



FINANCIAL SERVICES  
COMMISSION

## **GUIDELINE No. 15**

### **REMUNERATION OF DIRECTORS AND COMMITTEE MEMBERS**

This Guideline is issued by the Financial Services Commission (“the Commission”) pursuant to section 53 of the Financial Services Commission Act 2010-21 (“Act”). It establishes the standards of the Commission with respect to the remuneration of directors and committee members of a credit union and should be considered in conjunction with sections 68 and 70 of the Co-operative Societies Act (CSA).

1. Subsection 68(1) of the CSA requires the remuneration of directors and committee members to be fixed either in the by-laws of the credit union or by a resolution of members passed at a general meeting.
2. For the purposes of the by-law or resolution in question, remuneration that is “fixed” as that term is used in subsection 68(1) should be interpreted to mean remuneration in a maximum amount that is exact and reasonable, and expressed in Barbadian dollars.
3. Any such by-law or resolution should be in effect prior to the declaration of any dividend or surplus by the directors.
4. Directors and committee members may not place pressure on the members in any manner to increase the remuneration of the directors or committee members, whether at the time of declaring a dividend or surplus or otherwise.
5. Directors are reminded that, pursuant to section 70 of the CSA, in any matter relating to their remuneration or that of committee members, as in all other matters relating to the credit union, they have an obligation to act honestly and in good faith, with a view to the best interests of the credit union.
6. The written report to the annual meeting of the members of the credit union required under subparagraph (b) of paragraph (2) of Section 216 of the CSA, shall include a report, by Board and Committee, of:
  - 6.1 Total remuneration paid by the credit union during the fiscal year to the Board and Committees;
  - 6.2 Expenses paid or reimbursed by the credit union during the fiscal year to, or on behalf of, the Board and Committees for each of the following expense

categories - hotel, airfare, automobile, per diem allowances, meals, entertainment and any other expenses.

- 6.3 Advances paid to Directors or Committee members in respect of expenses not yet incurred or reimbursed.
- 6.4 The Treasurer shall compile, the information required under paragraphs 6.1, 6.2 and 6.3. The report must be signed by the Treasurer and a Supervisor.
- 6.5 The directors of a credit union shall submit a copy of the report referred to in 6.4 to the Commission not later than 30 days after the annual general meeting.