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October 22, 2020
(Via Videoconference)

(INTERVIEW COMMENCED)

MR. ISAAC: Okay. If we could begin first by counsel just introducing themselves. From the Cullen Commission of Inquiry I am Nicholas Isaac, associate commission counsel, and with me is Steven Davis, junior commission counsel.

MS. YATES: And on the record for the Toronto Dominion Bank I'm Jill Yates, Y-a-t-e-s, and with me is Mr. Hanowski. Also present from TD Legal is Diana Iannetta.

Before we move on with additional introductions, I'd just like to confirm that these proceedings are being recorded for the purposes of creating a transcript and that transcript will be confidential and held in accordance with the terms of our exchange of correspondence.

MICHAEL BOWMAN,
interviewee.

INTERVIEW BY MR. ISAAC:

Q So, Mr. Bowman, if you could please introduce yourself and spell your last name.

A My name is Michael Bowman, B-o-w-m-a-n.

1 Q Thank you, Mr. Bowman. If you don't hear or
2 understand a question that I say today, please
3 do let us know. I am also going to show you
4 certain documents today. I will provide the
5 document reference for those. They will have a
6 prefix. Some of them are TD documents and
7 others are non-TD documents, but I'll make it
8 clear. Please let me know when you have that
9 document up in front of you and we will make
10 sure we are looking at the same document in the
11 same part of the [indiscernible].

12 Some of those documents have yellow
13 highlighting. When that is the case, I will be
14 showing you those portions primarily as aids to
15 memory. I ask that you not read the text into
16 the record unless specifically asked to do so.
17 So we'll just have that -- the yellow as a bit
18 of just be cautious around how we are actually
19 dealing with those records.

20 A Okay.

21 Q So just beginning what is your current position
22 with TD Bank?

23 A I'm the bank's global chief AML officer.

24 Q And how long have you held that position?

25 A I became co-head in April of 2017, and then

1 around February or March of 2018 I became the
2 sole global head.

3 Q What are your responsibilities as the global
4 head?

5 A Essentially I oversee the bank's AML compliance
6 program ensuring that we are compliant with all
7 of the applicable laws, regulations and
8 regulatory expectations that apply to the
9 businesses that we conduct.

10 Q Okay. And what we are going to speak about
11 today is primarily focused on TD's knowledge of
12 and response to information that it was
13 receiving through an initiative called Project
14 ATHENA. And there are a number of people from
15 various departments at TD that seem to have had
16 some involvement in that. So just focused on
17 that, but in order to situate you in relation to
18 those other people, I'd just like to understand
19 what if any lines of reporting or visibility
20 that you had with respect to some people. I'll
21 list those.

22 Perhaps you can help me understand if that
23 is a part that reports to you or that you are
24 aware of. The first is a group called global
25 security and investigations. I think at the

1 time we are looking at a person by the name of
2 Pierre McConnell and perhaps Pierre Jireada were
3 part of that group. Is that something that you
4 have visibility or insight into?

5 A No. The tab is out of my mandate.

6 Q Another group is two individuals by the name of
7 Anna Gabriele and Michael Cowley. I believe
8 they are both senior AML managers. She was with
9 a group called the special investigations unit,
10 SIU, and Michael Cowley I think perhaps not in
11 the same group. Are those people that are in
12 the same reporting chain of command for you?

13 A They are, yes.

14 Q Did you have visibility into their involvement
15 in Project ATHENA?

16 A No.

17 Q There's another gentleman by the name of Kevin
18 Doherty who I think -- not sure if he still is
19 but at the time was head of the FIU for global
20 AML. Is that someone who would have reported to
21 you as well?

22 A Yes, he did and he does.

23 Q Okay. And Caitlin Riddolls, is that -- sorry,
24 go ahead.

25 A I was going to say Caitlin reports directly to

1 me, yes.

2 Q Okay. And in terms of who you report to, I know
3 another name that appears in the documents we've
4 heard about is Amy Hellen who I think is the
5 head of global AML. What is the reporting
6 nature of that in terms of your -- is she
7 someone that reports to you or vice versa? What
8 is the sort of relationship there?

9 A Amy reports to me.

10 Q As I indicated I'd like to talk about the
11 information and the engagement of TD in Project
12 ATHENA, and there is -- I'm going to try to
13 hopefully break it into different time periods
14 so it's clear what period we are actually
15 talking about. So we understand that TD first
16 became involved in Project ATHENA in early 2018,
17 and that is the first period that I want to
18 focus on is a period sort of between May and
19 November 2018. And we understand that in around
20 May 2018 Mr. McConnell, who is that individual I
21 mentioned from global security investigations
22 group, he attended a project meeting -- a
23 Project ATHENA meeting out in British Columbia,
24 and that by at least August 2018 he was -- his
25 GSI group was receiving intelligence through

1 Project ATHENA that was identifying bank drafts
2 that were suspected of being involved in the
3 laundering of money through BC casinos.

4 Did you have any -- at that time in that
5 time period did you have any awareness or
6 visibility on GSI's engagement with Project
7 ATHENA?

8 A No, I did not.

9 Q Okay. Just for reference, then, if you could
10 pull up -- the first document I'd like you to
11 look at is TD71. I'm going to omit all of the
12 intervening zeros and just give you the number
13 at the end.

14 A Give me that number one more time.

15 Q TD71.

16 A Okay.

17 Q So what I'm showing you is what appears to be
18 the -- at least the first of the emails
19 providing that intelligence that I was referring
20 to. This is a two-page email from Melanie
21 Paddon who was an investigator with the RCMP in
22 British Columbia. It's dated August 14th, 2018,
23 and it's to Pierre McConnell and the "subject"
24 is "Project ATHENA June 2018." You'll see the
25 texts says:

1 "Hi, Pierre. The list of casino patrons
2 is in for June 2018. The following
3 information through analysis reports the
4 following:"

5 You'll see there are five items below that.
6 They provide the total bank drafts purchased
7 from all financial institutions. You'll see
8 that was 246. Then it gives a number, specific
9 number of those bank drafts that were issued by
10 TD and then a further breakdown. And then what
11 appears to follow below is the specific
12 information regarding certain of those drafts.
13 Do you see that?

14 A I do, yes.

15 Q Okay. I think we'll look at another example
16 but, you know, there's sort of a similar format
17 that follows for each of these emails from
18 Ms. Paddon to Mr. McConnell in terms of the
19 total number of bank drafts and then the share
20 of those that are coming from the TD as well as
21 those specific details. So if we could look at
22 TD72 is the next document.

23 MS. YATES: Sorry, Nicholas, before we move on, did
24 you have any questions about this document? 71?

25 MR. ISAAC: I'll combine the questions for both 71

1 and 72.

2 MS. YATES: I see.

3 MR. BOWMAN: I've got 72 open.

4 MR. ISAAC:

5 Q So this is again an email from Ms. Paddon to
6 Mr. McConnell. Now it's copying Michael Cowley
7 and he is -- I think you indicated he is a
8 senior AML manager that would have reported
9 through to you. It's dated September 2018, and
10 it's the bank drafts for July 2018. And you'll
11 see it provides essentially the same information
12 for this block of time. Did you in this period
13 of May to November 2018 -- was any of this
14 intelligence making -- the fact of it or the
15 details of it making it up to you in your role?

16 A No.

17 Q And you understand now -- in terms of your
18 understanding now about Project ATHENA, you
19 understand that this information was being
20 provided to TD and similar information was being
21 provided to other financial institutions that
22 were participating on the hope or the
23 expectation that the information would be used
24 to initiate or feed into AML investigations.
25 You understand that? I mean now based on your

1 understanding of Project ATHENA and what it was
2 asking of participating financial institutions?

3 A Yeah, I would say this, Nicholas: I don't know
4 exactly what the asks were of the people who
5 were around the table at Project ATHENA. At a
6 much later date in time I became aware that we
7 had become -- we were provided some of this
8 information. But the actual asks and
9 expectations, and, to be honest, even the
10 propriety of us receiving information in this
11 context and doing something with it that could
12 lead to the following of STRs, you know, I'm
13 not -- I don't really have any information or
14 have I spent any time speaking to people to
15 better understand what those expectations are or
16 what we are permitted or not permitted to do
17 with it.

18 Q Okay. You mentioned it was much later. When
19 did Project ATHENA and the fact of this
20 information that was being provided and sort of
21 the key asks, when did that first come to your
22 information and when did that happen?

23 A I think those were two different time frames.
24 My awareness of Project ATHENA as best that I
25 can recall happened sometime in the summer of

1 2019 when through the CBA a person who reports
2 directly to me, Lilly De Felice, she is our
3 primary person responsible for industry advocacy
4 and she represents the bank on the CBA money
5 laundering steering committee. So she was
6 informed through that group that there was the
7 existence of something called Project ATHENA
8 that was up until that point being managed with
9 the industry through the CBA's corporate
10 security group.

11 And that -- I guess that that project had
12 determined that it was more appropriate now to
13 get the focus of money laundering compliance
14 professionals and so they were transitioning
15 that project to the CBA money laundering group
16 and that was communicated to the money
17 laundering group representatives in the summer
18 of 2019, and I was informed of that by Lilly.
19 So that was just with respect to the Project
20 ATHENA.

21 I don't have as clear a recollection as to
22 when I became aware that through that project we
23 were provided transactional information, but I
24 suspect it was closer to the end of calendar
25 2019.

1 Q And that's very helpful, thank you. So that
2 first period that we talked about then, that
3 sort of Pierre McConnell GSI and now Michael
4 Cowley in their involvement, that takes us up to
5 sort of November of 2018. So I take from what
6 you are saying is that this was not on your
7 radar at this point. The first time that you
8 heard of Project ATHENA was through that CBA and
9 Lilly De Felice sometime in 2019. So --

10 A Correct.

11 Q So that is fair. Why don't we then look at that
12 transition to the second time period that I was
13 looking at and that seems to have occurred when
14 Project ATHENA was assigned to Anna Gabriele.
15 We mentioned her. She is in the special
16 investigations unit. And GSI forwarded all of
17 the bank intelligence data that they had been
18 receiving up to that point to Ms. Gabriele's
19 team. So I -- and that seems to be something
20 that Michael Cowley was involved in and several
21 other people that Ms. Gabriele reported to. But
22 that transfer to SIU, I take it that's not
23 something that you were aware of or were
24 involved in at that time.

25 A No, I wasn't.

1 Q Okay. So that transfer then, in terms of what
2 occurred when Ms. Gabriele began, and sort of
3 the SIU was assigned to begin looking at some of
4 this, we interviewed Ms. Gabriele earlier this
5 week and she explained going through some of the
6 records as well that the only analysis that SIU
7 conducted on the information that they had
8 received and that GSI had received through
9 Project ATHENA occurred in late April, and at
10 that point one of Ms. Gabriele's team members,
11 Shirley Ly, conducted some preliminary analysis
12 of that information regarding the bank draft
13 information that had been provided from
14 March 2018 through to January 2019.

15 And Ms. Gabriele said that that work took
16 Ms. Ly a couple of days to complete. So this
17 is -- we are talking about this analysis being
18 conducted in a span of days after April 29th,
19 2019.

20 Ms. Gabriele also said that aside from that
21 preliminary analysis there was no further
22 analysis or use of the intelligence during her
23 time at SIU, and I just -- pausing there, that
24 is accurate to your understanding; right?
25 Between let's say -- we'll sort of bookend

1 things, but up until December 2019 there was no
2 actual AML investigative use made of any of the
3 information that had been provided to TD through
4 Project ATHENA; right?

5 MS. YATES: Nicholas, before the witness answers
6 that, that's quite a long summary of what Anna
7 had to say, and there are aspects of your
8 summary that I think are inaccurate. So could
9 you please ask a simpler question of the witness
10 that doesn't pack in the long description, and
11 I'm happy to get into the aspects that I think
12 are inaccurate in your summary, although I think
13 that's not helpful to do in front of this
14 witness.

15 MR. ISAAC:

16 Q As I said, we'll focus -- I appreciate it was a
17 long preamble. I don't think there's anything
18 inaccurate in what I summarized there but I'll
19 focus on the one thing in particular which is
20 that the first time that any AML investigative
21 use was made of the information that had been
22 provided to TD through Project ATHENA was in
23 December 2019?

24 A I am aware of learning in December of 2019 of
25 that work, but I'm not aware of anything that

1 would have been done at any time prior to that.
2 I don't have any direct knowledge of how this
3 information was used.

4 Q And it might be helpful -- I appreciate, you
5 know, that it may be helpful to have a reference
6 to that. There is a document TD02, which you
7 may want to have a look at. This appears to be
8 a memorandum to you dated January 2nd, 2020.

9 A Yeah, I have it open.

10 Q Okay. And this is from Amy Hellen and Kevin
11 Doherty to you, and I'm not going to ask you to
12 read out specifically from it but you see there
13 is a timeline at the bottom of page 1?

14 A Yeah.

15 Q You'll see there is a reference April 29, 2019,
16 to some preliminary analysis that was conducted
17 by SI for an initial review?

18 A Yeah, I see that.

19 Q There is a reference to a May 13th overview
20 provided, we'll talk about that, but the -- if
21 you go down to the second page, the
22 December 11th. So December 3rd there is a
23 reference to a high-level review and then
24 December 11th Shirley Ly commences first
25 investigation?

1 A Yeah, I see that.

2 Q So that is just -- I just confirm I think what
3 you indicated was that you are not aware of any
4 investigative use being made of any of the
5 Project ATHENA information prior to
6 December 2019; is that correct?

7 A That is -- I am aware from looking at this
8 chronology that this work picked up in
9 December of 2019. I don't know exactly what was
10 or wasn't done before that. Like, I don't know
11 what "put on hold" means. I don't know that
12 means nobody did anything. I'm just not aware
13 of what was happening with respect to the
14 information provided out of ATHENA during any of
15 the period before late 2019.

16 Q Okay. It may be helpful, then, if you could
17 pull up TD document 346.

18 A I have it open.

19 Q So this understanding of the timeline, as I
20 said, was that April 2019 Ms. Ly conducted this
21 preliminary analysis.

22 A I am sorry, Nicholas, I may have misheard the
23 wrong number. Which document number?

24 Q I believe it's 346.

25 A I am sorry. I opened up 36. 346. I have it

1 open.

2 Q This is a two-page email chain, and it starts
3 November 28th, 2019. And it's from Dermot
4 Hickey to Anna Gabriele copying Michael Cowley.
5 Do you see that?

6 A I do, yeah.

7 Q Just for context, we understand that
8 Ms. Gabriele was no longer with SIU at this
9 point. She was no longer with that unit. So
10 Dermot writes:

11 "Hi, Anna. From your SIU days not that
12 long ago did your team receive guidance on
13 Project ATHENA? Are you able to share
14 with me all things Project ATHENA related
15 from your time at the SIU?"

16 And then if you go up, Anna Gabriele responds
17 back to Mr. Hickey copying Mr. Cowley and
18 Mr. Kevin Doherty and she describes the work
19 that was done by SIU while she was involved. Do
20 you see that?

21 A Yeah.

22 Q And she says that:

23 "I've given the team a high-level summary
24 of Project ATHENA and what was in
25 anticipation that it would be a new

1 workflow project that the team would be
2 working. The one thing that I did do was
3 get Shirley (who did a great job) to
4 review all of the customers that Melanie
5 Paddon had provided for me each month from
6 March 2018 to January 2019 to determine
7 the following."

8 Then it lists a number of specific types of
9 information that were compiled. And then below
10 that Ms. Gabriele provides the bottom line that:

11 "Based on the data provided by Melanie" --
12 I think she means Melanie Paddon there. From
13 March 2018 to January 2019, she goes on to
14 provide what the total value of the bank drafts
15 that was purchased and presented. Then if you
16 go up from that, Mr. Cowley responds to
17 Mr. Hickey to say "not much was done then ..."
18 Do you see that?

19 A I do.

20 Q So when I was saying that based on what
21 Ms. Gabriele said that aside from that
22 preliminary analysis, she used the term it
23 wasn't an end-to-end analysis. It was this
24 preliminary assessment she describes here.
25 During her time she wasn't aware of anything

1 else being done with the information, and I take
2 it from what you've described as well that you
3 are not aware of anything else being done with
4 this intelligence prior to December 2019?

5 A Correct.

6 Q Okay. I've closed the document myself. If you
7 could pull up document -- TD document 199,
8 please.

9 A Okay.

10 Q This is a two-page-email exchange as well. And
11 if you go down to the bottom there is an email.
12 It splits between the first and second page.
13 It's from Anna Gabriele to Shirley Ly April 29,
14 2019. Do you see that?

15 A Anna to Shirley Ly, hold on. Yes, I see that.

16 Q Okay. So this is an email from Anna where she
17 is attaching the PDFs of the information, the
18 intelligence that had been received by GSI up to
19 that point. And this is -- you will recall I
20 indicated that the work that Ms. Gabriele's team
21 conducted, that began on April 29th. That is
22 the beginning portion of that email. The next
23 block up, though, is an email dated
24 December 30th, 2019, from Michael Cowley to Anna
25 Gabriele. Do you see that?

1 A Yes, I do.

2 Q Okay. And Mr. Cowley writes:

3 "Anna, trying to put together the timeline
4 for ATHENA for memory purposes. I know we
5 went to our initial meeting in
6 January 2019, and prior to that Pierre
7 McConnell had been attending on behalf of
8 TD. Can you tell me."

9 Then there's three bullet points that follow.

10 "First, when you started receiving this
11 info from Pierre, did it come all at
12 once?"

13 And Ms. Gabriele indicated that the text in red
14 was her response to this. She responds in the
15 first point:

16 "I think I started receiving emails from
17 Pierre in the fall of 2018."

18 The second bullet point is:

19 "Did you go to another ATHENA meeting in
20 July?"

21 And the response is:

22 "Yes, I attended a meeting that was held
23 on July 24th, 2019."

24 And then third it says:

25 "When would you say they put this project

1 on hold due to other operational
2 priorities?"

3 And the response is:

4 "We never did any work on Project ATHENA
5 due to other priorities we had at the
6 time."

7 Do you see that?

8 A I do, yes.

9 Q So you'll see there's reference there to the
10 project being put on hold? You see that?

11 A M'mm-hmm.

12 Q Is that something -- our understanding is that
13 the decision to put TD Bank's participation on
14 hold in Project ATHENA occurred in mid
15 July 2019. Is that something that you were
16 aware of or were involved in that decision at
17 all?

18 A I was not involved in any decision to put
19 anything on hold, but I do -- I am aware of some
20 circumstances that I think are the right context
21 for why these communications appear the way they
22 do. And so if I can take a minute and just
23 outline that for you. You know, as I mentioned
24 before, Project ATHENA as a PPP versus or as
25 opposed to this particular work, meaning the

1 banks being provided with transactional
2 information to take away and potentially do
3 something with I think have to be looked at in
4 two different contexts. Although it's clear to
5 me in reading these emails that some of these
6 communications went down to sort of the Anna
7 Gabriele's and the Michael Cowley levels. They
8 certainly were not aware of any of the context
9 that created some of these decisions from the
10 top. So I'll just quickly explain what I mean.

11 As I mentioned before, I became aware of the
12 project, the PPP project, Project ATHENA at some
13 point in the summer of 2019, and there's an
14 email that I saw here in the record where when
15 Lilly made me aware of Project ATHENA for the
16 first time, and I replied back something along
17 the lines, that's great, likely a lot of good
18 can come out of a project like that.

19 And I took the opportunity to caution Lilly
20 to say look, there's a lot of things, there is a
21 lot of industry-related projects at the moment,
22 and I recall from the email I listed them.
23 There was Interac; there was Project Collecteur.
24 There were a number of things, and I honestly
25 had lost track of who in our organization was

1 really focused on those, what were they doing
2 with respect to them and how are we managing all
3 of that work and the outcomes of that in the
4 bank.

5 And I asked Lilly to go away and help me
6 understand who is responsible within your AML
7 group for really having primary oversight for
8 these kinds of things.

9 I then saw later in the record emails of
10 Lilly going out to others and the email from
11 Kevin Doherty to the effect of, you know, at
12 some point in that time frame July or so of 2019
13 saying hey look, we are going to stand down on
14 Project ATHENA pending the determination of
15 where is the right place in the bank for it to
16 be managed.

17 So I certainly never asked anybody, at least
18 not to my recollection, to stand down on ATHENA,
19 but I think the combination of the inquiry from
20 me to better understand who was doing what and
21 perhaps some concerns from Amy with respect to
22 the demands and the resource constraints on her
23 team given the fairly significant regulatory
24 related work that we had going on that was a
25 fairly considerable pull on people's time that

1 the net from that was this perspective that once
2 people started to use that term "stand down,"
3 you know, it trickled down into emails like this
4 as well.

5 But I don't think -- I know certainly I
6 wasn't even aware at the time that we even had
7 this transactional data. I don't know the
8 extent to which Amy was aware that we had any of
9 this transactional data. And so I think the
10 perspective from us that hey, we've got too many
11 other priorities going on right now to be as
12 engaged in Project ATHENA as we had been, you
13 know, my sense from all that is that none of
14 that had anything to do with the transaction
15 reviews but just our participation around the
16 working group table in Project ATHENA.

17 Q That is really helpful, Mr. Bowman. I think in
18 fairness to you it may be good to identify, you
19 mentioned an email. I think you may be
20 referring to TD266. Would you like to pull that
21 up for a moment. I'll do the same here.

22 A Yes, that looks like that's it.

23 Q Okay. Just so we are clear, it's an email where
24 it begins with an email from Ms. De Felice to
25 you entitled CBA -- "FYI: CBA reports on BCML

1 and Project ATHENA," and then above that a
2 response from you. It's all under yellow
3 redactions but the response is on the 17th.
4 Just for clarity, CBA is the Canadian Bankers
5 Association; right?

6 A That's correct.

7 Q And so this was information that Ms. De Felice
8 was receiving back through the CBA's anti-money
9 laundering working group; is that right?

10 A That's right.

11 Q And I appreciate you are saying in terms of your
12 level at least there wasn't -- you know, that
13 the term "stand down" from what you said that
14 that wasn't sort of an explicit decision or put
15 in those terms. It was about balancing all of
16 the various priorities that were at play at that
17 point. And perhaps we can go into what actually
18 factually happened in terms of however that
19 stand down was implemented or what actually it
20 resulted in. But before I do that, I'd like to
21 turn to just look at factually what the scale of
22 the bank draft issue was that was being
23 identified through Project ATHENA, and then
24 where that information was going internally
25 within TD.

1 So I understand that on April 24th, 2019,
2 Ms. Gabriele attended a Project ATHENA meeting.
3 That was April 24th. Would have been about
4 five days before she had Ms. Ly conduct that
5 preliminary analysis that we referred to
6 earlier. I'd just like you to look at
7 the minutes of that Project ATHENA meeting. And
8 that's document 1203. That's not a TD document
9 so you'll have to go to the separate category of
10 documents for that.

11 A I've got it up.

12 Q These are the minutes that were prepared for
13 this April 24th, 2019 meeting which Ms. Gabriele
14 attended, and if you go to page 2 of
15 these minutes, the first sort of full paragraph.
16 Do you see that that says "based on a review"?

17 A Yeah.

18 Q So the paragraph reads:

19 "Based on a review of the BCLC
20 spreadsheets over an 11-month period" --

21 And just for context, the BCLC is the British
22 Columbia Lottery Corporation.

23 A Okay.

24 Q So they were the sort of source of much of the
25 information that was identifying some of these

1 bank drafts that were being presented at the
2 casinos. So:

3 "Based on a review of the BCLC
4 spreadsheets over an 11-month period from
5 the beginning of Project ATHENA March 2018
6 to January 2019, gamblers using two or
7 more banks and/or purchasing two or more
8 drafts: low end 21 issuing drafts, and
9 high end 510 issuing drafts."

10 And Ms. Paddon, Melanie Paddon, who is an
11 investigator with the RCMP who presented this
12 information, she confirmed on an interview with
13 our commission that that high end number 510
14 refers to bank drafts coming from TD Bank. So
15 the TD Bank was the largest single source of
16 those bank drafts.

17 And in our meeting with Ms. Gabriele earlier
18 this week, she confirmed that the analysis that
19 SIU had conducted, that Ms. Ly had put together
20 shortly after this meeting, that that confirmed
21 that during that March 2018 to January 2019
22 period there were approximately 513 TD Bank
23 drafts flagged through Project ATHENA that
24 totalled almost \$27 million for that period. So
25 TD wasn't just a source but that it was,

1 according to the RCMP/BCLC at this point, the
2 single largest source of bank drafts that were
3 being flagged by Project ATHENA.

4 Were you aware of that in this April to --
5 April 2019 to end of July 2019 time period?

6 A No, not to my knowledge. Not to the best of my
7 knowledge, no.

8 Q Did you become aware of that later at some
9 point?

10 A To be honest, Nicholas, I don't know if I became
11 aware after we began our conversations with the
12 commission or if it was in that early 2020 time
13 period, but I did become aware that some of what
14 was coming out of the commission information
15 material was that TD was among the highest
16 issuer of the drafts that were being identified
17 and provided back to the banks to look into
18 further.

19 Q Okay. And shortly after this April 24th meeting
20 and the subsequent analysis that Ms. Ly
21 performed on behalf of the SIU, there was an
22 internal meeting at TD where Ms. Gabriele gave a
23 presentation to Amy Hellen, Kevin Doherty and
24 John Hamers. That was on May 13th, 2019. And
25 it might be helpful as part of that

1 presentation -- that meeting and that
2 presentation Ms. Gabriele provided a slide deck,
3 and that slide deck is TD11.

4 Just while you are pulling that up,
5 Mr. Bowman, I'll say that I think this May 13th,
6 2019, it also appears on that chronology, the
7 chronology that is in that memorandum that we
8 looked at earlier at TD02.

9 A Okay. So I have that Project ATHENA deck on the
10 screen.

11 Q Okay. So Ms. Gabriele gave a presentation, this
12 slide deck as well as this presentation to
13 Ms. Hellen, Mr. Doherty and Mr. Hamers. And as
14 part of this presentation if you look at page 3
15 of that presentation, you'll see reference to
16 that. But Ms. Gabriele presented the statistics
17 that we discussed, the sort of results of her
18 team's analysis in terms of the total number of
19 bank drafts as well as the dollar value. And
20 you see that there?

21 A M'mm-hmm.

22 Q And her presentation also noted that at this
23 point you'll see that all of the other big six
24 banks were actively participating in the
25 project. They were using the intelligence and

1 using that. You'll see that is noted. Was that
2 something that you were aware of in this
3 April 2019 to end of July 2019 time period, that
4 all of the other big six banks were actively
5 participating in Project ATHENA?

6 A So again, just to be clear, when you say
7 "actively participating in Project ATHENA," you
8 mean investigating the transactions that they
9 were each provided?

10 Q Attending the meetings and investigating using
11 the intelligence to investigate?

12 A So I would just say no. Other than reading this
13 line right here, I have no knowledge or
14 information that the other big six banks,
15 particularly the AML groups, were actively
16 participating, and I draw that conclusion even
17 from looking at some of the documents that you
18 have included in here with sign-in sheets and
19 attendance records where I don't recognize the
20 names of any of the other big six banks as being
21 members of -- or at least senior members of
22 their money laundering community.

23 And I meet with the other large bank CAMLOS
24 on a very regular basis and this issue of having
25 received transactional information from or

1 through this effort Project ATHENA was never
2 raised or brought up around the table with the
3 other large bank CAMLOs. So I'm not aware of
4 what any of the other banks would have been
5 doing at this time.

6 Q Perhaps if we look back just for reference to
7 1203, which is the minutes that we were looking
8 at earlier.

9 A I am sorry, just to interject one more point,
10 because remember up to this point in time
11 Project ATHENA was still being run and led as a
12 corporate security and investigations initiative
13 out of the CBA. And so it's very possible that
14 other banks may have been investigating
15 transactions like these through their corporate
16 security groups, and you know, may not have been
17 on the radar of the AML leadership in those
18 banks either.

19 Q Okay. That's helpful. I should say just in
20 terms -- to make sure we appreciate and we are
21 on the same page in terms of what the
22 information flow that was intended with Project
23 ATHENA. So we've seen the intelligence that has
24 been provided to TD Bank, but the same
25 information being provided to other

1 participating financial institutions, and the
2 ask was that this information would be used to
3 inform or to initiate independent investigations
4 on the financial institution's end and then
5 where warranted reporting to FinTRAC including
6 through the use of a hashtag to identify the
7 connection to this work, and then obviously at
8 that point FinTRAC might be in a position to
9 close the circle and provide information back to
10 the RCMP and others that were investigating.

11 So that was the intended flow of
12 information. And I just want to understand the
13 distinction that you made between corporate
14 security and AML. Can you just explain that a
15 little bit more, Mr. Bowman.

16 A Sure. So for example, at TD Bank we have a
17 corporate security and investigations group.
18 It's referred to as GSI. I think it's noted in
19 a number of the emails. And that group does not
20 file STRs. So then when they have issues that
21 that they believe might warrant or support an
22 STR, they would generally engage or make a
23 referral into the AML unit.

24 That structure is not necessarily the same
25 at other banks, so it's very possible at other

1 banks their equivalent of the GSI teams who
2 would have been participating in this project at
3 the time may be more closely aligned to AML, may
4 have their own internal mechanisms for filing
5 STRs.

6 And so, again, you know, what I'm telling
7 you now really is what I formed only from
8 reading all of the emails and looking at how all
9 of this sort of came to be over time, but you
10 know, this project that got started in early
11 2018 and didn't have any -- doesn't appear to
12 have any AML involvement in it until late in
13 2018 when Pierre refers the transactional data
14 over to Anna, and that is, again, because they
15 themselves don't file STRs and it probably would
16 have made sense to our GI person to do that.

17 But even from the time that he sent them
18 over to Anna and thereafter it appears that he
19 either asked her to join him in a meeting or he
20 asked her to take his place in attending a
21 meeting, and so it was sort of -- sort of an --
22 not a purposeful way that Anna began to
23 participate in Project ATHENA at a time when it
24 appears that all of the other participants were
25 still heavily attending through their corporate

1 security, and we just happened to have this
2 level 10 manager non-executive attending because
3 a peer non-executive from a different group in
4 the bank asked her to join.

5 And so I would say I think it's good context
6 as well just to highlight that Project ATHENA
7 itself in the way that it came -- it was
8 established and coordinated by the various
9 individuals and groups that decided to put it
10 together, it's fairly untraditional or
11 non-traditional from all of the other
12 public/private partnerships in the AML space
13 that TD and the other banks have participated
14 in. I'm sure you are aware there are a number
15 of other fairly successful public/private
16 partnerships and for all of those TD was a very
17 proactive and significant participant around the
18 table, but all of those emerged out of the
19 CBA/AML working group.

20 And so therefore we and all the other banks
21 were part of actually establishing what the
22 goals were, what it was about, what we as a
23 regime hoped to get out of it. And in no other
24 private/public partnership have there been
25 anything along these lines of sharing

1 transactional data and expecting banks to take
2 it away and do anything with it, and so when I
3 had heard, for example, in the summer of 2019
4 that this thing came into the CBA called Project
5 ATHENA, you know, my impressions at that time
6 was that this is something that is just getting
7 started. We'll obviously get involved with it
8 in ways that we have in the past, and so the
9 fact that by that point in time we had already
10 received multiple iterations of transaction data
11 is not something that I was even remotely aware
12 of.

13 There's some records in the file there of
14 subsequent to when the project came into the AML
15 group that I think are quite telling about the
16 perspective around Project ATHENA among all of
17 the banks and the bank CAMLOs, so for example,
18 there's a -- trying to think of the time frame,
19 but I think it's probably around -- probably
20 around June where there is a CBA communication
21 where one of the large bank CAMLOs specifically
22 calls out that this Project ATHENA is the next
23 industry project.

24 So there it is in June of 2019 CAMLOs are
25 talking to each other saying we are going to

1 move to this next project called Project ATHENA
2 I think clearly indicating that nobody had been
3 involved with it at least not at the AML level
4 or at least not at the CAMLO level or wherever
5 at the CAMLO level.

6 In fact there's another email not long after
7 that probably in the fall of 2019 having to do
8 with the money laundering contact group, another
9 industry association that TD has always been
10 very active in and that comes in from the RCMP
11 leader of that group indicating to the group
12 hey, you know, the RCMP along with -- there was
13 two other banks referenced, I can't remember
14 which two they were, but the RCMP and these
15 couple of other banks were going to head to
16 Vancouver in mid September to engage in some
17 dialogue here and come back and report to you
18 all on Project ATHENA.

19 So, again, that's September 2019, and this
20 is the CBA group hearing about Project ATHENA,
21 understanding that things are getting underway.
22 So I just highlight that for you for context
23 that all of what was happening in Project ATHENA
24 up until at least the period when the money
25 laundering group of the CBA sort of -- it

1 transitioned to the money laundering group, my
2 sense -- certainly speaking for myself I know
3 that I had no knowledge of what was going on,
4 but it appears to me from both communications
5 that that is likely a similar story with respect
6 to some of the other leadership in the AML
7 space.

8 Q That's helpful context, Mr. Bowman. In terms of
9 some of what I hear you say there is that you
10 weren't hearing about Project ATHENA from your
11 sort of expected channels; is that fair? Sort
12 of the CBA community of CAMLOs and the others
13 that you were sort of regularly interacting with
14 in that community; is that fair?

15 A Yes, that's fair.

16 Q And I think you also said whatever the reason,
17 but that, you know, GSI, and not to fault the
18 people involved but just given their kind of
19 bailiwick that that might not have been the best
20 group to have been initially involved with
21 Project ATHENA in terms of putting it on the
22 radar at the AML level. That's fair as well?

23 A That's fair as well. And I think a related
24 point to call out as well is that for all the
25 other PPP projects that we were actively

1 involved with, our representation around the
2 table was at the executive level as it has
3 always been with our peers as well and we would
4 not normally, I think, expect that sort of a
5 level 10 investigator would have the right
6 context to bring around that table both in terms
7 of providing good and useful information into
8 the working group and into the discussions of
9 the working group, but also in terms of really
10 appreciating and understanding what sort of some
11 of the conclusions are that are coming out and
12 perhaps knowing how to move that information and
13 escalate that information around back into the
14 bank.

15 Q So I do want to focus in, we are looking at -- I
16 think we were going into talking -- looking at
17 the slide deck refers to a May 13th, 2019
18 meeting.

19 A Yeah.

20 Q Which is a meeting between Ms. Gabriele, who is
21 a person within the AML world, and she's now
22 meeting with, fair to say, pretty senior
23 executives within that world. Is that fair in
24 terms of Amy Hellen, Kevin Doherty and John
25 Hamers?

1 A I think when you say "fairly senior" I think
2 that's fair in terms of Amy Hellen.

3 Q And at least at this point based on the
4 presentation, again as of May 13th, 2019,
5 Ms. Gabriele is now presenting the statistics
6 indicating the volume of the issue, and I
7 appreciate you weren't aware of this at the time
8 that she at least has presented the fact of
9 other big banks participating and that they are
10 investigating customers identified through
11 Project ATHENA.

12 So she is identifying all of this to those
13 people, including Amy Hellen at this point who
14 reports to you. And there's also two
15 recommendations here, if you could turn to --
16 make sure we are on the same document. If you
17 turn to the fourth page of this slide deck?

18 MS. YATES: Your fourth slide of TD11, Nicholas?

19 MR. ISAAC: Yeah.

20 MR. BOWMAN: I've got it, thank you.

21 MR. ISAAC:

22 Q And Ms. Gabriele described these recommendations
23 that were made and there were two of them and
24 they related to the two key asks of Project
25 ATHENA. So one was to create an investigative

1 team to review the TD customers that had been
2 flagged through the project. And the second,
3 which we haven't really touched on a great deal
4 yet, was to look at the request to change the
5 bank drafts. And that was the underlying
6 vulnerability that was suspected of being
7 exploited by the typology that was identified by
8 Project ATHENA.

9 So those are two specific recommendations
10 made by SIU to Amy Hellen among others at a time
11 when the volume and extent of this was -- had
12 been compiled, put together and had been
13 presented. Were these -- was this slide deck
14 shared with you during that period of April 2019
15 to July 2019?

16 A No, I don't believe so.

17 Q Were the specific recommendations that
18 Ms. Gabriele and the SIU team had made, were
19 those raised with you in that same time period?

20 A No. So I would also say that I was never aware
21 of any request for specific resources as in that
22 first request until I was reading these
23 documents here as part of this process. And I
24 don't recall exactly when I became aware of the
25 issue around adding the name to drafts, but to

1 the best of my recollection it was after we
2 began having our conversations with you, the
3 commission.

4 Q Okay. I appreciate that. You referred to
5 resources and I think you are probably referring
6 it appears as though in connection with the
7 first recommendation which is the creation of an
8 investigative team, it looks like about five
9 people are contemplated at least at this stage
10 for that investigative team; is that right?

11 A Yeah. Based on what it says here, yeah.

12 Q Okay. So these specific recommendations were
13 not raised with you in this time period. Would
14 it have been then someone else who would have
15 made the decision, or do you know who made the
16 actual decision with respect to these
17 recommendations?

18 A I don't. I don't know -- certainly Amy and her
19 team would not even be the right people to even
20 be considering the bank draft issue. And even
21 the way this is worded here reflects sort of a
22 misunderstanding understandably by Anna who is
23 an L10 investigator in the group but TD
24 securities and wealth really would have nothing
25 to do with bank drafts, and it's a branch

1 banking business issue.

2 And so Amy would certainly not be the right
3 person to facilitate any sort of furthering of
4 that request. What she did with it, I don't
5 know. Similarly with the first request, I don't
6 know how it was decided, whether it was decided,
7 whether it was just left unanswered. None of
8 this was raised to me and I don't know how it
9 was ultimately decided.

10 Q Okay. So I think we referred down to at least
11 what seems to have been described by some people
12 at a different level as a standing down on
13 Project ATHENA. So just moving on then from at
14 least this point, this presentation May 2019 as
15 I said that we have a specific volume of bank
16 drafts being identified to Ms. Hellen among
17 others. There's the point about the potential
18 of being an outlier, which you'll see on the top
19 part of that, and then some specific
20 recommendations. What we see next if you could
21 pull up TD17. Let me know when you have that
22 open.

23 A I do.

24 Q So this is a four-page email. The bottom of the
25 second page is the initiating email. It's an

1 email from Melanie Paddon from CFSEU BC, that is
2 an RCMP unit, to Anna Gabriele dated June 17,
3 2019. You'll see that Ms. Paddon is providing
4 Ms. Gabriele in June with the statistics for
5 February, March and April 2019. And it follows
6 that similar format we saw earlier in terms of
7 the total number as well as the breakdown. You
8 see that?

9 A Yes.

10 Q So after that April 2019 analysis that SIU
11 completed, TD continued to receive these monthly
12 updates. If you go above you'll see that
13 Ms. Gabriele on June 21st is forwarding the
14 information to Kevin Doherty and copying John
15 Hamers and highlighting the numbers and the high
16 volume of bank drafts that are attributed to TD
17 there. Do you see that?

18 A Yes.

19 Q Okay. And Kevin Doherty responds back on
20 June 21st, 2019:

21 "Hi, Anna. Thanks for the summary and the
22 chat earlier. To confirm our
23 conversation, no action required on
24 Project ATHENA at this time as an FIU
25 team."

1 Is that financial intelligence unit?

2 A Yes.

3 Q "We are still determining with Mike B.
4 and GSET the appropriate way to deal with
5 initiatives like ATHENA."

6 I take it -- is -- that Mike B., would that be
7 you, Mr. Bowman?

8 A I would assume so.

9 Q And GSET?

10 A That's my leadership team. My direct report
11 team.

12 Q Okay. So Mr. Doherty is talking about no action
13 required on Project ATHENA at this point and
14 that they are determining with you and GSET the
15 appropriate way to deal with initiatives like
16 ATHENA. Do you know what Mr. Doherty would have
17 been referring to there?

18 A I don't specifically know because I never had
19 any conversations with Kevin about any of this,
20 but I assume, and this is directly related to
21 what I mentioned earlier, that sort of dichotomy
22 between me learning about Project ATHENA in
23 May and saying to Lilly, can you go away and
24 figure out who is involved in what, what are we
25 working on, let's make sure we are focused in

1 the right areas and we've got the right people
2 doing things, simply like that. And then I saw
3 a number of communications in these materials
4 where Lilly does just that. She goes out and
5 starts asking people who is involved. And I'm
6 not sure exactly where along the line Kevin's
7 takeaway from that was until all of this is now
8 fully vetted and understood and known we should
9 stand down.

10 I think that might have been ultimately the
11 conclusion from a combination of the fact that
12 we were trying to really better understand how
13 we were working and managing these industry and
14 collaborative external opportunities and
15 partnerships and at the same time ensure that we
16 were being appropriately focused on what we were
17 managing at the time which were some very, very
18 significant and highly resource intensive both
19 process efficiency and effectiveness and
20 regulatory priorities.

21 Q If you could pull up the next in the chain of
22 how the stand-down at least in effect occurred
23 is TD document 27.

24 A Okay.

25 Q Let me know when you have that.

1 A I do.

2 Q Okay. So this is a one-page email. The bottom
3 initiating email is from Kevin Doherty to Amy
4 Hellen and that is July 11th, 2019. The
5 "subject" is "Project ATHENA" and you'll see
6 Mr. Doherty writes to Ms. Hellen:

7 "Hi, Amy. Given all our recent
8 discussions on Collecteur, Interac, ATHENA
9 I will be asking Anna to stand down from
10 attending the next session in Vancouver
11 next month. We are yet to identify who
12 should own this in GAML."

13 I see that's global anti-money laundering?

14 A Yes.

15 Q I know there is an alphabet soup of acronyms so
16 I appreciate your decoding on this. Maybe
17 CB/DC, what is that?

18 A That is Canadian banking direct channels. That
19 is the part of the AML team that is managed by
20 Caitlin Riddolls.

21 Q It says and goes on to say:

22 "... and as we are not doing anything with
23 the data outputs. Thanks."

24 I take it "not doing anything with the data
25 outputs" sounds consistent with what we

1 discussed earlier that the information being
2 perceived in from Project ATHENA at this point
3 wasn't being incorporated or used to initiate
4 any AML investigations at this point?

5 A Yeah.

6 Q And above that you'll see the response from
7 Ms. Hellen which is July 11, same day reporting
8 back:

9 "Okay. Great. Yes. I think advisory
10 might be the better fit for the short term
11 and they can engage us as required."

12 So I appreciate your indication that the words
13 sort of "stand down" may not have -- that may be
14 a matter of interpretation at sort of a lower
15 point along the chain of command, but
16 Ms. Gabriele was instructed to not attend and no
17 one else from TD Bank I believe did attend the
18 next ATHENA meeting in July, which would have
19 been July 24th. Are you aware of that?

20 A Only from reading these emails.

21 Q I don't see exactly where there was a formal
22 cut-off, but it seems as though the flow of
23 emails from Project ATHENA also in terms of
24 updated intelligence also didn't continue beyond
25 that point. So you'll see -- I think when we

1 looked at this earlier, there was a document
2 199. TD199. And you want to just pull it up.
3 We won't go through the whole thing again. This
4 was where at the bottom Michael Cowley on
5 December 30th to Anna Gabriele had said:

6 "When would you say we put this project on
7 hold due to other operational priorities?"

8 So just curious, I appreciate you said that you
9 weren't aware that there was a specific resource
10 ask, the five-person investigative team, but was
11 it not -- you know, in terms of the other
12 operational priorities, was it not possible for
13 TD to both carry out those other priorities and
14 also conduct the investigations whether it was
15 with a five-person team or team of a different
16 size and to make use of the intelligence
17 provided and continue to attend Project ATHENA
18 meetings during this time or was there not
19 enough operational capacity to do those things?

20 A Yeah, I would say -- and again I'm not -- I
21 wasn't sort of part of those decisions to say
22 let's not have Anna attend; let's not put people
23 against these investigations. I can only tell
24 you what I do know. What I do know is that the
25 times of those emails Amy Hellen was sitting in

1 her role for what I'm gauging is approximately
2 two to three months. She just joined the bank
3 at the end of February. Kevin joined the team a
4 month later in March. So what you had was
5 literally a new leadership team over the
6 entirety of the Canadian AML operations at a
7 time when they joined and had to take over some
8 very, very high priority work.

9 And I don't know how familiar you are with
10 operational work and AMLQs and alert generation
11 and name matching and transaction monitoring and
12 TTR and EFTR and FTR filing, but it is a huge
13 amount of work with a tremendous focus on us
14 around workforce management and around
15 productivity, and that is where the priority
16 was. That was the number one priority, and I
17 think something like which for Amy who is new to
18 AML as a subject matter area, she had never
19 herself been involved in a public/private
20 partnership before, but she saw this as -- I
21 think understandably she saw this as an external
22 industry opportunity that people like Anna who
23 manage -- Anna is a people manager of a large
24 number of our analysts and investigators.

25 They are -- I'm speculating that Amy's view

1 was her time and everyone's time was at this
2 point in time more appropriately focused
3 elsewhere.

4 Q In, I suppose, obviously everything with the
5 benefit of hindsight, but looking back can you
6 understand why, you know, at this point TD Bank
7 has been identified as the highest source of
8 these bank drafts. There's a concern that has
9 been expressed about an outlier and about
10 possibly becoming an outlier and what doesn't at
11 least appear to be an enormous resource
12 commitment that had those dots been connected
13 that there may have been a more -- it would have
14 been possible to have begun feeding that
15 information into the AML world, at least on the
16 investigative material that had been received up
17 to that point?

18 MS. YATES: Nicholas, you are asking him to speculate
19 in a way that I think is unfair. So I think you
20 need to come at this area in a different way.

21 MR. ISAAC:

22 Q Okay. So you indicated Ms. Hellen was -- I
23 appreciate, I think there was a reference even
24 to one of the earlier presentations where
25 Ms. Gabriele referred to seeking to get the

1 buy-in from new leadership. I gather Ms. Hellen
2 was with an enormous task list of high priority
3 items in front of her and months into the new
4 job had a lot of things likely to sort through.
5 My question is based on your experience sort of
6 looking back at this and the value of the
7 intelligence that you've since realized after
8 the work began in sort of December, was it
9 something that likely could have been fed into
10 the AML and been used in AML investigative work
11 earlier than December 2019?

12 If you feel you are not in a position to
13 answer that, that's fine, but I'd like your
14 thoughts on that if you can.

15 A Well, I mean, I guess -- I hope I don't
16 disappoint my counsel in answering this way, but
17 all I can say, Nicholas, is that at that time I
18 think it is fair to say that we did not have a
19 person to spare.

20 Q Okay.

21 A And notwithstanding -- and let me just say a
22 bit more there. Notwithstanding what you are
23 asserting is in hindsight the outcome, because I
24 would also just add we keep hearing that TD was
25 the highest issuer of bank drafts and presuming

1 that there's something to take from there as a
2 concern, and I would just say I don't have
3 enough information to know whether there should
4 be a concern. What I mean by that is I don't
5 really know exactly how all of these bank drafts
6 were pulled. I don't know if they truly
7 represent, like, literally 100 percent of every
8 bank draft cast at any casino in British
9 Columbia or if it's a sampling or a pooling that
10 may or may not be actually representative of the
11 total bank draft population.

12 I also don't know if TD's higher numbers are
13 just quite simply reflective of TD's larger
14 presence in the province. I don't know how many
15 branches TD has in the province in relation to
16 the other banks that were involved here. And I
17 think the third part I would highlight I don't
18 at this point know is the extent to which the
19 mere existence of the use of bank drafts, even
20 bank drafts where people have had more than one
21 in and of itself is an indicator -- a necessary
22 indicator of risk and where there's clear
23 meaning of the reasonable grounds to suspect
24 when looking at them.

25 I would just highlight that is somewhat

1 indicated by given the investigations that we
2 did, which is, as I certainly saw in reading
3 these materials, resulted in a high number of
4 STRs being filed with recommendations to
5 de-market. But when those recommendations to
6 de-market and the way our process works at TD is
7 the operations team recommends when they see
8 some risk that they think we ought to exit the
9 relationship because it's beyond the bank's risk
10 appetite, those go to the -- those
11 recommendations go to the advisory teams who are
12 much closer to understanding the business and
13 the products and how things work.

14 And there were a number of instances where
15 STRs were filed and the customers were
16 recommended to de-market where the advisor team
17 having a deeper look at the customer's
18 background was not equally convinced that the
19 bank had -- that there were reasonable grounds
20 to suspect and file and de-market and that
21 perhaps we were defaulting the filing and
22 exiting just because these names were on the
23 list that were provided by the CFSEU.

24 So I get all of that just from reading the
25 information that was in the emails that were

1 highlighted for review here.

2 So I just call that out to say that a lot of
3 that still remains unclear to me. There's no
4 doubt there's terrific information here and
5 there's good direction to pursue, but it seems
6 at least to me from some of the questions that
7 are being asked that there's a conclusion in
8 there that these -- that all of these bank
9 drafts are necessarily related to illicit
10 proceeds or illicit activity. And I don't have
11 enough information to know the accuracy of that.

12 Q Well, I can say I think I would be surprised if
13 there was a direct one-to-one correlation. That
14 would be some very useful intelligence indeed.
15 But I think it would be fair to say, again I
16 don't want to -- I have tried to avoid in all of
17 the interviews that we've conducted talking
18 about specific STRs or the specific
19 circumstances of those, appreciating the
20 sensitivity around that.

21 But it's fair to say -- and I didn't take it
22 to you, but in the April 24th, 2019
23 meeting minutes for Project ATHENA that we
24 looked at -- you don't need to pull that up
25 right now, but, you know, we did speak to

1 Ms. Gabriele about it. It does include at this
2 point there was statistics flowing back in to
3 the project around STRs that were being filed,
4 the experiences of the other banks that were
5 processing the information and the results that
6 were being generated through that.

7 But I think perhaps you had said that there
8 were circumstances where on further examination
9 and the independent looking at this that
10 occurred later on in 2019 that some of this
11 didn't result automatically obviously in a
12 derisking or STR being filed. But it's fair to
13 say also the inverse. There were times when the
14 Project ATHENA intelligence in fact proved
15 critical and made a significant difference.
16 That's there as well; right?

17 A I would say it appears that way, yes. Again,
18 just from everything I've read in this file, I
19 didn't -- I haven't seen any of the specific
20 cases but just from the information that is
21 highlighted in the file.

22 Q Okay. And perhaps if you could just pull up
23 TD236.

24 A 236.

25 Q So this goes into a period which I'm not going

1 to spend a lot of time in which is the kind of
2 analysis and processing that was actually
3 happening once the AML group started to sink
4 their teeth into this data, but you'll see at
5 the top it's an email from Caitlin Riddolls to
6 Mike McIntosh and Faye Kwok, who appeared to be
7 involved in these investigators, and it just
8 says, if I'm reading this correctly:

9 "It looks like the FIU seemed okay with
10 activity after the UTR and SAS alerts and
11 only found it suspicious when they got
12 tipped off through Project ATHENA."

13 I'm not going to make too much of that, but I'll
14 just say it does appear as though just as
15 sometimes the Project ATHENA stuff isn't going
16 to result in everyone being de-risked, at the
17 same time it is as often is the case with
18 public/private partnerships the information
19 that's being provided is being provided because
20 it's not just a data trawl.

21 It's a -- it is something where law
22 enforcement have suspicions and it's likely at
23 least to be highly relevant information and
24 something that would -- is of potentially great
25 use to internal AML [indiscernible]; right?

1 A Yes.

2 Q And you can't really work your way through that
3 in the abstract, you kind of need to look at the
4 data and conduct those end-to-end reviews in
5 order to figure out is it worthless or is it
6 useful?

7 A Yeah, that's absolutely right. I agree.

8 Q And I just want to -- I indicated that I think
9 that Ms. Gabriele was told not to attend the
10 July 24th, 2019 meeting. And I just want to
11 pull up, if we could, the meeting minutes from
12 that meeting. That's doc 1209.

13 A Okay. I have it up.

14 Q These are the minutes from that meeting, and if
15 you could scroll down there to page 4 and 5.
16 Start with -- can't do both so the bottom of
17 page 4, please.

18 A Are the pages numbered?

19 Q The portion that I'm looking at, it's the
20 third-to-last page, "BCLC statistics update Brad
21 Rudnicki." It's at the bottom of the fourth
22 page. If you are on a PDF you might see a
23 little --

24 A I'm looking at it.

25 Q So these are -- there was no one from TD to

1 receive these statistics but this is -- it says:

2 "Institute type has been collected since
3 January 2018 by BCLC therefore the start
4 for these following charts in 2018 the
5 names of these banks are removed from the
6 included charts at the request of JIGIT."

7 That is a specialized policing unit in
8 British Columbia that deals with gaming.

9 "The top six banks in descending order of
10 dollar value presented are:"

11 First TD, then second BMO, and then it goes
12 through and at the bottom is Scotiabank. And it
13 goes on to give the specific numbers. So in
14 2018 there were a total of 2,955 bank drafts,
15 certified cheques received from 17 different
16 [indiscernible] ... \$51.9 million.

17 Goes on to say 2,887, 98 percent of these
18 drafts originated from the top six financial
19 institutions mentioned in this report which
20 totalled \$147.4 million. That's 97 percent.
21 And the top two financial institutions, that
22 would be TD and BMO, account for 66 percent of
23 the dollar value volume or 63 percent of the
24 count volume.

25 So based on these, and, again, I appreciate

1 this is not a one-to-one correlation where every
2 bank draft is necessarily money laundering. I
3 appreciate that's not how this works, but in
4 terms of these flagged drafts, we are looking at
5 just over \$100 million of volume between TD and
6 the second highest bank there. Obviously TD
7 because no one had attended these statistics
8 weren't -- I suppose the underlying emails would
9 have identified the volume and the size of the
10 bank drafts that were identified but these
11 specific numbers weren't.

12 The other issue which I know we've just
13 touched on and the other kind of key ask for
14 Project ATHENA was to address the underlying
15 vulnerability that was being exploited through
16 the typology, that was the anonymity on bank
17 drafts. And you'll recall when we looked at
18 that May 13th, 29 [sic] presentation that was
19 given to Ms. Hellen and her colleagues.

20 A Yeah.

21 Q That was one of the issues that was specifically
22 identified, one of the key asks that was
23 specifically identified at that meeting, and it
24 was also one of the specific recommendations
25 that Ms. Gabriele had made, the SIU team had

1 made was to address the anonymity issue. I
2 think you said that -- please correct me if I'm
3 wrong, but I think you said that you -- that her
4 recommendation reflected a bit of a
5 misunderstanding about who was actually
6 responsible for that portion of things.

7 And I think it was Caitlin Riddolls who you
8 understand sort of took the lead from an AML in
9 dealing with everyday banking to seek to
10 escalate that issue.

11 A Yeah, based on my review of these emails it
12 looks like Caitlin took away the question to the
13 business. At least initially her question was
14 do we include the names on bank drafts. That
15 seems to be the first question she went out
16 with. But yes, it was Caitlin who sort of
17 fostered that question because she supports the
18 branch banking business.

19 She is the AML support, the AML advisory
20 leader to the branch banking business so she
21 would have been the right person to assess what
22 we currently do and to then make either the
23 request or the ask or raise the questions with
24 the business to better understand the extent to
25 which we could potentially incorporate some of

1 those recommendations.

2 Q And I think Ms. Riddolls appeared to have -- a
3 chronology was put together of her efforts in
4 that regard. I won't necessarily take you
5 through that all now, but it appears she reached
6 to everyday business in December 2018 but the
7 bulk of her efforts occurred in that May 15th to
8 July 29th period of time. And it seem as though
9 there were two possible solutions that were
10 being looked at.

11 One is the high-tech solution, if you will,
12 and, you know, basically a system solution where
13 something is going to be automatically printed
14 on the bank drafts. And the second is sort of a
15 low-tech manual solution and potentially even
16 just on a regional basis of writing it in.

17 Were you aware of or were you sort of being
18 briefed on an ongoing basis for Ms. Riddolls of
19 her efforts and her dealings with everyday
20 banking to explore those two options at that
21 time?

22 A No, not at that time.

23 Q Okay. All right. It appears as though as part
24 of that process Ms. Riddolls was reaching out to
25 peer financial institutions to determine what

1 are they doing with respect to the bank drafts,
2 and similar information was also being provided
3 through discussions at Project ATHENA meetings.
4 Were you aware in -- that as of July 2019 that
5 all but one of TD's peer banks had implemented
6 some sort of solution to the anonymity problem
7 at least on a regional basis?

8 And sometimes just as a manual solution,
9 although for others it was a system solution.
10 Is that something that you were aware of in this
11 July, early August 2019 time frame?

12 A No.

13 Q Okay. Our understanding is that the only bank
14 that had not implemented a solution at this time
15 was Scotiabank. And I think you'll recall from
16 that July 24th, 2019 meeting minutes that we
17 looked at that they were at the bottom of the
18 list that had been identified for BCLC, but did
19 you become aware of the peer practice -- I think
20 you said that you became sort of re-engaged with
21 this in -- after our phone call and letter in
22 March of this year. Is that when you first
23 became aware of the nature of what peer practice
24 was in that area?

25 A Yeah, it was after we had our conversation or

1 our first communication with the commission and
2 I had asked Lilly, who, as I mentioned, is our
3 sort of industry advocacy person. And she's got
4 her colleagues and her peers at the other banks,
5 and I asked her for what everyone else was
6 doing.

7 So she responded to me then, but I don't
8 know if she based that response just on what I
9 now see in this record are these emails from
10 July or if she had gone back out to see if
11 anything had changed. But I would -- you know,
12 look, I would also just say, I think there was
13 something in the record about -- because I had
14 raised a question around my CAMLO table, and
15 when you say that everybody but one had taken
16 some effort, I think it's important to let's
17 discuss what do we know about those efforts.

18 What I had heard about some of those efforts
19 was there wasn't much to them at all. That it
20 wasn't even regional, it was just in some
21 branches in the region. And while, you know,
22 from the time that this first came up although I
23 wasn't aware of it and [indiscernible] was
24 pursuing it in the branch, I think it's possible
25 that perhaps what we are now doing today and the

1 way that we rolled it out and the comprehensive,
2 structured, high degree of communication,
3 playbooks for people in the branches, we may be
4 doing more today in this regard than any of
5 those banks are for all I know because some of
6 the -- what I had heard anecdotally about what
7 was happening by the other branches didn't seem
8 to be much structure and certainly no oversight
9 or quality control.

10 Q By reference -- and I don't need to necessarily
11 take you through it right now, Mr. Bowman, but I
12 think the meeting minutes that we looked at, the
13 document 1203 at page 4 and 5 of that document
14 is sort of a summary of the minutes and the
15 meeting minutes where there is a round table for
16 the individual financial institutions' thoughts
17 on the bank draft issue. If you just want to
18 pull that up briefly.

19 A I have it.

20 Q Okay. So it starts off with -- there's six
21 consistent with our big six number of banks.
22 First one:

23 "HSBC has implemented the changes. They
24 wanted their drafts to be less desirable
25 to criminals. This process took no time

1 to implement. All it took was
2 communication to each bank staff that they
3 are now to write the purchaser's name and
4 account on the draft. Currently looking
5 to a system where this is embedded on the
6 draft."

7 I should just say this is April 24th.

8 A I haven't found it in the document yet. I'm
9 scrolling down.

10 Q Sorry, let me assure you do that. I broke my
11 own promise to you to make sure we are looking
12 at the same document. Page 2 right at the
13 bottom.

14 A I found it. Bank draft amendment.

15 Q So you'll see there:

16 "HSBC has implemented the change as they
17 wanted their drafts to be less desirable
18 to criminals. This process took no time
19 to implement. All it took was
20 communication to each bank staff that they
21 are now to write the purchaser's name and
22 account on the draft. Currently looking
23 to a system where this is embedded on the
24 draft."

25 That's HSBC's comments. I appreciate this is a

1 short summary of it and it doesn't include -- I
2 don't know how regional this is or otherwise.
3 And also I would note that this is April 24th,
4 2019, so this is I think slightly before
5 Ms. Riddolls would have done her outreach.

6 A I would also -- I think it's important just to
7 call out when I read that sentence that they
8 have included the purchaser's name -- I'm sorry.
9 I don't know why I thought I just saw -- sorry.
10 I must have just misread something.

11 Oh, yes, the process took no time to
12 implement. I'm sorry, when I read that, I ask
13 myself -- it raises lots of questions in my mind
14 then about what the process is if it took no
15 time to implement if staff in branches are
16 handwriting the items in. Again, no one is
17 talking about what type of oversight or controls
18 are in place to ensure that it's happening. And
19 I think in all of our branches across the
20 industry one of the things that we always deal
21 with is attrition rates of employees, tellers in
22 branches is -- for lots of understandable
23 reasons many of them are students, lots of them
24 part-timers, the attrition rates are not low and
25 so one of the main reasons for trying very hard

1 to always avoid ad hoc manual interim processes
2 is because of the simple reality that there's an
3 increased likelihood that they will not be --
4 that there will be issues around maintaining the
5 control.

6 Q Yeah. And in fairness, Mr. Bowman, I believe
7 that one of the issues that was raised by
8 everyday banking when Ms. Riddolls was engaged
9 with them was the issue of not wanting to have
10 regional sort of ad hoc policies. Is that sort
11 of possibly what you were referring to there of
12 not having consistency nationally?

13 A I would say obviously the preference would
14 always be when making change unless there is a
15 reason not to be national to make the change on
16 a holistic national basis and to drive it
17 through technology and automation to minimize
18 the incremental burden on branch staff.

19 Q Perhaps we'll make our way through the rest of
20 the list just for the full context, but perhaps
21 I could ask, that is the ideal obviously is that
22 the computer will print it all out and all the
23 information will be included there, but do you
24 not say when you have what appears to be an
25 emerging -- a typology that is at least being

1 detected in one region, that considering at
2 least in the interim a low-tech manual solution
3 that that is the sort of don't let the perfect
4 be the enemy of the good. Even if there's maybe
5 imperfection in some of the other interim
6 solutions that, that shouldn't be a precluding
7 adopting or pursuing some of those less perfect
8 measures at least in the interim. Would you
9 agree with that?

10 A I think what I would say, Nicholas, is that I
11 guess I would first say that I'm not aware of
12 any precedent for that. To be honest, this
13 initiative -- and I'm not questioning the value
14 of it, I'm just saying the way that this
15 initiated and came out of a PPP with ultimately
16 a recommendation to change processes in a branch
17 and especially to implement a manual process,
18 I'm not at least aware of any instance where
19 that's happened before from a money laundering
20 protection perspective.

21 Having said that, I don't disagree with you
22 that it's most definitely worth considering and
23 discussing and talking about because if
24 something that can be done quickly even if
25 imperfectly can have some meaningful impact,

1 then I think it's worth talking about.

2 Now, I would also just add, you know, in
3 terms of adding the name here, one of the
4 questions, and of course I only became aware of
5 it after we began our discussions with the
6 commission, but one of the questions that I
7 don't have the answer to is I don't really fully
8 understand and appreciate the controls that are
9 happening in the casinos.

10 And so I would just say that adding the
11 names on to the drafts whether they be
12 handwriting or whatever is only as beneficial or
13 valuable as the casinos are employing a strong
14 discipline and a policy of not cashing any bank
15 cheque unless the person shows government-issued
16 photo ID identifying them as the same name on
17 the draft.

18 And that may in fact be what is happening.
19 I just don't know whether that's happening
20 either way or not. But certainly to the extent
21 that that is not happening, then that would sort
22 of weigh heavily on the value of implementing
23 manual processes into banks of these sizes.

24 Q Yeah. And in fairness I'll say my understanding
25 is that part of the genesis of Project ATHENA

1 was that following Dr. German's report, which
2 was looking into money laundering in among other
3 areas the casinos, the casinos implemented a
4 declaration that was required. The challenge
5 for casinos was confirming the information that
6 was being provided by those who essentially
7 turned up at the casinos and presented bank
8 drafts in bearer forms and how do you detect the
9 discrepancy between the two.

10 That's part of my understanding at least of
11 what was being hoped for through this process
12 was something that would identify the
13 discrepancies and allow that information to be
14 confirmed.

15 But I will go -- I started the list; I'll at
16 least finish it so we have the full context for
17 it. So the next item is:

18 "BMO shares the same view as HSBC.
19 Currently looking at training and
20 communication strategy and a system for
21 vetting this information on their drafts.
22 Want input from CBA and other FIs in order
23 to have a clear consensus and direction.
24 Requires CBA to be on board."

25 The third item is:

1 "Scotiabank does not distribute a high
2 enough number of drafts in order for the
3 VPs to get on board. Require further data
4 and not just from casinos.

5 Four:

6 "RBC handwriting puts their name on the
7 draft starting May 2013. Currently
8 looking into long-term solution.

9 TD is looking to engage their new
10 leadership and" --

11 You'll recall I think I referred to that phrase
12 "engaging new leadership" earlier.

13 "CIBC has no current input. They already
14 have purchaser's name embedded on the
15 drafts."

16 I think that is a virtue of their pre-existing
17 solution, system solution that they had.

18 So Ms. Riddolls had a chronology, a
19 colleague of hers Mr. Bachrynowski appears to
20 have prepared a chronology for her, and just for
21 your reference it's TD468. If you'd like to
22 pull that up.

23 I will say just for perhaps those that are
24 looking at their watch saying when is lunchtime,
25 and for you when is it your time, I'm hoping

1 that we won't be much longer.

2 A Well, listen, I cleared the entire afternoon, so
3 I have got all the time you need.

4 Q So if you are looking at that document now,
5 that's TD468.

6 A I have it.

7 Q And this is a chronology that Ms. Riddolls said
8 that had been prepared by Mark Bachrynowski, and
9 you'll see it appears to have been prepared on
10 March 23rd. So that would have been shortly
11 after our phone call and also the letter that
12 the Cullen Commission sent following up.

13 You'll see the chronology begins in
14 December 2018 with a communication to the vice
15 president of everyday business Mr. Aaron Clark
16 and then some followup in May 15th, 2019. And
17 then if we scroll down, there's lot of back and
18 forth, sort of debating back what is happening
19 with bank drafts, clarifying those issues and
20 sort of talking about potential options.

21 It does seem as though we identified some of
22 the issues or reservations that everyday
23 business seemed to have with moving forward, but
24 if you go down to the fourth page the chronology
25 ends on July 29th, 2019. Do you see that?

1 A Hold on. Yes, I'm there.

2 Q July 29th, 2019, the chronology ends, and it
3 says there there is a reference to that
4 Ms. Riddolls would be discussing this matter
5 with you and to determine whether or not there's
6 support to pursue the request. July 29th. We
7 understand Ms. Riddolls did speak to you after
8 that. Do you recall that meeting or that
9 discussion?

10 A I don't. I didn't think that I was aware of
11 this until we received our first communication
12 from the commission, so I don't have a
13 recollection of speaking about this with
14 Caitlin.

15 Q And I will say as well there's -- after that
16 July 29th, 2019 reference here there aren't any
17 records that we have seen between then and
18 March 23rd, for example, so sort of an
19 eight-month period that suggest or indicate that
20 anything specific had happened on the bank draft
21 anonymity question. I take it you haven't seen
22 anything indicating anything specifically
23 dealing with bank draft anonymity either on a
24 systems or manual level in that time frame?

25 A No. No, not that I recall.

1 Q And you said that it was -- you kind of were --
2 that this came back on your radar after our
3 phone call when we did raise I think among
4 the -- the discussion that was had was at least
5 identifying the question of bank drafts, what
6 was going on with that, and obviously the
7 March 20th letter that followed?

8 A Right. That's right.

9 Q Okay. I mean, would it be fair to say it was
10 that phone call and the letter that followed
11 that may have prompted some renewed focus and
12 attention to the issue?

13 A Oh, yes. Very fair.

14 Q Nothing nefarious about that, I can imagine. I
15 know that we referred to the next sort of thing
16 that we have really in terms of the action,
17 there was some correspondence back and forth in
18 terms of that renewed action and attention to
19 putting together the information for the
20 purposes of the response that was provided in
21 writing to the commission to our questions. The
22 next sort of change I think you have referred
23 to, and you are obviously aware that there was a
24 bank draft policy change that was implemented
25 effective September 14th, 2020, in the pacific

1 region?

2 A Yeah.

3 Q And that, you know, I appreciate I think both
4 you and Ms. Riddolls have indicated that it
5 wasn't haphazard. It was thought through and
6 studied before it was implemented. But that
7 change is a manual one where staff are given
8 specific instructions about how to and how not
9 to include purchaser information in the pacific
10 region; is that right?

11 A Yes, my understanding, yes.

12 Q Okay. We understand that there would have been
13 an intake request to make that change which
14 would have kind of triggered a lot of the formal
15 steps around that. To your knowledge was the
16 intake request for that change submitted after
17 the March 15th phone call that you had with the
18 commission?

19 A I truly -- I'm not really aware of the processes
20 and that there's an intake request so I don't
21 really know how that works. And so I don't have
22 direct knowledge of when that might have been.

23 Q You are not aware of any specific planning or
24 budgeting or scoping or determination of which
25 of manual or system solutions that any of that

1 occurring before March 15th, right, in that
2 eight-month period; is that fair?

3 A Correct, yeah.

4 Q Okay. And --

5 A But let me just say that I'm also not aware of
6 those statements that -- those references you
7 made, I'm not aware of them either after
8 March 15th, but I didn't have that type of
9 direct involvement to have seen any of those
10 things either before or after.

11 Q And it would be accurate to say, though, that
12 prior to this September 14th, 2020 policy
13 change, any client of TD Bank could have
14 purchased a bank draft in the pacific region
15 that would have not indicated -- would have not
16 included information about their purchaser's
17 name in the account? Is that accurate?

18 A Yeah. As I understand the process and the
19 changes that is accurate.

20 MR. ISAAC: Okay. Well, I have an antiquated
21 grandfather clock which lets me know when it's
22 noon and lunchtime, so I think those are all the
23 questions that we have for you, Mr. Bowman, so
24 I've ended right on noon. I want to thank you
25 for speaking with us today and I'm going to --

1 unless there's anything else for the record I'm
2 going to stop recording and again confirm that
3 the purpose of this is to put a transcript
4 together and that that transcript will at least
5 for now remain confidential and it's been
6 created pursuant to the terms agreed in our
7 exchange of the correspondence.

8 MS. YATES: Before you turn off the recording, no
9 questions from us, but can you then confirm
10 please, you will be providing a copy of that
11 transcript to us and what the timing --
12 anticipated timing of that is?

13 MR. ISAAC: I can say we've been providing the audio
14 on a bit of a rolling basis to a court reporter
15 for the purpose of preparing a transcript so we
16 are in their hands a little bit in terms of time
17 frame, but as soon as that transcript is
18 prepared we will circulate it to counsel for
19 your review first and no further action will be
20 taken without prior notice to you about that.

21 MS. YATES: Okay. Thank you.

22 MR. ISAAC: Okay. Mr. Bowman, thank you very much.
23 I'm going to stop recording now.

24 MR. BOWMAN: Okay.

25 **(INTERVIEW CONCLUDED)**

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Reporter's Certification:

I, Lana Grace Allen, RCR, RPR, CCP,
Official Reporter in the Province of British
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certify:

That the proceedings were transcribed by me
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IN WITNESS WHEREOF, I have hereunto
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November, 2020.

Lana Grace Allen, RPR, RCR, CCP
Official Reporter