

1. Draft Guidance on the Standards of Fitness and Probity

(a) Do you agree with the proposed revision to the draft Guidance?

CUMA broadly welcomes the proposed revision and consolidation of the Guidance. It offers a more coherent framework by integrating various regulatory communications and expectations into a single, more accessible document. While the content of the Fitness and Probity Standards for Credit Unions remains unchanged, the unified format improves clarity and accessibility for compliance teams.

(b) Are the enhancements to the draft Guidance useful to you?

Partially. Enhancements such as:

- Role summaries;
- Time commitment expectations;
- Experience and qualification benchmarks;
- Clarifications on conflicts of interest and past events

However, many of these enhancements are geared toward larger institutions and may have limited relevance for smaller credit unions.

(c) What other elements could the Central Bank include within the draft Guidance?

N/a

2. Proposed Revisions to the PCF List

(a) Do you agree with the proposed revisions to the PCF list?

Credit unions are explicitly excluded from this unified list, and will retain a separate PCF list .

(b) Have you identified any issues with this revision?

Yes:

- Lack of clarity on future changes: While credit unions are excluded from the current revision, it's unclear whether future reviews (e.g. the 2027 SEAR review) will impact their PCF designations.
- Potential misalignment with SEAR: Credit unions are not currently subject to SEAR.

Closing Remarks

We welcome the Central Bank's continued engagement with stakeholders and acknowledge the intent to improve consistency and transparency within the Fitness and Probity framework. The consolidation and enhancement of the Guidance represents a positive step. As the sector continues to evolve, we encourage ongoing dialogue and co-design with credit unions to ensure that regulatory expectations remain proportionate, practical, and reflective of the diversity within the sector.

Should further discussion or clarification be required, we would be happy to engage.

Submitted by:

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