NAVIGATING CHANGE: FROM RESILIENCE TO RESULTS

2026 CREDIT UNION SUMMIT

GOVERNANCE THAT DRIVES PERFORMANCE

Rushaine Cunningham

Cunningham Law Caribbean

Mr. Rushaine Cunningham is an Attorney-at-Law and the founder and managing attorney of Cunningham Law Caribbean, operating out of Antigua and Barbuda. A native of Jamaica, he maintains a regional law practice and is admitted to practise law in 8 jurisdictions.

Practice Area: Corperate and Commercial Law

1 August 1834: governance by trust

No land. No tools. No savings. No compensation.

They had each other.

The partner • the sou-sou • the box • the sub

No Act of Parliament. A notebook, a list of names, and one rule: when your turn came, you were paid, because everyone else had kept their word.

Resilience brought us here.
Governance converts it into results.

And the law holds governance to its word.

Built for those the banks turned away

After 1834

Friendly societies, burial societies and lodges pool modest sums against sickness, death and hurricanes

1950s

Credit unions arrive through the church: St. Joseph's, then Ebenezer, the Teachers and the Police

April 1959

The teachers form their credit union, known today as Community First

January 1982

Formally registered, after a full-time Registrar of Co-operatives is appointed in 1980

23 years

saving, borrowing and repaying on trust alone, before the law caught up. The law has now caught up.

The labourer · the domestic worker · the small farmer · the teacher · the market vendor.

Each entered not as a customer, but as an owner.

Every Relationship Carries Duties

Definition of Duties

“A set of relationships between management, the board, the owners and other stakeholders … through which objectives are set and performance is monitored.”

OECD definition of governance, adopted by the World Council of Credit Unions

EVERY RELATIONSHIP CARRIES DUTIES

Strong governance. Shared responsibility. Sustainable trust.

Members

Board

Supervisory & Compliance Committee

From Survival to System

13%

**of regional GDP in 2010:
61 credit unions,
about US$700 million in assets**

37%

**of GDP in 2023:
EC$6.2 billion in
credit union assets**

6.8%

**non-performing loans in 2023,
still above the 5%
prudential benchmark**

Earned through the financial crisis, Hurricane Irma and the pandemic. But rebounding is not advancing: cyber attacks are rising, and climate risk is now a line item. The question is no longer whether we can survive. It is whether we can perform.

Sources: IMF (2010 figures): Eastern Caribbean Central Bank, Financial Stability Report (2023 figures)

EXTERNAL GOVERNANCE

The law does not require you to be right. It requires you to be honest, informed and on the record.

Transparency

Decisions made "in the light of day. Audited statements to members; members may inspect records.

Transparacy is evidence.

Compliance

The letter and the spirit of the law. Guidelines consistent with PEARLS; AML laws and a compliance officer.

"Only a small credit union" is no defence.

Public accountability

Public confidence in a financial institution can erode very quickly.

Our concern is not theoretical.

World Council of Credit Unions, Credit Union Governance (2005); Co-operative Societies Act 2010, Antigua and Barbuda

Legal Consequences of Non-Compliance

1

Integrity

Honesty and good faith (s.77).
Conflicts: declare, disclose, depart (ss.81–82), a criminal offence if not.
Good financial standing required (s.53).

2

Competence

Care, diligence and skill of a reasonably prudent person (s.77).
Liable to make good the loss.

3

Commitmen t

Give the time and attend: seats may be vacated after three missed meetings.
Speak with one voice.

Dorchester Finance v Stebbing: part-time directors who signed blank cheques were held liable.

Unpaid is no defence. One cannot govern what one does not understand.

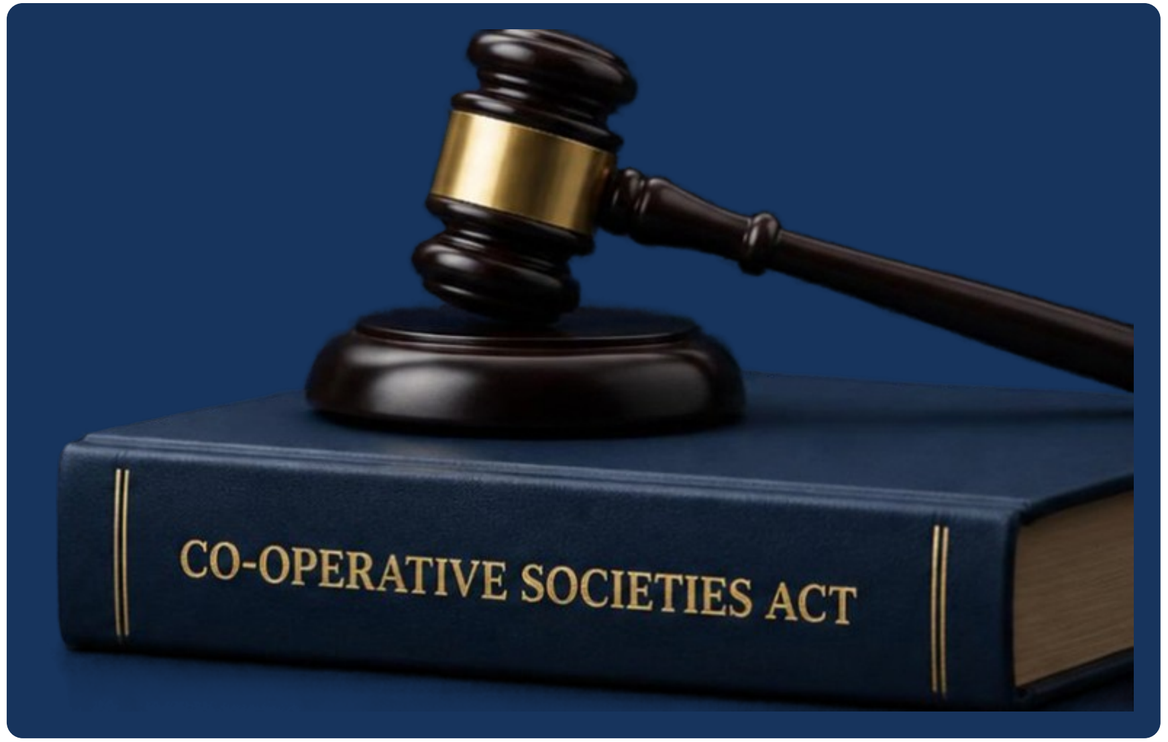
SECTION 79 / CO-OPERATIVE SOCIETIES ACT

Silence can be consent.

Directors who approve a prohibited loan, an improper dividend or bonus, or an indemney without court approval are jointly and severely liable for the loss.

LEGAL CONSEQUENCE

> **Present? You are deemed to have voted in favour, unless your dissent is minuted or delivered in writing.**



Speak with one voice outside the boardroom, but never with no voice within it.

Resilience built this movement. Re-silence can destroy it.

Your shield: ask the questions, obtain the advice, and record it.

CASE STUDY • HINDU CREDIT UNION, TRINIDAD AND TOBAGO

1

October 2004

TT$375,000 approved for a pool and gym, and over TT$26 million in loans to subsidiaries the Enquiry heard were unlawful

2

19 days later

Explaining to the Commissioner why TT$750,000 in cheques to members had bounced

3

Liquidation

TT$78 million withdrawn in cash while members waited; under TT$90,000 left in the bank

4

TT$500

covered by one member who had deposited her life's savings.

Source: evidence before the Commission of Enquiry into the Hindu Credit Union, as reported

The next test: artificial intelligence

1 Your chatbot speaks for you

Moffatt v Air Canada (2024): the airline was liable for its chatbot's wrong answer

2 Members' data

Data Protection Act 2013 and the duty of confidence, breached in thirty seconds

3 Decisions about members

Algorithms can repeat old prejudice. "The computer said no" is not an answer

4 Deepfake fraud

About US$25 million lost on one video call where every face was fake

The board's four steps: *a written AI policy · a human in every decision on a member's money · vendor contracts that protect data and allow audit · trained people. Minute each one.*

The machine may be artificial. The accountability always returns to a real person.

CONCLUSION

Q & A