ECL) model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Credit Union to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Therefore, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The Credit Union has been recording an allowance for expected credit losses for all loans and individual debt securities and accounts receivable.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Credit Union expects to receive, discounted at an approximation of the original effective interest rate. The

expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures which are credit impaired or for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Credit Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Credit Union may also consider a financial asset to be in default when internal or external information indicates that the Credit Union is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Credit Union.

Based on the above process, the Credit Union classifies its ECLs into Stage 1, Stage 2 and Stage 3.

Stage 1

When financial assets are first recognised, the Credit Union recognises an allowance based on 12 months ECLs. Stage 1 financial assets also include facilities where the credit risk has improved and the financial assets have been reclassified from Stage 2.

Stage 2

When financial assets have shown a significant increase in credit risk since origination, the Credit Union records an allowance for the Lifetime ECLs. Stage 2 also include facilities, where the credit risk has improved, and financial assets have been reclassified from Stage 3.

Stage 3

Financial assets considered credit-impaired. Here the Credit Union records an allowance for the Lifetime ECLs.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given period of time. A default may only happen at a certain time over the asserted period, if the facility has not been previously derecognised and is still in the portfolio.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date including repayments of principal and interest, whether scheduled by contract or otherwise.
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and the cash flows expected to be received. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the contractual life of a financial instrument.

Calculation of ECLs

Stage 1

The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Credit Union calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD.

Stage 2

When financial assets have shown a significant increase in credit risk since origination, the Credit Union records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the loan.

Stage 3

For financial assets considered credit-impaired, the Credit Union recognises the lifetime expected credit losses for these financial assets. The method is similar to that for Stage 2 assets.

(iii) Impairment of other financial assets

Investment securities and Cash and cash equivalents

The Credit Union's cash at bank and investment securities are deposits placed with reputable institutions and countries where there has been no significant default. The Credit Union therefore considers the risk of default to be low. The ECLs on these instruments were therefore determined to be zero.

Receivables and prepayments

The Credit Union's receivables and prepayments are mostly short-term with minimal exposure to risk. The ECLs on these instruments were assessed on an individual basis.

(iv) Write offs

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally when the Credit Union determines that the borrower does not have assets or resources of income that would generate sufficient cash flows to repay the amount subject to the write-off. However, the financial assets could still be subject to enforcement activities in order to comply with the Credit Union's procedures.

(v) Derecognition of financial assets

The Credit Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Credit Union neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Credit Union recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Credit Union retains substantially all the risks and rewards of ownership of a transferred financial asset, the Credit Union continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(vi) Financial liabilities

When financial liabilities are recognised, they are measured at fair value of the consideration given plus transactions costs directly attributable to the acquisition of the liability. Financial liabilities are re-measured at amortised cost.

Financial liabilities are derecognized when they are extinguished, that is when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability extinguished and the consideration price is recognised in the statement of comprehensive income.

(vii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists for any assets, then that asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank and short-term demand deposits with original maturities of three (3) months or less.

(i) Receivables and prepayments

Receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets.

(j) Accounts payables

Payables are obligation to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

(k) Equity shares

Members' shares are classified as equity.

(l) Provisions

Provisions are recognised when the Credit Union has a legal or constructive obligation, as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

(m) Employee benefits

Pension benefits

The Credit Union operates a defined contribution pension plan. The Credit Union pays fixed contributions into the fund and has no legal or constructive obligation to pay further contributions. The Credit Union's contribution is recorded as an expense in the statement of comprehensive income.

(n) Revenue recognition

i) Interest income

Interest income is recognized on an accrual basis.

ii) Investment income

Investment income is recognized on an accrual basis.

iii) Rental income

Rental income is recognised on the accrual basis.

(o) Dividends

Dividends that are paid during the period are accounted for as an appropriation of surplus in the statement of changes in members' equity.

(p) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the statement of financial position date. The resulting profits and losses are dealt with in the statement of comprehensive income. There are no foreign currency borrowings.

(q) Borrowings

Borrowings are recognised at fair value net of transaction cost incurred. Borrowings are subsequently stated at amortized cost: any difference between the proceeds, net of transaction cost, and the redemption value is recognised in the statement of comprehensive income over the period of borrowings. Borrowings are classified as current liabilities unless the Credit Union has an unconditional right to defer settlement of the liability for at least twelve (12) months after the statement of financial position date.

(r) Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Credit Union's incremental borrowing rate is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Credit Union if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Credit Union is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Credit Union revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

(s) *Related parties*

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Transactions entered into with related parties in the normal course of business are carried out on commercial terms and conditions and market rates during the year.

3. Critical accounting estimates and judgments in applying accounting policies

The development of estimates and the exercise of judgment in applying accounting policies may have a material impact on the Credit Union's reported assets, liabilities, revenues, and expenses. The items which may have the most effect on these financial statements is set out below.

Valuation of property

The Credit Union utilises professional valuers to determine the fair value of its properties. Valuations are determined through the application of a variety of different valuation methods which are all sensitive to the underlying assumptions chosen.

Fair value of equity investments

The fair values of financial instruments that are not quoted in active markets are determined using the last traded value for the investment. Where no such value exists, costs is used as an appropriate estimate of fair value.

Property, plant, and equipment

Management exercises judgment in determining whether future economic benefits can be derived from expenditures to be capitalized and in estimating the useful lives and residual values of these assets.

Calculation of expected credit loss allowances

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to change in circumstances and of forecast economic conditions. The Credit Union's historical credit loss experience and forecast of economic conditions may also not be representative of actual default in the future.

4. Investment properties

	2021	2020
	\$	\$
Land at Green Street	186,250	186,250
Building at H.A. Blaize Street	1,273,751	1,273,751
Cost - ending of year	1,460,001	1,460,001
Revaluation	1,708,799	1,708,799
Fair value - ending of year	3,168,800	3,168,800
Carrying amount - January 1	3,168,800	3,168,800
Carrying amount - December 31	3,168,800	3,168,800

During the 2020 financial year, the Credit Union's investment properties were revalued based on valuations performed by an independent appraiser. The fair value of the investment properties were determined using the market comparable approach.

5. Loans to members

	2021	2020
	\$	\$
House and land	114,700,642	83,172,915
Motor vehicle	13,623,152	13,748,633
Business	9,488,991	9,386,527
Promotional	12,839,971	13,804,093
Personal and others	23,281,396	38,170,015
Total loans	173,934,152	158,282,183
Interest receivable	682,732	926,541
	174,616,884	159,208,724
Less: Allowance for expected credit loss	(1,597,797)	(1,275,653)
	173,019,087	157,933,071

These loans are secured by mortgages, bills of sale and personal guarantees. Interest is payable at rates ranging between 4.99% and 15% per annum.

6. Investment securities

(i) Debt securities at amortised cost

	2021	2020
	\$	\$
(a) Treasury bills and notes		
Government of St. Lucia - 365 day treasury bills	1,949,553	1,949,553
Government of St. Lucia - 3 year treasury notes	3,000,000	3,000,000
Government of Grenada - 365 day treasury bills	1,469,985	4,278,728
Government of Antigua - 365 day treasury bills	3,355,982	2,880,135
Government of Antigua - 2 year treasury notes	400,000	400,000
Government of Antigua - 3 year treasury notes	1,000,000	1,000,000
	11,175,520	13,508,416
(b) Bonds		
Eastern Caribbean Home Mortgage Bank - 1 year bond	1,500,000	1,500,000
Government of St. Lucia - 2 year bond	1,748,077	1,748,076
Government of St. Lucia - 5 year bond	1,000,000	1,000,000
Government of St. Lucia - 6 year bond	200,000	700,000
Government of St. Lucia - 7 year bond	500,000	-
Government of St. Vincent - 3 year treasury bond	509,000	509,000
Government of St. Vincent - 7 year treasury bond	683,930	871,787
	6,141,007	6,328,863

(c) Term deposits

First Citizens Investment Services	760,393	741,747
Grenada Co-operative League Limited - Deposit (i)	615,482	602,823
Grenada Co-operative League Limited - Deposit (ii)	252,599	247,622
Ariza Credit Union Limited	1,900,228	1,846,478
Grenada Union of Teachers Co-operative Credit Union Limited	1,290,139	1,252,562
Grenville Co-operative Credit Union Limited	1,450,252	1,408,012
Gateway Co-operative Credit Union Limited	224,000	224,000
	<u>6,493,093</u>	<u>6,323,244</u>
	<u>23,809,620</u>	<u>26,160,523</u>

(ii) Equity security at fair value through other comprehensive income

9,949 ordinary shares in the Grenada Co-operative League Limited	<u>99,745</u>	<u>99,745</u>
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7. **Property, plant, and equipment**

	Land \$	Buildings \$	Leasehold im- provement \$	Furniture, fixtures, and equipment \$	Computer equipment and Software \$	Motor vehicles \$	Work-in- progress \$	Total \$
Cost								
As at January 1, 2020	1,051,566	4,921,885	1,547,754	1,887,640	1,764,837	109,995	127,485	11,411,162
Additions	-	-	110,143	58,844	249,806	-	137,337	556,130
Transfers	-	-	-	-	127,485	-	(127,485)	-
As at December 31, 2020	1,051,566	4,921,885	1,657,897	1,946,484	2,142,128	109,995	137,337	11,967,292
As at January 01, 2021	1,051,566	4,921,885	1,657,897	1,946,484	2,142,128	109,995	137,337	11,967,292
Additions	-	36,455	-	26,413	85,897	-	146,694	295,459
Transfers	-	-	(78,789)	75,594	3,195	-	-	-
As at December 31, 2021	1,051,566	4,958,340	1,579,108	2,048,491	2,231,220	109,995	284,031	12,262,751
Accumulated depreciation								
As at January 1, 2020	-	1,333,720	327,936	1,311,359	1,266,019	87,996	-	4,327,030
Charge for the year	-	122,955	200,497	61,345	209,501	21,999	-	616,297
As at December 31, 2020	-	1,456,675	528,433	1,372,704	1,475,520	109,995	-	4,943,327
As at January 01, 2021	-	1,456,675	528,433	1,372,704	1,475,520	109,995	-	4,943,327
Charge for the year	-	123,503	278,391	121,219	249,893	-	-	773,006
As at December 31, 2021	-	1,580,178	806,824	1,493,923	1,725,413	109,995	-	5,716,333
Carrying amounts								
As at January 01, 2020	1,051,566	3,588,165	1,219,818	576,281	498,818	21,999	127,485	7,084,132
As at December 31, 2020	1,051,566	3,465,210	1,129,464	573,780	666,608	-	137,337	7,023,965
As at December 31, 2021	1,051,566	3,378,162	772,284	554,568	505,807	-	284,031	6,546,418

8. Intangible assets

	Intangible assets \$	Total \$
Cost		
As of January 1, 2020	1,419,793	1,419,793
Additions	-	-
As of December 31, 2020	<u>1,419,793</u>	<u>1,419,793</u>
As of January 1, 2021	1,419,793	1,419,793
Additions	31,590	31,590
As of December 31, 2021	<u>1,451,383</u>	<u>1,451,383</u>
Accumulated depreciation		
As of January 1, 2020	569,793	569,793
Charge for the year	283,958	283,958
As of December 31, 2020	<u>853,751</u>	<u>853,751</u>
As of December 31, 2020	853,751	853,751
Charge for the year	287,340	287,340
As of December 31, 2021	<u>1,141,091</u>	<u>1,141,091</u>
Net book value		
As of January 1, 2020	850,000	850,000
As of December 31, 2020	<u>566,042</u>	<u>566,042</u>
As of December 31, 2021	<u>310,292</u>	<u>310,292</u>

9. Leases

(i) *Right of use asset*

	2021	2020
	\$	\$
January 1, 2021	442,613	293,449
Increase due to extended lease term	-	295,312
Amortisation	(168,970)	(146,148)
December 31, 2021	273,643	442,613

Right-of-use assets include leased office space.

(ii) *Lease liability*

	2021	2020
	\$	\$
January 1, 2021	491,318	305,420
Increase due to extended lease term	-	295,312
Interest expense	31,073	93,147
Lease payments	(203,280)	(202,561)
December 31, 2021	319,111	491,318
Current portion	(143,261)	(172,207)
Non-current portion	175,850	319,111

The discount rate applied is 7.84%.

10. Inventories

	2021 \$	2020 \$
IDC materials	93,376	151,796
Stationery and office supplies	16,389	13,206
Advertising and promotional materials	20,022	31,771
T-Shirts	214	285
	130,001	197,058

11. Receivable and prepayments

	2021	2020
	\$	\$
Matured financial assets	1,745,282	1,745,282
ATM receivables	7,466,162	9,171,026
Prepayments	366,544	271,579
Other receivables	404,512	344,545
Interest receivable on investments	396,256	362,054
	10,378,756	11,894,486
Less: Allowance for expected credit loss	(1,745,282)	(1,745,282)
	8,633,474	10,149,204

Matured financial assets relate to matured fixed deposits with British American Insurance Company Limited and CLICO International Life totaling \$1,745,282. This amount has been provided for in full as there is considerable doubt concerning recovery.

12. Cash and cash equivalents

	2021	2020
	\$	\$
Cash on hand	6,330,914	6,456,228
Cash at bank	11,221,909	11,698,632
	17,552,823	18,154,860

13. Equity shares

(i) Qualifying shares

	2021	2021	2020	2020
	No. of shares	\$	No. of shares	\$
Qualifying shares				
Authorised number of shares of \$5 nominal value	Unlimited		Unlimited	
Issued and fully paid				
Balance, beginning of year	1,267,575	6,337,875	1,204,198	6,020,990
Issued during the year	42,031	210,155	63,377	316,885
Balance, end of year	1,309,606	6,548,030	1,267,575	6,337,875

Qualifying shares are mandatory non-withdrawable shares and each member is required to own a minimum of sixty (60) fully paid up shares of \$5.00 each.

(ii) Non-qualifying shares

	2021	2020
	\$	\$
Issued and fully paid		
Balance, beginning of year	5,497,402	5,421,265
Issued during the year	-	76,137
Repurchased during the year	(5,356)	-
Balance, end of year	5,492,046	5,497,402

Non-qualifying shares represent non-mandatory shares purchased by members who have not met the mandatory minimum qualifying share requirement amount of \$300.00 (60 shares @ \$5.00 each) and shares purchased by members in excess of the mandatory minimum qualifying share requirement.

14. Statutory reserve

	2021	2020
	\$	\$
Balance at beginning of the year	3,367,844	3,186,964
Add: Transfer from surplus	-	158,175
Entrance fees	25,545	22,705
Balance at ending of the year	3,393,388	3,367,844

In accordance with Section 125 (4) of the Co-operative Societies Act No. 8 of 2011, at least 20% of the surplus for the year shall be transferred to a Reserve Fund. Entrance fees collected during the year are also credited to this reserve.

15. Development funds

	2021	2020
	\$	\$
Balance, beginning of year	23,726	34,304
Transfer from earnings in current year	-	23,726
Payment from funds	(23,726)	(34,304)
Balance, end of year	-	23,726

This fund is calculated at 3% of the surplus for the year and is payable to the Grenada Cooperative League Limited in accordance with Section 126 of the Co-operative Societies Act No. 8 of 2011.

16. Members' health fund reserve

	2021	2020
	\$	\$
Balance, beginning of year	44,929	54,239
Payment from funds	(7,587)	(9,310)
Balance, end of year	37,342	44,929

The 2% of the previous year's operating surplus is allocated to this fund to provide medical assistance to members.

17. Members' deposits

	2021 \$	2020 \$
Term deposits	32,064,754	29,958,204
Regular savings	143,934,260	136,919,489
Special savings	153,345	215,624
Education savings plan	723,090	645,863
Retirement saving plan	5,674,419	5,067,965
Escrow savings	7,523,527	7,975,250
Gold account	28,515	176,061
Su Su savings	125,073	126,005
Tiered savings	8,586,916	7,262,297
Other deposits	6,927,201	5,460,437
	205,741,100	193,807,195

Interest is payable on these amounts at rates varying between 0.2% and 5% per annum.

18. Non-interest-bearing liabilities

	2021 \$	2020 \$
Interest payable	442,059	417,219
Death claims payable	300,312	264,318
Sundry creditors and accruals	159,707	229,347
Payroll payables	233,952	228,842
Insurance payables	42,528	42,583
ATM payables	2,543,091	4,511,951
Payable to members	115,269	115,664
Accrued liability	27,267	24,823
Other payables	53,902	53,227
	3,918,087	5,887,974

19. Loan interest income

	2021 \$	2020 \$
House and land	5,952,272	5,053,847
Motor vehicle	1,040,899	975,221
Business	665,499	585,762
Promotional	1,219,328	1,678,076
Personal and others	2,339,690	2,337,744
	<u>11,217,688</u>	<u>10,630,650</u>

20. Interest expense

	2021 \$	2020 \$
Term deposits	776,363	727,664
Regular savings	3,213,465	3,059,687
Education savings plan	20,117	21,127
Retirement saving plan	160,926	146,822
Gold account	5,784	9,071
Su Su savings	4,068	4,730
Tiered savings	61,917	73,546
Other deposits	347,119	337,815
	<u>4,589,759</u>	<u>4,380,462</u>

21. Other operating income

	2021	2020
	\$	\$
Application fees	624,996	488,667
ATM transactions	223,575	199,959
Closure of accounts fees	30,192	15,474
Commission	2,257	2,259
Financial statement fees	5,747	4,440
Foreign exchange gain	15,942	6,430
IDC transactions	127,225	141,372
Late fees	71,786	17,268
Miscellaneous	-	2,353
Night Depository fees	450	-
Over the counter fees	157,866	152,923
Sale of passbooks	529	536
Service charges	191	402
	<u>1,260,756</u>	<u>1,032,083</u>

22. General and administrative expenses

	2021	2020
	\$	\$
Advertising and promotions	333,435	392,295
Bank Charges	217,426	192,053
Depreciation	1,229,315	1,046,403
Governance	43,535	43,751
Honorarium	114,475	110,270
League dues	115,000	115,000
Office Expenses	170,600	180,144
Other Administrative Cost	1,701,951	1,762,909
Personnel Costs	3,528,846	3,133,631
Securities	270,205	255,579
Utilities	459,411	441,576
	<u>8,184,199</u>	<u>7,673,611</u>

23. Income tax

The Credit Union is exempt from the payment of Income Tax under Section 25 (P) of the Income Tax Act 1994.

24. Commitments

(i) Undisbursed members' loans

At the end of the financial year the Credit Union had commitment in respect of loans approved and not disbursed amounting to \$1,765,230 (2020: \$5,239,300).

ii) Operating leases

As at 31st December, the Credit Union was committed to lease payments as follows:

	2021 \$	2020 \$
Within one (1) year	161,430	208,930
Between one (1) to two (2) years	185,220	346,650
	346,650	555,580

25. Financial risk management

The Credit Union's activities expose it to the following risk from the use of financial instruments:

- Credit risk
- Liquidity risk
- Currency risk
- Interest rate
- Operational risk

Risk management structure

The Credit Union of Directors is responsible for the overall risk management approach and for approving the risk strategies, principles, policies, and procedures. Day to day adherence to risk principles are carried out by the executive management of the Credit Union in compliance with the policies approved by the Credit Union of Directors.

The Credit Union's risk management policies are established to identify and analyse the risk faced by the Credit Union, to set appropriate risk limits and controls, to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Credit Union through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The following committees are part of the management team of the Credit Union.

Credit committee

This committee considers all applications for loans and makes recommendations to the Credit Union in respect of the applications and performs such duties as prescribed in the articles of the Co-operative Act, the regulations and the By-Laws of the Credit Union.

Supervisory Committee

The supervisory committee examines the books of the Credit Union, confirms the deposits of the members, and performs such other duties as are prescribed by the Co-operative Act, the regulation and the By-Law of the Credit Union.

Investment Committee

The Investment Committee is elected by the Board of Directors. This Committee assists in identifying the current and future investment opportunities available to the Credit Union.

Credit risk

Credit risk is the risk of financial loss to the Credit Union if a member or counter-party to a financial instrument fails to meet its contractual obligations and arises principally from the Credit Union's receivables from the inability of members to repay loans, the inability of investments and cash and cash equivalents to be recuperated or interest on them to be realized, and receivables to not materialize.

Management credit risk

The Credit Union's main objective as regards to credit risk is to protect against any unwanted counterparty credit exposures, maintain credit risk at a manageable level and identify and avoid material credit failure that would impart earnings.

The Credit Union measures and manages credit risk on an aggregate basis by including all existing relationships with a particular customer or related entity of the same corporate organization. When measuring credit risk, the Credit Union takes a conservative view towards uncertainty and error in the direction of overstating the risk.

Loans

Exposure to credit risk is managed through regular analysis of the ability of borrowers to settle outstanding balances and meet repayment obligations, and by changing lending limits when appropriate.

Other financial assets

With respect to credit risk arising from the other financial assets of the Credit Union, which comprise cash and cash equivalents and investments, the Credit Union's exposure to credit risk arises from default of the counter-party. The Credit Union seeks to hold its funds with

financial institutions which management regards as sound. The markets for investments are monitored regularly to ensure the returns are guaranteed.

Exposure to credit risk

The Credit Union's maximum exposure to credit risk before collateral held and other credit enhancement is as follows:

	Maximum exposure	
	2021 \$	2020 \$
Cash and cash equivalents	17,552,823	18,154,860
Investment securities	23,909,365	26,260,268
Receivables and prepayments	8,633,474	10,149,204
Loans to members	172,836,655	157,933,071
	222,932,317	212,497,403

Concentration of credit risk on loan to members:

	2021 \$	2020 \$
	House and land	114,700,642
Motor vehicle	13,623,152	13,748,633
Business	9,488,991	9,386,527
Promotional	12,839,971	13,804,093
Personal and others	23,281,396	38,170,015
	173,934,152	158,282,183

Analysis of gross carrying amount and corresponding ECL are as follows:

Loan to members	Stage 1	Stage 2	Stage 3	Total
Balance at December 31, 2021				
Gross loans	126,894,017	29,502,941	18,219,926	174,616,884
ECL	(68,061)	(61,870)	(1,467,867)	(1,597,798)
Net balance	126,825,956	29,441,071	16,752,059	173,019,087
Balance at December 31, 2020				
Gross loans	117,886,398	31,144,510	10,177,816	159,208,724
ECL	(192,411)	(170,890)	(912,352)	(1,275,653)
Net balance	117,693,987	30,973,620	9,265,464	157,933,071

	2021 %	2020 %
Stage 1	72.67	74.05
Stage 2	16.90	19.56
Stage 3	10.43	6.39
	100.00	100.00

Analysis of gross carrying amount and corresponding ECL are as follows:

Receivables and prepayments	Stage 1	Stage 2	Stage 3	Total
Balance at December 31, 2021				
Gross receivables	8,633,474	-	1,745,282	10,378,756
ECL	-	-	(1,745,282)	(1,745,282)
Net balance	8,633,474	-	-	8,633,474
Balance at December 31, 2020				
Gross receivables	10,149,204	-	1,745,282	11,894,486
ECL	-	-	(1,745,282)	(1,745,282)
Net balance	10,149,204	-	-	10,149,204

	2021 %	2020 %
Stage 1	83.18	85.34
Stage 2	0.00	0.00
Stage 3	16.82	14.66
	100.00	100.00

Write off policy

The Credit Union writes off a loan when it determines that the loan is uncollectible after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer meet the obligation, and that proceeds from collateral will not be sufficient to recover the entire exposure.

Collateral

The amount and type of collateral required depends on an assessment of the credit risk of the counter-party. The Credit Union has guidelines that set out the acceptability of different types of collateral.

The types of collateral held by the Credit Union are registered mortgages over property, bills of sale on motor vehicles and other assets, liens on deposits and shares, guarantees and promissory notes.

Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired.

Liquidity risk

Liquidity risk is the risk that the Credit Union will encounter difficulty in meeting obligations from its financial liabilities.

Management of liquidity risk

The Credit Union's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Credit Union's reputation. Liquidity, funding risk, and related processes and policies are overseen by management of the Credit Union.

Liquidity management is primarily designed to ensure that funding requirement of the Credit Union can be met or to satisfy the demands of customers for additional borrowing. The primary source of funds of the Credit Union is from members' deposit. Additional funds are also sourced through credit facilities from the Credit Union's bankers.

All of the Credit Union's financial liabilities at year end are payable on demand.

Currency risk

Currency risk is the risk that the value of cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Credit Union operates primarily in the Eastern Caribbean Dollars and is therefore not subject to significant foreign currency risk. However, some of its transactions are in United States Dollars but as the Eastern Caribbean Dollar is pegged to the United States Dollar, there are no significant currency risk exposures.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

Floating rate instrument expose the Credit Union to cash flow interest risk whereas fixed rate instruments expose the Credit Union to fair value interest rate risk.

Management of interest risk rate

The Credit Union's exposure to interest risk is managed through the matching of funding products with financial services and monitoring market conditions and yields

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Credit Union's processes, personal, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from

legal and regulatory requirements and generally accepted standards of good corporate behaviour. Operational risk arises from all of the Credit Union's operations. The Credit Union's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Credit Union's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Credit Union standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Requirements for the reporting of operational losses and proposed remedial action
- Development of contingency plans
- Training and professional development
- Risk mitigation, including insurance where this is effective

26. Related party transactions

A number of transactions have been entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and at market rates.

Key management comprises directors and senior management of the Credit Union. Compensation to and other balances with these individuals are as follow:

	2021	2020
	\$	\$
a. Balances held by directors and key management at year-end were:		
Loans and advances	2,550,789	1,630,577
Deposits and shares	1,337,217	788,674
b. Compensation paid to key management		
Salaries	965,878	832,184

BUDGET

	BUDGET	ACTUAL	BUDGET	VARIANCE	
	FY2021	FY2021	FY2022	BUDGET FY2022 VS ACTUAL FY2021	
INCOME					
Income from Loans	12,952,074	11,842,685	13,692,935	1,850,250	15.6%
Other Income	1,828,958	2,008,644	2,064,506	55,862	2.8%
TOTAL INCOME	\$14,781,032	\$13,851,329	\$15,757,441	\$1,906,112	13.8%
EXPENSES					
Interest on Deposits	4,594,990	4,589,759	4,198,570	(391,189)	-8.5%
Personnel Costs	3,936,227	3,528,846	4,209,669	680,823	19.3%
Operating Expenses	5,507,821	5,836,685	5,763,384	(73,301)	-1.3%
TOTAL EXPENSES	\$14,039,038	\$13,955,290	\$14,171,622	\$216,332	1.6%
SURPLUS/(DEFICIT) BEFORE TRANSFERS	\$741,994	\$(103,960)	\$1,585,819	\$1,689,779	1,625.4%



RESOLUTIONS

Approval of Budget

WHEREAS it is the requirement of Bye-Law 37. (B) subsection 8 that a function of the Annual General Meeting is to receive and approve the budget for the current financial year;

AND WHEREAS the 2022 budget, presented on page 81 of this booklet, is broadly aggregated as follows:

Total Income: \$15,757,441

Total Expenses: \$14,171,622

Surplus: \$1,585,819

BE IT RESOLVED that the budget for 2022, as presented, be approved.

Appointment of Auditors

WHEREAS Sections 135 and 136 of the Cooperative Societies Act (2011) provide for the appointment of an auditor on a rotation basis for a period not exceeding five (5) consecutive years;

AND WHEREAS the firm BDO Eastern Caribbean has served The Communal for the past three (3) years;

BE IT RESOLVED that the firm BDO Eastern Caribbean be appointed as the Auditor for 2022 in conformity to the Regulations.

Amendments to Bye-Laws

WHEREAS Section 51 of the Cooperative Societies Act (2011) and Bye-Law 37. (B) subsection 9 provide for members at an Annual or Special General Meeting to make, amend, repeal, replace or confirm bye-laws;

AND WHEREAS the last substantive update of the byelaws of The Society was completed in 2008;

AND WHEREAS subsequent to this major update, the Cooperative Societies Act, 2011 (No. 8 of 2011), and the Cooperative Societies (Amendments) Act, 2017 (No. 20 of 2017) were passed and the updated regulations applicable to The Society are not reflected in our current bye-laws;

AND WHEREAS our bye-laws stipulate the operating framework and policy parameters and the financial landscape has changed significantly since 2008, is constantly changing and The Society must adapt to this changing landscape in order to remain competitive and ensure our long-term viability;

AND WHEREAS the Board of Directors, having recognized the need to undertake a comprehensive review and update of our bye-laws, appointed a Bye-Laws Review Committee, comprising of members, directors and staff, who engaged all stakeholders over a period of several months in carrying out the task of the Committee;

AND WHEREAS five (5) virtual member engagement meetings were held in order to sensitize our members about the proposed changes



to our bye-laws and provide an opportunity to raise any queries and concerns;

BE IT RESOLVED that the amendments to the bye-laws, as highlighted in the document included in this booklet on pages 100 to 117, be approved.

Approval of Honorarium Structure

WHEREAS Section 94 of the Cooperative Societies Act (2011) provides for the granting of an honorarium, on the recommendation of the Board of Directors and approval by the membership, to directors and committee members in order to reimburse expenses ordinarily incurred in the course of their voluntary service to The Society;

AND WHEREAS The Society has grown and continues to grow significantly over the years and such growth has resulted in an ever-increasing demand and expenditure of time and other resources by directors and committee members;

AND WHEREAS such honorarium has not been reviewed in several years and directors and committee members have attended additional meetings and incurred additional expenses without reimbursement;

BE IT RESOLVED that the following honorarium structure, for the reimbursement of such costs, be adopted effective 1st September 2022:

BOARD OF DIRECTORS		CREDIT COMMITTEE		SUPERVISORY & COMPLIANCE COMMITTEE	
President	\$850 per month	All Members	\$90 per meeting	Chairman	\$375 per month
Vice President	\$550 per month	Chairman - \$90 per month additionally		Secretary	\$350 per month
Secretary	\$500 per month	Secretary - \$50 per month additionally		Other Members	\$325 per month
Treasurer	\$425 per month	Joint Committee: \$200 per meeting		Joint Committee: \$200 per meeting	
Other Directors	\$400 per month				
All Directors: \$50 per meeting outside the usual monthly BoD meeting					
Sub-committees: \$100 per meeting					
Joint Committee: \$200 per meeting					



ERMA WHINT HEALTH ASSISTANCE FUND

ESTABLISHED AT THE 29TH ANNUAL GENERAL MEETING

The **Erma Whint Health Assistance Fund** was established at the 29th Annual General Meeting (2011). This Fund is used to provide grant assistance up to \$1,000.00 Eastern Caribbean dollars to members and their immediate families requiring medical assistance.

The Fund is administered by a committee that is made up of a Director, Supervisory & Compliance Committee Member, Credit Committee Member and a Staff Member.

To qualify for the Fund persons must have been a member of Communal for at least 2 years and their account must be in good standing. The Member must not have health coverage (insurance) and must not be eligible for any private or governmental sponsored coverage (such as NIS).

The Fund does NOT cover cosmetic surgery, dental surgery, purchase/payment of regular or routine medications or medical procedures and travel expenses.

Fund Activity for 2021:

- No. of applications - 10
- No. approved - 9
- No. declined - 1

The reasons for the sole declined application was that the need was not assessed as being critical and the individual recently received a scholarship grant from The Communal.

Opening Balance (January 2021)	-	44,929.37
Disbursements in 2021	-	(7,586.90)
Closing Balance (December 2021)	-	\$37,342.47

We encourage our members to take advantage of this Fund, which was set up in honour of our dedicated staff, Ms. Erma Whint, and look forward to assisting more of our members in the coming year.



MINUTES OF THE 39TH ANNUAL GENERAL MEETING OF THE COMMUNAL COOPERATIVE CREDIT UNION LTD.

HELD ON WEDNESDAY 14TH JULY 2022 AT THE GRENADA TRADE CENTRE ANNEX WITH SIMULTANEOUS LIVE STREAMING VIA ZOOM

CALL TO ORDER

The meeting commenced at 3:20 p.m. and the opening session was chaired by General Manager, Mrs. Lydia Courtney-Francis. The invocation was offered by Mrs. Lisa Grappy-James.

WELCOME REMARKS

Director Shawna Thomas-Cuffie acknowledged all specially invited guests, management of The Communal, members and the media. She then introduced the theme of the AGM “Rethinking and Redefining Our Communal” and stressed the need to change the Credit Union’s operational and planning construct to survive and succeed in this financially challenging pitfall thrust upon us by Covid-19.

Director Thomas-Cuffie encouraged everyone to take time to create, diversify, and develop themselves and the organization to withstand the assailing winds of the pandemic. To power the Credit Union to achieve its next level of growth, she advised that all stakeholders should be leveraged to their fullest potential and that the theme required everyone to reorient, rescale and to recognize the need to intensify efforts and programs.

Director Thomas-Cuffie emphasized that the theme further implores members to share in the goals of the Credit Union and indicated that their presence at the AGM is a testament of years of commitment, loyalty, and interest in The Communal.

GARFIN REMARKS

The remarks from GARFIN were presented by its Executive Director (Ag.), Mr. Denis Felix, who extended greetings from the board of directors, management, and staff of GARFIN. He first thanked The Communal management for the efforts made to hold an AGM at this time, despite the challenges of dealing with the impact of the Covid-19 pandemic.

Mr. Felix highlighted the performance of Credit Unions in general and The Communal as well in key financial and prudential areas during Covid-19 pandemic, which had severely impacted the Credit Union movement and noted the increase in unemployment, a reduction in income in some cases, a reduction in cross-border transportation, and the resulting fallout in the hospitality and tourism industry.

Mr. Felix stated that we all feared the worst for Credit Unions, however, as the figures have shown, the quality of performance and most of the key areas reflected improvement when looked at on a consolidated basis. The total assets increased by 8.6% to \$1.1 billion. There were also increases seen in total loans, total deposits, capital and reserves and even total net operating surplus. In the area of prudential performance, the sector performed well in terms of liquidity, with most Credit Unions continuously surpassing the minimum standard of 15% of total deposits for liquidity. However, he indicated a deterioration in loan delinquency, which moved from 5.2% in 2019 to 5.8% in December 2020. He therefore commended the sector for its strong performance during 2020.



The Communal Credit Union was congratulated on its performance in 2020. Mr. Felix noted growth in most significant areas of performance and commended The Communal for such achievements.

He took the opportunity to highlight critical compliance and regulatory issues facing the sector and noted the completion of the Draft Co-operative Societies Regulations, which is awaiting approval to be enacted. He called on the management of The Communal and newly elected persons to ensure good stewardship is exercised as the demands of running a financial institution at this time are becoming increasingly challenging as standards of accountability and good corporate governance continue to rise.

GCLL REMARKS

Due to technical difficulties, expected remarks were not delivered by the General Manager, Mr. William Joseph, of the G'da Cooperative League Ltd.

FEATURE ADDRESS

The feature address was delivered by Dr. Stephen Fletcher, who expressed his sincere thanks to the Board for allowing him opportunity to be the feature speaker on this occasion. He started off his presentation by sharing thoughts on the AGM topic and stated that we are living through the period of change hence organizations will have to elect appropriate strategies to ensure survival now more than ever with the impact of Covid-19.

Dr. Fletcher highlighted the evolution of the Credit Union movement in Grenada but noted that there are still some issues that confront the movement. Notwithstanding, the movement continues to grow in membership, assets, and deposits and there has been massive

rebranding of Credit Unions. He indicated that we are now in a position where we were able to conduct membership and staff satisfaction surveys, the outcome of which would shape the way the Credit Union operates moving forward, and we must make the changes that are required in this rethinking and reshaping mode.

Dr. Fletcher shared that many organizations are responding to the massive amount of unemployment that resulted from Covid-19. He urged the Credit Union to make the necessary adjustments, especially with the moratoriums given and see how it will impact the Credit Union, and further highlighted that the Credit Union has done very well over the years as a movement overall and The Communal specifically in riding the wave of change and leading the change.

In closing, Dr. Fletcher stated that there are fundamental changes that will take place within the Credit Union sector and therefore, The Communal's Board, Management and staff should be a part of this change process that will impact the entire movement and shape the way forward. He wished The Communal a successful meeting.

VOTE OF THANKS

The vote of thanks was given by Mr. Clint Roberts, who welcomed the opportunity to do so at the meeting. He thanked the Chairman of the proceedings and all the other speakers for their remarks and pledged that the Management of Communal have taken note of the comments and advice given. Mr. Roberts made special mention of the AGM Committee for their great logistic support and guidance and the entire membership of The Communal for attending the 39th Annual General Meeting.



OFFICIAL BUSINESS SESSION

CALL TO ORDER

The business section of the AGM was chaired by the President, Mrs. Jennifer Gulston-Gittens, who called the meeting to order at 4:45 p.m. She welcomed all to the 39th Annual General Meeting and encouraged all present to participate as member participation is very important.

The Secretary, Director Thomas-Cuffie, read aloud the notice and proposed agenda of the meeting, after which Chairman Gulston-Gittens thanked her and then proceeded to read the Standing Orders for the benefit of all present.

ASCERTAINMENT OF QUORUM

There being in excess of two hundred (200) members present in person and via Zoom, the quorum requirement was achieved, and the meeting continued.

ADOPTION OF THE AGENDA

There being no amendments raised, the agenda was adopted on a motion moved by Director Thomas-Cuffie and seconded by Mr. Allen Gilbert.

BOARD OF DIRECTORS REPORT

President Gulston-Gittens began her remarks by introducing the members of the Board of Directors and thanked the membership for the opportunity afforded to serve. She assured the members that all Directors were committed to the task at hand and have always acted in the best interests of The Communal.

President Gulston-Gittens then highlighted the various sub-committees formed during the year to provide support to management and indicated that several directors attended a webinar on “Knowing Your Responsibilities as a Board of Directors in the 21st Century” hosted by a regional company, Compliance Aid Advisory Services, which was highly beneficial.

President Gulston-Gittens reported a summary of the financial performance for the year under review, emphasizing the challenge poised by the Covid-19 pandemic. She indicated that our loan portfolio increased by \$17.3m or 12.3% compared to the prior year and applauded the efforts of management in this regard. Additionally, interest income from loans stood at \$10.6m versus \$10.2m compared to the prior year. A surplus of \$789,871 was realized, which was 31% lower than the previous year.

President Gulston-Gittens also highlighted some operational developments during the year under review, which included the relocation of the Carriacou Branch to Harvey Vale, and the relaunch of our Foundation, which was conceptualized by a former General Manager, Mr. Brian Campbell. She also shared on the distribution of approximately \$51k to approximately sixty-eight (68) members and their families affected by Covid-19 from a Social Fund approved by the Board for this purpose and highlighted a mini-series titled “Development Agenda 2025” conducted to analyze the impact of the pandemic as well as the opportunities ahead.

President Gulston-Gittens reported of the filling of the IT Manager position, which is intended to improve our technological systems and drive the benefits of e-commerce to the organization. She also shared the results of a member satisfaction survey and staff satisfaction survey, both of which were conducted by a consultant in order gain insight in the needs of our members and staff and the strengths and weaknesses of the organization.



In closing, President Gulston-Gittens expressed gratitude to members of the Credit and Supervisory & Compliance Committees, management, and staff for all the profound contributions in light of the pandemic and encouraged everyone to pledge their continued dedication and commitment to the success of The Communal.

President Gulston-Gittens then opened the floor for any questions or comments. There being no questions or comments, the Board of Directors Report was adopted on a motion moved by Dr. Francis Antoine and seconded by Ms. Shirley Ann Benjamin.

SUPERVISORY & COMPLIANCE REPORT

Chairman Theresa Noel began her remarks by introducing the members of the Committee, all of whom were in attendance in person and virtually. She emphasized that the Covid-19 pandemic had changed the global business landscape and criminals were now exploiting vulnerabilities exacerbated by the pandemic. She also highlighted the increased risk of cyber-attacks, money laundering and terrorist financing in light of the ongoing challenge of satisfying all AML/CFT requirements.

Chairman Noel reported on the findings of thirteen (13) functions carried out during the year under review and thanked the staff for their cooperation in this regard. She offered several recommendations from the findings, which among others, included the continuous development of the AML/CFT program to underscore our commitment to doing business in an ethical and responsible manner and the promotion of our vision and core principles at all branches in order to deepen the education of members.

Chairman Noel indicated that the Committee was satisfied that there are appropriate measures in place to propel The Communal forward

and expressed gratitude and appreciation for the assistance and guidance of the Board, Credit Manager, managers, supervisors, staff, GCLL and GARFIN for their respective role in the accomplishment of the work of the Committee.

President Gulston-Gittens thanked Mrs. Noel for her presentation and opened the floor for any questions or comments. There being no questions or comments, the Supervisory & Compliance Committee Report was adopted on a motion moved by Mr. David Searls and seconded by Ms. Agatha Aird.

CREDIT COMMITTEE REPORT

Chairman Allen Gilbert began his remarks by introducing the other members of the Committee, emphasized their commitment to serve in a transparent and impartial to the benefit of all members and pledged their devotion to playing their role in redefining and reshaping the loan approval process by way of an improvement in loan turnaround time.

Chairman Gilbert then highlighted some important activity within the portfolio for the year under review, particularly the amount of loan disbursements totaling \$59m, which represented a reduction from the \$67m achieved during the prior year. He shared that most of these disbursements were for house purchase and construction, personal expenses, business loans and motor vehicle purchases with little activity in fisheries and farming, education and vacation and travel, which was likely the result of the pandemic. He encouraged members to use the opportunity to secure education loans as a means of self-improvement and development.

Chairman Gilbert noted that of the \$59m disbursed in 2020, the Committee reviewed loans amounting to \$30.46m, of which 61%



or \$16m was approved by the Committee, whereas 38% or \$14m was deferred. He indicated that some of the reasons for declined loans included risky venture, high DSR, delinquent credit history and insufficient security, whereas the major reason for deferred loans was improper/substandard/incomplete estimates.

Chairman Gilbert emphasized the work of the delinquency management team as moratoriums and loan refinancing and restructuring continued to feature prominently as the Credit Union sought to provide assistance to members adversely affected by the pandemic. He highlighted that the loan recoveries team continued to solidify their efforts in order to keep delinquency at a minimum.

Chairman Gilbert then highlighted several tips for members to be mindful of when thinking of applying for a loan. He applauded the staff within the loans and credit administration department in his analysis of the average number of loan applications processed daily by the Committee compared to the office and implored the meeting to give them a round of applause.

In closing, Chairman Gilbert reiterated the mandate of the Committee to ensuring continual improvement in loan turnaround time, stressed the new oversight role of the Committee with the aim of providing recommendations to the Board vis a vis performance of credit functions, standards and policies and shared that the members of the Committee were looking forward to serving the membership in the future.

President Gulston-Gittens thanked Mr. Gilbert for his presentation and opened the floor for any questions or comments. Dr. Francis Antoine inquired about the existence of a loans committee and what exactly was the oversight role of the Credit Committee, to which Chairman Gilbert indicated that this would allow greater and more

dedicated focus on the loans team and their work and ensuring due process is always followed while Director Thomas-Cuffie, as a member of the Board Loans Committee provided info on same. Mr. Augustine Henry inquired about whether the opening of a branch in Grenville, which had been previously spoken of at the last AGM and President Gulston-Gittens responded indicating that this decision was under consideration by the Board, and it will be revisited in the not-too-distant future. Director Thomas-Cuffie then encouraged members to take advantage of our e-services in the absence of a branch in their parish. Mr. Martin Bedeau inquired about the actual steps being taken to improve turnaround time, particularly in relation to the lengthy time taken by lawyers in the process and how that can be improved. Chairman Gilbert stressed that the work of the lawyers occurs after loan approval and was therefore outside of the scope of the turnaround time he referred to. However, he also shared that adjustment in loan approval limits and the oversight role of the Credit Committee will be very helpful in improving turnaround time.

There being no other questions or comments, the Credit Committee Report was adopted on a motion moved by Director Ernest Bleasdale and seconded by Mr. Martin Bedeau.

AUDITOR'S REPORT

Mr. Reuben John, Engagement Partner of BDO Eastern Caribbean, was present via Zoom and provided an overview of the audit opinion and highlights of the financial performance of The Communal. He highlighted that the audit was performed in accordance with International Standards on Accounting, outlined the Auditor's responsibility under those standards and indicated that the audit evidence obtained provided a sufficient and appropriate basis for the unqualified opinion expressed.



Mr. John then highlighted the key areas of variance of the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Members' Equity and Statement of Cash Flows. He concluded by thanking the Board of Directors and the membership for the opportunity to serve The Communal and looked forward to a continuation of the partnership in the future.

President Gulston-Gittens thanked Mr. John for his presentation and then invited Treasurer Antoine to present his report.

TREASURER'S REPORT

Treasurer Phil Antoine began his remarks by reiterating the difficult year given the adverse impact of the Covid-19 pandemic, which affected many of our members. Mr. Antoine then emphasized that with the loss of income by affected members and their families, the resultant effect was an increased risk to the credit union, which made the business environment quite challenging.

Treasurer Antoine highlighted the salient areas of the financial performance such as the growth in the loan portfolio, total assets, interest expense and general and administrative expenses, a reduction in investment income and increased liquidity. He emphasized that though the surplus realized is not as large as desired, management must be applauded for their efforts given the challenging operating environment.

Treasurer Antoine also offered recommendations to deal with the threats of the pandemic and the highly competitive financial landscape while harvesting the opportunities in sight, which would enable The Communal to lay the necessary groundwork to realize improved performance in the future. He thanked the Board for

the opportunity to serve in the role of Treasurer and conveyed appreciation to the management and staff for their support.

President Gulston-Gittens thanked Mr. Antoine for his presentation and opened the floor for any questions or comments. There being no questions or comments, the Treasurer's Report and Auditor's Report were adopted on a motion moved by Mr. Nash Griffith and seconded by Ms. Ann-Marie Montrose.

NOMINATIONS COMMITTEE REPORT

Chairman Sheldon Baptiste began his remarks by introducing the other members of the Committee and then outlined the criteria for members to be nominated to fill vacancies on the Board of Directors and Credit and Supervisory & Compliance Committees. He then highlighted the retirement of Mrs. Jennifer Gulston-Gittens from the Board of Directors and Mr. Austin Redhead from the Credit Committee, with Mesdames Lawrene Griffith and Sheena Lewis respectively being nominated to fill the said vacancies.

In closing, Mr. Baptiste offered appreciation for all members who expressed an interest in serving The Communal and particularly to the nominees for agreeing to serve.

President Gulston-Gittens thanked Mr. Baptiste for his presentation and opened the floor for any questions or comments. Dr. Francis Antione inquired about the procedures for selecting nominees and asked for confirmation of the total number of applications received. Mr. Baptiste indicated that a member with a legal background was specifically sought for the Board of Directors while a member with a Finance background was sought for the Credit Committee. Director Walker, a member of the Committee, confirmed that approximately fifteen (15) applications of interest were received and reviewed by the Committee.



There being no other questions or comments, the Nominations Committee Report was adopted on a motion moved by Dr. Francis Antoine and seconded by Ms. Shawna Thomas-Cuffie.

ELECTION OF OFFICERS

President Gulston-Gittens invited member, Mr. Simeon Collins, to the podium to assume the role of Presiding Officer.

Mr. Collins first emphasized the criteria to serve on the Board of Directors and Committees of The Communal. He then highlighted the single vacancy on both the Board of Directors and Credit Committee and read aloud the biographies of the lone nominees for each vacancy, Mesdames Lawrene Griffith, and Sheena Lewis respectively, who were then asked to stand and be recognized.

Nominations were then invited from the floor, at which point Dr. Francis Antoine was nominated by Mr. Joseph Antoine and seconded by Mr. Martin Bedeau to serve on the Board of Directors. Mr. Collins invited Dr. Antoine to stand, be recognized and offer a brief biography to the members, to which Dr. Antoine acquiesced. Mr. Collins also asked the floor nominee to confirm his length of membership and whether he was in good financial standing as required by our bye-laws. Dr. Antoine confirmed that he has been a member for six (6) years and was in good financial standing. There being no further nominations from the floor, Mr. Collins invited a motion for nominations to cease, which was moved and seconded by Director Michael Francois and Mr. John Marryshow respectively.

There being only one (1) nominee for the vacancy on the Credit Committee, Ms. Sheena Lewis was elected unopposed. Mr. Collins then invited members to vote, by show of hands, to fill the vacancy on the Board of Directors. By virtue of the higher number of votes

received, Ms. Lawrene Griffith, who received 45 votes compared to Dr. Francis Antoine who received 14 votes, was elected to serve on the Board of Directors.

Mr. Collins invited the elected members, Mesdames Griffith, and Lewis to say a few words, and both thanked the members for the opportunity to serve and pledged their best effort in their respective roles towards the success of The Communal.

RESOLUTIONS

Budget Approval

The 2021 Budget was presented in summary by the Treasurer, Phil Antoine, who highlighted that because of the trying times ahead, the projections were conservative. He indicated that total revenue was projected at \$14.8m, total expenses at \$14.0m and a surplus before transfers of \$741,994.

There being no questions or comments nor objections, the majority of members voted in favor of the resolution and the 2022 Budget was approved on by a motion moved by Mr. David Searls and seconded by Ms. Wendy Lett.

Payment of Dividends

Treasurer Antoine highlighted the requisite criteria, per the Act, for the declaration and payment of a dividend of all paid-up equity shares and was happy to report that The Communal once again satisfied same, since a surplus of approximately \$790k was realized and institutional capital stood at 8.1% - above the requirement ratio of 7%.



There being no questions or comments nor objections, the majority of members voted in favor of the resolution and the motion for the payment of a dividend of 2.25% on all paid-up equity shares was moved on a motion by Mr. Nash Griffith and seconded by Mr. Michael Cuffie.

Appointment of Auditors

Treasurer Antoine highlighted the requirements of the Act in respect of the appointment and rotation of Auditors and indicated that BDO Eastern Caribbean has served The Communal for the past two (2) years and are eligible to continue for 2021.

There being no questions or comments nor objections, the majority of members voted in favor of the resolution and the motion for the appointment of BDO Eastern Caribbean was moved on a motion by Mr. Raymond Lockerby and seconded by Ms. Shirley-Ann Benjamin.

MINUTES OF THE 38TH ANNUAL GENERAL MEETING

The Minutes of the last AGM were taken as read and President Gulston-Gittens then opened the floor for any corrections. On page 88, the seconder of the motion to adopt the Supervisory & Compliance Committee Report, “Mr. David Seales” was corrected to reflect “Mr. David Searls.”

There being no further amendments, the Minutes of the 38th AGM, as amended, were confirmed on a motion moved by Director Phil Antoine, and seconded by Ms. Shirley-Ann Benjamin.

There were no matters arising from the Minutes of the 38th AGM.

ANY OTHER BUSINESS

Mr. Martin Bedeau congratulated The Communal on being able to pay dividends to its members for yet another year and commended on the liquidity position, which is not always a good thing when overly high as it meant not enough loans are being taken. He also queried whether there are plans to move The Communal Headquarters to another location as the present location is posing problems for members especially for parking. Director Antoine indicated that attempts have been made to secure a better location but unfortunately, those efforts had not yet yielded tangible results and while there was no proposal for the AGM at this time, the matter is continually being reviewed and pursued by the Board. Mr. Bedeau then indicated that he had a proposal for the Board’s consideration, which Director Antoine encouraged him to submit.

Mr. Nash Griffith raised concerns about the virtual aspect of the meeting, which often resulted in impaired participation by the virtual attendees and emphasized that more monitoring should be taking place in that regard. He congratulated the staff, management, and the Board on a good year, despite the hard times faced economically as a result of the global pandemic and especially applauded the loans department for their outstanding work.

Mr. Joseph Antoine suggested that The Communal should consider integrating the aspect of costs, environment and sustainability, especially in the context of climate change and also the unpredictability faced in terms Covid-19 as part of our operational philosophy moving forward and offered his assistance to The Communal in that regard. President Gulston-Gittens applauded Mr. Antoine for his offer of assistance and encouraged other members to emulate this for the benefit of the Credit Union.



Dr. Francis Antoine suggested an incentive program or a recognition program for outstanding staff performance and a mechanism to assist investors and small businesses. President Gulston-Gittens indicated that the vision of the Grand Anse Business Center encompassed the latter of those suggested areas and work was being done in this regard.

Ms. Wendy Lett suggested the creation of a legal office or hiring of an in-house lawyer for the Credit Committee to mitigate the issue of the lengthy time taken during the legal work for loan application. President Gulston-Gittens thanked Ms. Lett for the suggestion and indicated that with legal expertise now present on the Board of Directors, this suggestion could be further explored while also ensuring more frequent and timelier follow-up by the office with our lawyers.

Mr. Vaughn Lawrence lamented what appeared to be the continual shifting of the culture at the Credit Union towards that of the commercial banks and implored the Board, without seeking a response, to pay greater attention to this matter.

Mr. Simeon Collins inquired about whether and how job rotation was conducted, to which the General Manager, Mrs. Courtney-Francis stated that there is an ongoing drive to equip each employee with multiple skills to ensure that everyone is skilled beyond his/her core competence.

CONCLUSION

The President thanked each member for their comments and contributions made. There being no further business, the meeting ended at 7:20 p.m. on a motion moved by Director Ernest Bleasdale and seconded by Ms. Rena Noel.



BIOGRAPHY OF NOMINEES



Dr. Francis Antoine is an Entrepreneur and the owner of Antoine De Beauregard Enterprises. He holds a Ph.D. in Food Chemistry from the University of Florida, a Master of Science degree in Food Technology from the Krasnodar Polytechnic Institute in Russia, and a Postgraduate Diploma in Post-Harvest Technology from Humberside Polytechnic in the United Kingdom.

As a businessman, Mr. Antoine is confident that he can make a valuable contribution to the Credit Union by bringing creative ideas and strategies in which The Communal can make a positive difference in the community and in the entire tri-island state.

Dr. Antoine looks forward to the opportunity to serve and assist in the further development of the Credit Union.

BOARD OF DIRECTORS



Mr. Jason B. Hinds is a driven, hands-on professional with extensive work experience in both private and public sectors.

He possesses an International Master's in Business Administration (IMBA) from Cavehill School of Business UWI; Bachelor of Science in Management Studies UWI and certificate from Certified Management Accountant Programme (CMA). He is currently pursuing the Chartered Global Management Accountant (CGMA) which he intends to complete the following year.

Mr. Hinds is the Accounts Manager for a leading vehicle dealership and has been in that role for approximately three (3) years and has worked in the past for other private and public organizations.

In his spare time, he enjoys cooking, farming, and working in his small business creating frozen products which is sold at various supermarkets. He warmly welcomes this opportunity to be nominated to serve on the Board of Directors and brings an extensive wealth of knowledge and experience in accounting and management.



Mrs. Kathy Ann Thompson is a Customer Service Specialist with a rich thirty-year experience in various facets of customer service within the Utility industry.

Her professional qualifications include an Executive Diploma in Management, a Certificate in Business Administration, and a Certificate of completion in Project Management.

Mrs. Thompson is passionate about excellent performance and generously donates her time working with individuals and groups to realize their goals and objectives. Her keen eye for detail, creativity and robust communication skills are attributes that sets her apart.

She has previously served on the Board of Directors of the Grenada Co-operative Credit Union League and the Communal Co-operative Credit Union in the capacity of Assistant Secretary/Treasurer and Treasurer. She has been a member of the Credit Union since 1992 and is enthusiastic to serve her credit union for yet another time.

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BOARD OF DIRECTORS



Mr. Keron Noel is a young professional with over 15 years diverse experience in the field of Information Technology. He is currently employed at the St. George's University in the position of Audio-Visual Manager. He is also a part-time lecturer for the Department of Computer and Technology at the University.

His prior career experience includes being an Exam Support Specialist within the Office of Institutional Advancement at the St. George's University, an Information Technology Specialist at the Grenada Investment Development Corporation, and a Tutor of Information Technology at the T.A. Marryshow Community College.

Mr. Noel's qualifications include Bachelor's degree in Information Technology, a diploma in Java programming, a certificate in Project management, and other IT-related certifications.

He looks forward to serving as a member of the Board of Directors and to contribute significantly to the governance and oversight of the Communal.

As a member of the Communal Co-operative Credit Union, in good standing. Ms. Alexander will be honoured to serve on the Board of Directors and to contribute to the growth and further success of the Credit Union.



Ms. Sibyl Alexander is a former Permanent Secretary with extensive leadership experience both locally and internationally. She has served on the Boards of several local Statutory Bodies, such as Grenada Airports Authority, Grenada Tourism Authority; among others and have made valuable contribution particularly at the Aviation Services Grenada (ASG) at an extremely challenging period. She was also a member of the St. Paul's Anglican Church Council. In addition, Ms. Alexander had some overseas assignments to the Grenada High Commission, London, the Embassy of Grenada, Washington, D.C. and the Embassy of Grenada, Beijing.

Ms. Alexander holds a Master of Arts in International Studies and Diplomacy (Merit) from the University of London. She also holds a Bachelor of Arts Degree in Social Science with a major in Politics from the University of Westminster and a Diploma in Management Studies from the Barbados Institute of Management and Productivity.



Mrs. Sonya Sally Anne Bagwhan Logie is a retired Permanent Secretary who served in various government ministries such as Finance, Agriculture, labour, Communications and National Security. She also served on various committees such as the Fiscal Responsibility Oversight Committee, the Citizenship by Investment Committee, and the Committee of Social Partners.

Mrs. Logie is an experienced Director having served on numerous Boards including that of the Grenada National Training Agency, the Anti-Money Laundering Commission, the Grenada Community Development Organisation, the Grenada National Training Agency and WIBDECO/ WINFRESH.

Mrs. Logie holds a Master's degree in Economic Planning and Management from the University of Camaguey. She also holds a Post Graduate Diploma in Project Planning and Management as well as other certificates and diplomas in Negotiations Management, Energy Management and Advanced Proficiency in Spanish Language.

As a long-standing member of the Credit Union, Mrs. Logie is eager to serve and assist in the further development of the institution.

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SUPERVISORY & COMPLIANCE COMMITTEE



Ms. Chinnel Andrews is a dedicated, results-driven, and experienced manager, leader and visionary with progressive experience in Project Management, Strategic Management, Public Relations, Marketing and Stakeholder Engagement. With over 15 years' experience working in both the Public and Private sector environment, Ms. Andrews is presently employed with the Government of Grenada as a Strategic Programme Manager at the Inland Revenue Division with assignment to the COVID Economic Support Secretariat, Ministry of Finance as the Deputy Project Coordinator

Ms. Andrews holds a Master's degree in International Business Management from MIU City University Miami, Florida and a Bachelor's degree in Business Management from the University of the West Indies Open Campus Grenada. In addition, she completed several certificate trainings in the areas of Human Resource Management, Advance Revenue Administration, Reform Management and Strengthening Compliance Risk Management Programs.

Ms. Andrews has previously served the Credit Union movement in several capacities as a former employee of the Communal Co-operative Credit Union Ltd and former secretary and chairman of the Credit Committee of the Grenada Co-operative League Ltd. As a member of the Credit Union, she is committed to serving on the Supervisory and Compliance Committee and to use her diverse background and experience to contribute to the growth of the institution.



Mrs. Danielle Hillaire is a hardworking, highly motivated, dedicated, and focused young professional with over a decade experience in the area of accounting. She has been employed with the Spice Isle Fish House Ltd. since 2011 and currently holds the position of Accountant.

In addition to her experience, Mrs. Hillaire has been a fellow of the Association of the Association of Certified Chartered Accountants (ACCA) since 2017. She is currently pursuing a Master of Business Administration degree from the University of South Wales.

Being a strong believer in volunteerism, Mrs. Hillaire has served as a member of the Rotaract Club of Grenada particularly in the position of Financial Director for a period. As a member of the Credit Union and an astute team player, She is committed to sharing knowledge and experience in her service to the institution.



Mr. Dick Noel is currently a Divisional Manager/Senior Manager at George F. Huggins & Company Grenada Limited where he has been employed for the last two years. He possesses significant leadership skills with over a decade in experience which he gained from serving in a managerial capacity in his former employment at Jonas Browne and Hubbard (G'da) Ltd.

In addition to his experience, Mr. Noel completed an Executive Diploma in Management (EDM) from the University of the West Indies in 2010 and a Master of Business Administration Degree with emphasis on Strategic Management from the University of South Wales in 2018.

He is a self-motivated and goal-oriented individual who is also a strong believer in transformational change and the personal development of employees. As a member of the Communal Co-operative Credit Union, Mr. Noel is committed to serving on the Supervisory and Compliance Committee and making a valuable contribution to the management of the Credit Union.



MEMBER FEATURE



TROYLYN SIMON

'A BIT OF SPYCE'

From the island where tradition is of great significance and family is highly valued hails your Ms. Troylyn Simon, from the ecstatic village of Lauriston, Carriacou. Ms. Simon, owner of A Bit of Spyce is an outstanding small business entrepreneur and a loyal member of The Communal Credit Union for the past seven (7) years. A young and forward-thinking entrepreneur, whose hobbies are reading and interacting with people, contributes greatly to her communicative style of making people feel welcomed. Troylyn entered the world of business at an early age in secondary school and gravitated toward a more aspiring business environment. Being in business for the past fifteen (15) years has shared the challenges that made her the competitive businesswoman she is today. Ms. Simon expressed her experience with Communal as efficient and hospitable in attending to her needs; from the initial process of opening the account; following through to the credit application, she received a strong sense of appreciation to have her as a member.

Ms. Simon further indicated that her development business was mainly due to the assistance and knowledge shared by The Communal Credit Union. "I knew what I wanted and went for it;" said Ms. Simon, accompanied by good guidance in financial management, was able to achieve more than what she had first altered for. Ms. Simon expressed her gratitude to the Credit Union for conducting follow-ups and ensuring the smooth running of the business. Hard work and due diligence pay off, today Ms. Simon can boast being the proprietor of two other establishments, Kayak Paintballers sport and, a vacation home. Troylyn had these words to young entrepreneurs, "The Credit Union is for poor people and will go the extra mile to ensure members achieve their goal." She urged the young businessmen and women to go headstrong in their endeavors and believe in themselves and the reward will be remarkable.

AARON THOMAS

'SPECIALISED AUTOMOTIVE'

Aaron Thomas is a prominent business entrepreneur who hails from the humble village of Crochu in the parish of St. Andrew. Aaron has been an entrepreneur for over twenty-five (25) years, which is a true reflection of his hobby of meeting people, and has been a dedicated member of The Communal Co-operative Credit Union Ltd. since 2019. Being the business-oriented individual he is, Mr. Thomas contributes greatly to the employment status of the village and the country by extension. Proprietor of an established business, Specialised Automotive located on Maurice Bishop Highway, Grand Anse, St. George specializes in the sale of new and foreign used vehicles originating from Japan. Being a long-standing member, he conveyed the achievements obtained as an individual and member of The Communal. Such achievements led to a push in financial literacy and the knowledge of managing a business, despite the challenges faced in the early stage of the development of the business. The main challenge was not being able to secure



finance to support the business, yet he saw this as a progression for him. Being a determined young man, Mr. Thomas persisted in obtaining financing from his Credit Union to get his start in business. Simple and sophisticated is this young man that he left these words for upcoming entrepreneurs "... to be consistent and customer-focused, and angle themselves in the right way. Start small and extend as you grow." Mr. Thomas expressed his gratitude to Communal, for the assistance and smooth transition of facilitating his business transaction through the Covid-19 pandemic. He is happy to be a part of this Credit Union.



NYOMI PETERS

'HER HAIR IS HER COVERING'

An inspiring, intellectual, and vibrant young entrepreneur, who hails from the southern community of Frequente, St. George, is Ms. Nyomi

Peters. She has been an active member of the Credit Union for the past seven (7) years. Ms. Peter's love for such business came about at an early age, dreaming of having long natural hair. She first discovered how to care for natural hair on Youtube in 2012, after which, she decided to leave her job at a prominent entity in 2017 and venture fully into the hair business in 2018, producing her own products from what she learned from her discovery on Youtube. Using only natural ingredients, this was trial and error with herself being the first client. Her Hair is Her Covering is a quaint name for a business, which was inspired by a scripture Nyomi loved. She described her experience at the Credit Union as the most welcoming, the staff exhibited professional customer care and service, from the initial stage of becoming a member to the credit application process.

Considering her personal development, Ms. Peters described the move to become self-employed as taking a bold step in life. Highly self-motivated, Nyomi entered the world of business with strong support from God and family, and capital from personal savings to start the business. She knew there would be challenges and was ready to combat those challenges. Regardless of the competitiveness of the market, Nyomi was not in any way intimidated or daunted and sought to reinvest the profits made in the business so it could excel. Ms. Peters is very passionate about customer service and its importance for business; especially being experienced in that field. Apart from providing a product to customers, one of her main objectives is to always maintain customer satisfaction and will ensure that her customers come first. She left these words of inspiration to young aspiring entrepreneurs, "Seek God first in everything you do and follow your dreams.", she stressed that "...there is no right or wrong time to do what you want in life, just believe in yourself, and not forget to treat your customers with respect and love."



DECEASED MEMBERS 2021

DECEASED MEMBERS 2021	ADDRESS
DEMOND EDWARDS	730 LINDEN BLVD APT 3H BROOKLYN N.Y. 11203
THERESA LEWIS	231 OCEAN AVE APT 3J BROOKLYN N.Y. 11225
LOUISE GLORIA CHARLES	MT. GAY, ST. GEORGE
CAROL SYLVIA HORSFORD	MONT TOUT, ST. GEORGE
BERNADETTE R SUPERVILLE	97-2500 HILL RISE COURT, OSHAWA, ONTARIO, L1I 0M6
CELIA CHARLES	BLACK BAY, ST JOHN
DEVON FRANCIQUE	MT. PARNASSUS, ST GEORGE
CHIRON LOUISON-THOMAS	PERDMONTEMPS, ST DAVID
ANGELA PETERS	CONFERENCE, ST ANDREW
ESLYN ASHTON	MT. PARNASSUS, ST GEORGE
TYRONE HARBIN	TEMPE, ST GEORGE
CAULDRIC ASHTON	MT. GAY ,ST. GEORGE
ANDERSON GREENIDGE	VINCENNES, ST DAVID
BYRON CLYNE	GRAND BRAS, ST. ANDREW
VERONICA BENJAMIN	GREEN STREET, ST GEORGE
ANN V. STEPHEN	LA BORIE, ST GEORGE
JEAN JOSEPH-SKEETE	GRAND ANSE VALLEY, ST GEORGE
ERWIN WHINT	MARIAN, ST GEORGE
ROLAND PATERSON	MT HARTMAN, ST GEORGE
ANTHONY VINCENT	WESTERHALL, ST DAVID
JOSEPH MCFARLENE	SPRINGS, ST. GEORGE
THERESA SAMUEL	GOUYAVE ESTATE, ST JOHN
CECIL THOMAS	WINDSOR FOREST, ST DAVID
WILMA SAMPSON	JEAN ANGLAIS, ST GEORGE
JUSTIN LAQUA	MELVILLE STREET, ST GEORGE
PERCY WELLINGTON	WOODFORD, ST JOHN

LESLEYANN BARTHOLOMEW	22 CHURCH, ST BETHEL, TOBAGO , TRINIDAD
CLEOPHAS OTTLEY	GOUYAVE, ST. JOHN
MICHAEL SYLVESTER	LA BORIE, ST GEORGE
ROSALINE GILBERT	LUCAS STREET, ST GEORGE
THEODORA COX	LIMLAIR , CARRIACOU
KAREN BARTHOLOMEW	TEMPE, ST GEORGE
KARION ALEXANDER	GRAND ANSE, ST GEORGE
HOLAS BAPTISTE	GRAND ANSE, ST GEORGE
NORMAN ROBERTS	MT. ALEXANDER, ST PATRICK
NORMAN AIRD	BEAULIEU, ST GEORGE
FEGENA SMITH	176 CLARKSON AVENUE, APT 2F, BROOKLYN, NY 11226
PAUL JOSEPH	CALLISTE. ST GEORGE
GEORGE MURRAY	GRAND ROY, ST JOHN
CASSANDRA ANDREW	GRAND ANSE, ST GEORGE
NEION MCMEO	GRAND ANSE, ST GEORGE
ANN ELIAS	TEMPE, ST GEORGE
THEOPHILUS JAMES	WOBURN, ST GEORGE
THERESA WILKIE	MARIAN, ST GEORGE
BRENDA THOMAS	HAPPY HILL, ST GEORGE
STEVE LACRETTE	GRAND ANSE, ST GEORGE
KENNY THOMAS	GRAND ANSE, ST GEORGE
LORETTE AMADE	NEW HAMPSHIRE, ST GEORGE
LOIS NOEL	TEMPE, ST GEORGE



THE COMMUNAL COOPERATIVE CREDIT UNION BYE-LAWS

[Amended August 2022]

To Grow With Us, Save With Us

Serving Grenada, Carriacou & Petite Martinique

THE COMMUNAL COOPERATIVE CREDIT UNION BYE-LAWS AUGUST 2022

[HEREAFTER REFERRED TO AS "THE SOCIETY"]

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COLOR LEGEND FOR PROPOSED AMENDMENTS

RED: newly added bye-law/sub-section

YELLOW: pre-existing bye-law/sub-section with major amendments

GREEN: pre-existing bye-law/sub-section with minor punctuation, grammatical, syntax and or other amendments

NO HIGHLIGHT: pre-existing bye-law/sub-section with no change

Note: Some bye-laws/sub-sections, though not amended, may be moved to a different Article to allow for better sequencing/grouping of the relevant bye-laws/sub-sections

ARTICLE I: INTERPRETATION

1. In these Bye-Laws, unless the context otherwise requires, any expression defined in the Act or the Regulations shall have the meaning so defined, and words importing the singular shall include the plural and vice-versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate:
 - "Act" shall mean the Cooperative Societies Act, 2011 (No. 8 of 2011), the Cooperative Societies (Amendments) Act, 2017 (No. 20 of 2017) and the Regulations;
 - "AML/CFT" shall mean Anti-Money Laundering/Combating the Financing of Terrorism;
 - "Annual General Meeting" shall mean a mandatory meeting of The Society held every year pursuant to Section 42 of the Act;
 - "Apex Body" shall mean the Grenada Cooperative League Ltd. established under Section 221 of the Act;
 - "Beneficiary" shall mean a person(s) to or among whom the net assets of a member shall be transferred upon his death;
 - "Board" shall mean the Board of Directors to whom the management of the affairs of The Society is entrusted;
 - "Bonus" shall mean a share of the surplus divided among the members of The Society, in proportion to the volume of business done with The Society and from which the surplus of The Society was derived;
 - "Bye-Laws" shall mean the registered bye-laws made by The Society pursuant to Sections 14, 51 and 52 of the Act, and includes any registered amendment of the bye-laws;
 - "Capital Base" shall mean the paid-up capital, being equity shares paid up in cash, and invested as risk capital by members of The Society (which are redeemable only upon transfer to another member in accordance with the Act) and institutional capital less any amount by which that total has become impaired by operating or other losses in accordance with Section 2 of the Act;
 - "CARICOM Member State" shall mean a Member State of the Caribbean Community established by the Revised Treaty of Chaguaramas signed at Nassau, The Bahamas, on 5th July, 2001;
 - "Collateral" shall mean the security pledged as a guarantee for the payment of a loan, if the member defaults;
 - "Co-Maker" shall mean a member, who signs a promissory note along with the primary borrower and has access to the loan proceeds, to whom the responsibility of repayment of a loan shall be transferred in the event of default;
 - "Committee" shall mean a group of members appointed by the Board or elected by the membership of The Society to fulfil a specific function or purpose;

- "Cooperative Social Responsibility" shall mean the activities, duly approved by the Board, designed to positively impact, economically, socially and environmentally, society at large in the achievement of societal goals;
- "Deposit" shall mean any sum of money placed in an account at The Society on agreed terms and conditions;
- "Director" shall mean a member of the Board who is elected in accordance with Section 72 of The Act;
- "Dividend" shall mean a share of the surplus of The Society divided among the members in proportion to his share capital;
- "Dormant Account" shall mean any account on which no transaction or related activity has been effected by the member for a period not less than twenty-four (24) months;
- "Doubtful Loan" shall mean any loan where a borrower has defaulted, in excess of thirty (30) days on the agreed terms of repayment;
- "Equity Shares" shall mean the common stock or risk capital, including Qualifying Shares purchased by a member of The Society as his ownership stake in the safety, soundness and competitiveness of The Society;
- "GARFIN" shall mean the Grenada Authority for the Regulation of Financial Institutions Act, 2008;
- "Guarantor" shall mean a member, who signs a promissory note along with the primary borrower but does not have access to the loan proceeds, to whom the responsibility of repayment of a loan shall be transferred in the event of default;
- "Inactive Account" shall mean any account on which no transaction or related activity has been effected by the member for a period not less than twelve (12) months;
- "Institutional Capital" shall mean the aggregate of The Society's qualifying shares, earnings retained after distribution of surplus and statutory and other non-distributable reserves and donations;
- "Member" shall mean a person, cooperative society, non-profit organization or company joining in the application for the registration of The Society and admitted to membership after registration in accordance with Section 26 of the Act and these Bye-Laws;
- "Minor" shall mean an individual under the age of fourteen (14) years;
- "Non-member" shall mean a person, cooperative society, non-profit organization or company who has not been admitted to membership after registration in accordance with Section 26 of the Act and these Bye-Laws;
- "Operating Expenses" shall mean expenditure involving administrative, governance, maintenance and related costs incurred during the conduct of the business of The Society;



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"Qualifying Shares" shall mean the mandatory, non-withdrawable minimum shares, which form part of the institutional capital, to be purchased by an approved applicant to be admitted and to enjoy the full rights and privileges of admission into membership of The Society;

"Quorum" shall mean the minimum number of members required to conduct and validate the business of such meeting;

"Registrar" shall mean a reference to GARFIN established under the Act;

"Regulations" shall mean the Cooperative Societies Regulations, 1997 (Statutory Rules and Orders No. 63 of 1997) made pursuant to Section 247 of the Act;

"Share Capital" shall mean the value of qualifying and equity shares issued by The Society subject to Section 97 of the Act;

"Special General Meeting" shall mean a meeting of the membership of The Society duly called to discuss a specific and urgent matter; and

"Tenancy in Common" shall mean a shared tenancy in which each member has a distinct and separately transferrable interest;

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ARTICLE II: NAME

- The name of The Society shall be: The Communal Cooperative Credit Union Ltd.

ARTICLE III: REGISTERED ADDRESS

- The registered address of The Society shall be Halifax Street, St. George's, Grenada or at such place as may from time to time be determined by The Society, and notified to the Registrar within seven (7) days thereof.

ARTICLE IV: GEOGRAPHICAL AREA OF OPERATIONS

- The area of operations of The Society shall be: the State of Grenada.

ARTICLE V: OBJECTS

- The objects of The Society shall be:
 - To promote thrift among members by providing ways and means whereby savings can be effected and shares in The Society can be acquired;
 - To create, out of the savings of members, non-members and other business of The Society, a source of credit available to members, on reasonable terms and conditions for provident and productive purposes;
 - To educate members in the cooperative principles and methods, financial management and efficient management of the affairs of The Society;
 - To establish meaningful partnerships with organizations and other stakeholders with shared values so as to make a difference in communities, especially those directly affecting members;
 - To fulfil the mandates of Cooperative Social Responsibility and demonstrate a commitment to helping members and people in general lead more rewarding lives;
 - To provide support, as best as possible via the initiatives and programmes of The Society duly approved by the Board, to members who are experiencing physical or emotional difficulties or are at risk, thus requiring care, support and or protection; and
 - To undertake all other acts and things as are incidental or conducive to or consequential upon the attainment of the above objects.

ARTICLE VI: CAPITAL, FUNDS AND LIABILITY

- The capital and funds of The Society shall be raised by means of:

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- (A) The shares and deposits of members;
- (B) Loans from members and non-members;
- (C) Entrance fees, and other fees and charges, fines, and interest on loans;
- (D) Interest and dividends on investments;
- (E) Reserves and accumulated surpluses pursuant to the distribution of the annual surplus; and
- (F) Contributions and grants received from members and others.

7. Subject to as hereinafter provided, the Board may, without the sanction of a General Meeting, raise money from any source and in any manner it thinks fit, provided that this sum does not exceed the maximum liability ceiling set by the previous Annual General Meeting.
8. The members in a General Meeting shall, in accordance with the provisions of the Act, from time to time fix the maximum amount that The Society may at any given time owe in respect of deposits and loans.
9. The funds of The Society may be applied to the following purposes:
 - (A) The personnel and operating expenses of management;
 - (B) Loans to members for provident and productive purposes;
 - (C) Investments; and
 - (D) Any other purpose authorized by the Act and these Bye-Laws and approved by the Board.

ARTICLE VII: MEMBERSHIP

10. A person shall hold membership in The Society pursuant to the Act and these Bye-Laws and any such applicant for membership shall be:
 - (A) A person fourteen (14) years of age or older;
 - (B) A minor, notwithstanding [Bye-Laws 20.15](#), who can become a Pre-Member on a non-member account jointly with a member, provided that full membership is attained at the eligible age of fourteen (14) years upon satisfaction of all membership requirements as stipulated by [Bye-Laws 19.1](#);
 - (C) A citizen or legal resident of Grenada;
 - (D) Non-nationals who reside or work in Grenada;
 - (E) A citizen of a CARICOM Member State;
 - (F) A registered cooperative society, subject to the approval of the Registrar and the membership of The Society, which shall also be subject to such rules and or policies as the Board may promulgate;
 - (G) A non-profit organization incorporated in Grenada, provided that a fixed number of its members, as determined and approved by the Board, are also members of The Society, and

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- which membership shall also be subject to such rules and or policies as the Board may promulgate;
 - (H) A company incorporated in Grenada, provided that a certain quantum of its ownership share as determined and approved by the Board, is held by members of The Society and that at all times the company's membership is separate and apart from that of the shareholders who are members, and which membership shall also be subject to such rules and or policies as the Board may promulgate;
11. Subject to these Bye-Laws, where individuals have separate and independent membership in The Society, joint accounts may be held, provided that:
 - (A) Any applicant for joint membership must first be a member of The Society before becoming a joint account holder and will be required to complete and submit the prescribed application form; and
 - (B) Any application to close or alter a joint account in The Society must be signed by all the holders of the joint account, unless the account expressly provides that any one (1) member can sign.
 12. Any person qualified to apply for membership in The Society shall be required to complete and submit the prescribed application form, pay any applicable fees, and purchase and hold the requisite Qualifying Shares, as well as satisfy any other requirements that the Board may determine from time to time.
 13. The consideration of applicants for membership shall be undertaken by the Board or its designee, who shall reserve the right to approve or reject such applications for membership and must notify the applicant accordingly.
 14. Every applicant for membership shall pay an entrance (membership) fee that the Board may from time-to-time fix.
 15. Upon approval of membership, purchase of the requisite Qualifying Shares and payment of all applicable fees, the applicant shall be enrolled as a member and shall be entitled to enjoy all of the following rights and privileges and responsibilities of membership:
 - (A) The right to own shares, make deposits, access loans and other services offered by The Society;
 - (B) The right to hold individual and joint accounts;
 - (C) The power to appoint his beneficiary or beneficiaries;
 - (D) The right to enjoy surpluses of The Society;
 - (E) The right to attend, speak and vote at any Annual General Meeting or Special General Meeting of The Society and to issue notice of motion;
 - (F) The responsibility to know and uphold the values, policies and rules of The Society;
 - (G) The responsibility to monitor and critique the annual priorities and performance of The Society; and

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- (H) All other rights, privileges and responsibilities as set out in the Act and these Bye-Laws.
16. Notwithstanding [Bye-Law 15](#), a member who has not yet attained the age of eighteen (18) years may enjoy all the rights and privileges and responsibilities of membership and be subject to all the liabilities of membership, provided that the execution of any legal instrument is done by his parent or guardian and he may not obtain credit from The Society.
17. The membership of a member in The Society ceases:
- (A) On death;
 - (B) On withdrawal of his membership pursuant to [Bye-Law 18](#);
 - (C) On dissolution of the cooperative society, non-profit organization or company;
 - (D) On ceasing to hold the requisite Qualifying Shares pursuant to [Bye-Law 17](#);
 - (E) On the transfer of all of his shares;
 - (F) On the compulsory acquisition of his shares pursuant to Sections 117 and 119 of the Act;
 - (G) On termination of his membership or expulsion from The Society as provided in Sections 31 and 32 of the Act; or
 - (H) If, subject to as hereinafter provided, he ceases to be qualified in accordance with [Bye-Law 10](#).
18. A member of The Society may, at any time, withdraw from membership of The Society, in such a manner as may be prescribed by these Bye-Laws, but subject to the provisions of the Act and these Bye-Laws, provided that:
- (A) Withdrawal of membership from The Society shall be by written notice to the Board or its designee; and
 - (B) Withdrawal of membership from The Society shall not affect any existing liability of the member to The Society.
19. The Board, by a vote of at least two-thirds (2/3) of the Directors present at a meeting so called, may order the termination of membership of a member of The Society, provided that:
- (A) Such grounds for termination include:
 - (i) Refusal to pay any compulsory contribution or debt to The Society;
 - (ii) Charge, arrest, indictment or conviction for a criminal offence or financial crime;
 - (iii) Application for or declaration of bankruptcy; or
 - (iv) Actions detrimental to the interests of The Society;
 - (B) The Board, within a period of one (1) year, shall purchase from the member, at par value, all shares held by the member in The Society;
 - (C) The Board shall pay to the member, all deposits held to the member's credit, together with any interest accrued on such deposits, and the amount outstanding on loans made to The Society by the member, with any interest accrued on such loans;
 - (D) The Secretary of The Society, within ten (10) days from the date on which such order is made, shall notify the member of the order in writing;

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- (E) The member may appeal the order at the next General Meeting of The Society by giving written notice of his intention to appeal, to the Secretary, within thirty (30) days from the date the member received notice, pursuant to [Bye-Law 19 \(F\)](#), of the order;
- (F) A majority of the members present at such meeting in [Bye-Law 19 \(E\)](#) shall confirm or rescind the order.
20. The members at a General Meeting of The Society, by a vote of two-thirds (2/3) of the members present on such resolution at such meeting, may terminate the membership of a member, provided that at least ten (10) days' notice of such General Meeting is given to the member facing termination of his membership.
21. The Board, by notice in writing, may suspend a member for a period not exceeding three (3) months, if the Board is satisfied that the member is guilty of misconduct.
22. Any member, whose membership has been suspended pursuant to [Bye-Law 21](#), may appeal against the suspension to the Registrar in the prescribed manner and the Registrar shall confirm or set aside the resolution suspending the membership.
23. A member, whose membership has been terminated in accordance with [Bye-Law 19](#) or [Bye-Law 20](#) may:
- (A) Not enjoy any of the rights and privileges and responsibilities of membership in The Society, but shall remain liable for any amounts owed to The Society;
 - (B) Appeal against the termination to the Registrar in the prescribed manner and the Registrar shall confirm or set aside the resolution terminating the membership;
 - (C) Not appeal the termination of his membership to the Registrar, if such termination was due to the member's failure to pay fees or to fulfill other financial obligations to The Society;
 - (D) Be re-admitted to membership only by a two-thirds (2/3) majority vote of members present at a General Meeting.
24. The Society shall keep a register of members in accordance with Section 28. (2) of the Act.
- ARTICLE VIII: SHARES
25. Subject to the provisions of Section 98 of the Act, The Society shall issue shares, which shall be:
- (A) At the par value of five dollars (\$5.00);
 - (B) Considered as the share capital of The Society;
 - (C) Not withdrawable, but may be sold or transferred to a fellow member subject to the provisions of [Bye-Law 34](#) and [Bye-Law 35](#);

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- (D) Redeemable, if membership ceases upon the death of the member or due to the withdrawal or termination of membership pursuant to the Act and these Bye-Laws;
- (E) Unlimited in number;
- (F) Restricted to a maximum of twenty percent (20%) of the total share capital held by any member, except by a registered cooperative society pursuant to Section 100 of the Act and approved by the Board; and
- (G) Eligible for dividend payment, subject to the provisions of [Bye-Law 103. \(D\)](#) and [Bye-Law 103. \(E\)](#).
26. There shall be two (2) classes of shares issued by The Society: Qualifying Shares and Equity Shares.
27. Each member shall purchase and hold one hundred (100) Qualifying Shares upon approval of his membership.
28. Notwithstanding [Bye-Law 27](#), subject to the provisions of the Act, a member may elect, on application, to pay contributions to the value of his full subscription of Qualifying Shares in such amounts as the member is able, on any day that The Society is open for business, provided that in no case a contribution of less than the par value of one (1) share, pursuant to [Bye-Law 25. \(A\)](#), is paid and his subscription of Qualifying Shares is fully paid up within three (3) months.
29. A member shall not exercise the rights and privileges and responsibilities of membership of The Society, referred to in [Bye-Law 15](#), until the full subscription of Qualifying Shares has been paid.
30. In addition to Qualifying Shares, each member shall be required to purchase a minimum of one hundred (100) Equity Shares within the first three (3) years of membership or other timeline as approved by the Board.
31. Notwithstanding [Bye-Law 25. \(A\)](#), the Board may establish, by resolution, such lower limit on the number of shares that can be held by any member.
32. A share certificate, in a form approved by the Board, shall be issued to each member.
33. A member shall not be liable to The Society or its creditors beyond the sum remaining unpaid on the member's subscription for shares.
34. In accordance with Section 101 of the Act, the Board or its designee may approve the sale or transfer of Equity Shares between members by written instrument in such form as may be prescribed by the Board, but such transfer shall not be registered until such transfer fee, as the Board may from time-to-time fix, has been paid.

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35. A member, pursuant to the Act and these Bye-Laws, may sell or transfer his Equity Shares, provided that:
- (A) For an individual account, it will be made on the signature of the member.
- (B) For a joint account:
- (i) It will be made on the signature of any one of the members, unless the account expressly provides that all members must sign.
- (ii) On the death of any member(s), the surviving member(s) shall be entitled to all the Equity Shares of the account since joint tenancy is assumed, unless it is expressly provided in writing and confirmed by all parties upon the opening of the account that the Equity Shares in the account are held on trust for the benefit of the other member(s) or that upon the death of any member(s), their co-equal portion(s) of the Equity Shares in the account is to go to the estate of the deceased member(s) or the named beneficiary pursuant to [Bye-Law 15. \(C\)](#);
- (iii) In the event that the account holders expressly provided in writing and confirmed by all parties that the Equity Shares in the account are held on trust for the benefit of the other member(s), the surviving member(s) shall not be entitled to such Equity Shares and shall deliver same to the Personal Representative of the estate of the deceased member(s) or the named beneficiary pursuant to [Bye-Law 15. \(C\)](#).
- (C) No member, except with the written approval of the Board, shall transfer or sell any of his Equity Shares if it will reduce the value of his shareholdings to less than his liability to The Society as a borrower, co-maker or guarantor;
- (D) The Society shall have a lien on the Equity Shares, which may not be removed except with the explicit approval of the Board, of a member for any sum due to The Society by the said member or for any loan endorsed by him and may apply the value of any such Equity Shares standing to the credit of the member towards the discharge of the debt so due, and of any expenses relating to the debt or its discharge, and the defaulting member shall cease to have any further claim in respect of such Equity Shares.
36. Subject to the provisions of Sections 117 to 119 of the Act, Equity Shares may be acquired on any day that The Society is open for business, provided that The Society shall be required to give ninety (90) days' notice of its intention to so do.
37. Where a member has become of unsound mind, or incapable of managing his affairs as determined and certified by a registered medical practitioner or Court, The Society, subject to the provisions of Section 102 of the Act, may:
- (A) Transfer the shares or interest of such member to his named beneficiary, pursuant to [Bye-Law 15. \(C\)](#), or may pay to such named beneficiary, a sum representing the value of the shares or interest of such member, if no committee, receiver or guardian has been appointed; or

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(B) Pay a sum representing the value of the shares or interest of such member to the Registrar of the Supreme Court or to the person who appears to have the care of the member or the management of the member's affairs, if no such beneficiary has been appointed.

38. No member may transfer or sell his Equity Shares during the first six (6) months of membership, except with the permission of the Board or its designee.

ARTICLE IX: DEPOSITS

39. Deposits shall be accepted by The Society from members and non-members in the manner and form and subject to any conditions that may be prescribed in Section 207 of the Act, AML/CFT guidelines, these Bye-Laws and on any other terms and conditions as the Board may fix from time to time, provided that:

(A) Ordinary deposits in excess of the threshold prescribed in law must be accompanied by a declaration of the source of funds; and

(B) Frequent deposits, notwithstanding [Bye-Law 29 \(A\)](#), below the threshold prescribed in law, within a short period of time, may also require a declaration of the source of funds.

40. Deposits may be received in the name of a minor, subject to the provisions of [Bye-Law 10 \(B\)](#), or in trust for a minor who is a child or ward of a member, in such way or manner as the Board may determine, provided that:

(A) Such deposits shall be held for the exclusive right and benefit of the minor, be free from the control or lien of all other persons except creditors, and shall be paid together with interest thereon to the parent or guardian, for use of the minor; and

(B) The receipt or acquittance of a minor, or his parent or guardian, for any payment received pursuant to [Bye-Law 29 \(A\)](#), shall be a good and sufficient discharge of the liability of The Society in respect of that money.

41. Where a person under legal disability, other than minority, is entitled to receive money from The Society, such money may be paid by The Society to the Registrar of the Supreme Court, to the credit of such person under such disability, and the receipt of the Registrar of the Supreme Court, or of the person under disability, shall be good and sufficient discharge of the liability of The Society in respect of that money.

42. Subject to the type of account, deposits into interest-bearing accounts shall earn interest at such rate and such frequency as the Board may determine from time to time.

43. The Society shall have a lien on the deposits, which may not be removed except with the explicit approval of the Board, of a member for any sum due to The Society by the said member or for any

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loan endorsed by him and may apply any such deposits standing to the credit of the member towards the discharge of the debt so due, and of any expenses relating to the debt or its discharge, and the defaulting member shall cease to have any further claim in respect of such deposits.

44. A member, pursuant to the Act and these Bye-Laws, may transfer his deposits, provided that:

(A) For an individual account, it will be made on the signature of the member.

(B) For a joint account:

(i) It will be made on the signature of either one of the members, unless the account expressly provides that both members must sign.

(ii) On the death of any member(s), the surviving member(s) shall be entitled to all the deposits of the account since joint tenancy is assumed, unless it is expressly provided in writing and confirmed by all parties upon the opening of the account that the deposits in the account are held on trust for the benefit of the other member(s) or that upon the death of any member(s), their co-equal portion(s) of the deposits in the account is to go to the estate of the deceased member(s) or the named beneficiary pursuant to [Bye-Law 15 \(A\)](#).

(iii) In the event that the account holders expressly provided in writing and confirmed by all parties that the deposits in the account are held on trust for the benefit of the other member(s), the surviving member(s) shall not be entitled to such deposits and shall deliver same to the Personal Representative of the estate of the deceased member(s) or the named beneficiary pursuant to [Bye-Law 15 \(A\)](#).

45. Any inactive or dormant account(s) of members shall be dealt with in accordance with the provisions of Section 246 of the Act and policies that the Board may determine from time to time.

ARTICLE X: E-RECEIPTS, E-STATEMENTS, PASSBOOKS AND DISBURSEMENTS

46. Being mindful of the need to ensure transparency and accountability in the execution of any transaction with members and non-members, The Society shall ensure that:

(A) Any money paid in or out on account of shares, deposits, loans, loan interest, entrance fees, fines, transfer and other fees and or dividends shall be evidenced by an appropriate e-receipt in a form as approved by the Board;

(B) Each member or non-member is issued with a monthly e-statement, which shall depict information relating to all transactions, wherever applicable, by the member in respect of his shares, deposits, withdrawals, loan payments, and or incurred fees and charges;

(C) In very limited circumstances, notwithstanding [Bye-Law 25 \(A\)](#), as approved by the Board or its designee, the member or non-member's permanent official record for all such transactions, in addition to his monthly e-statement, shall be the entries in his passbook or a statement of

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account issued quarterly. Furthermore, when a passbook is used, every entry therein shall be initialed by the person receiving or issuing money for the transaction represented thereby;

(D) Each member or non-member, at his choosing, may be issued with an International Debit Card to facilitate access to any funds held by The Society to his credit;

(E) If a passbook or International Debit Card is lost or stolen, the member or non-member must forthwith inform The Society and an application made for a replacement at the member or non-member's expense.

ARTICLE XI: MEETING OF MEMBERS

47. The supreme authority of The Society shall be vested in the General Meeting, which every member has the right, pursuant to [Bye-Law 15 \(C\)](#), to attend and vote on all questions.
48. Meetings of members shall be convened in accordance with Sections 36 to 46 of the Act ensuring:
- (A) At least ten (10) days' notice of any General, Annual or Special Meeting shall be given before any such meeting is held;
 - (B) A General Meeting shall be held from time to time at the discretion of and at a place determined by the Board.
49. The Annual General Meeting of members shall be held within three (3) months after the end of the financial year referred to in [Bye-Law 109](#), unless authorized by the Registrar upon a written request by the Board to convene the meeting at a later date, and such meeting shall fulfil the following functions:
- (A) To confirm the minutes of the previous Annual General Meeting and of any intervening Special General Meeting(s);
 - (B) To receive and approve the report of the Board for the immediately preceding year's work of The Society;
 - (C) To review the financial statements presented by the Board for the preceding year, together with comparative statements for the year preceding it;
 - (D) To consider the report of the Auditor;
 - (E) To approve the financial statements and the Auditor's Report or, if accounts are not approved, to cause the Directors to forthwith notify the Auditor of any error or misstatement;
 - (F) To receive and approve the reports of the Credit Committee and the Supervisory and Compliance Committee;
 - (G) To allocate the surplus from the preceding year, subject to the Act and [Bye-Law 103](#);
 - (H) To receive and approve the budget for the current financial year;
 - (I) To amend the Bye-Laws, if necessary;
 - (J) To set the maximum liability for the ensuing year;

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(K) To elect members to the Board, the Credit Committee and the Supervisory and Compliance Committee for the ensuing year, if necessary;

(L) To appoint an Auditor for the ensuing year;

(M) To hear and decide upon any complaints brought by the members aggrieved by a decision of the Board, provided that notice of such complaint to be brought before the meeting must have been given in writing to the Secretary within thirty (30) days from the date the notice of the decision was received;

(N) To fix the maximum borrowing limit for the ensuing financial year; and

(O) To transact any other general business of The Society.

50. A Special General Meeting of members may be convened at any time by the Board, provided that:
- (A) A demand for such meeting is signed by at least twenty-five (25) members or fifteen percent (15%) of the membership of The Society, whichever is less, and the object of the meeting is contained therein;
 - (B) Pursuant to [Bye-Law 50 \(A\)](#), it shall be the duty of the Board to convene such meeting within twenty (20) days of the receipt of such demand and set forth in the notice the purpose of the Special General Meeting and only such business as is described in the notice shall be dealt with at such meeting;
 - (C) If the Board fails to convene such meeting within the stipulated time from the receipt of a demand pursuant to [Bye-Law 50 \(A\)](#), the Supervisory and Compliance Committee:
 - (i) Will have the right to convene such meeting by notice within twenty (20) days after the expiry of the period of twenty (20) days and such notice must contain the object of the proposed meeting and a statement to the effect that the meeting is convened on the failure of the Board to convene the meeting so demanded; and
 - (ii) Any cost incurred by the convening of such meeting pursuant to [Bye-Law 50 \(C\)](#) shall be borne by The Society;
 - (D) The Registrar may at any time call a Special General Meeting for the purpose of enabling members to secure information regarding the affairs of The Society that they are entitled to receive and to deal with any matters affecting The Society.
51. The notice of any General Meeting shall be no less than ten (10) days and can be given in any of the following ways:
- (A) By a written notice delivered to each member in person or mailed to each member at his address as the name appears in the records of The Society; or
 - (B) By a notice published in not less than two (2) issues of a newspaper circulated in Grenada and by posting the notice in a place that is prominent and accessible to members;
 - (C) Notwithstanding [Bye-Law 31 \(A\)](#) and [Bye-Law 31 \(B\)](#), the accidental omission to give or the non-receipt of notice by any member shall not invalidate the meeting.

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ARTICLE XII: QUORUM

52. Subject to the provisions of Section 48 of the Act, a quorum of The Society's membership for the purposes of the Annual General Meeting or Special General Meeting shall be:
- (A) (i) One-third (1/3) of the membership or fifty (50) members, whichever is less, where The Society consists of less than five hundred (500) members; or
 - (ii) One-fifth (1/5) of the membership or one hundred (100) members, whichever is less, where The Society consists of five hundred and one to five thousand (501-5000) members; or
 - (iii) One-tenth (1/10) of the membership or two hundred (200) members, whichever is less, where The Society consists of over five thousand (5000) members;
 - (B) Where a quorum is not present within thirty (30) minutes after the time fixed for the commencement of any General Meeting of members:
 - (i) The Registrar or the Registrar's representative may direct that the meeting proceeds, if the Registrar is satisfied that the meeting was convened in accordance with the Act, and that the members present were properly notified, and constitute at least seventy-five percent (75%) of the number required for a quorum;
 - (ii) Such meeting shall be considered dissolved, if convened on the demand of members pursuant to [Bye-Law 53.1\(A\)](#); or
 - (iii) In all other cases, such meeting shall stand adjourned to a date not more than thirty (30) days thereafter and at a time and place to be determined by the Board;
 - (C) Notwithstanding [Bye-Law 53.1\(A\)](#), when any meeting of The Society is summoned by the Registrar, any members present at such meeting shall be deemed to form a quorum;
 - (D) For the reconvening of an adjourned meeting pursuant to [Bye-Law 53.1\(B\)](#), at least three (3) days' notice shall be given. Furthermore, if at the adjourned meeting a quorum is not present at the time appointed for the meeting, the members present shall form a quorum.

ARTICLE XIII: ELECTIONS

53. The following procedures, in keeping with Sections 36 to 38 of the Act, shall apply to the conduct of elections:
- (A) Not more than thirty (30) days after each Annual General Meeting, the Board shall appoint a Nominations Committee consisting of five (5) members, among whom not more than one (1) member may be a Director;
 - (B) The Nominations Committee shall seek, among the membership of The Society, interested members who satisfy the requirements of [Bye-Law 53.1\(F\)](#), cause such members to undergo preparation and training for a period not less than six (6) months, and shall nominate at the Annual General Meeting, no more than two (2) members for each vacancy to be filled.

- (C) Notwithstanding [Bye-Law 53.1\(B\)](#), any such member who has undergone the requisite preparation and training and satisfy the requirements of [Bye-Law 53.1\(F\)](#), but were not nominated by the Nominations Committee, may be nominated from the floor;
- (D) All elections shall be by ballot and shall be determined by a majority vote, except where there is no contest;
- (E) Where the number of nominees does not exceed the number of members to be elected, the Chairman shall declare the nominees elected;
- (F) No member may be elected to the Board, the Credit Committee or the Supervisory and Compliance Committee unless:
 - (i) He is at least eighteen (18) years of age;
 - (ii) He is a citizen or legal resident of Grenada or any CARICOM Member State;
 - (iii) He is deemed fit and proper to hold such role by virtue of his successful completion of the personal questionnaire and declaration for fit and proper test as required by the Registrar;
 - (iv) He holds a full subscription of Qualifying Shares pursuant to [Bye-Law 53.1](#);
 - (v) He holds at least five hundred (500) Equity Shares;
 - (vi) He has been a member of The Society for at least one (1) year;
 - (vii) He has saved regularly an additional three hundred dollars (\$300.00) per quarter or twelve hundred dollars (\$1,200.00) in the past year;
 - (viii) He is not, nor has been, a delinquent borrower and is otherwise in good financial standing;
 - (ix) He has not been the subject of a criminal investigation charge, arrest, conviction or indictment or sentenced by a Court in any country for an offence involving fraud, dishonesty or the promotion, formation or management of a body corporate or any offence under the Act; and
 - (x) He is not part of the management of another credit union or similar body, an employee of The Society, the Regulatory Agency, the Auditing Firm or the Apex Body.

ARTICLE XIV: TENURE OF OFFICE

54. Pursuant to the provisions of Section 58 of the Act, members of The Society shall hold office subject to the following:
- (A) Each member shall hold office until his successor is elected and may be eligible for re-election;
 - (B) Directors and Committee members may hold office for two (2) consecutive terms of three (3) years each or six (6) consecutive years, before retiring for a minimum of one (1) year;
 - (C) Where persons are to be elected for varying terms, the member receiving the highest or higher number of votes cast is to be declared for the longest or longer term;
 - (D) Where two (2) or more nominees received an equal number of votes, the members present, by resolution, may provide that a second ballot be cast or where the meeting does not decide to hold a second ballot, the Chairman shall draw lots and the nominee whose lot is drawn is to be declared elected for the longest or longer term;

(E) Where nominees are elected unopposed, the members present may, by resolution, provide that a ballot be cast to determine the term of office for each nominee or where the meeting does not decide to hold a ballot, the Chairman shall draw lots to determine the tenure of office of each nominee.

55. At the first Annual General Meeting of The Society subsequent to the commencement of the Act, the entire Board, the Credit Committee and the Supervisory and Compliance Committee shall be elected, provided that at the Annual General Meeting in every subsequent year, one-third (1/3) of the Directors or, if their number is not three (3) or a multiple of three (3), the whole number nearest one-third (1/3) shall retire from office and the smallest number of persons shall serve for one (1) year.

ARTICLE XV: TERMINATION OF OFFICE

56. Any member of the Board, the Credit Committee or the Supervisory and Compliance Committee shall be deemed to have vacated his office, if:
- (A) He resigns by giving notice to the Board, or to the respective Committee, if a member of the Credit Committee or the Supervisory and Compliance Committee;
 - (B) He applies for bankruptcy or has been declared bankrupt;
 - (C) He becomes of unsound mind and has been so found by a Court in Grenada;
 - (D) He is convicted of any offence involving dishonesty or fraud; or
 - (E) He becomes a member of a prescribed class referred to in [Bye-Law 53 \(1\)\(c\)](#).
57. Any member of the Board, the Credit Committee, or the Supervisory and Compliance Committee may be removed from office before the expiration of his period of office subject to the following:
- (A) By a two-thirds (2/3) majority of the members present at a Special General Meeting, provided that at least ten (10) days' notice, specifying the intention to propose the resolution, has been duly given for such meeting;
 - (B) Pursuant to [Bye-Law 52 \(A\)](#), any such member must be informed in writing of the charges against him at the time of the notice and at such meeting shall have reasonable opportunity to answer such charges; and
 - (C) The members present at such meeting shall proceed to the election of a new Board, Credit Committee or Supervisory and Compliance Committee or to fill any vacancy occurring and any member so appointed, shall be subject to retirement at the same time, as if he had become a member of the Board, the Credit Committee or the Supervisory and Compliance Committee on the day in which the member, in whose place he is appointed, was last elected.

ARTICLE XVI: BOARD OF DIRECTORS

58. Subject to the provisions of Section 56 of the Act, the general direction, control and management of The Society shall be entrusted to the Board, pursuant to the following:
- (A) The Board shall be elected at the Annual General Meeting and shall consist of not less than seven (7) members, but no more than nine (9) members in keeping with Section 53. (2) of the Act;
 - (B) A joint member may become a Director, provided that only one (1) such joint member is a Director at any given time;
 - (C) The Board shall arrange the deposit of all funds in the account(s) of The Society, referred to in [Bye-Law 107](#), in a timely manner after they are collected;
 - (D) The Board shall be responsible for making adequate arrangements for the safe keeping of such funds of The Society until they are so deposited in the account(s) of The Society in accordance with [Bye-Law 58 \(C\)](#);
 - (E) The Directors shall meet, virtually or in-person, as prevailing circumstances may warrant, and as often as the business of The Society may require, but not less frequently than once per month, provided that due notice of such meetings shall be given by the Secretary;
 - (F) A simple majority of the members of the Board shall constitute a quorum;
 - (G) Any member of the Board shall, in addition to [Bye-Law 56](#), be deemed to have vacated his office, if:
 - (i) He fails to attend three (3) consecutive regular meetings of the Board without giving satisfactory explanation to the Board within seven (7) days of his absence from the third meeting;
 - (ii) He fails to perform any of the duties allotted to him as a member of the Board; or
 - (iii) He is no longer qualified in accordance with [Bye-Law 53 \(1\)](#).
59. Where there are vacancies on the Board:
- (A) The remaining Directors may exercise all the powers of the Board, or fill the vacancies within thirty (30) days, until the next Annual General Meeting, if there is a quorum of Directors; or
 - (B) The remaining Directors shall call a General Meeting for the purpose of electing members to fill the vacancies, if there is not a quorum of Directors; or
 - (C) Twenty-five (25) members, or one-fifth (1/5) of the membership of The Society, whichever is less, may appoint in writing at least five (5) members as Directors for the purpose of calling a General Meeting to elect members to fill the vacancies, if there are no Directors.
60. The Board may appoint, from among its number and or from the general membership of The Society, any Committee that it deems necessary and:
- (A) By resolution, subject to Section 54. (2) of the Act, delegate such powers that it considers necessary for the efficient conduct of affairs and business of The Society to any such Committee;



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- (B) Any such Committee, pursuant to [Bye-Law 50.1A](#), must consist of at least three (3) Directors and shall exercise such powers subject to the provisions of the Act and these Bye-Laws.
- (C) Any member so appointed on such Committee shall hold office for a period not exceeding one (1) year.
61. A Director who is a party to a contract or proposed contract with The Society shall:
- (A) Disclose in writing to The Society, or request to have entered in the minutes of meetings of the Board, the nature and extent of his interest in keeping with Sections 81 and 82 of the Act; and
- (B) Not take part in any discussion to consider, nor vote on any resolution to approve such contract in which he has a personal interest.
62. Any such contract, pursuant to [Bye-Law 51](#), where a Director disclosed a material interest that was reasonable and fair to The Society at the time it was approved, once approved by the Board is neither void nor voidable by reason only of that relationship or by reason that a Director with an interest in the contract was present at or is counted to ascertain a quorum at the meeting in which such contract was approved.
63. Subject to [Bye-Law 7](#), the Board may borrow from any source, pledge the requisite collateral and agree to terms of repayment as it considers fit, provided that the total amount borrowed does not exceed the aggregate of four (4) times the accumulated surplus and reserves of The Society, and is within the maximum liability limit, so fixed by resolution at a General Meeting, and approved by the Registrar.
64. Pursuant to [Bye-Law 90.1A](#), the individual duties of the Executive of the Board shall be as follows:
- (A) **President**
- (i) To preside at meetings of the Board and the Joint Committee;
- (ii) To sign and execute jointly with the Secretary all deeds and conveyances of real or personal property and such other documents as the Board may specify; and
- (iii) To perform such other duties, as customarily appertain to the office of the President or as he may be directed to perform, by resolution of the Board, not inconsistent with the Act and these Bye-Laws.
- (B) **Vice President**
- (i) To perform the duties of the President in his absence or disability or refusal to act and such other duties as the Board may from time to time prescribe.
- (C) **Secretary**
- (i) To keep minutes of any meeting of the Board, the Joint Committee and The Society;
- (ii) To conduct any correspondence on behalf of The Society;
- (iii) To keep charge of all records, books, papers and other documents of The Society;
- (iv) To issue notice(s), in accordance with the Act and these Bye-Laws, for all meetings of the Board, the Joint Committee and general membership of The Society.

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- (v) To sign and execute jointly with the President all deeds and conveyances of real or personal property and such other documents as the Board may specify; and
- (vi) To perform such other duties, as prescribed by these Bye-Laws or as directed by a resolution of the Board, not inconsistent with the Act and these Bye-Laws.
- (D) **Treasurer**
- (i) To receive all monies due and payable to The Society and issue receipts for same;
- (ii) To deposit all monies received in the name of The Society in such bank depository as approved by the Board;
- (iii) To sign all cheques, notes, bills of exchange and other documents necessary to effect the business of The Society;
- (iv) To record all transactions effected by The Society in the books and files, referred to in [Law 114](#), provided for such purpose;
- (v) To keep charge of all documents, books and vouchers for all payments made, and receipts issued on behalf of The Society;
- (vi) To keep separate accounts of all monies belonging to The Society;
- (vii) To produce a current statement of The Society's monies held on demand;
- (viii) To make payments as authorized by the Board and obtain receipts for same;
- (ix) To ensure all promissory notes, drafts and negotiable instruments drawn in favor of The Society are properly prepared;
- (x) To prepare the annual statement of account and balance sheet, monthly financial statement and other statements that the Board may request from time to time;
- (xi) To prepare and forward to the Registrar such financial and other reports as may be required;
- (xii) To submit the monthly financial statement to the Supervisory and Compliance Committee within twenty-one (21) days of the end of each month, and
- (xiii) To perform such other duties, as prescribed by these Bye-Laws or as directed by a resolution of the Board, not inconsistent with the Act and these Bye-Laws.
- (E) **Assistant Secretary/Treasurer**
- (i) To perform the duties of the Secretary or Treasurer in their absence or disability or refusal to act and such other duties as the Board may from time to time prescribe.
65. The Board, in the exercise of the powers of The Society, shall appoint a General Manager, Corporate Secretary, Compliance Manager and other employees to implement its policies and manage the day-to-day operations of The Society and may authorize the General Manager and such other employees to act as its designee, subject to such limitations and control as may be imposed by the Board.
66. Subject to the provisions of Section 76 of the Act, The Society indemnifies each Director against costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by that Director with respect to a civil, criminal or administrative action or

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proceeding, to which he is made a party by reason of being or having been a Director of The Society.

ARTICLE XVII: CREDIT COMMITTEE

67. The Credit Committee shall be elected at the Annual General Meeting and shall consist of at least five (5) members, but no more than seven (7) members, none of whom shall be a member of the Board or the Supervisory and Compliance Committee or an employee of The Society, except that the Secretary, Treasurer and General Manager may be ex-officio members of the Committee.
68. Any member of the Credit Committee shall, in addition to [Bye-Law 56](#), be deemed to have vacated his office, if:
- (A) He fails to attend three (3) consecutive regular meetings of the Committee without, in the opinion of the Board, having a reasonable cause;
 - (B) He fails to perform any of the duties allotted to him as a member of the Committee; or
 - (C) He is no longer qualified in accordance with [Bye-Law 53 \(B\)](#).
69. The Credit Committee, subject to the provisions of Section 62. (2) of the Act, may be removed from office by a special resolution made in a Special General Meeting called for this purpose, if it fails to submit such report, referred to in [Bye-Law 71 \(B\) \(ii\)](#), to the Board.
70. Any vacancy on the Credit Committee may be filled by the Board, but such member shall hold office only until the next Annual General Meeting, at which time a member shall be elected to fill the vacancy for the unexpired term.
71. Pursuant to [Bye-Law 86 \(B\)](#), the individual duties of the Chairman and Secretary of the Credit Committee shall be as follows:
- (A) Chairman
 - (i) To preside at meetings of the Credit Committee;
 - (ii) To submit an annual report on matters referred to in [Bye-Law 71 \(B\) \(iii\)](#) and on loan portfolio quality and trends to the Annual General Meeting; and
 - (iii) To perform such other duties, as customarily appertain to the office of the Chairman or as he may be directed to perform, by resolution of the Board, not inconsistent with the Act and these Bye-Laws.
 - (B) Secretary
 - (i) To prepare and maintain full and correct records of all actions taken by the Credit Committee;
 - (ii) To issue notice of all meetings of the Credit Committee;

- (iii) To submit to the Board on a monthly basis a report pursuant to Section 62. (1) (c) of the Act and the approved credit risk management policy, which shall include:
 - The attendance records of its members;
 - The number of loan applications received;
 - The number in each category of loans granted and their respective values;
 - The collateral obtained for any loans granted;
 - The details of all loans granted via exceptional approval;
 - The number of loan applications denied and the reasons thereof;
 - The number and value of delinquent loans, classified loans, written-off loans, deferred loans and related-party loans;
 - The loan recovery rate;
 - The recovery actions taken in respect of delinquent loans;
 - The recommendations proposed pursuant to its oversight capacity; and
 - (iv) To perform such other duties, as customarily appertain to the office of the Secretary or as he may be directed to perform, by resolution of the Board, not inconsistent with the Act and these Bye-Laws.
72. The Credit Committee shall hold such meetings, virtually or in-person, as prevailing circumstances may warrant, and as the business of The Society may require, but not less than once per month.
73. A majority of the Credit Committee, not including the ex-officio members referred to in [Bye-Law 67](#), shall constitute a quorum.
74. The Credit Committee shall implement The Society's credit risk management policy as approved by the Board and in doing so shall:
- (A) Enquire carefully into the character and financial condition of each loan applicant, including his sureties, to ascertain his ability to repay fully and promptly any obligation incurred by him;
 - (B) Determine whether the loan sought is for a provident or productive purpose and will be of profitable benefit to the loan applicant;
 - (C) Endeavour to assist each loan applicant in solving his financial challenges;
 - (D) Consider all applications for loans, and where applicable make recommendations to the Board in respect of such applications, and approve loans to members upon such terms and conditions as stipulated therein;
 - (E) Delegate authority to approve loans to the General Manager, Credit Manager, Loans Officer or other employee of The Society, subject to such limitations and control as may be imposed by the Board;
 - (F) Provide prudent oversight of the loan portfolio of The Society;
 - (G) Ensure no loan is disbursed unless the loan application is approved by a majority of the Credit Committee, if all members are present, or by the Extraordinary Credit Committee pursuant to [Bye-Law 75](#); and



- (H) Ensure no employee, referred to in [Bye-Law 74 \(C\)](#), shall have authority to disburse funds of The Society for any loan he has approved.
75. An Extraordinary Credit Committee shall comprise of seven (7) members, including three (3) members of the Credit Committee and two (2) members each of the Board and the Supervisory and Compliance Committee, and be subject to the following provisions:
- (A) The Extraordinary Credit Committee shall be convened, if:
- (i) A vote of the Credit Committee, when its number is even, is split; or
 - (ii) A Director, a Credit Committee member, a Supervisory and Compliance Committee member or an employee of The Society requires a loan in excess of his total holdings of shares, deposits and accumulated earnings; or
 - (iii) A loan is referred to it by the Credit Committee;
- (B) A quorum of the Extraordinary Credit Committee shall be a simple majority of its members, provided that there is at least one (1) member each from the Board, the Credit Committee and the Supervisory and Compliance Committee;
- (C) Notwithstanding [Bye-Law 75 \(B\)](#), the Extraordinary Credit Committee may also conduct its meetings and/or assessments virtually or via any other medium as prevailing circumstances may warrant.
- (D) Subject to the provisions of [Bye-Law 75 \(B\)](#) and [Bye-Law 75 \(C\)](#), a vote of two-thirds (2/3) of the members of the Extraordinary Credit Committee shall be sufficient to approve a loan application under consideration;
- (E) No loan shall be made to any Director, Credit Committee member or Supervisory and Compliance Committee member on any terms, relating to interest rates, discounts or waivers or any other terms, more favorable than those offered to the general membership;
- (F) No member of the Extraordinary Credit Committee of The Society shall participate in the discussion, nor be present during such discussion, of the approval of a loan to himself, or to a member for whom he is a guarantor or co-maker, or any other member with whom he has a fiduciary relationship;
- (G) Any loan, approved to a Director, member of the Credit or Supervisory and Compliance Committees or employee of The Society in contravention of [Bye-Law 75 \(F\)](#) or [Bye-Law 91](#), shall be void and must be repaid to The Society immediately. Furthermore, the Board shall reserve the right to pursue any or all such steps, referred to in [Bye-Law 95 \(H\) \(i\) to \(iv\)](#), to ensure prompt recovery of such loan.
76. In the event where the value of approved loan applications pending disbursement exceeds the available funds of The Society, preference shall be given in all cases to loan applications of a lesser principal amount, provided that the need and credit factors are nearly equal.

ARTICLE XVIII: SUPERVISORY AND COMPLIANCE COMMITTEE

77. The Supervisory and Compliance Committee shall be elected at the Annual General Meeting and shall consist of at least five (5) members, none of whom shall be a member of the Board or the Credit Committee or an employee of The Society, except that the General Manager and Compliance Manager may be ex-officio members of the Committee.
78. Any member of the Supervisory and Compliance Committee shall, in addition to [Bye-Law 56](#), be deemed to have vacated his office, if:
- (A) He fails to attend three (3) consecutive regular meetings of the Committee without, in the opinion of its members, having a reasonable cause;
 - (B) He fails to perform any of the duties allotted to him as a member of the Committee; or
 - (C) He is no longer qualified in accordance with [Bye-Law 55 \(B\)](#).
79. A member of the Supervisory and Compliance Committee may be removed from office by a special resolution passed by a vote of two-thirds (2/3) of the members present in a Special General Meeting called for this purpose.
80. Any vacancy on the Supervisory and Compliance Committee may be filled:
- (A) By its remaining members, but such member shall hold office only until the next Annual General Meeting, at which time a member shall be elected to fill the vacancy for the unexpired term, if the vacancy arises pursuant to [Bye-Law 56](#), [Bye-Law 78](#) or [Bye-Law 79](#); or
 - (B) By the vote cast at such meeting pursuant to [Bye-Law 79](#) and such member shall be elected to fill the vacancy for the unexpired term.
81. The Supervisory and Compliance Committee shall meet, virtually or in-person, as prevailing circumstances may warrant, and at least once a month and shall perform the following duties:
- (A) Keep minutes of its meetings;
 - (B) Examine the books of The Society not less than twice in the period between Annual General Meetings of The Society;
 - (C) Confirm the cash instruments, property and securities of The Society not less than twice in the period between Annual General Meetings of The Society;
 - (D) Confirm the shares, deposits and other balances or holdings of members not less than twice in the period between Annual General Meetings of The Society;
 - (E) Ensure passbooks, statements of account, e-statements and accounts of members are verified against the records of The Society at least once a year, and for at least ten percent (10%) of the membership of The Society;
 - (F) Verify the assets of The Society and monitor whether such assets are adequately protected;
 - (G) Appraise the policies and operating procedures of The Society and make recommendations to the Board and the Credit Committee accordingly;

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- (H) Monitor the management of The Society and ensure all actions and decisions, relating to the affairs of The Society, of the Board, the Credit Committee and employees of The Society are in accordance with the Act, these Bye-Laws and the policies of The Society as approved by the Board;
 - (I) Receive and investigate any complaints made by any member in respect of the proper management of The Society;
 - (J) Ensure that all advances, loans, deposits and other transactions involving Directors, Credit Committee and Supervisory and Compliance Committee members and employees of The Society are in keeping with the Act, these Bye-Laws and the policies of The Society as approved by the Board;
 - (K) Submit a written report, within seven (7) days of each meeting, on the results of its examination and enquires pursuant to [Bye-Law 81. \(B\) to \(J\)](#), to the Board and Credit Committee; and
 - (L) Submit a written report, on the results of its examination and enquires pursuant to [Bye-Law 81. \(B\) to \(J\)](#), to the members at the next Annual General Meeting of The Society.
82. The Supervisory and Compliance Committee, at all times, shall have access to the books and documents of The Society and shall receive periodic reports from such Compliance Manager, so appointed pursuant to Section 67 of the Act, pertaining to the following:
- (A) The levels of awareness, adherence and compliance in the internal operations of The Society in general, but particularly in respect of AML/CFT policies and procedures; and
 - (B) Recommendations for suitable policies and measures to counter money laundering and combat the financing of terrorism during the conduct of the business of The Society.
83. The members of the Supervisory and Compliance Committee may attend, as observers, meetings of the Board and its Committees and the Credit Committee.
84. If the Supervisory and Compliance Committee is of the considered opinion that the Board, the Credit Committee or any member thereof or any employee of The Society is guilty of a flagrant violation of the provisions of the Act and or these Bye-Laws and or the policies of The Society or any misconduct or malpractice or misappropriation or misdirection of the funds, securities or other property of The Society:
- (A) The Committee shall forthwith inform the Board and the Registrar in writing, and with the approval of the Board, appoint an auditor or some other body, the cost of which shall be paid by The Society, to undertake a review to investigate or assist in determining such suspicions;
 - (B) In the event of misappropriation or misdirection of the funds, securities or other property of The Society, the Committee may suspend such member, pending the outcome of the investigation pursuant to [Bye-Law 84. \(A\)](#), after affording such member an opportunity to be heard by the Committee;

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- (C) On completion of such investigation or review referred to in [Bye-Law 84. \(A\)](#), if it considers that the Board, the Credit Committee or any member thereof or any employee of The Society acted in contravention of the Act and or these Bye-Laws and or the policies of The Society, the Supervisory and Compliance Committee:
 - (i) May suspend such member, after consultation with the Registrar, by a unanimous vote of all its members at a meeting of the Committee called for the purpose of considering such suspension;
 - (ii) May convene a Special General Meeting of The Society, within twenty-one (21) days of such suspension pursuant to [Bye-Law 84. \(C\) \(i\)](#), to review the suspension and consider the removal of such member;
 - (iii) Shall inform both the Registrar and the concerned member in writing, without prejudice to the requirements of [Bye-Law 84](#), no less than ten (10) days before any such meeting pursuant to [Bye-Law 84. \(C\) \(i\)](#) or [Bye-Law 84. \(C\) \(ii\)](#);
- (D) At a Special General Meeting pursuant to [Bye-Law 84. \(C\) \(ii\)](#), the members of The Society, in accordance to the purpose(s) for which the meeting was convened, by secret ballot may:
 - (i) Ratify the suspension and remove the member from office after affording the member an opportunity to be heard at such meeting; or
 - (ii) Rescind the suspension of the member.

ARTICLE XIX: JOINT COMMITTEE

85. The Joint Committee of The Society shall comprise of all members of the Board, the Credit Committee and the Supervisory and Compliance Committee, except that the General Manager may be an ex-officio member of the Committee.
86. Following an Annual General Meeting, the Joint Committee shall convene within ten (10) days of such meeting and conduct the following:
- (A) The members of the Board shall elect from their own number a President, Vice President, Secretary, Treasurer and Assistant Secretary/Treasurer, as well as their two (2) members and alternates to serve on the Extraordinary Credit Committee;
 - (B) The members of the Credit Committee shall elect from their own number a Chairman and Secretary, who shall not be the same person, as well as their three (3) members and alternates to serve on the Extraordinary Credit Committee;
 - (C) The members of the Supervisory and Compliance Committee shall elect from their own number a Chairman and Secretary, who shall not be the same person, as well as their two (2) members and alternates to serve on the Extraordinary Credit Committee; and
 - (D) Perform a review of the Annual General Meeting as well as the decisions and recommendations emanating from such meeting.

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87. The Joint Committee shall convene, virtually or in-person, as prevailing circumstances may warrant, and no less than once per quarter, provided that:
- (A) The President of the Board shall preside over such meetings;
 - (B) The Secretary of the Board shall give notice and keep minutes of such meetings;
 - (C) A quorum of the Joint Committee shall be a majority of its members, provided that a quorum of each of the Board, the Credit Committee and the Supervisory and Compliance Committee is present;
 - (D) It shall have the following duties and responsibilities:
 - (i) Ensure decisions of the Board, the Credit Committee, the Supervisory and Compliance Committee and employees of The Society are in keeping with the Act, these Bye-Laws and decisions of the Annual General Meeting;
 - (ii) Review the annual audited financial statements;
 - (iii) Review reports of any internal and external auditor, the Compliance Manager and the Registrar and ensure compliance with recommendations contained therein;
 - (iv) Review policies of The Society and their respective levels of implementation within the Society; and
 - (v) Undertake such other functions, as approved by the Board and the Annual General Meeting, conducive to the smooth and effective management of The Society.
88. The Society, subject to the Act, shall reimburse Directors and members of the Credit and Supervisory and Compliance Committees for expenses incurred, and approved by the Board, in the course of performing any service on behalf or for the benefit of The Society.
89. The Society may pay Directors and members of the Credit and Supervisory and Compliance Committees such honorarium as may from time to time be recommended by the Board and approved by the members at a General Meeting.

ARTICLE XX: LOANS TO MEMBERS

90. Loans shall be granted to members only, provided they are for provident and productive purposes, and must be applied to the purpose(s) so approved by the Credit Committee or its designee.
91. The terms and conditions on which loans may be granted to members shall be fixed from time to time by the Board and stipulated in the credit risk management policy so approved, provided always that the aggregate borrowing of any member shall not exceed twenty percent (20%) of the capital base of The Society.

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92. The rate of interest on loans shall be fixed from time to time by the Board and stipulated in the credit risk management policy so approved, provided that it accrues on the monthly reducing balance basis.
93. The Society, subject to the provisions of [Bye-Law 75. \(F\)](#), may permit Directors, members of the Credit and Supervisory and Compliance Committees and employees of The Society to act as a co-maker or guarantor, subject to such limitations as stipulated in the credit risk management policy so approved by the Board, for loans to members.
94. No loans shall be granted to any member, if:
- (A) He does not hold a full subscription of Qualifying Shares pursuant to [Bye-Law 72](#); or
 - (B) He is or has been a delinquent borrower in the past six (6) months; or
 - (C) He has not provided the required collateral, as stipulated by the credit risk management policy approved by the Board, for the loan requested.
95. Any member desirous of obtaining a loan shall complete and submit the prescribed loan application form and furnish the Credit Committee or its designee with the requisite documentation, collateral and any other information as stipulated in the credit risk management policy approved by the Board and such process shall adhere to the following general procedures:
- (A) The Credit Committee, or its designee pursuant to [Bye-Law 74. \(D\)](#) and [Bye-Law 74. \(E\)](#), shall review all loan applications in accordance with the approved credit risk management policy of The Society and approve, reject or defer such loan application;
 - (B) Pursuant to [Bye-Law 95. \(A\)](#), any information shared and discussed during such reviews shall be strictly confidential and any member of the Credit Committee or employee of The Society found in breach of such confidentiality shall be liable for immediate expulsion or dismissal;
 - (C) A notice, upon approval of a loan application, shall be sent to the borrower and prior to any disbursement, the borrower and his sureties, if applicable, shall execute an instrument in writing setting out the terms and conditions of the loan agreement and containing such other terms and conditions as the Credit Committee may consider necessary;
 - (D) A member may prepay his loan, in whole or in part, prior to maturity on any business day of The Society, except that any such prepayment may incur a penalty stipulated accordingly in the credit risk management policy duly approved by the Board;
 - (E) If any member fails to pay any instalment of a loan by the stipulated deadline, he shall pay a fine, except where a moratorium on such payment has been granted by the Board or its designee, so imposed and approved by the Board from time to time, provided that such fine shall be consistent with the Act and these Bye-Laws;
 - (F) If a member fails to pay any instalment of a loan by or before the due date and no moratorium on such payment has been granted by the Board or its designee, the remaining balance of the loan shall become immediately due;

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- (G) If the Board is satisfied that a member of The Society was dishonest in his disclosure(s) or applied the proceeds of a loan to a purpose other than the purpose, as stipulated in such instrument referred to in [Bye-Law 95. \(C\)](#), for which the loan application was approved, the Board may, by notice in writing to the borrower, demand repayment of the loan before the agreed repayment date;
- (H) In the event that any loan, where no moratorium was granted by the Board or its designee, goes into default, the Board shall take steps towards its recovery including:
- (i) Applying any Equity Shares and deposits, pursuant to [Bye-Law 35. \(D\)](#) and [Bye-Law 43](#) respectively, held by The Society to the credit of the member towards the discharge of the debt so due, and of any expenses relating to the debt or its discharge, and such member shall cease to have any further claim in respect of such monies;
 - (ii) Referring the matter to the Registrar pursuant to [Section 194 of the Act](#);
 - (iii) Exercising any rights arising by law pursuant to [Sections 108, 112 and 197 of the Act](#); or
 - (iv) Any other action that The Society deems necessary;
- (I) If a member fails to pay any instalment of a loan by or before the due date, and no moratorium on such loan has been granted by the Board or its designee, and the Board or its designee is not satisfied that such default was due to a reasonable cause, such delinquent member shall not be entitled to receive another loan from The Society within six (6) months after final settlement of his pre-existing loan(s).
96. For the purpose of [Bye-Law 95. \(E\)](#), accrued interest shall be deemed to be an instalment of a loan, but unless it is otherwise provided in the instrument required under [Bye-Law 95. \(C\)](#), an instalment shall not be deemed to be due unless it is thirty (30) days in arrears.

ARTICLE XXI: DOUBTFUL LOANS

97. The Board shall cause a list of all doubtful loans to be made available at the registered office of The Society for any examination required by the Credit Committee, the Supervisory and Compliance Committee or the Auditor and shall send a copy of such list to the Registrar, if requested or deemed necessary.

ARTICLE XXII: STATUTORY RESERVE, DEVELOPMENT FUND AND OTHER RESERVES

98. The Society shall create a Statutory Reserve pursuant to the provisions of [Section 125 of the Act](#), provided that:

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- (A) Not less than thirty percent (30%), or such other sum as may be required, of the net surplus before dividends shall be allocated accordingly, if the institutional capital of The Society is less than seven percent (7%), or such greater percentage as may be specified by the Registrar from time to time, of the total assets of The Society; or
- (B) Any lesser percentage of the net surplus before dividends may be allocated accordingly, if the institutional capital of The Society is more than seven percent (7%), or such greater percentage as may be specified by the Registrar from time to time, of the total assets of The Society;
- (C) All fees and fines collected by The Society shall be allocated accordingly; and
- (D) It shall be kept intact and shall not be used or applied, except as provided in [Section 125 of the Act](#).
99. Pursuant to [Section 126 of the Act](#), The Society shall establish a Development Fund, which shall provide funding for the continuous education of the members, training of Directors and Committee members and employees of The Society in order to strengthen institutional capacity and foster growth of The Society, provided that:
- (A) Three percent (3%) of the net surplus before dividends shall be allocated accordingly, if the members of the Annual General Meeting of The Society declare a dividend subject to the provisions of [Bye-Law 100](#); or
 - (B) One percent (1%) of the net surplus before dividends shall be allocated accordingly, if the members of the Annual General Meeting of The Society do not declare such a dividend; and
 - (C) Any such allocation shall be remitted to the Apex Body.
100. The Board, from time to time, may approve the establishment of any additional reserves pursuant to the Act and deemed necessary to protect the interest of the members of The Society.
101. At no time shall the institutional capital and capital base of The Society be less than seven percent (7%) and ten percent (10%) respectively of the total assets of The Society. Furthermore, such minimum ratios are to be determined solely by reference to the financial year in question and without regard to the current or any other financial year.
102. In the interest of strengthening institutional capital, sums may be allocated annually to the accumulated surplus after adequate provisions have been made for the Statutory Reserve, Development Fund, any other reserves pursuant to [Bye-Law 100](#) and dividends.

ARTICLE XXIII: DIVIDEND AND BONUS

103. The members in the Annual General Meeting may declare a dividend out of the net surplus after setting aside the prescribed allocations, provided that:
- (A) All or any part of any deficit previously incurred is recovered;

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- (B) No dividend shall be declared unless the institutional capital of The Society is greater than seven percent (7%), or such greater percentage as may be specified by the Registrar from time to time, of the total assets of The Society.
- (C) No dividend payable shall be greater than three percent (3%) above the savings rate set by the Eastern Caribbean Central Bank.
- (D) Any dividend shall be paid only on Equity Shares fully paid up before and during the dividend period; and
- (E) Any dividend payable to a member in any financial year shall be credited directly to the member's savings account.
104. The Society may make contributions to any charitable purpose or to a common good fund, subject to Section 128 of the Act and after transfers of the prescribed allocations pursuant to [Bye-Laws 98 to 100](#), as part of its Cooperative Social Responsibility scheme.
105. A bonus, after setting aside the prescribed allocations pursuant to [Bye-Laws 98 to 100](#) and after the deduction of all expenditure, may be distributed periodically among the members of The Society and such bonus shall be credited directly to the member's savings account.

ARTICLE XXIV: INVESTMENT OF FUNDS

106. The Society shall invest its funds in accordance with the provisions of Section 120 of the Act and the investment policy of The Society so approved by the Board.

ARTICLE XXV: BANK ACCOUNTS

107. The Board shall select one (1) or more reputable financial institutions in which the bank account(s) of The Society shall be kept. Furthermore, all cheques and financial instruments shall be signed and endorsed on behalf of The Society by any two (2) of the designated signatories as the Board shall decide.

ARTICLE XXVI: ANNUAL ACCOUNTS, REPORTS AND AUDITS

108. The Board shall comply with the provisions of the Act and shall:
- (A) Cause the books of The Society to be audited annually;
 - (B) Approve the financial statements of The Society and place the comparative financial statements before the members at every Annual General Meeting; and

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- (C) Furnish the Registrar, within thirty (30) days of the Annual General Meeting, with a copy of the audited financial statements, which was placed before the members at the Annual General Meeting, for that particular year ended.

ARTICLE XXVII: FINANCIAL YEAR

109. The financial year of The Society shall end on 31st December.

ARTICLE XXVIII: SEAL AND EXECUTION OF DOCUMENTS

110. The Board shall adopt, for the use of The Society, a distinctive seal having the name of The Society inscribed thereon.
111. The seal shall not be affixed to any instrument, except by the authority of a resolution of the Board and in the presence of at least one (1) member of the Board.
112. Any instrument, save and except deeds and conveyances of real or personal property, required to be signed on behalf of The Society shall be duly executed by the President, the Secretary and or the Treasurer, and or any other employee so authorized by the Board.
113. Pursuant to [Bye-Law 84 \(A\)\(b\)](#), [Bye-Law 84 \(B\)\(ii\)](#) and [Bye-Law 84 \(C\)\(b\)](#), any deeds and conveyances of real or personal property to be signed on behalf of The Society shall be executed by the President (or the Vice President, if the President is unable to sign due to his absence, or disability or refusal to act) and the Secretary.

ARTICLE XXIX: RECORDS AND FORMS

114. The Society shall keep, in hard or soft copy or other medium consistent with the Act, such books, forms, electronic and digital files as are necessary to efficiently conduct the business of The Society.
115. The Society shall retain reliable accounting records and all supporting documents, in hard, electronic and or digital form, for a maximum period of seven (7) years, or for such longer period in accordance with the provisions of the Act, after closure of the account.

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ARTICLE XXX: INSPECTION OF RECORDS

116. The corporate records of The Society, subject to Section 22 of the Act, shall be open to inspection by any member having an interest in the funds of The Society and the Registrar.
117. No person, other than the member himself, his agent or legal representative, a member of the Board, the Credit Committee or the Supervisory and Compliance Committee, the Auditor or the Registrar, his staff or anyone duly appointed by him, shall be allowed to see the personal account, loan agreement, passbook, e-statement or the register or papers relating to the loan of any member without the consent of such member in writing.

ARTICLE XXXI: DISPUTES

118. All disputes shall be dealt with in accordance with the provisions of Sections 194 to 197 of the Act.

ARTICLE XXXII: AMENDMENT TO THE BYE-LAWS

119. These Bye-Laws may be amended in accordance with the provisions of Sections 51 and 52 of the Act.

ARTICLE XXXIII: DISSOLUTION

120. The Society may be dissolved by a resolution of three-fourths (3/4) of the members, but only in a manner provided for in Sections 164 to 185 of the Act.

Passed at the Annual General Meeting of The Society this 24th day of August, 2022.

President
The Communal Cooperative Credit Union Ltd.

Secretary
The Communal Cooperative Credit Union Ltd.

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The Communal Co-operative Credit Union Ltd.

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