



# CHAIRMAN'S REPORT



2016 was the year of Trump, Russia's alleged interference in the US election, the concept of "fake news", BREXIT and Iran severing diplomatic relations with Saudi Arabia. It was also, thankfully the year that sensible

folk in Austria elected the Green Party rather than the Freedom Party: thus saving Austria from the stigma of becoming the first European country since the Second World War to elect a far-right candidate head of state.

The Chairman's Statement last year drew out the patterns of behaviour in world news and contrasted them with the patterns of behaviour in financial institutions. Given we are all human and behaviours are broadly consistent whether we are at work or at home, in our private life or in public life, this is not an unreasonable position.

So what is there to glean from international events in 2016 as contrasted with local Anguillian events of the same year?

Interference, fake news, failing relations and polarising political positions seem pretty familiar at island level too.

By the new year of 2016 the Financial Services Commission had reluctantly concluded it could not rely on the ECCB Conservatorship of, or resolution plans for, Anguilla's two failing indigenous banks to ensure that all depositors,

including in particular those of the offshore banking subsidiaries of the parent banks under conservatorship, would be treated equally under the pending resolution of the parent banks and, as a result, petitioned the High Court of Justice Anguilla Circuit to appoint a firm from the BVI to act as Administrator of the offshore banking subsidiaries. These documents can be viewed at Claim No. AXA/HCV 2016/0005.

The Administrator appointment enabled tracing actions to commence tracking down where monies of subsidiaries were paid away and recovering sums where possible. The Administrator also began work to manage the assets and liabilities of the subsidiary banks, all with a view to protecting the interests of their depositors.

Full quarterly reports were made to the Court on the progress of the Administrator's appointment during the year and regular letters were sent by the Administrator to update Depositors on his progress. The Administrator also established a creditors' committee to ensure full transparency.

Throughout, the Commission has sought – so far as it can within the rules of restricted information – to put salient facts into the public domain, in accordance with its duty to protect the public interest and powers to petition the Court, for example to appoint an Administrator.

It was a very difficult and pressured year and I must extend my thanks to my fellow board members who stood firm, to the Director for his outstanding leadership of the executive and to the executive staff themselves, who are a great team of whom I am very proud.