

THE EASTERN CARIBBEAN SUPREME COURT:

**IN THE HIGH COURT OF JUSTICE
CIVIL DIVISION**

Claim Number: SLUHCV2025/0176

IN THE MATTER OF the Co-Operative Societies Act, Cap.
12.06 of the Revised Laws of Saint Lucia.

-and-

IN THE MATTER OF a decision of the Financial Services
Regulatory Authority (FSRA) to call a special meeting of
the Seventh Day Adventist Co-Operative Society by letter
dated April 23rd, 2025.

-and-

IN THE MATTER OF an application for interim relief
pursuant to CPR Part 17 and CPR Rule 56.1(4).

BETWEEN:

THE SEVENTH DAY ADVENTIST CO-OPERATIVE SOCIETY LIMITED

Applicant

-and-

FINANCIAL SERVICES REGULATORY AUTHORITY

Respondent

Before the Honourable Mr. Justice Alvin S. Pariagsingh

Appearances: Ms Isa Cyril and Mr. S. Stephen Brett for the Applicant
Mrs Diana Thomas – Hunte and Ms. Cleopatra Mc Donald instructed by
Mr Hemish Lesmond for the Respondent.

2025: May 06

JUDGMENT
Application for Interim Injunction

- [1] **PARIAGSINGH, J** : - Before the Court is an application for an interim injunction, filed on 5th May 2025, seeking to prohibit the Respondent from convening a special meeting of the Applicant's membership scheduled for today, 6th May 2025, at 4:30 p.m.
- [2] The application was deemed fit for urgent hearing, and it was ordered that the Respondent be served. The Respondent opposes the relief sought.

Evidence in Support of the Application

- [3] The application is supported by the affidavit of Mr Lincoln Jean-Louis, the Executive Secretary of the Applicant. His evidence is that on or after 25th March 2025, the Board of Directors of the Applicant received an unsigned, purported petition requesting that a special meeting be convened.
- [4] Mr Jean-Louis states that he is familiar with the Applicant's By-Laws, and in particular, By-Law 38(1), which, in his view, requires that a requisition for a meeting must be signed. He is of the opinion that the petition is invalid, as it does not contain handwritten signatures ("wet ink" signatures).
- [5] He refers to a letter dated 23rd April 2025, by which the Respondent informed the Applicant that a decision had been taken to schedule a meeting for 6th May 2025, based on the petition dated 25th March 2025. He notes that one of the agenda items is the election of directors, which he asserts is contrary to section 69 of the Co-operative Societies Act ("CSA"). He further states that the Applicant has given notice of a special meeting to take place on 12th May 2025.
- [6] He also exhibits a letter dated 25th April 2025, in which the Chairman of the Applicant's Board wrote to the Respondent identifying various defects in the petition, namely, the absence of signatures, the inclusion of non-members, delinquent members, and individuals whose names do not appear in the Applicant's membership records. The letter also informed the Respondent that preparations were underway for the Applicant's Annual General Meeting ("AGM") on 22nd June 2025.

- [7] Mr Jean-Louis contends that the Respondent's attempt to call the meeting is unreasonable and irrational, and would cause undue reputational damage. He argues that such reputational harm cannot be remedied by damages, as members may wrongly perceive mismanagement. He is of the view that the proposed meeting undermines members' confidence in the Applicant's leadership and democratic processes and infringes its statutory and constitutional right to govern its affairs in accordance with its By-Laws.

Evidence in Opposition to the Application

- [8] The Respondent relies on the witness statement of Ms Nathalie Dusauzay, its Executive Director. The statement was admitted on the undertaking that an affidavit in identical terms would follow, which the Court accepted given the urgency of the hearing.
- [9] Ms Dusauzay begins by outlining the Respondent's role in maintaining public confidence in Saint Lucia's financial system and in ensuring appropriate protection for consumers.
- [10] She states that the meeting was called pursuant to sections 40(4) and 41 of the CSA. She further deposes that the Respondent has already incurred EC\$6,000.00 in good faith organising the meeting. She acknowledges receipt of a petition from members raising concerns and requesting a meeting but maintains that the Respondent acted under its statutory powers, due to the Applicant's persistent non-compliance with its obligations under the CSA and breach of earlier court orders relating to enforcement proceedings.

- [11] The alleged breaches include:

- 1) Breach of section 39 CSA – failure to hold Annual General Meetings (AGMs) since 2021;
- 2) Failure to circulate audited financials prior to AGMs – last reports were for 2017;
- 3) Breach of section 141 CSA – failure to submit financials to the Registrar after 2017;

- 4) Breach of section 33 of the FSRA Act – failure to submit quarterly management accounts;
- 5) Breach of sections 56–63 CSA – deficient or missing committee reports;
- 6) Breach of sections 69–70 CSA – failure to elect officers, with expired directorship terms;
- 7) Breach of Regulation 3 – failure to file Form 005 for change of directors.

[12] She provides further detail on these breaches and refers to a decision of the Commercial Court (between the same parties), in which an investigator was appointed to investigate the Applicant. The Applicant's appeal of that decision was dismissed, and the Respondent was granted liberty to pursue the investigator's recommendations.

[13] Ms Dusauzay denies receipt of the 25th April 2025 letter but notes that Mr Brian Samuel visited the Respondent's office on 29th April 2025 requesting cancellation of the meeting. That request was refused as notices had already been published in The Voice newspaper. She adds that Mr Samuel was asked to provide further documents, including a register of members and updated management accounts, but responded by email on 30th April 2025 stating that the information was not readily available.

[14] In her view, the Respondent has acted prudently and lawfully in fulfilling its statutory duties in the interests of the Applicant's members.

Legal Test

[15] The applicable test is derived from **American Cyanamid Co v Ethicon Ltd**¹ per Lord Diplock. The Court considers:

- 1) Whether there is a serious issue to be tried;
- 2) Whether damages would be an adequate remedy;
- 3) Where the balance of convenience lies;
- 4) Whether the status quo should be preserved;

¹[1975] AC 396

- 5) Where the overall justice lies in terms of avoiding injustice before trial.

Statutory Provisions

- [16] Section 2(3)(a) of the CSA defines “Registrar” as the Financial Services Regulatory Authority (“FSRA”) in respect of credit unions.
- [17] Sections 40(4) and 41 of the CSA empower the FSRA to call a special meeting where an AGM has not been held or for other reasons the Registrar considers appropriate.

ANALYSIS:

Serious Issue to be Tried

- [18] The Applicant challenges the validity of the petition used to initiate the meeting. However, the Respondent does not rely on the petition but rather on its statutory powers under sections 40(4) and 41 CSA.
- [19] Those provisions confer broad discretionary powers to convene a special and general meeting respectively. Section 41(b) CSA is particularly wide in scope. On the evidence, the Respondent clearly acted within its powers. Thus, there is no serious issue to be tried concerning the legality of the Respondent’s decision.
- [20] The Applicant’s arguments about wet ink signatures and delinquent signatories are irrelevant in this context, especially as there is no evidence before the Court of the Applicant’s membership (e.g. a members’ register). Even if the petition were defective, the Respondent’s authority to act under statute remains unaffected.
- [21] The assertion that the Respondent acted irrationally or unreasonably is similarly unpersuasive. Given the history of non-compliance and the Court of Appeal’s judgment, the Respondent’s conduct appears lawful and justified.
- [22] The complaint that the Respondent seeks to facilitate the election of directors contrary to section 69 CSA is also misplaced. Section 83(1)(c) CSA permits the removal of

directors and filling of vacancies by special resolution. There is no evidence before the Court identifying the current directors.

[23] The notice of meeting referenced sections 40(4) and 41 CSA and was duly published in The Voice newspaper in accordance with By-Law 34.

[24] The Applicant's reliance on a purported special meeting on 12th May 2025 is misplaced. Counsel rightly conceded that no such meeting can be held due to failure to give the 10 days' notice required under By-Law 34. The only properly noticed meeting is the one scheduled for today.

[25] The Court concludes that no serious issue has been raised by the Applicant. On this ground alone, the application fails.

Adequacy of Damages

[26] The Applicant claims that reputational harm cannot be compensated by damages. However, this dispute has been ongoing since 2022, including a Court of Appeal judgment². Any reputational harm arising now must be viewed in the context of that prolonged and public litigation. The argument therefore lacks weight.

Balance of Convenience

[27] The balance of convenience lies in refusing the injunction to allow the Respondent to discharge its statutory obligations for the benefit of members.

Preservation of Status Quo

[28] The status quo is not evenly balanced. The Applicant has not established any serious issue, whereas the Respondent has provided justification for its actions.

² SLUHCMAP2022/0008 (unreported) delivered on 31st January 2024 .

Overall Justice

[29] The overall justice clearly favours refusing the injunction. The risk of injustice is greater if the Respondent is restrained from acting. As St Rose–Albertini J aptly noted at paragraph 34 of her judgment dated 22nd November 2022³:

“Resistance from a financial institution will always breed suspicion, and it is the statutory responsibility of the claimant to ensure that the funds of members of the defendant are responsibly managed, preserved and protected. To settle for less would be abdicating these responsibilities”.

Conclusion

[30] For the reasons stated above, the application is refused and accordingly stands dismissed.

[31] There is no reason to depart from the general rule that costs follow the event. Both parties made submissions on costs. The Applicant proposed \$15,000.00, and the Respondent submitted \$12,453.75 (inclusive of tax), plus filing fees of \$61.00.

Orders

[32] For these reasons, I make the following orders:

- 1) The application filed on 5th May 2025 is dismissed.
- 2) The Applicant shall pay the Respondent’s costs of this application, summarily assessed in the sum of \$12,514.75.



Alvin S. Pariagsingh
Judge

By the Court,

Registrar

³ SLUHCM2022/0031 (unreported) delivered on 22nd November 2022.