

27 April 2016

TO ALL KNOWN DEPOSITORS

Dear Depositor

Caribbean Commercial Investment Bank Ltd – Administrator Appointed (“CCIB”)

I refer to my appointment as Administrator of CCIB on 22 February 2016 and my letters dated 13 and 19 April 2016.

By now, you are probably aware that the Resolution Plan in respect of CCIB’s parent entity, the Caribbean Commercial Bank Ltd (“CCB”), was implemented on Friday 22 April 2016. Despite repeated requests for information, I was not given any prior notice that this would occur and only became aware of the implementation via local contacts in Anguilla and announcements placed on the internet. I understand that all assets of the Onshore Banks, but not the Offshore Banks, have been transferred to the single, newly established bank, the National Commercial Bank of Anguilla Ltd, (“NCBA”) an entity wholly owned by the Government of Anguilla.

I am continuing to seek information from the Eastern Caribbean Central Bank (“ECCB”), the Receiver appointed to CCB, Mr. Gary Moving, and the Government of Anguilla as to the scope and effect of the Resolution Plan on CCIB and the interests of its depositors. I am actively engaged in trying to clarify the position and ensure that the interests of CCIB and its creditors (including depositors) are protected.

Funds deposited post 24 March 2016 in the Ring-fenced Account

The purpose of the establishment of this account was to provide reassurance to depositors that they could continue to deposit funds which would be held specifically to their order, whilst negotiations continued with the Conservator and the ECCB regarding the quantum and timing of the return of net new money to which I have made extensive reference in earlier correspondence (and discuss below), and the potential treatment of CCIB and its creditors in any Resolution Plan.

I have been advised by Mr Moving, that the ring-fenced account that I agreed with the ECCB and CCB to be established to protect new deposits made from 24 March 2016 onwards has also been transferred to NCBA, and that withdrawals will be honoured as before. I have received verbal confirmation from the new Chief Executive Officer of NCBA, Mr. Martin Dinning, that withdrawals will be honoured.

If you have net deposits remaining in your ring-fenced account, that is a positive balance after taking into account all deposits and withdrawals made in the period 24 March 2016 to date, you should now provide instructions for the return of the net balance remaining.

Post-conservatorship balances (up to 24 March 2016)

Following the appointment of the Receiver, I have been advised by the Receiver that the assurances given previously to depositors by the ECCB and CCB that net new money deposited with CCIB (and advanced to CCB) in the period 12 August 2013 to 24 March 2016 would remain available for withdrawal, I have now been informed by Mr. Moving and Mr. Dinning that there has been no provision for these funds to be returned to depositors by either CCB or NCBA.

The former Conservator of NBA and the ECCB have advised me that they no longer have any involvement with the Anguilla banking sector but the ECCB remains as the regulator of NCBA.

I understand that this development will be highly worrying to CCIB depositors. In that regard, I am taking legal advice as to remedies potentially available to CCIB and it is likely that, if no accommodation is made by the ECCB or the Government of Anguilla to stand by the assurances previously given, proceedings will be commenced. I have also made the Chief Minister aware of my concerns, including the hardship which will arise to the depositors concerned.

Cessation of deposit taking

In view of the position adopted by the ECCB and the Government of Anguilla following implementation of the Resolution Plan, I do not consider that any further purpose is served through continued deposit taking by the CCIB.

I have therefore instructed that any new deposits placed after the close of business on 25 April 2016 will not be accepted and therefore returned to the remitter.

To iterate, you will no longer be able to deposit funds into CCIB after 25 April 2016 and therefore you should seek alternative banking arrangements.

Pre-Conservator funds

Although the Resolution Plan has now been implemented, I am yet to receive any confirmation of how this will affect depositors of CCIB and will write further to you when this information becomes available.

Should you have any queries with the contents of this letter, please do not hesitate to contact ccib@fticonsulting.com

Yours faithfully

Caribbean Commercial Investment Bank Ltd – Administrator Appointed



William Tacon
Administrator