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LETTER BEFORE ACTION
Time Sensitive

11 May 2024

Governor Timothy Antoine
Eastern Caribbean Central Bank Headquarters
P.O. Box 89, Basseterre
Saint Christopher (St. Kitts) and Nevis
Via Electronic Mail: info@eccb-centralbank.org

Sir

On May 8, 2024 I joined a group of petitioners outside of the Republic Bank (Anguilla) Limited (the "Bank") and signed the protest letter that was delivered (a copy is attached for ease of reference). As you are aware, the letter gave a deadline of May 10, 2024 to reinstate accounts of debited customers. I subsequently followed up with my own personal emailed request to you seeking an urgent meeting. On Friday May 10, 2024, in the early afternoon, your secretary indicated that you would "revert shortly" on the request. As of Saturday, May 11, 2024 I have not received your response. Instead, the Eastern Caribbean Central Bank appears to have blocked me from their Facebook page.

By way of background, I served as a member of the Anguilla Financial Services Commission for 15 years and as the Deputy Chairman to the Board for three of those years, until I resigned late last year to do charity and activism work. I am a lawyer by training and I had previously acted as Legal Counsel to a local bank. I understand regulation and I understand banking. I am also an aggrieved customer.

To be clear, there are egregious offences under the hands of the Bank that require immediate investigation:-

1. A licenced financial institution has to carry out timely and regular audits. Verified and accurate audits ought to have disclosed an irregularity in the accounts from the first year.
2. The Bank has notified customers that they only discovered these errors in

a "verification exercise". In banking, a verification exercise relates to the verification of account holders and their documentation. It does not relate to the reconciliation of transactions and the audit process.

3. The Bank has admitted in writing as far back as November 2023 that there was a system error that they were trying to rectify. This system error manifested in several other transactional irregularities for the customer.
4. On April 25, my automatic loan payment ought to have been applied to my loan. The Bank stopped the autopay and then declared the loans in arrears on April 29 when they withdrew from the account, notwithstanding these were cash secured loans. This was a deliberate and deceptive act. To date I have received no notification or prior communication on this action.
5. The facts suggest that the Bank has acted in violation of the ECCU's Codes of Banking Practice and contrary to their own Services Agreement. I have been informed that the Bank has now used undue influence to lure aggrieved customers into loan agreements, without allowing them the opportunity to obtain independent legal advice as to the nature and effect of what they are being required to sign at the Bank's offices.

Sir, I could list several other infractions but I think the point is clear. We have a licensed institution that has acted with flagrant disregard to banking regulations and standards. Their actions call into question the following:

1. The veracity and credibility of their audit process. How can a bank purportedly make payments to third parties on behalf of customers for three years and it did not show up on their financials? How was this being reported in their financial statements? Whose money was used to make these payments?
2. What is this system error? Has this error been reported to the ECCB? What is the extent of this error and what are the implications for customer accounts? What is being done to resolve the error and when will it be resolved?
3. What is the Bank's response to their own services agreement which indemnifies and protects the customer from losses caused by system error and technical malfunction?

I close by reiterating the gravity of this event. This is a national crisis. Customers will act accordingly when there is a complete loss of confidence in the licensed institution. A bank is only as viable as the confidence of its customer. Trust has

been eroded and the disrespect shown will only hasten the customers' most natural response – to safeguard what little they have. This is serious. This is egregious and we are calling on you to intervene immediately. Anguilla has experienced one banking crisis in recent times and the economy simply cannot afford to watch and wait for another one.

Yours respectfully



Tara Carter
Customer

- cc. Her Excellency Governor Julia Crouch**
Tana'ania Small Davis, KC, Alex Richardson and Devin Hodge,
Counsels
MEDIA HOUSES
Honourable Minister of Finance, Dr. Ellis L. Webster
Anguilla Representative to the ECCB – Mrs. Kathleen Rogers
Country Manager Ag, Ms. Charlene Berry
Board of Directors of the ECCB