IN THE SUPERIOR COURT
OF THE VIRGIN ISLANDS

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SX-2026-CV-00342
TAMARA CHARLES
CLERK OF THE COURT

IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS
DIVISION OF ST. CROIX

Edna Smith-Gilchrist,	**No. SX-2026-CV-**
Plaintiff	**Action for Damages**
v.	**Jury Trial Demanded**
Oriental Bank, Jahmaira Farrell, and Mylon Allen,	
Defendants	

COMPLAINT

Plaintiff Edna Smith-Gilchrist brings this action to recover $60,000.00 diverted from account proceeds payable to her after the death of her father, Henry Smith. Oriental Bank issued the money to Mylon R. Allen, who transferred the same amount to Oriental employee Jameirah Farrell. Plaintiff neither knew about nor authorized that payment. She alleges as follows:

Parties, Jurisdiction, and Venue

1. Plaintiff Edna Smith-Gilchrist is an adult residing in the State of North Carolina. She brings this action in her individual capacity as a designated beneficiary of the Oriental Bank accounts of the late Henry Smith.

2. Defendant Oriental Bank is a bank chartered under the laws of the Commonwealth of Puerto Rico. It conducts banking business in St. Croix, United States Virgin Islands, including the account transactions at issue.

3. Defendant Jahmaira Farrell was employed by Oriental Bank in St. Croix when the transactions occurred. She resides on St. Croix.

4. Defendant Mylon R. Allen is a resident of St. Croix who received and transferred the diverted funds. He resides on St. Croix.

5. This Court has subject-matter jurisdiction under 4 V.I.C. § 76(a).

6. This Court has personal jurisdiction over Oriental Bank because the claims arise from its banking business and transactions in St. Croix, and over Farrell and Allen because of their residence and conduct in St. Croix giving rise to this action.

7. Venue is proper in the Division of St. Croix under 4 V.I.C. § 78 because the banking transactions and material acts giving rise to these claims occurred in this judicial division.

The Henry Smith Accounts, Beneficiary Designations, and Distributions

8. The late Henry Smith maintained two accounts with Oriental – a certificate of deposit and a savings account. Each account was subject to a Totten trust agreement designating Plaintiff as the beneficiary.

9. After Henry Smith's death, Plaintiff authorized her sister, Rufina Smith, to handle the local account-closing process on her behalf, including communicating with Oriental Bank and presenting the paperwork necessary to obtain the account proceeds. Plaintiff remained involved with the closures by telephone.

10. Oriental Bank undertook to close both accounts. The certificate of deposit held $55,555.21, and the savings account held $128,658.36, for combined proceeds of $184,213.57.

11. Oriental Bank employed Farrell as a customer service representative and assigned her to meet with customers, ascertain their transaction instructions, and prepare preliminary transaction paperwork. By placing Farrell in that customer-facing position and entrusting her with those functions, Oriental Bank presented her to customers as authorized to receive their instructions and prepare the bank's documents for implementing them.

12. Rufina Smith (in person) and Plaintiff (over the phone) dealt with Farrell in that capacity concerning the account closures and the distribution of their proceeds. Farrell prepared the transaction documents as Oriental Bank's customer service representative.

13. Plaintiff reasonably understood Farrell to be acting for Oriental Bank in receiving the closure instructions and preparing the resulting paperwork. Relying on that understanding, Plaintiff entrusted those steps to Farrell and accepted her work as part of Orienta Bank's processing of the account closures and distributions.

14. Oriental Bank paid Plaintiff $124,173.57, which she understood to be the full amount due to her from both accounts. She did not sign any account-closing or disbursement documents. She did not receive any paperwork showing the account balances, deductions, or allocation of the closing proceeds.

The Diversion of the Proceeds

15. While purporting to implement the Henry Smith account closures and beneficiary distributions for Oriental, Farrell used the transaction-preparation functions entrusted to her to prepare the bank's documents and cause the issuance of a $60,000.00 manager's check to an unauthorized recipient. The diversion was accomplished through the same account-closing and disbursement process that Plaintiff had entrusted to Farrell as Oriental Bank's representative.

16. On March 1, 2022, Oriental Bank issued manager's check number 40282209 for $60,000.00 payable to a "Roan James." Oriental Bank subsequently canceled that check.

17. Oriental Bank's cancellation paperwork stated that the check had not been used for the purpose issued and referred to an incorrect individual or name.

18. On March 2, 2022, Oriental Bank issued replacement manager's check number 40282214 for $60,000.00 payable to Mylon R. Allen.

19. Upon information, "Roan" is Allen's middle name and is the name he is known by with friends and family.

20. The $60,000.00 paid to Allen came from the proceeds of the two accounts payable to Edna and reduced her distribution by that amount.

21. Together, the $124,173.57 paid to Plaintiff and the $60,000.00 paid to Allen account for $184,173.57 of the combined $184,213.57. The disposition of the remaining $40.00 is presently unknown.

22. Plaintiff does not know Mylon R. Allen. She did not authorize Oriental Bank or anyone acting on her or the bank's behalf to pay any of the Henry Smith account balances to Allen.

23. Allen had no beneficiary interest in the Henry Smith accounts and no authority to receive these funds.

24. On March 2, 2022, Allen deposited the replacement $60,000.00 managers check into his bank account at Banco Popular.

25. On March 10, 2022, Allen purchased a $60,000.00 Banco Popular official check payable to Farrell. The check identified Allen as the remitter.

26. On March 11, 2022, Farrell deposited that check into her Bank of St. Croix account, which she had opened on March 3, 2022.

27. Farrell and Allen coordinated the diversion and transfers.

28. Farrell and Allen knew that Plaintiff had not authorized the payment to Allen and that they had no right to appropriate the proceeds from the Henry Smith accounts. Their transfers placed the proceeds in their own accounts and deprived Plaintiff of possession and use of her money.

29. Within days after depositing the $60,000.00 on March 11, 2022, Farrell used the proceeds for personal travel and purchases. She bought airline tickers and booked a room at The Palazzo at the Venetian Resort in Las Vegas, Nevada. She bought jewelry and furniture. So while Plaintiff remained unaware that her proceeds had been diverted, Farrell was busy spending those funds for her own benefit.

The Monetary Transactions Manual

30. Oriental Bank maintained a Monetary Transactions Manual governing the handling, processing, and authorization of transactions in its branches. The Manual applied to all personnel performing those functions and made them responsible for compliance. It expressly assigned employees responsibility for the security of customer and bank funds and directed them to follow established procedures to avoid monetary losses.

31. The Manual required two authorized signatures on every manager's check exceeding $10,000.00, including the signature of a Manager or Operations Team Leader. It prohibited a supervisor from signing a check the supervisor had issued and prohibited a customer service representative from signing manager's checks as part of the representative's cashier duties. These requirements separated transaction preparation from supervisory approval and required participation by more than one authorized employee before a substantial payment could be released.

32. The Manual instructed employees to identify the persons with whom they were dealing, obtain the required information, and respond to doubts by consulting a supervisor or support area. It warned that money and negotiable instruments attract thieves and directed employees to report suspicions that could reveal fraud, money laundering, or another scheme.

33. The Manual also regulated check substitutions. It restricted substitutions for noncustomers, prescribed processing requirements for customers, and expressly carried forward the manager's-check signature requirements to replacement checks. A replacement check exceeding $10,000.00 therefore required two authorized signatures, including supervisory participation.

34. The Manual warned that negotiable instruments could be used for money laundering and instructed personnel to remain alert to suspicious purchases and substitutions even when no cash was involved. It specifically identified "Manager check substitutions for no apparent reason" as suspicious and required immediate referral of such transactions to the Compliance Department

through Ethics Point.

35. The personnel who signed and approved the original $60,000.00 check payable to Roan James did so without determining from the Totten trust agreements and account-closing records who was entitled to the proceeds. Oriental Bank maintained those records, which identified Plaintiff as the beneficiary of both accounts. The approving personnel obtained no instruction from Plaintiff authorizing payment to Roan James and did not establish his entitlement to receive her funds.

36. Further, the personnel who signed and approved the original $60,000.00 managers check failed to determine whether Roan James was even a real person.

37. The return of the original check presented an additional warning. Oriental Bank's cancellation paperwork stated that the check had not been used for the purpose issued and identified an incorrect individual or name. The personnel handling the cancellation and replacement did not determine why proceeds payable to Plaintiff had been directed to Roan James, who requested the change to Mylon R. Allen, or what authority supported either payment.

38. Upon information and belief, the personnel who signed and approved the replacement $60,000.00 check proceeded without documentation authorizing Allen to receive Plaintiff's money. They did not establish Allen's relationship to Plaintiff or his entitlement to the proceeds, obtain an explanation supported by the account records, or confirm with Plaintiff that she wanted $60,000.00 paid to him. The change in payee was approved without resolving the absence of authority for the underlying disbursement.

39. Oriental Bank's personnel did not refer the transaction immediately to the Compliance Department through Ethics Point. They processed the replacement despite the unresolved discrepancy between the beneficiary identified in the bank's records and the proposed recipient, the absence of authorization from Plaintiff, and the return of the first check for an

incorrect individual or name.

Oriental Bank's Subsequent Knowledge and Response

40. In June 2022, approximately three months after the diversion of Plaintiff's funds, Farrell participated in a separate unauthorized disbursement of $100,000.00 from an Oriental account belonging to Lennox Cato. Farrell prepared the account-closing paperwork, and Oriental issued a $100,000.00 manager's check payable to Mylon R. Allen—the same person who had received Plaintiff's $60,000.00. Cato had not authorized that payment.

41. Then, in August 2022, Oriental Bank investigated an unauthorized $6,000.00 withdrawal from Cato's account. Farrell had procured that withdrawal on July 26, 2022.

42. Oriental Bank's investigation established that Farrell had completed the $6,000.00 withdrawal paperwork, signed Cato's name, obtained payment while Cato was absent, and given false explanations about his presence. Oriental Bank terminated Farrell following that investigation.

43. Oriental Bank maintained a Corporate Security department responsible for investigating employee misconduct and unauthorized customer transactions. The findings concerning Farrell put Oriental Bank on notice that she had used her customer-service position, falsified customer authorization, and circumvented transaction controls to obtain customer funds.

44. Under those circumstances, reasonable care required Oriental Bank to determine whether Farrell had used the same access and authority to procure other unauthorized transactions. That inquiry required a retrospective review of transactions she had prepared or processed, including activity in Cato's other accounts and transactions involving other customers, with particular attention to withdrawals, account closures, third-party manager's checks, and canceled or replacement checks.

45. Both the $100,000.00 diversion from Cato's account in June 2022 and the $60,000.00 diversion from the Henry Smith accounts in March 2022 preceded Oriental's August 2022

investigation into the $6,000.00 withdrawal. Both involved account-closing paperwork prepared by Farrell and Oriental Bank manager's checks payable to Mylon R. Allen. Oriental Bank possessed the underlying account and transaction records.

46. A reasonable review by Oriental Bank would have identified those payments for investigation and verification with the persons entitled to the funds. Review of Cato's earlier account activity would have disclosed the $100,000.00 payment to Allen. Review of Farrell's other account-closing and manager's-check transactions would have disclosed the $60,000.00 payment to the same payee, including the cancellation of the original check to "Roan James" and its replacement with a check to Allen.

47. Upon information and belief, Oriental Bank failed to conduct a retrospective review reasonably sufficient to identify those transactions or failed to investigate and act upon the suspicious transactions such a review disclosed. Oriental did not contact Plaintiff to verify whether she had authorized the $60,000.00 payment to Allen or notify her that proceeds payable to her had been disbursed to him.

48. In July 2024, Cato and his representative reported the separate $100,000.00 loss to Oriental, prompting another Corporate Security investigation. That report provided an additional reason to examine Farrell's earlier transactions and determine whether other customers' funds had been diverted.

49. In January 2025, police began investigating the $100,000.00 Cato theft. While investigating that theft and the transactions involving Allen and Farrell, police identified the earlier $60,000.00 payment and subpoenaed Oriental Bank for its source documents.

50. Oriental Bank responded with the Henry Smith account-closing records and the canceled and replacement manager's checks. Those records connected Farrell's transaction preparation and the payment to Allen with accounts whose proceeds were payable to Plaintiff.

Together with Oriental Bank's prior findings concerning Farrell and the later Cato complaint, those records supplied a further, specific reason to investigate whether Plaintiff had authorized the payment.

51. Oriental Bank's Corporate Security investigator subsequently acknowledged that he had seen records concerning the Smith transaction and recognized Farrell's involvement, but the bank had not opened an investigation because Plaintiff had not submitted a claim.

52. But to be sure, Plaintiff had not submitted a claim because she did not know that any portion of the proceeds due to her had been paid to Allen.

Discovery of the Diversion

53. Plaintiff first learned that money from the account closures had been paid to Allen on October 14, 2026, when she received a phone call as a potential witness in the Lennox Cato matter.

54. Before that call, Plaintiff reasonably believed Oriental Bank had paid the entire amount due to her.

55. Indeed, Plaintiff had no facts before that call that had reasonably alerted her that the payout she received from her late-father's accounts was incomplete or that her proceeds had been diverted to Allen

56. Despite reasonable diligence under these circumstances, Plaintiff could not reasonably have discovered her injury and its cause.

Count One – Breach of Contract – Against Oriental Bank

57. Plaintiff incorporates all prior paragraphs as if set forth herein.

58. Henry Smith and Oriental entered enforceable agreements governing the certificate of deposit and savings account, including a Totten trust agreement for each account.

59. Plaintiff was the expressly designated beneficiary under both Totten trust agreements

and the intended beneficiary of Oriental Bank's contractual obligations to distribute the account proceeds following Henry Smith's death.

60. Upon Henry Smith's death, Plaintiff became entitled to the account proceeds. Oriental Bank recognized Plaintiff's entitlement and undertook to pay her.

61. Henry Smith performed his obligations by depositing the funds, and all conditions necessary for payment to Plaintiff were satisfied, excused, or waived, as evidenced by Oriental's closure and distribution of the accounts.

62. Oriental Bank breached its obligations by applying $60,000.00 of the proceeds due to Plaintiff to a payment she had not authorized and failing to pay her that portion of the balances.

63. The breach deprived Plaintiff of $60,000.00 and the use of those funds. She seeks that unpaid principal, recoverable loss-of-use damages, and interest as allowed by law. She also seeks the remaining $40.00 to the extent it was withheld without authorization under the governing agreements.

Count Two – Conversion – Against All Defendants

64. Plaintiff incorporates all prior paragraphs as if set forth herein.

65. Upon Henry Smith's death and satisfaction of the conditions for account distribution, Plaintiff had the right to possess the proceeds payable to her, including the identifiable $60,000.00 diverted through the manager's checks and subsequent transfers.

66. Farrell intentionally caused those proceeds to be paid to Allen without Plaintiff's authorization.

67. Allen intentionally received and deposited the funds, transferred $60,000.00 to Farrell, and exercised control over the money in a manner inconsistent with Plaintiff's rights.

68. Farrell then received and deposited the proceeds into her own account.

69. Farrell's and Allen's exercise of dominion and control deprived Plaintiff of her

proceeds and so seriously interfered with her right to possess them that Farrell and Allen are liable for their full value.

70. Oriental Bank is liable for Farrell's conversion as Farrell was acting within the scope of her employment in processing the Henry Smith account closures and disbursements. Farrell performed the account-processing functions Oriental Bank assigned to her and purported to implement the bank's distributions to the persons entitled to the funds. The diversion was accomplished in the course of that assigned transaction work.

71. Alternatively, Oriental Bank is liable for Farrell's conversion because Farrell committed it through dealings undertaken with apparent authority on Oriental Bank's behalf. Oriental Bank's placement of Farrell in the customer service role described above caused Plaintiff reasonably to believe that Farrell was authorized to receive the account-closing instructions and prepare the bank's documents implementing the beneficiary distributions. Plaintiff relied on that authority in entrusting the transaction processing to Farrell. Farrell used those apparently authorized dealings to procure the unauthorized payment to Allen and thereby deprive Plaintiff of the proceeds to which only she was entitled. This basis for Oriental Bank's liability applies even if Farrell acted outside the scope of her employment and solely for her own benefit.

72. Alternatively, Oriental Bank is liable because its authorized managerial personnel, after learning the material facts, adopted and ratified Farrell's mis-disposition by deliberately hiding the facts from Plaintiff. To that end, Plaintiff seeks to hold Oriental Bank responsible for the original conversion through its informed adoption.

73. The conversion caused Plaintiff to lose $60,000.00 and the use of those funds. She seeks compensatory damages and punitive damages upon the required proof as to each defendant.

Count Three – Negligence – Against Oriental Bank

74. Plaintiff incorporates all prior paragraphs as if set forth herein.

75. In undertaking the closure and disbursement of accounts payable to Plaintiff, Oriental Bank owed her a duty to exercise reasonable care in processing the transactions and supervising the employees entrusted with them. That duty included verifying authority to direct proceeds to a third party and exercising reasonable control over the issuance, cancellation, and reissuance of the bank's manager's checks.

76. Oriental Bank breached that duty by processing and approving the payment to Allen without verifying beneficiary authorization, permitting Farrell's transaction preparation to substitute for independent verification, and failing to reconcile the third-party payee with the beneficiary information in its closing records.

77. The cancellation of the original check and issuance of its replacement provided an additional opportunity to determine who was entitled to the $60,000.00 and whether the proposed payment was authorized. Oriental Bank again issued the money to Allen, who had no beneficiary interest in either account lacked authorization to receive the proceeds.

78. These failures caused the payment to Allen and Plaintiff's $60,000.00 loss. Reasonable verification of beneficiary authority would have prevented the diversion. The misuse of transaction authority by an employee was a risk that these controls were intended to prevent.

79. Plaintiff seeks compensatory damages for the principal lost and the recoverable loss of its use, together with interest as allowed by law.

Count Four – Gross Negligence – Against Oriental Bank

80. Plaintiff incorporates all prior paragraphs as if set forth herein.

81. Oriental Bank owed Plaintiff a duty to exercise reasonable care in safeguarding and distributing the proceeds of the two accounts. Upon information and belief, the personnel responsible for approving the original and replacement manager's checks knew that substantial third-party disbursements presented a risk of fraud and unauthorized loss. Their assigned

responsibilities included applying the bank's dual-signature requirements and responding to suspicious transactions.

82. Those personnel approved the original $60,000.00 payment without establishing the proposed recipient's entitlement or obtaining Plaintiff's authorization. When that check was returned for an incorrect individual or name, the bank again approved the release of the same funds to another named payee without resolving who was entitled to the money or confirming Plaintiff's instructions. Upon information and belief, the approving personnel consciously proceeded without those safeguards despite the unresolved payee discrepancy and the bank's express warning concerning unexplained manager's-check substitutions.

83. The decision to release Plaintiff's funds under those circumstances demonstrated wanton and reckless indifference to the risk that her money would be paid to an unauthorized person. The risk concerned the very loss that the bank's transaction-verification, supervisory-approval, and suspicious-transaction procedures were intended to prevent.

84. Oriental Bank's conduct caused the unauthorized $60,000.00 payment and Plaintiff's resulting financial injury. Plaintiff seeks compensatory damages and punitive damages upon clear and convincing proof of the requisite culpability and managerial responsibility.

Count Five – Civil Liability for Stolen Property – Against Farrell and Allen Under 14 V.I.C. §§ 2101 and 2103

85. Plaintiff incorporates all prior paragraphs as if set forth herein.

86. The $60,000.00 was obtained unlawfully by diverting account proceeds payable to Edna without her authorization.

87. Allen received and possessed the unlawfully obtained proceeds, knowing or having cause to believe that they had been unlawfully obtained. He deposited them into his own account and transferred the same amount to Farrell.

88. Farrell received and possessed the unlawfully obtained proceeds when she accepted

Allen's $60,000.00 official check and deposited it into her bank account. Her participation in preparing the originating transaction and receiving its proceeds establishes her knowledge of their unlawful source.

89. Farrell and Allen also withheld, and aided each other in withholding, those proceeds from Plaintiff with knowledge or cause to believe that they had been unlawfully obtained. Their conduct violated 14 V.I.C. § 2101.

90. Plaintiff was injured by those violations in the amount of $60,000.00, together with any additional actual damages established at trial. Under 14 V.I.C. § 2103, she seeks three times the actual damages sustained, costs of suit, and reasonable attorney's fees.

Punitive Damages

91. Farrell and Allen knowingly diverted, transferred, and appropriated proceeds payable to Plaintiff. Their coordinated use of bank instruments to place her money in their own accounts demonstrated deliberate disregard of her property rights and warrants punitive damages upon the required proof.

92. Oriental Bank is subject to punitive damages upon proof that the managerial personnel responsible for approving the disbursement acted with reckless indifference to Plaintiff's rights while exercising their supervisory authority over the issuance and replacement of manager's checks within the scope of their employment. Plaintiff also seeks punitive damages upon proof that authorized managerial personnel knowingly ratified or approved Farrell's conversion after learning the material facts.

93. Plaintiff seeks a separate punitive award against each defendant whose conduct meets the clear-and-convincing standard. Punitive damages are requested as a remedy for the tortious conduct alleged above.

Jury Demand

94. Plaintiff demands trial by jury on all issues so triable.

Prayer for Relief

WHEREFORE, Plaintiff Edna Smith-Gilchrist requests judgment in her favor and the following relief:

A. Compensatory damages of $60,000, together with additional recoverable financial loss proved at trial, against the defendants liable for that injury, jointly and severally; and an additional $40.00 against Oriental Bank to the extent that amount was withheld without authorization under the governing agreements;

B. Three times the actual damages sustained from Farrell's and Allen's violations of Chapter 105, under 14 V.I.C. § 2103;

C. Punitive damages against each defendant upon the required findings, with any statutory and common-law enhancements coordinated as required by law;

D. Prejudgment and post-judgment interest as allowed by law, without duplicating any award for loss of use;

E. Costs and reasonable attorney's fees under 14 V.I.C. § 2103, 5 V.I.C. § 541, and any other applicable authority; and

F. Such further relief as the Court deems just and proper.

Respectfully submitted,

Date: November 12, 2026

/s/ C. Jacob Gower

C. Jacob Gower, Esq.
GOWER LEGAL LLC
1919 Pine Street, New Orleans, LA 70118
P.O. Box 223973, Christiansted, VI 00822
340-277-2799 / 337-298-9734
jacob@gowerlegal.com

Counsel to Plaintiff Edna Smith-Gilchrist