

**PROCEEDINGS AT HEARING  
OF  
APRIL 14, 2021**

**COMMISSIONER AUSTIN F. CULLEN**

**INDEX OF PROCEEDINGS**

<b>Witness</b>	<b>Description</b>	<b>Page</b>
	Proceedings commenced at 9:30 a.m.	1
<b>Melanie Paddon (for the commission)</b>	Discussion re redaction of exhibits	1
<b>Ben Robinson (for the commission)</b>	Examination by Mr. Isaac	4
	Proceedings adjourned at 11:13 a.m.	83
	Proceedings reconvened at 11:27 a.m.	83
<b>Melanie Paddon (for the commission)</b>	Examination by Mr. Isaac (continuing)	83
<b>Ben Robinson (for the commission)</b>	Examination by Ms. Harlinton	127
	Examination by Mr. Stephens	137
	Examination by Ms. Ollek	146
	Examination by Ms. Magonet	152
	Colloquy	163
	Proceedings adjourned at 1:09 p.m. to April 15, 2021	164

**INDEX OF EXHIBITS FOR IDENTIFICATION**

<b>Letter</b>	<b>Description</b>	<b>Page</b>
---------------	--------------------	-------------

No exhibits for identification marked.

**INDEX OF EXHIBITS**

<b>No.</b>	<b>Description</b>	<b>Page</b>
838	Curriculum Vitae of Ben Robinson	7
839	Project Athena and CIFA-BC Presentation	31
840	Project Athena Stakeholders Meeting October 24, 2016	38

841	GPEB Briefing Notes – Bank drafts and source of funds update - Project Athena, December 28, 2018	50
842	[Vacated]	64
842	Luxury Vehicle Sub Group (undated)	88
843	Luxury Vehicle - Case Scenario (redacted)	100
844	Project Athena High End Luxury Vehicle Working Group, Minutes, January 22, 2020	100
845	Ben Robinson – Response, June 11, 2020	100
846	Investigational Planning and Report, Project Athena, February 13, 2020	101
847	CIFA-BC Framework revised April 9, 2021	108
848	Memo to ADM Policing – CIFA-BC, October 2, 2020	114
849	Letter from Minister Blair to Attorney General Eby, December 10, 2020	116
850	Email exchanges Ross Alderson re Persons of Interests February 18 and 19, 2021	140
851	Email from Ben Robinson re Toyota Corolla February 16, 2017	142
852	Email from Ben Robinson re Intel and Interview (redacted)	143
853	Email from Paul Dadwal re JIGIT New Systems - May 19, 2016	146

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**April 14, 2021**

**(Via Videoconference)**

**(PROCEEDINGS COMMENCED AT 9:30 A.M.)**

THE REGISTRAR: Good morning. The hearing is now resumed. Mr. Commissioner.

THE COMMISSIONER: Thank you, Madam Registrar.

Yes, Mr. Isaac.

MR. ISAAC: Thank you, Mr. Commissioner. The next two witnesses are Melanie Paddon and Sergeant Ben Robinson.

Before we begin today, Mr. Commissioner, there are two preliminary matters I would like to address. First, a number of the records that we will be referring to today relate to Project Athena, CIFA-BC. Given the number of stakeholders involved in that initiative and the nature of some of the information that has been shared through that initiative, I seek a direction that with some exceptions, which I will identify, documents relating to the project not be livestreamed during today's hearing and that they not be posted to the website but to enable Canada to consult with its initiative partners about possible redactions to the public-facing versions of those records.

1                   And the timeline I would propose for that is  
2                   that Canada advise commission counsel by noon on  
3                   Wednesday, April 21st, if there are any further  
4                   redactions sought for those records that are  
5                   entered as exhibits. And if counsel are unable  
6                   to agree on those redactions, that any  
7                   application for further directions be brought by  
8                   noon April 23rd.

9                   Canada has advised that those timelines are  
10                  workable on their end.

11                 THE COMMISSIONER: All right. In light of what  
12                  you've said, I'm content to make the directions  
13                  which you're seeking. So the documents won't be  
14                  livestreamed, they won't be posted on the  
15                  commission's website until the parties have had  
16                  an opportunity to make further redactions. And  
17                  those redactions will be either agreed upon by  
18                  April 21st or in the alternative, if they're not  
19                  agreed upon, then an application will be brought  
20                  to resolve the issue by April 23rd.

21                 MR. ISAAC: And given the number of records to which  
22                  that direction may apply, I think the most  
23                  efficient course today will be that I will  
24                  identify where a document can be livestreamed.  
25                  And where I don't specifically say so, I ask



1 THE REGISTRAR: Please state your full name and spell  
2 your first name and last name for the record.

3 A (MP) Melanie Dean Paddon. M-e-l-a-n-i-e, Paddon  
4 is P-a-d-d-o-n.

5 **BEN ROBINSON, a witness**  
6 **called for the**  
7 **commission, sworn.**

8 THE REGISTRAR: Please state your full name and spell  
9 your first name and last name for the record.

10 A (BR) Benjamin Robinson. B-e-n-j-a-m-i-n,  
11 Robinson, R-o-b-i-n-s-o-n.

12 THE REGISTRAR: Thank you.

13 **EXAMINATION BY MR. ISAAC:**

14 Q Thank you. I'm going to begin by -- first,  
15 Ms. Paddon and Sergeant Robinson, can you hear  
16 and see me okay?

17 A (MP) Yes, I can.

18 (BR) Yes, I can.

19 Q Thank you. I'm going to begin by reviewing your  
20 backgrounds and experience, starting with you,  
21 Ms. Paddon.

22 MR. ISAAC: Madam Registrar, if we could bring up  
23 exhibit 425, please.

24 Q Ms. Paddon, you testified earlier before the  
25 commission. This is already an exhibit. This

1 is a copy of your CV?

2 A (MP) Yes, it is.

3 MR. ISAAC: Okay. We can bring that down, please,  
4 Madam Registrar.

5 Q Ms. Paddon, you have 39 years experience in law  
6 enforcement with the vast majority of that,  
7 roughly 27 years, focused on the investigation  
8 of money laundering and proceeds of crime; is  
9 that right?

10 A (MP) Yes, I do.

11 Q You joined the RCMP in 1982, beginning in  
12 general duty before moving to the RCMP's first  
13 specialized proceeds unit, the anti-drug  
14 profiteering section, at that unit's inception  
15 in 1992?

16 A (MP) Yes, I did.

17 Q And you remained with that unit through to its  
18 transformation into the Integrated Proceeds of  
19 Crime, or IPOC, unit in 2003?

20 A (MP) Yes.

21 Q And you stayed with IPOC up until IPOC's  
22 disbandment in 2013 after which you moved over  
23 to the Federal Serious and Organized Crime,  
24 FSOC, "E" Division?

25 A (MP) Yes, I did.

1           Q     And at FSOC you became team leader of group 6.  
2                     And then in late 2014 you transferred to FSOC  
3                     group 1 where you were in charge of its proceeds  
4                     of crime unit?

5           A     (MP) Yes, correct.

6           Q     And while in FSOC group 1, you were the primary  
7                     investigator of the project E-Pirate  
8                     investigation from December 2014 to September  
9                     2017?

10          A     (MP) Yes, I was.

11          Q     In June 2018 you retired from the RCMP and took  
12                     a contract position with CFSEU BC, the Joint  
13                     Illegal Gaming Investigation Team, or JIGIT,  
14                     assisting with investigations into gambling and  
15                     money laundering in casinos and illegal gaming  
16                     houses?

17          A     (MP) Yes, that is correct.

18          Q     And while at JIGIT you also led up the  
19                     operational side of Project Athena as well as  
20                     developed a business case for the creation of a  
21                     dedicated proceeds of crime asset forfeiture  
22                     team within CFSEU BC?

23          A     Yes, correct.

24          MR. ISAAC: Sergeant Robinson -- Madam Registrar, if  
25                     we could bring up a copy of Sergeant Robinson's



1 CV, please.

2 And, Mr. Commissioner, I circulated a copy  
3 of this last night, and I would ask -- I didn't  
4 circulate this earlier, unfortunately, but I'd  
5 ask leave, please, that despite that late notice  
6 that this document be permitted.

7 THE COMMISSIONER: All right. That's fine. I can't  
8 imagine it's controversial.

9 MR. ISAAC: Thank you.

10 Q Sergeant Robinson, do you recognize this as a  
11 copy of your CV?

12 A (BR) Yes, I do.

13 MR. ISAAC: Thank you. If we could mark this,  
14 please, as the next exhibit.

15 THE COMMISSIONER: I think we're at 3 -- I'm sorry,  
16 838.

17 THE REGISTRAR: Exhibit 837, Mr. Commissioner, I  
18 think.

19 THE COMMISSIONER: I thought 837 was --

20 THE REGISTRAR: Sorry, yes. I'm sorry. 838. Yes.

21 THE COMMISSIONER: Thank you.

22 **EXHIBIT 838: Curriculum Vitae of Ben Robinson**

23 MR. ISAAC: Thank you. We can bring this document  
24 down now, please.

25 Q Sergeant Robinson, you joined the RCMP in 2009

1 and initially in general duty; is that right?

2 A (BR) Yes, that's correct.

3 Q And from May 2010 to September 2010 you served  
4 on the special enforcement team at the Kamloops  
5 detachment, primarily investigating street level  
6 drug activity?

7 A (BR) Correct.

8 Q In September 2010 you transferred to the special  
9 projects unit where you focused on  
10 investigations relating to drug and organized  
11 crime activity?

12 A (BR) Yes, that's correct.

13 Q November 2013 you transferred to the Integrated  
14 Homicide Investigation Team, or IHIT?

15 A (BR) Yes.

16 Q And in November 2016 you were seconded to CFSEU  
17 BC JIGIT where you focused on investigations  
18 into unlawful activities in BC casinos with an  
19 emphasis on anti-money laundering and illegal  
20 gaming with a targeted focus on organized crime?

21 A (BR) Yes, that's correct.

22 Q You were promoted to corporal in 2017 and to  
23 sergeant in 2019?

24 A (BR) Yes, that's correct.

25 Q And at JIGIT your experiences included a range

1 of offences: illegal gaming, loan sharking,  
2 extortion and non-compliance with the *PCMLTFA*?

3 A (BR) Yes, that's correct.

4 Q While seconded to JIGIT you established Project  
5 Athena in February 2018 and then since January  
6 2020 you have been responsible for evolving that  
7 project into the Counter Illicit Finance  
8 Alliance of BC, or CIFA-BC, as its director of  
9 development?

10 A (BR) Yes, that's correct. And it was actually  
11 in 2018 as a substantive position at CFSEU. I  
12 was no longer on secondment at that time.

13 Q And you are currently the director of operations  
14 for CIFA-BC?

15 A (BR) Yes, that's correct.

16 Q And in 2018 you obtained your certification as  
17 an AML specialist from ACAMS. You've served as  
18 shadow instructor on the RCMP proceeds of crime  
19 and money laundering course and you coauthored a  
20 report on the criminal use of informal value  
21 transfer systems for the UN Office of Drugs and  
22 Crime?

23 A (BR) Yes, that's correct.

24 Q And in 2019 you completed the UK National Crime  
25 Agency's expert laundering evidence course?

1           A       (BR) Yes, that's correct.

2           Q       Right. Ms. Paddon, the first topic I would like  
3                    to address concerns the investigation by IPOC  
4                    into suspected money laundering involving cash  
5                    moving through casinos. The commission has  
6                    heard some evidence about beginning in late  
7                    2010. What was your role within IPOC in late  
8                    2010?

9           A       (MP) So in 2010 I was on one of the money  
10                    laundering teams in IPOC, and I worked hand in  
11                    hand with the C22 team, which was the anti-money  
12                    laundering team, who were responsible basically  
13                    for cross-border movement of cash, you know,  
14                    money that was not reported to -- anything over  
15                    \$10,000 was suspected proceeds of crime, that  
16                    kind of thing, so -- but my team itself actually  
17                    did investigations into money laundering  
18                    proceeds.

19          Q       And how many investigators were in your team at  
20                    that time?

21          A       (MP) I believe three or four.

22          Q       And how and when did you and your team become  
23                    involved in the casino intelligence probe?

24          A       (MP) So because many of the teams in IPOC at  
25                    that time were short staffed, the resources were

1 not terribly plentiful, often we would just  
2 couple up with teams and then we would actually  
3 investigate, you know, whatever the issue was at  
4 the time together as a working team. So back  
5 then in C22 there was a proposal put forward in  
6 relation to the gamblers that were working in  
7 the casinos that were using the casinos as well  
8 as the loan sharks.

9 So the C22 team had actually organized --  
10 had put together some information in relation to  
11 identifying Chinese nationals that were coming  
12 over and using bulk cash in the casinos. So  
13 they were using the loan sharks -- they were  
14 using workers to look at approaching some of  
15 these gamblers and the workers would basically  
16 go around and look at who needed some money,  
17 they could contact loan sharks, some where the  
18 loan sharks were actually working in the  
19 casinos. And then as a result, money would be  
20 loaned to these gamblers once the money ran out  
21 and they wanted to continue gambling.

22 So we put together a proposal. The C22 team  
23 put together a proposal which then led to an  
24 operational plan, which is usually the first  
25 process in requesting funding to work a project,

1                   whether it's in the casinos or any money  
2                   laundering project.

3                   So the operational plan was put together,  
4                   and I was part of the team lead, primarily  
5                   because the team commander, Diane Doyle, at the  
6                   time had less service than me. And so I was  
7                   overseeing the money laundering aspect and the  
8                   proceeds aspect on relation to pushing forward  
9                   on this ops plan.

10                Q    We've heard some evidence that this casino  
11                   intelligence probe was initiated in the fall of  
12                   2010 and continued through 2012. During that  
13                   time, what was your role in the investigation  
14                   and what did that involve?

15                A    (MP) So basically my role in the investigation  
16                   was to assist the C22 team in their background  
17                   work into putting together this operational  
18                   plan. So the background was done on a lot of  
19                   these gamblers to establish whether or not they  
20                   were worth pursuing, how bad the money  
21                   laundering was in the casinos at the time and we  
22                   wanted to look into what was -- basically what  
23                   was going on.

24                   So in actual fact the team itself, the C22  
25                   team, were the primary team that were going to

1                   investigate this -- the money going through the  
2                   casinos and these loan sharks and the gamblers  
3                   that were using the cash. So in actual fact I  
4                   did not have too much more to do with the  
5                   project until the operational plan would be  
6                   approved. And in the end it was not approved.

7                   So Barry Baxter was the OIC at the time, and  
8                   then Inspector Chrustie came as the operational  
9                   officer and Barry Baxter took a back step in the  
10                  administration role of the actual unit itself,  
11                  the IPOC unit. And then back -- and then in  
12                  2015 Inspector Chrustie had other priorities, so  
13                  the operational plan was never approved.

14                 Q    What do you recall in terms of the -- you  
15                     described trying to determine where the source  
16                     of the money was coming from with respect to the  
17                     casinos. Are you aware of, you know, what was  
18                     involved in trying to do that? How did the  
19                     investigation seek to determine what the origins  
20                     of the cash appearing in casinos was and what  
21                     that involved?

22                 A    (MP) Well, we knew at the time that cash was  
23                     coming in. We knew that -- basically that these  
24                     gamblers needed money and that -- in actual fact  
25                     because they were Chinese nationals, we knew

1                   that they had cash in China, but it was  
2                   difficult for them to get the cash from China  
3                   obviously over to Canada, and so they would use  
4                   these loan sharks to borrow the cash. And there  
5                   would be, you know, basically, professional  
6                   money laundering organizations in both China and  
7                   in Canada that would facilitate this flow of  
8                   cash, which was then given to loan sharks that  
9                   would then give the cash to the gamblers in  
10                  order to gamble.

11                 Q     What was the size and significance of this  
12                   investigation compared to other money laundering  
13                   investigations that IPOC had going at that time?

14                 A     (MP) Well, this particular project had a lot of  
15                   potential. I mean, it was clear that money was  
16                   being pushed through the casino in bulk cash.  
17                   There were people meeting outside in the parking  
18                   lots. The cash was going in through these loan  
19                   sharks. I mean, we were fully aware there was a  
20                   huge problem. It was just a question of getting  
21                   approval on the operational plan. And the OIC,  
22                   the operational officer, did not approval it at  
23                   that time.

24                   However, other projects were still on the go  
25                   as well because IPOC was quite a large section



1                   at that time. There were a lot of other ongoing  
2                   projects as well.

3                   Q     And the activities of the investigation to your  
4                   knowledge in terms of trying to determine what  
5                   the ultimate source of the cash was, was that  
6                   something that you had any insight into in terms  
7                   of what -- you know, whether there was  
8                   surveillance involved or what the investigation  
9                   was indicating at that stage?

10                  A     (MP) Yeah, so I mean the background had been  
11                   done on a lot of these gamblers, and that would  
12                   include anything from looking at their assets,  
13                   looking at their background, looking a  
14                   companies, all those kind of things, properties  
15                   that they may own. All that kind of stuff. So,  
16                   I mean, we had a good background in what they  
17                   were about.

18                                 And as a result of doing -- you know,  
19                   spending hours doing surveillance in and around  
20                   the casinos, we were able to establish that the  
21                   money was coming in in the form of cash. So it  
22                   wasn't necessarily being wired in or anything  
23                   else that we could see at that point. We knew  
24                   it was cash. So our belief was the source of  
25                   funds was from criminal organizations and

1                   illegal activity.

2           Q       Up to the point where you moved to FSOC and the  
3                   disbandment of IPOC, was the casino intelligence  
4                   probe still an active ongoing investigation?

5           A       (MP) Yes, I believe it was. Up until -- I think  
6                   it was 2015 was when in actual fact it was shut  
7                   down. But what I recall -- I mean, actually  
8                   when I recall, I believe that it was -- the  
9                   casino project was actually under the umbrella  
10                  of IPOC itself, not necessarily FSOC.  
11                  However -- yes, that's -- sorry. That's my  
12                  answer, I guess.

13          Q       And not speaking of a criminal standard that  
14                   would be required to lay charges but based on  
15                   what you and your IPOC colleagues were observing  
16                   and became aware of through the course of that  
17                   investigation, did you believe that the source  
18                   of the cash moving through the casinos was  
19                   criminal? And if so, why is that?

20          A       (MP) Well, yes, definitely I believed it was  
21                   criminal. I mean, so basically cash coming in  
22                   bags, suitcases, boutique bags is not normal  
23                   practice. I mean, anything -- in my opinion --  
24                   well, I shouldn't say my opinion -- yeah, I  
25                   guess in my opinion illegal cash is basically

1                   held together in bricks, and they're sub-bundled  
2                   with elastic bands on them usually in amounts  
3                   of, like, 1,000, 2,000 or 5,000 which makes up  
4                   the actual brick. Often the bills would be  
5                   facing in different directions.

6                   Criminals basically take their cash whereas  
7                   a bank would put together a bundle of cash -- it  
8                   would be 100 notes of one specific denomination.  
9                   Criminals don't. They basically take their  
10                  brick of cash, and it's made up in dollar  
11                  amount, so it would be in even dollars of 5,000,  
12                  10,000, that kind of idea. It's not in  
13                  hundred-note amounts. There are no paper bands  
14                  around it. It's held together with elastics on  
15                  both ends, sometimes in the middle.

16                  The bricks are put together and they're  
17                  often thrown into a boutique bag. They often  
18                  tend to use, you know, grocery bags, plastic  
19                  grocery bags, they're concealed in compartments  
20                  in vehicles, they're hidden in briefcases and  
21                  they're basically brought into the casino.

22                  That is dirty cash. I mean, that is from  
23                  not -- not from a legal source. A bank would  
24                  never distribute cash like that. So -- oh,  
25                  sorry.

1 Q No, please go on.

2 A (MP) I was going to say as a result of the -- of  
3 surveillance that was done at the casinos,  
4 clearly these plastic bags were coming in with  
5 bulky cash in them or being taken out of trunks  
6 and given to gamblers outside, so it was dirty  
7 cash.

8 Q Ms. Paddon, we didn't highlight this as we  
9 reviewed your background and experience, but as  
10 you're describing what you viewed as indicators  
11 of criminal origins of the cash, it might be  
12 helpful if you could explain what your  
13 experience and expertise is with respect to the  
14 indicators of packaging and what dirty cash  
15 looks like and provide the Commissioner with a  
16 sense of what expertise you have in that regard.

17 A (MP) Okay. So I've been certified in court as  
18 an expert in cash bundling, so -- and I do a lot  
19 of experts for the members or I did in the RCMP.  
20 I actually do some for CFO now.

21 So basically whenever you're receiving --  
22 whenever you're -- I mean, I'm going to just  
23 kind of refer to, like, say, a cash pickup or  
24 perhaps cash being seized from a vehicle. So,  
25 you know, often the cash is concealed. It's

1 hidden somewhere in the vehicle, you know, as I  
2 had just mentioned basically it's in bricks, in  
3 forms of bricks that are sub-bundled into  
4 bundles.

5 The bundles are held together with elastic  
6 bands. Often drug traffickers or criminals will  
7 use old elastic bands, they have bags of elastic  
8 bands and they use the old elastic bands to wrap  
9 around the ends. So often when you're seizing  
10 cash or you're looking at cash that's in plastic  
11 bags, there are different colours. The elastics  
12 are different colours. Often they'll break.  
13 They'll snap and they'll break.

14 So, I mean, that's kind of a description of  
15 what illegal cash looks like.

16 Q And based on this -- these indicators of illegal  
17 cash, these were indicators that you were aware  
18 of in terms of the money that was moving through  
19 casinos during this period?

20 A (MP) Yes, yes, I was.

21 Q And was -- the view that the source of this  
22 money was criminal, was that something that was  
23 to your knowledge shared by the other IPOC  
24 investigators involved in this -- in the  
25 investigation?

1           A       (MP) Yes, absolutely.

2           Q       As the investigation proceeded, was that a  
3                   belief -- your belief, at least, one that was  
4                   strengthened or weakened based on what you were  
5                   seeing and became aware of over the course of  
6                   the probe?

7           A       (MP) Well, it was strengthened because it's  
8                   never just the cash. It's the circumstances  
9                   that surround the seizure of cash or anything  
10                  like that. You know, it's the fact that maybe  
11                  the person has no criminal -- sorry, has no  
12                  legitimate income, you know, maybe they don't  
13                  have access to a bank account, so for whatever  
14                  reason -- especially in a case when you've got  
15                  Chinese nationals come in, they don't have  
16                  access to banking where they can go and take out  
17                  \$50,000 or \$100,000 because of the restrictions  
18                  over in China with moving cash across the  
19                  country -- you know, obviously sending cash over  
20                  to Canada.

21                        So -- yeah. So, I mean, as time went on,  
22                        these loan sharks were seen meeting with these  
23                        gamblers. Some of the gamblers would go in,  
24                        they'd gamble, they'd go back out to the parking  
25                        lot, they'd meet the loan shark and then they

1                   would go back into the casino and continue  
2                   gambling. There was chip passing going on. In  
3                   some of the VIP rooms you could see -- you know,  
4                   you know, clearly see that these loan sharks  
5                   were approaching the VIP -- the gamblers in the  
6                   VIP rooms and replenishing their funds.

7                   You know, it was going on in the bathroom  
8                   because there's no cameras in there. So there  
9                   would be, you know, things being slipped in the  
10                  bathroom. And there was -- unfortunately  
11                  because we were unable to see anything through  
12                  the cameras, you know, someone would come back  
13                  out with a cash -- a bag of cash, and it's kind  
14                  of unknown where they'd got it from, but  
15                  obviously the loan shark had given it to them in  
16                  the bathroom and then they'd gone back out to  
17                  the tables to play, so ...

18                Q    To your knowledge did the investigation ever  
19                  trace any of the suspected loan sharks back to a  
20                  bank or any other location that might have  
21                  suggested a potentially legitimate source of the  
22                  volumes of cash that were being observed?

23                A    (MP) No, not that I'm aware of. I can certainly  
24                  say from my own experience it's very rare you do  
25                  surveillance and see any criminal go to a bank.

1                   It just doesn't happen. They stay outside of  
2                   the banking system obviously because there's no  
3                   paper trail and it's -- they're bulking their  
4                   cash around. So no, not that I was aware of, no  
5                   loan shark was ever seen going in the bank.

6           Q       Up to the point of the disbandment of IPOC, was  
7                   the casino investigation continuing to present  
8                   investigative avenues that in your opinion were  
9                   promising -- I think you used the word  
10                  "promising" to describe the investigation -- or  
11                  was it a basically a dead end at that point?

12          A       (MP) Well, unfortunately when you're in a  
13                  situation where, you know, your NCO or your --  
14                  not necessarily your NCO but your officer in  
15                  charge has basically kiboshed or decided not to  
16                  proceed with the operational plan, then you're  
17                  usually put on another file to work the other  
18                  file or whatever it is. So as far as I know, it  
19                  kind of stopped there.

20          Q       And up to that point was it in your view a  
21                  promising investigation that continued to  
22                  present new and potentially fruitful avenues for  
23                  investigation?

24          A       (MP) Yes, absolutely. Absolutely.

25          Q       Can you describe your own experience with the



1                   disbandment of IPOC. How long did you stay with  
2                   IPOC, when did you move over to FSOC and what  
3                   did the transition period look like?

4           A       (MP) So when the RCMP restructured, I believe  
5                   that was back in 2003, obviously it became FSOC,  
6                   so -- or sorry, yeah -- no, sorry. Excuse me.  
7                   2003 it became IPOC. So back in 2013 I moved  
8                   over to group 6, and I worked with the project  
9                   teams on group 6. So primarily group 6, FSOC  
10                  group 6 or financial integrity -- sorry, federal  
11                  serious and organized crime, FSOC 6, was being  
12                  run by Inspector Chrustie, and it was a  
13                  project-based team. So there were teams within  
14                  FSOC 6 that just worked primarily projects and  
15                  the majority of it was all drug trafficking  
16                  related. Money laundering and drug trafficking.

17          Q       And you've averted to this earlier, but what  
18                   happened to the casino investigation after the  
19                   disbandment of IPOC to your knowledge?

20          A       (MP) Well, after the disbandment of IPOC the  
21                   casino investigation was closed down in 2015 --  
22                   sorry, 2012. October 15th, 2012, there was a  
23                   note added to the file basically saying that the  
24                   project would not be pursued due to other high  
25                   priority projects, which is what Inspector

1                   Chrustie had instructed us to do or directed us  
2                   to do. And then in May of 2015 there was  
3                   another note that it had been added to the file  
4                   saying the file would be concluded due to lack  
5                   of resources.

6                   Q    And what about generally with the other money  
7                   laundering and proceeds files that were underway  
8                   under IPOC? How were those assessed and what  
9                   happened to those generally with the transition  
10                  to FSOC?

11                 A    (MP) I believe some of them may have moved over.  
12                   I think a lot of them were kind of coming to an  
13                   end. It wasn't so much a question of shutting  
14                   down IPOC and starting up FSOC. On paper it  
15                   was, but some of the members disbanded, some  
16                   went in different directions and took different  
17                   positions within the RCMP. You know, some of us  
18                   went up to FSOC 6. There were two or three of  
19                   us that actually did have a money laundering  
20                   proceeds background that went up to work with  
21                   the project teams. So it was -- yeah. It  
22                   was -- it was a different time for sure.

23                 Q    Was there a dedicated team or unit within FSOC  
24                   to handle money laundering and proceeds cases?

25                 A    (MP) When it was in FSOC 6 no, there was not. I

1 mean, primarily it was just me and the two other  
2 members. And so we weren't really able to run  
3 our own teams per se because there was just  
4 three of us kind of left. So we would basically  
5 work with the project teams and what projects  
6 they were doing. And because a lot of them were  
7 drug related and they were working with the DEA  
8 and Homeland Security, we were able to kind of  
9 get involved in those projects because there's  
10 always a money laundering component when there's  
11 drugs, so we just worked on some of the projects  
12 with them.

13 Q And how did that -- in terms of how the money  
14 laundering proceeds files were intaked, triaged  
15 and handled, how was that different in your  
16 experience in FSOC, what you're describing now,  
17 from how that had happened in IPOC world?

18 A (MP) So in the IPOC world usually we had  
19 established what the predicate offence was. We  
20 were pretty strong on what the predicate offence  
21 was, and then the investigation would start from  
22 there and then lead into the money laundering  
23 investigation, which is definitely the way to do  
24 it. It's the easiest way to do it. You've  
25 already got your predicate offence and now

1                   you're moving on to show that the proceeds are  
2                   being derived from that predicate offence.

3                   In the case of FSOC 1 -- or sorry, FSOC 6  
4                   when I was up there, often they would not have a  
5                   predicate offence. They were working on trying  
6                   to figure out what they had. We were involved  
7                   in a lot of cash pickups, a lot of cash  
8                   seizures. There were a couple of investigations  
9                   that were on the go that I kind of assisted on  
10                  the side that involved a money service business  
11                  in the Lower Mainland that was moving money from  
12                  the Middle East. We worked on that project.

13                  There was another project we worked on that  
14                  involved encrypted messaging devices like  
15                  encrypted devices like BlackBerrys where the  
16                  criminal organizations were basically able to  
17                  communicate back and forth, and so we were  
18                  working on that project as well. And then of  
19                  course at the same time I was running the asset  
20                  forfeiture team too because we still had civil  
21                  forfeiture referrals coming in as well.

22                  The other project I actually worked on  
23                  during that time which was -- had again a lot of  
24                  potential but there was a bit of an issue on it,  
25                  but anyway. It was online sales of marijuana.

1                   And basically it was a project out of Ontario  
2                   that money was being -- that drugs were being  
3                   sold online and money was in also ending up here  
4                   in Vancouver, so we worked on that project as  
5                   well.

6                   Q     What is your opinion on the impacts of the  
7                   disbandment of IPOC and the transition to the  
8                   FSOC model in terms of the investigation of  
9                   money laundering and proceeds of crime files?

10                  A     (MP) Well, I can say when we were in IPOC we had  
11                  all the resources that, IPOC I found, was very  
12                  beneficial to the actual act of investigating  
13                  money laundering and proceeds of crime. It was  
14                  a self-contained unit, there was a lot of  
15                  expertise in that unit. We had -- it was  
16                  integrated. We had Department of Justice  
17                  working with us in house, in IPOC. We had CRA  
18                  working with us. We had CBSA working with us.

19                             And so you had your little group of people  
20                             all worked on particular projects who all had a  
21                             role in what their job was. And so to me it was  
22                             very fruitful because it allowed you to actually  
23                             go from your predicate offence to money  
24                             laundering offence, and you had all that in  
25                             house expertise helping you out so that at the

1                   end of the day you were able to get to the point  
2                   of prosecution.

3                   So in IPOC I had a couple of very  
4                   interesting investigations I worked on that were  
5                   as solid as ever and they were as a result of  
6                   that integrated process. So with FSOC it was  
7                   not the same. We didn't have -- it was not  
8                   integrated any longer, and so it was just the  
9                   expertise of us working with these  
10                  investigators.

11                 Q   And what happened to the other money laundering  
12                   and proceeds investigators from IPOC, the more  
13                   experienced investigators, with the transition?  
14                   Were those -- was that expertise retained within  
15                   FSOC or what happened to that?

16                 A   (MP) The expertise was -- no, the expertise was  
17                   lost. A lot of the expertise was lost. Many of  
18                   the members, as I mentioned, went to different  
19                   project teaming that were involved in -- like,  
20                   FSOC 5 or some of the other teams that were  
21                   drugs, other ones went to major case management,  
22                   other ones -- some went to uniform.

23                   So it was disbanded. Like, the group of  
24                   expertise was gone. And the only remaining  
25                   members -- probably I'm the oldest one of all of

1                   them or the longest standing, we just were  
2                   basically disseminated out to the FSOC groups.  
3                   And then we were there more as a guidance for  
4                   other members that had projects or  
5                   investigations that involved money laundering  
6                   that just didn't have the expertise.

7                   Q    We heard that you were the primary investigator  
8                   of E-Pirate?

9                   A    (MP) Yes.

10                  Q    From December 2014 to September 2017. Roughly  
11                  how many investigators were part of that team  
12                  involved in that investigation?

13                  A    (MP) So in total there were 33 but they weren't  
14                  all investigators. I would say probably half  
15                  of -- no -- yeah, about half of them were  
16                  support staff.

17                  Q    We referred back to the IPOC investigation in  
18                  2010, the casino probe between 2010 and 2012.  
19                  The investigative measures that IPOC was using  
20                  in the casino probe in 2010 to 2012 mainly  
21                  surveilling suspected loan sharks back from  
22                  casinos to try to identify the source of their  
23                  cash, was that effectively the same as those  
24                  that resulted in the discovery of Silver  
25                  International in the E-Pirate investigation in

1                   2015?

2           A       (MP) Yes. It was the -- it was primarily the  
3                   same. I can say, though, in the 2010  
4                   investigation we had not established or we had  
5                   not identified a legal money service business at  
6                   that time, but we did in Pirate.

7           Q       Was Paul Jin one of the individuals that was  
8                   identified or on the radar in the surveillance  
9                   in the 2010 to 2012 IPOC investigation?

10          A       (MP) Not that I'm aware of.

11          Q       And just stepping back, you've been involved in  
12                   money laundering and proceeds of crime  
13                   investigations since the 1990s. When did BC  
14                   casinos first appear on your radar as a  
15                   potential money laundering concern or issue?

16          A       (MP) Honestly, I can't answer that. It was  
17                   certainly -- it was certainly prior to 2010.  
18                   But I can't give you a date or a year because  
19                   I'm really not sure. You know, it's always been  
20                   in the background. I mean, it's just kind of --  
21                   it just came to a head in 2010 because it was  
22                   just so apparent.

23          Q       Thank you. And I'd like to shift gears now and  
24                   turn to a different topic, Project Athena. And  
25                   Sergeant Robinson, thank you for bearing with



1                   us. I appreciate that you had to adopt the post  
2                   of mannequin for the last half an hour.

3                   When we speak about Project Athena, I'd like  
4                   to begin at the beginning of the origins of the  
5                   project.

6           MR. ISAAC: And, Madam Registrar, if we could bring  
7                   up, please, the Athena presentation, please. I  
8                   believe it's the document at tab 2.

9           Q     And, Sergeant Robinson, do you recognize this  
10                  document?

11           A     (BR) Yes, I do.

12           Q     And this is a presentation that was prepared by  
13                  you for the commission?

14           A     (BR) Yes, that's correct.

15           MR. ISAAC: Thank you. If we could mark this,  
16                  please, as the next exhibit. I think it should  
17                  be 839.

18           THE COMMISSIONER: Yes, very well. 839.

19           THE REGISTRAR: Exhibit 839.

20                   **EXHIBIT 839: Project Athena and CIFA-BC**  
21                   **Presentation**

22           MR. ISAAC: Thank you. Sergeant Robinson, I don't  
23                  propose to take you through every one of the  
24                  pages of this presentation, but more to use it  
25                  as sort of a guide as we work through some of

1 the topics relating to Project Athena.

2 So, Madam Registrar, if we could go to,  
3 please, page 6 of the presentation.

4 Q So you'll see there there's a heading that says  
5 "Origins of Project Athena." And I don't ask  
6 you to stick slavishly to all of the points, but  
7 if you could use this as a reference, explain  
8 how the bank draft intelligence probe began and  
9 how that led to what became known as Project  
10 Athena, please.

11 A (BR) Yes, so this slide here refers to the  
12 gaming intelligence group and it's now known as  
13 the gaming integrity group. And that is a  
14 group -- there's BCLC, GPEB and CFSEU JIGIT, and  
15 it's really about communication, coordination,  
16 you know, sharing information, intelligence, and  
17 you know, really opening up lines of  
18 communication between the various stakeholders  
19 in the BC casino environment.

20 So that was formed in November of 2017, and  
21 it was in around December of 2017 that Dr. Peter  
22 German came out with his interim recommendations  
23 around source of fund declarations at BC  
24 casinos.

25 MR. ISAAC: I think that may be addressed on the next

1 page, Madam Registrar, if we could go forward.

2 Q I appreciate you don't have the button to  
3 advance the slide, Sergeant Robinson. Is  
4 this -- these are referring -- the slide here  
5 refers to those source of fund declarations?  
6 Could you explain what the significance of that  
7 was, please.

8 A (BR) Yes. So the significance of that is that  
9 the interim recommendation had two main points.  
10 It's, one, that the source of fund declarations  
11 applied to cash and bare instruments. So in  
12 this case what law enforcement was particularly  
13 interested in was bank drafts and deposits over  
14 \$10,000.

15 And at minimum the declaration needed to  
16 outline the customer's ID and provide the source  
17 of funds, including the financial institution  
18 and the account, which is quite significant  
19 because from the experience from operations, law  
20 enforcement operations, we understood that the  
21 money laundering scheme was very complex to  
22 investigate, mainly because it's so  
23 sophisticated. It's transnational nature,  
24 there's numerous parties involved, oftentimes  
25 nominees and, you know, presented a number of

1 challenges.

2 So we saw this declaration as a way to get,  
3 you know, greater insight onto the gamblers that  
4 were depositing money to buy in at BC casinos.

5 MR. ISAAC: Thank you. If we can go to the next  
6 slide, please.

7 Q So this slide refers to the awareness of the  
8 exploitation of bank drafts. Can you tell the  
9 Commissioner, please -- it refers also to the  
10 vulnerabilities. How did the law enforcement  
11 become aware of the exploitation of bank drafts?

12 A (BR) We became aware of the exploitation of bank  
13 drafts through our operations and we had a very  
14 good understanding of how bank drafts were being  
15 exploited. And in particular we understood this  
16 because it was an evolution by criminals to move  
17 from cash to cash alternatives.

18 And in this case the cash alternative is a  
19 bank draft, and bank drafts are interesting  
20 because they're largely considered to be a  
21 reputable instrument, it's quasi anonymous. And  
22 what I mean by that is that unlike a cheque  
23 where it identifies the purchaser on the face of  
24 the cheque, in most cases bank drafts were  
25 anonymous. So a bank draft could be made out to

1                   the individual or to the casino service  
2                   provider. So on face value you wouldn't know if  
3                   the individual had actually sourced that bank  
4                   draft from their own account.

5                   And how this is important is that it's  
6                   easily transferrable, so it could move from one  
7                   person to another, especially in the case when a  
8                   bank draft is made out to a gaming service  
9                   provider. So we understood this very well, and  
10                  we also understood that it was, you know, part  
11                  of a much larger and sophisticated money  
12                  laundering scheme.

13                  And, you know, once it brought in bank  
14                  drafts, you know, now it was touching on  
15                  financial institutions, casinos, and obviously  
16                  law enforcement who are investigating them. And  
17                  what we found is that there's multiple different  
18                  stakeholders involved, but each with varied  
19                  visibility on the scheme overall.

20                  Q    And just pausing there. Was there any  
21                  indication of what prompted suspected money  
22                  launderers to move to exploiting bank drafts and  
23                  whether or not that was something that flowed  
24                  from the source of funds declarations that were  
25                  implemented in 2018?

1           A       (BR) So first is no, it predated the 2018 source  
2                   of funds declaration. It is more in line with  
3                   the transition from cash to cash alternatives.  
4                   That is really what -- I describe it as the  
5                   evolution of the money laundering scheme.

6           Q       Right. And I think in Dr. German's report he  
7                   references the whack-a-mole problem. Is this  
8                   sort of something that fell into that category  
9                   of money launderers moving to exploit a new  
10                  vulnerability as others are ameliorated?

11          A       (BR) Yes, I would agree with the description of  
12                  a whack-a-mole approach in terms of adapting to  
13                  new conditions.

14          Q       Okay. And the reference here in terms of a  
15                  complex and sophisticated money laundering  
16                  scheme. Sergeant Robinson or Ms. Paddon, what  
17                  can you explain just in terms of understanding  
18                  how this fit within this broader money  
19                  laundering scheme that was at issue?

20          A       (BR) Well, perhaps I could describe it in the  
21                  concepts of supply and demand. So generally  
22                  speaking there are proceeds of crime that need  
23                  to be laundered by criminals. And there's a  
24                  supply of that. And then with a demand  
25                  presented by foreign nationals who wish to

1                   gamble, there's a natural meeting there.

2                   So with foreign nationals that brings an  
3                   international component to this where wealth may  
4                   be held in another jurisdiction and they're  
5                   unable to access those funds in Canada. So then  
6                   they seek out the services of a domestic  
7                   Canada-based source of funds. And generally  
8                   speaking they utilize informal value transfer  
9                   systems to access funds in Canada, the foreign  
10                  national does. In exchange, they transfer funds  
11                  from their account in the other jurisdiction to  
12                  the provider of those funds.

13                  So it may be easier -- there is a diagram in  
14                  one of -- some of the material somewhere which  
15                  provides -- because it does get quite  
16                  challenging to explain without visuals, but, you  
17                  know, generally speaking the money laundering  
18                  side of it and the criminal component is quite  
19                  complex because, you know, by the nature of  
20                  professional money laundering, also known as  
21                  third-party money launderers, whose sole job is  
22                  to launder the proceeds of crime is  
23                  understanding the importance of distancing the  
24                  source of the funds, the cash, from the  
25                  predicate offence.

1                   So there's multiple individuals involved in  
2                   this scheme and ultimately with the funds ending  
3                   up with a gambler who, from my experience, is  
4                   not the predicate offender.

5           Q       And perhaps -- you've referenced -- there as  
6                   a -- I believe there is a diagram that may  
7                   assist you here.

8           MR. ISAAC: Madam Registrar, if we could bring up  
9                   CAN5. And this is a document that should not be  
10                  livestreamed, please. Let me know --

11          Q       Do you recognize this document, Sergeant  
12                  Robinson?

13          A       (BR) Yes, I do.

14          MR. ISAAC: Okay. If we could please mark that as  
15                  the next exhibit.

16          THE COMMISSIONER: Yes. 840.

17          THE REGISTRAR: Exhibit 840.

18                   **EXHIBIT 840: Project Athena Stakeholders**

19                   **Meeting October 24, 2016**

20          MR. ISAAC:

21          Q       If we go to page 5 of this document. I should  
22                  say this is a presentation, October 2018  
23                  presentation, for the -- with Project Athena.

24                   Is this a document that would assist you in  
25                  explaining what the suspected typology was,



1                   Sergeant Robinson?

2           A       (BR) Yes, absolutely. So to break it down, as I  
3                   had mentioned there about the casino patron. So  
4                   that's a foreign national who is in Canada  
5                   seeking to gamble. They need access to funds,  
6                   so they seek out the services of an underground  
7                   service provider and facilitates their access to  
8                   funds in Canada. In exchange that casino patron  
9                   transfers money to what ends up being the  
10                  ultimate supplier of the cash to that  
11                  underground service provider.

12                         Overall you can see there's two key points  
13                         I think that are in this slide is this activity,  
14                         based on my understanding, describes money  
15                         service business activity which is important for  
16                         the purpose of understanding that money service  
17                         business activity is subject to the *Proceeds of*  
18                         *Crime (Money Laundering) and Terrorist Financing*  
19                         *Act*. And part of our observations is that the  
20                         providers of the funds to casino patrons were  
21                         non-compliant with the *PCMLTFA*.

22           Q       When you say that, do you mean that these were  
23                   unregistered MSBs or registered MSBs that were  
24                   not complying with their obligations under the  
25                   *PCMLTFA*? Or perhaps both.

1           A       (BR) Both.

2           Q       Was there a significant number of unregistered  
3                   MSBs that were being identified through the --  
4                   we'll obviously rejoin the narrative in terms of  
5                   the course of Project Athena's work, but was  
6                   there a significant number of unregistered MSBs  
7                   that were part of the makeup?

8           A       (BR) I could not describe it as being  
9                   significant. You know, our visibility was  
10                  really based on investigations and  
11                  understanding. And as I'd mentioned earlier,  
12                  the schemes are quite complex to be able to  
13                  trace back, you know, the number of people  
14                  involved.

15                         To give an idea of the number of people  
16                         even in that underground service provider, the  
17                         blue square, it's an organization in and of  
18                         itself that facilitates the service, which makes  
19                         it incredibly challenging to really trace back  
20                         to, you know, who's providing direction within  
21                         those organizations.

22           Q       Thank you. And, Ms. Paddon, do you have  
23                   anything to add in terms of this model and how  
24                   this worked?

25           A       (MP) Yeah. So I'll just give you a simplified

1                   version. So you have a gambler that's sitting  
2                   at the casino and they need cash. So they're  
3                   directed by a professional money laundering  
4                   organization, and basically directed to make  
5                   arrangements to have cash put into -- sorry, to  
6                   have funds transferred from a Chinese bank  
7                   account that belongs to that gambler over in  
8                   China into perhaps a nominee account. Once the  
9                   funds -- or it can be an illegal MSB in China as  
10                  well or it could be legal. So let's, for  
11                  example, say we've got an MSB in Canada and we  
12                  have an MSB over in China, both are illegal.

13                   So the gambler is given instructions to  
14                   have the funds transferred over to either a  
15                   nominee account or, say, an illegal MSB in  
16                   China. Once the cash is sitting at that illegal  
17                   MSB, then what is called a token is used. So it  
18                   would be a message sent on WeChat, for example,  
19                   that says -- it's usually in code and it may say  
20                   something like, 50,000 Bob okay. We'll just use  
21                   that as an example. So once the MSB receives  
22                   that message in Canada, then they'll see, 50,000  
23                   Bob okay, that obviously means that they've  
24                   received the funds over in Canada and then the  
25                   illegal MSB here in Canada will release the

1 funds either to the loan shark or to the gambler  
2 directly.

3 So that's another way of the pools of money  
4 staying in the respective countries and never  
5 crossing the borders.

6 Q Does that present from an investigative  
7 standpoint in terms of establishing a predicate  
8 offence or connecting the money to criminal  
9 offences, does that present a particular  
10 investigative challenge, Ms. Paddon?

11 A (MP) Oh, it's very difficult because you  
12 can't really differentiate -- you can't say for  
13 sure what the predicate offence really is. It's  
14 just a lot of movement of money through these  
15 professional money laundering organizations in  
16 both countries who network between each other.  
17 And a lot of it's done on WeChats. You know,  
18 sometime it's held at the MSB in Canada and it's  
19 like IOUs or little chips or things that are all  
20 in code. It's often in code, and you never  
21 really know what the source of the funds are.

22 MR. ISAAC: Thank you. Madam Registrar, we can bring  
23 the -- this document down for now perhaps and go  
24 back to the presentation briefly. That's  
25 exhibit 839. And if we could go, please, to

1                   the -- to page 9, please, of the presentation.

2                   Q     There's a reference here to a February 2018 bank  
3                   draft intelligence probe.  Sergeant Robinson, if  
4                   you could please explain what that probe was and  
5                   what that revealed, please.

6                   A     (BR) Yes.  So following Dr. German's source of  
7                   funds recommendation, you know, from a CFSEU  
8                   perspective we found this to be quite interested  
9                   because it suggested that there should be an  
10                  impact on the flow of cash and bank drafts at BC  
11                  casinos based on our understanding of the  
12                  problem because now we were seeking to identify  
13                  the source and provide that information.

14                  So at the gaming intelligence group meeting  
15                  or following that meeting, we sought an  
16                  assortment of information from BCLC.  And we  
17                  analyzed that information, the bank draft  
18                  information specifically, for indicators of  
19                  criminality and to garner a better understanding  
20                  of cash and bank draft dynamics as a result of  
21                  this recommendation being implemented.

22                  And pretty quick the bank draft  
23                  intelligence probe, as we termed it, we  
24                  identified, you know, a way that we could  
25                  properly -- likely increase our awareness and

1                   understanding of what was taking place. And  
2                   that was through confirming whether or not the  
3                   gambler had a bank account at Canada -- in  
4                   Canada attributed to the bank draft that they  
5                   presented at the casino. So essentially it was  
6                   confirming that if I presented a -- sorry, if  
7                   someone presented a bank draft from ABC bank  
8                   that that person has an account at ABC bank.

9                   Q    Okay. And if we go to page 10, please, of this  
10                   document. There's a reference to some of the  
11                   analysis that was conducted, and reference here  
12                   to some analysis that was done as part of this  
13                   probe, and if you could just explain a little  
14                   bit further what the analysis actually  
15                   determined. And there's a point here at the end  
16                   in terms of identified deficiencies in the  
17                   completion of SOF, the source of fund  
18                   declarations and misrepresentations on those  
19                   declarations. If you could explain what that  
20                   refers to, please.

21                   A    (BR) Yes. So we received the bank drafts -- the  
22                   information about the bank drafts that were  
23                   redeemed at BC casinos for a period of time.  
24                   Then we proceeded to filter them for the volume  
25                   of drafts and came up with a criteria of people

1                   who presented drafts at the casino and then  
2                   identified them by bank. And then we proceeded  
3                   to contact, you know, banks to confirm yes or no  
4                   if the person had an account.

5                   From there we identified gamblers who  
6                   presented bank drafts but did not have a bank  
7                   account from the bank that their bank draft  
8                   originated from. So from there we sought  
9                   further information from BCLC regarding those  
10                  source of fund declarations, and then analyzed  
11                  those source of fund declarations for their  
12                  completion to understand what happened.  
13                  Because -- or, you know, in terms of, you know,  
14                  can we identify in patterns, trends so that we  
15                  can get greater visibility in how this is taking  
16                  place and why it's taking place.

17                Q    And what was it -- if the person presenting a  
18                    draft did not have an account, what was that an  
19                    indicator of and why is that?

20                A    (BR) Well, it's an indicator of the person using  
21                    an illegitimate service provider because from --  
22                    our experience through operations is that people  
23                    that were unable to access funds in Canada used  
24                    the services of an illegitimate service  
25                    provider. So then, you know, if they're getting

1                   that bank draft, then they're taking it to the  
2                   casino from the illegitimate service provider.

3           MR. ISAAC: Thank you. Madam Registrar, if we could  
4           bring up document CAN1121, and this is a  
5           document that should not be livestreamed,  
6           please.

7           Q     Let me know, Sergeant Robinson, when can see  
8           that.

9           A     (BR) I can see it now.

10          Q     Okay. This is a Ministry of Attorney General  
11          GPEB briefing note for the information to  
12          Minister David Eby, December 28th, 2018. And  
13          the issue here is bank drafts and source of  
14          funds update.

15                   And you'll see on page 1 there's a table at  
16          the bottom that shows a decline in large cash  
17          transactions and Suspicious Transaction Reports  
18          and an increase in the prevalence of bank drafts  
19          being used pre- and post-directive, so the  
20          directive that was implemented.

21                   Is that something that was observed either  
22          as part of your intelligence probe and the  
23          analysis that you'd conducted, Sergeant  
24          Robinson?

25          A     (BR) Just so I understand your question fully,



1                   are you asking if we observed an increase in  
2                   bank drafts being redeemed at BC casinos  
3                   following the recommendation by Dr. German?

4           Q       Yes. I'd understood -- you'd indicated that  
5                   bank drafts were something that was sort of on  
6                   the radar previously. And yes, the question is  
7                   whether or not following the implementation of  
8                   that -- some of those measures, there was an  
9                   observed increase in the use of bank drafts and  
10                  a decrease in the use of suspicious cash based  
11                  on those measures. If that was something that  
12                  was consistent with what you were observing  
13                  through your analysis.

14           A       (BR) Through the analysis, you know, in terms of  
15                   my role in the analysis, I was involved at the  
16                   very beginning, so I can't speak to it over a  
17                   span of a period of time. I can say that bank  
18                   drafts were definitely on our radar.

19           Q       Ms. Paddon, is that something you're able to  
20                   comment on?

21           A       (MP) I can certainly say when I first got  
22                   involved in Project Athena in the probe, there  
23                   was a substantial amount of bank drafts that  
24                   were being pushed through the casinos, so --  
25                   however I didn't have anything to compare it to

1 prior to.

2 Q Thank you. And if we go to page 2 of this  
3 document, you'll see there's paragraphs here.  
4 Some of them refer to -- and there's comments on  
5 the right-hand side. The comment is RB1 --  
6 Sergeant Robinson, are those your comments on  
7 the draft?

8 A (BR) Yes, they are.

9 Q Okay. And there's a paragraph here that says --  
10 sort of middle of the page it says "both JIGIT."  
11 Do you see that? "It says both JIGIT and CFSEU  
12 BC."

13 A (BR) Yes. Correct.

14 Q And I'm just going to read that.

15 "Both JIGIT and have CFSEU-BC have  
16 expressed concerns with the risk presented  
17 by bank drafts and the process in place to  
18 establish the source of funds. There is  
19 concern that due to the limited  
20 information on the bank drafts and a  
21 policy that permits patrons to write in  
22 missing information, e.g. account name and  
23 number onto receipts, bank drafts can be  
24 passed from underground service providers  
25 to casino patrons who are not the account

1 holder."

2 And then it goes on. There's comments, but it  
3 goes on to refer to those concerns leading in  
4 part to the establishment of Project Athena.

5 So the description there in that first  
6 block, the both JIGIT and CFSEU BC's concerns  
7 about bank drafts, is that an accurate  
8 distillation of the concern that was around the  
9 use of bank drafts that led to the creation of  
10 Project Athena?

11 A (BR) Yes, that's accurate.

12 Q Okay. And there's a reference there to the --  
13 some of the concerns around missing information,  
14 and you'll recall when we were looking at the --  
15 in terms of the information that was being  
16 included in these source of funds declarations.  
17 And just tying that back, your presentation  
18 referred to deficiencies in the completion of  
19 source of funds declarations and  
20 misrepresentations on those source of funds  
21 declarations. Can you just explain that a  
22 little bit further in terms of the types of  
23 inaccuracies or gaps that were being observed in  
24 terms of what was available through the source  
25 of funds declarations?

1           A       (BR) Well, yes. First off is that as I recall,  
2                    the declarations that I analyzed were from  
3                    February of 2018. So it would have been shortly  
4                    after the recommendation was implemented, but I  
5                    noticed that, you know, parts of the  
6                    declarations were not fully complete. I noticed  
7                    that in areas where it was supposed to identify  
8                    the bank account number, it was actually the  
9                    number that was on the bank draft. I also  
10                  noticed that, you know, sections were missing  
11                  and just, you know, in terms of quality  
12                  assurance, you know, multiple different colours  
13                  of ink, you know, items crossed out. So things  
14                  that highlighted -- piqued my interest as an  
15                  investigator.

16               MR. ISAAC: Thank you. And if we could please mark  
17                    this, please, as the next exhibit.

18               THE COMMISSIONER: 841.

19               THE REGISTRAR: Exhibit 841.

20                   **EXHIBIT 841: GPEB Briefing Notes - Bank drafts**  
21                   **and source of funds update - Project Athena,**  
22                   **December 28, 2018**

23               MR. ISAAC: Thank you.

24               Q       And at this point -- I think you referred,  
25                    Sergeant Robinson, to the anonymity of the bank

1 drafts as being one of the main sources of  
2 attraction of why they believed that they were  
3 being used and useful to organized crime. At  
4 this point I understand that there -- and  
5 there's a reference to it in this letter that at  
6 this point there was only one bank that at this  
7 time was including bank draft purchaser names on  
8 their bank drafts; is that right?

9 A (BR) Yes, that's correct.

10 Q And there's -- so following this, I understand  
11 that -- so Project Athena got its name and  
12 began. What was the rationale in terms of  
13 creating a named project for this, Sergeant  
14 Robinson?

15 A (BR) The rationale for the name was to assist  
16 FINTRAC in identifying the reports that were  
17 being filed by reporting entities. So one  
18 important part to emphasize here is that between  
19 the naming of Project Athena, there was a  
20 meeting that took place between the stakeholders  
21 that each had a varied view on the problem. So  
22 we brought together GPEB, BCLC and financial  
23 institutions and CFSEU presented what the  
24 problem was. And as a result of that  
25 discussion, you know, that meeting, we talked

1                   about anonymity of bank drafts, and one of the  
2                   solutions that was presented from the anonymity  
3                   of bank drafts -- to reduce the anonymity of  
4                   bank drafts was to put the purchaser's name on  
5                   the front of the draft.

6                   With respect to the part about Project  
7                   Athena and the naming of Project Athena was that  
8                   now that reporting entities were aware of the  
9                   typology and the activity, they could now, you  
10                  know, be on alert for it and they could file  
11                  reports. And when those reports were filed, you  
12                  know, it's helpful for FINTRAC to be able to  
13                  sort them and to identify them as a Project  
14                  Athena typology.

15                 Q   Thank you. And, Madam Registrar, if we can  
16                   bring this -- we don't need to display this  
17                   document any further.

18                  So that leads into -- in terms some of the  
19                  initial steps that Project Athena took, the  
20                  commission has heard some evidence already that  
21                  there were effectively two key asks. And I use  
22                  that term intentionally in terms of these were  
23                  voluntary asks, but asks of the financial  
24                  institutions that were participating as Project  
25                  Athena. One of those was to participate in the

1 information sharing aspect of the initiative, to  
2 receive information about suspicious bank  
3 drafts, confirm certain information and then  
4 conduct their own investigations.

5 And then the second ask was -- relates to  
6 what you were mentioning, Sergeant Robinson, in  
7 terms of potentially taking measures to address  
8 the underlying vulnerability by including  
9 purchaser information on the drafts.

10 Ms. Paddon, we'll look maybe through these  
11 asks a little more in detail, but is that  
12 generally accurate in terms of your  
13 understanding of what financial institutions  
14 were being asked to do?

15 A (MP) Yes, that is --

16 (BR) No.

17 (MP) Oh, sorry.

18 (BR) Mr. Isaac, I think it's important that  
19 I highlight that that is not fully accurate. It  
20 is very important to highlight is that we did  
21 not ask financial institutions to conduct their  
22 own investigation. I did not ask them to do  
23 that.

24 The two asks can be boiled down to -- first  
25 ask, can you confirm whether or not this person

1                   has an account; yes or no? And then the second  
2                   ask, and the ask is more about general awareness  
3                   and understanding, is around reducing the  
4                   anonymity of bank drafts and reducing the  
5                   anonymity of bank drafts would be achieved by  
6                   putting the purchaser's name on the draft.

7                   Q    Okay. And in that first, that heading -- I  
8                   think you indicated that it was to confirm  
9                   whether or not a gambler had an account. But  
10                  was there not also -- and I appreciate you may  
11                  not have asked them to do so, but they were  
12                  provided with information about the bank drafts  
13                  that were flagged with respect to their  
14                  financial institution and appreciating this was  
15                  entirely up to them. But they could use that  
16                  information to conduct their own investigations  
17                  and, if warranted, file STRs with FINTRAC which  
18                  might feed their way back into the possible  
19                  CFSEU investigations. Is that accurate,  
20                  Sergeant Robinson?

21                  A    (BR) Generally that's accurate. It's important  
22                  to highlight that it's at their discretion as to  
23                  what they do with that information.

24                  Q    Right. And what you mean by that is they're  
25                  being presented with the information, but



1                   whether or not they file STRs or don't file STRs  
2                   or do that, that is something that's within  
3                   their discretion; is that right?

4           A       (BR) That is correct.

5           Q       Okay. Ms. Paddon, is that your understanding as  
6                   well?

7           A       (MP) Yes, it is. It was strictly a voluntary  
8                   thing. They were provided the information and  
9                   what they chose to do with it was up to them.  
10                   And there were times that we had absolutely no  
11                   idea if they ever did file an STRs or not. Some  
12                   banks would confirm if they had an account,  
13                   other ones wouldn't. So it was primarily based  
14                   on being a voluntary agreement between all of us  
15                   that they could do what they wished to do.

16           Q       And if we actually go back to -- I think it's  
17                   exhibit 840 now, which we looked at earlier.  
18                   For participants that's CAN05. And if we go to  
19                   page 8 -- sorry, actually go to page 10, please,  
20                   of this presentation. And this is -- it's  
21                   titled "Sample Flow of Information."

22                               So just as we're looking at this, if you  
23                   could just explain what the anticipated flow of  
24                   information was here. Sergeant Robinson, if  
25                   you'd like to lead off with that, please, and

1                   just explain how the information sharing  
2                   component, at least with respect to this casino  
3                   element, was intended to function.

4           A       (BR) Yeah. So this is a sample flow of  
5                   information, so starting with BCLC with the bank  
6                   draft information, then being just by CFSEU  
7                   analyzed. The top prong is to the bank. So at  
8                   that point confirming whether or not the person  
9                   has an account, yes or no. And that information  
10                  then goes back to CFSEU BC. You know, then we  
11                  are able -- in a position to share that  
12                  information with BCLC.

13                         The other branch on that prong is the bank  
14                         could then file a report to FINTRAC. Upon  
15                         meeting the disclosure threshold by FINTRAC,  
16                         they could make a disclosure to CFSEU and to  
17                         continue on the investigation at CFSEU where  
18                         we'd have a number of different options.

19           Q       Thank you. So I'd like to -- we can bring this  
20                   document down again.

21                         So turning to that second ask about  
22                         implementing changes to the underlying  
23                         vulnerability, the anonymity of the bank drafts.  
24                         I'd like to ask a little bit about that, and,  
25                         Sergeant Robinson, I'd like to begin with any

1                   efforts that were made to seek an industry-wide  
2                   solution, whether those were with regulators or  
3                   industry bodies.

4                   Before I do that, would adding the  
5                   purchaser's, the account holder's name to bank  
6                   drafts in your view make them less desirable for  
7                   criminal purposes both for casinos as well as  
8                   casinos more broadly?

9                   A     (BR) Yes, absolutely. It would assist with  
10                   customer due diligence. And that not only  
11                   applies for casinos but for bank drafts across  
12                   the board wherever they are being redeemed.

13                  Q     And, Ms. Paddon, is that something you would  
14                   agree with?

15                  A     (MP) Yes, I would agree. In order to understand  
16                   bank drafts, basically the cash goes into a  
17                   general fund first at the bank. And then the  
18                   bank draft is cut from that general fund, so  
19                   that was a gap that we were seeing because  
20                   without the name of the purchaser on the front  
21                   of the draft, the funds could have gone in  
22                   through a nominee account, like through a  
23                   nominee that came in and purchased the draft.  
24                   So that's why it was important that we had the  
25                   name on the draft.

1           Q     Sergeant Robinson, did you reach out to the  
2                   office of the Superintendent of Financial  
3                   Institutions and the Canadian Bankers  
4                   Association to seek an industry-wide solution to  
5                   this gap?

6           A     (BR) Yeah. I reached out to both the CBA and  
7                   OSFI to alert them to this issue and to find a  
8                   way to address the problem. And, you know,  
9                   that's through the industry association and  
10                  through OSFI.

11          Q     Had some banks participating indicated a  
12                  preference that action be taken through those  
13                  sorts of coordinated regulatory industry  
14                  measures and a reluctance to sort of do that  
15                  without in the absence of that sort of  
16                  coordinated action?

17          A     (BR) Generally we received input from some  
18                  stakeholders to proceed through CBA. And at  
19                  least one made the decision on their own accord.

20          MR. ISAAC: Thank you. And if we could bring up  
21                  Canada 165, please. And this is a document that  
22                  can be livestreamed.

23          Q     Sergeant Robinson, this is -- do you recognize  
24                  this document?

25          A     Yes, I do.

1           Q     Okay.  Are these notes that you prepared in  
2                    response to questions from the commission about  
3                    your outreach to both OSFI as well as the CBA?

4           A     (BR) Yes, that's correct.

5           Q     Okay.  And you'll see in the first heading here  
6                    under OSFI you refer to an October 2018 phone  
7                    call that you had with Erin Feeney, who is the  
8                    Director of AML Compliance at OSFI.  You note  
9                    that you explained to her that bank drafts were  
10                   vulnerable and that the reason for that -- you  
11                   note here that Ms. Feeney seemed receptive and  
12                   that she said that she would speak internally  
13                   and get back to you, but you go on to say that  
14                   you have no record or recollection of any return  
15                   correspondence from Ms. Feeney or OSFI.  Is that  
16                   all accurate?

17          A     Yes, that is all accurate.

18          Q     Did you ever hear back from Ms. Feeney or anyone  
19                    else at OSFI or any other regulator regarding  
20                    addressing the underlying anonymity that was at  
21                    issue with Project Athena?

22          A     (BR) The one part of your question about any  
23                    other regulator, we talked to lots of different  
24                    regulators about it, but I did not hear anything  
25                    back from OSFI.

1           Q     Thank you.  And the second heading here on  
2                     page 2 is "CBA," and here you refer to a  
3                     November 2018 presentation to CBA  
4                     representatives along with a number of banks and  
5                     a followup call in April 2019 to Mr. Chivers,  
6                     who is the Director of Corporate Security for  
7                     CBA.  And you write here that you found  
8                     communicating with Mr. Chivers a challenge  
9                     because he provided partial answers and did not  
10                    sound forthcoming about knowledge of Project  
11                    Athena.  And you go on to say that you attempted  
12                    to contact Mr. Chivers via phone and email on  
13                    numerous occasions before April 16th, 2019.

14                                Did you ever receive any commitment in 2018  
15                                or 2019 or engagement with the CBA to address  
16                                this anonymity issue of bank drafts on a  
17                                industry-wide basis?  So leaving aside the  
18                                engagement that I understand you had with  
19                                individual banks.

20           A     (BR) No, I did not receive anything back from  
21                    CBA.  And I think it's important to highlight  
22                    for this report that I prepared at the request  
23                    of commission counsel is that I sourced my notes  
24                    which I prepared contemporaneously to my  
25                    inquiries and inquiries with both Ms. Feeney as

1 well as CBA.

2 Q Do you have any sort of explanation or insight  
3 into why it seemed based on this that it was  
4 difficult to get engagement on the part of  
5 either the regulator OSFI or the Canadian  
6 Bankers Association to address this gap? Is  
7 that something that you have any insight into?  
8 Was it because you were a regional RCMP  
9 initiative? Are there challenges that you  
10 experienced at this time in terms of getting  
11 on -- getting the attention of and responses to  
12 those to address these sort of broader systemic  
13 issues?

14 A (BR) I think one part of perhaps garnering the  
15 attention of the right people is -- actually  
16 comes back to CFSEU and our approach with  
17 Project Athena at the beginning and making sure  
18 that we had the right people at the table so  
19 that they could be properly informed. Then we  
20 were dealing with in some cases regional  
21 corporate security from financial institutions.  
22 So it is really ensuring that we had the right  
23 people informed to what the issue was and had  
24 the decision makers available.

25 Q And to date are you aware -- I appreciate

1                   there's been a transition obviously to the  
2                   CIFA-BC model, has there been any movement or  
3                   engagement on the part of either the regulator  
4                   or the industry association to implement an  
5                   industry-wide solution to this underlying  
6                   vulnerability that both you and Ms. Paddon have  
7                   referred to?

8                   A       (BR) With respect to the association, I'm not  
9                   aware if it was directly through the  
10                  association. I am aware that financial  
11                  institutions have started to make changes. With  
12                  respect to the regulator OSFI, I have not heard  
13                  anything further from OSFI since my initial  
14                  query with Ms. Feeney.

15                 Q       And I don't want to jump ahead too much, but as  
16                  part of the CIFA-BC model and having more of a  
17                  direct access to a national infrastructure, is  
18                  that something you're hoping you'll be able to  
19                  have more access to in terms of tapping into the  
20                  levers or the necessary contacts on a national  
21                  level to address these sorts of vulnerabilities  
22                  that you identified, at least here, regionally?

23                 A       (BR) Yes. I think it's important that the  
24                  appropriate people are informed at each  
25                  institution and for all partners at CIFA-BC, so



1                   ensuring that we had the right level of  
2                   engagement and right level of awareness.

3           Q       And notwithstanding the lack of traction that  
4                   you appear to have had with OSFI or the CBA, how  
5                   were your efforts to have banks voluntarily  
6                   implement changes to their bank drafts? How  
7                   successful was that?

8           A       (BR) Initially at the onset, one bank made the  
9                   change almost immediately. And from my  
10                  perspective on the bank draft intelligence probe  
11                  and what we were doing by bringing together a  
12                  variety of different stakeholders and informing  
13                  the stakeholders of the issues, I saw that as a  
14                  positive. It really was a big boost of momentum  
15                  because we understood that the information we  
16                  were sharing was of value.

17                         From that time to now, the overall changes  
18                         to the bank drafts, it's taken time. It's been  
19                         a slow process. But part of that, I think, is  
20                         ensuring that, you know, the right information  
21                         is being delivered to the right people so that  
22                         they understand it so the decision makers are  
23                         informed as to what the risks are.

24                                 And then I think the other part and what we  
25                                 seek through CIFA-BC is to ensure that, you

1 know, on behalf of law enforcement we understand  
2 the perspectives from financial institutions and  
3 others when it comes to implementing those  
4 changes and what it looks like. So getting the  
5 complete picture. So those are important  
6 points.

7 MR. ISAAC: Thank you. And, Madam Registrar, if we  
8 could bring up CAN17, please. C-A-N 17.

9 And for the benefit of the record,  
10 Mr. Commissioner, an earlier version of the same  
11 document was previously marked as exhibit 458.  
12 The document has since been re-vetted, and this  
13 is a less redacted version of that same  
14 document.

15 Q Ms. Paddon, do you recognize this document?

16 A (MP) Yes, I do.

17 MR. ISAAC: Okay. If we could please mark that as  
18 the next exhibit.

19 THE COMMISSIONER: Yes, very well. That will be --  
20 I'm sorry. We're at 842.

21 THE REGISTRAR: Yes, exhibit 842.

22 **EXHIBIT 842: (Vacated)**

23 MR. ISAAC: Thank you. And if we can go to page 3,  
24 please, of this document.

25 Q There is a discussion here about -- with the

1 heading "Bank Draft Amendments." And then below  
2 that there's a round table on individual  
3 financial institutions on amending their drafts.  
4 And I don't intend to take you through all of  
5 these, but there's a reference to all of the  
6 banks and the status at this point on  
7 April 24th, 2019.

8 And, Sergeant Robinson, you had mentioned  
9 that one bank had implemented the change.  
10 There's a reference here under "HSBC" that they  
11 had implemented a change and that it:

12 "Took no time to implement. All it took  
13 was communication to each bank staff that  
14 they are now to write the purchaser's name  
15 and account on the draft."

16 And do you recall generally how quickly from  
17 being alerted to this problem HSBC took to make  
18 those changes?

19 A (BR) Well, it was quite quickly. I can't  
20 remember the exact period of time, but it was  
21 very -- what I thought to be a very quick  
22 response.

23 Q Okay. And I think you'd noted that at this time  
24 one of the banks had already -- prior to the  
25 project was already -- had bank draft

1 information on its drafts -- the purchaser  
2 information; is that right?

3 A (BR) Yes, that's correct.

4 Q Okay. And I won't take you through all of this,  
5 but at this point it appears as though most of  
6 the banks are either -- have either implemented  
7 a change or have not done so -- sorry, or are  
8 looking to do so. And is that consistent with  
9 your understanding at this point that the  
10 majority of the banks at least had taken steps  
11 to either implement the change or were looking  
12 at doing so?

13 A (BR) If I may just review the minutes there  
14 quickly.

15 Q Absolutely. I'm happy to take you through those  
16 just to -- I didn't do so partly in the  
17 interests of time, but please do take the time  
18 you need to look at that.

19 A (BR) Yes, I believe your statement is accurate  
20 and in line with what's reflected in the  
21 minutes.

22 Q Okay. And this commission has heard evidence  
23 that as of July 2019 all of the banks  
24 participating in Project Athena had implemented  
25 a change to include purchaser information on

1                   their drafts with two exceptions. And that was  
2                   Scotiabank and TD Bank. And you'll see in  
3                   this -- in these notes here, Scotiabank is  
4                   referred to having indicated that they did not  
5                   distribute enough volume of drafts for the VPs,  
6                   I think that's the Vice Presidents, to get on  
7                   board.

8                   And we'll look momentarily just in terms of  
9                   a breakdown of where the drafts were coming  
10                  from. But, Ms. Paddon, was Scotiabank one of  
11                  the larger sources of the bank drafts being  
12                  flagged through Project Athena at this time?

13                A     (MP) No, it was not. It was probably one of the  
14                  lower ones.

15                Q     Okay. And, Sergeant Robinson, to your knowledge  
16                  did Scotiabank ultimately implement a change to  
17                  their drafts to your knowledge?

18                A     (BR) Yes, I believe they did.

19                Q     Okay. Well, I should ask, have all of the banks  
20                  to your knowledge implemented a change at this  
21                  point?

22                A     (BR) I'm reluctant to say yes, all, but I  
23                  believe it's either been made or it's in the  
24                  process of being made.

25                Q     Okay. And, Ms. Paddon, do you have any

1 additional insight into that?

2 A (MP) No. I would agree that most of them have.

3 There may be an exception, but -- the process

4 may be in the works. I'm not really sure.

5 MR. ISAAC: Okay. And if we go to page 2 of this

6 same document, please.

7 Q And this is -- I'm just looking up near the top  
8 of the page there's a portion that says "based  
9 on review of BCLC spreadsheets over an 11-month  
10 period." And it goes on to indicate what was at  
11 the low end and what was at the high end. And I  
12 take it is that indicating where the largest  
13 source of bank drafts were coming from and where  
14 the lowest source of bank drafts were coming  
15 from, Ms. Paddon?

16 A (MP) Yes, that's correct.

17 Q Okay. And what was the institution that  
18 represented the highest end of the 510 drafts  
19 here?

20 A (MP) That was TD.

21 MR. ISAAC: If we could look, please -- we can bring  
22 this document down. If we could pull up,  
23 please, exhibit 469. And this is a document  
24 that is already an exhibit. It can be  
25 livestreamed, please. And if we go to page 4,

1                   please, of this document.

2                   Q     There's a heading under "BCLC statistics update,  
3                   Brad Rudnicki." Do you see that, Ms. Paddon?

4                   A     (MP) Yes, I do.

5                   Q     Okay. And there's a reference to the top banks  
6                   in descending order. So this is based on a  
7                   review of the bank drafts throughout 2018 and it  
8                   gives a breakdown of the total number and value  
9                   of the bank drafts. Do you see that?

10                  A     (MP) Yes.

11                  Q     Okay. And it shows here a total value of bank  
12                  drafts being flagged as \$151.9 million and then  
13                  a breakdown per how that breaks down. And  
14                  the -- at the top of page 5, if we scroll to  
15                  that, it says that the top two financial  
16                  institutions account for 66 percent of the  
17                  dollar value or 63 percent of the account volume  
18                  and two those top institutions are TD and BMO.  
19                  Is that consistent with the information that  
20                  you're aware of during this time?

21                  A     (MP) Yes, it is.

22                  Q     Did you raise concerns with TD in particular  
23                  that they were the largest source of the bank  
24                  drafts being flagged during this time?

25                  A     (MP) They were aware as a result of this

1 meeting, and yes. I mean, I had had numerous  
2 correspondence with them by email in relation to  
3 their involvement in the bank draft probe, so it  
4 was ongoing, you know. It was conversations  
5 ongoing. I know -- I believe there was some  
6 change of management in that process with TD,  
7 and halfway through the probe I was asked to  
8 send, again, the list of all the bank drafts  
9 over a year-long period that had been attributed  
10 to purchases at TD, the drafts being purchased  
11 at TD. So I did in fact do that and send it to  
12 TD for them to -- for follow up or whatever they  
13 were to do with them.

14 Q Okay. Given that there was a -- the  
15 implementation of changes to the bank drafts  
16 occurred at different points with different  
17 institutions, was there any indication on the  
18 operational side, Ms. Paddon, that suspected  
19 money launderers were targeting banks that did  
20 not have those measures in place or may have  
21 been moving towards, shifting towards  
22 institutions that were slower to implement those  
23 changes?

24 A (MP) Yes. It was twofold, though, because I  
25 think that some of the gamblers that were using



1                   certain institutions, the drafts may be easily  
2                   accessible. The hours of the institution may be  
3                   longer and open longer. Also it depended a lot  
4                   on what the location was. Some of them would  
5                   use -- you know, would focus on going to certain  
6                   branches of certain banks because they had a  
7                   relationship with the branch. Some other  
8                   gamblers would just have three or four or five  
9                   different drafts from one particular bank that  
10                  they would go to. Other ones would over time --  
11                  when I looked at the spreadsheets, it was clear  
12                  that they would kind of start moving towards  
13                  going to two banks, three banks, four banks.

14                         So it was my opinion that obviously the bank  
15                         had either brought it to their attention or  
16                         interviewed them or said, you know, something  
17                         funny is going on here, so they'd move on to the  
18                         next branch and the next branch -- or sorry, the  
19                         next -- yeah, sometimes the next branch and  
20                         sometimes another bank.

21                  Q     In terms of -- as Sergeant Robinson described,  
22                         most, if not all of the banks have now  
23                         implemented this information. What's been the  
24                         impact of including purchaser information  
25                         whether in terms of an impact on the volume of

1 value of suspicious drafts or the investigative  
2 insights that that has allowed you on the sort  
3 of investigative side to have? Has that been a  
4 benefit?

5 A (MP) Oh, it's definitely a benefit because it  
6 holds the purchaser accountable. If their name  
7 is on the front of that draft, then ...

8 MR. ISAAC: Thank you. And if we could go back,  
9 please, to CAN17 for a moment. And go to the  
10 top of page 3, please, Madam Registrar.

11 Q There's a reference here at the top to  
12 derisking. And the Commissioner has heard some  
13 evidence already about the challenges of  
14 derisking or demarketing, debanking, exiting  
15 clients, that decisions taken by individual  
16 firms at an institutional level can exacerbate  
17 sort of system-wide risk because investigators  
18 may lose sight of suspicious account holders or  
19 they may move to different institutions.

20 And I'm wondering whether that concern was  
21 discussed and, if so, whether there are options  
22 that have been looked at about how that risk  
23 might be addressed and mitigated. And I should  
24 say I'm including here CIFA-BC in its sort of  
25 future state as well given that that is a

1                   significant risk. Is that something that has  
2                   been contemplated about how that risk might be  
3                   addressed within the information sharing model?

4                   Perhaps I'll start with you, Sergeant  
5                   Robinson.

6           A       (BR) So the topic of derisking has not been  
7                   really brought up at CIFA-BC at this time, in  
8                   large part because CIFA-BC is really just  
9                   getting going in terms of formalizing its  
10                  partner protocol, which is the terms of  
11                  reference and information sharing protocol. You  
12                  know, putting together our strategic plan for  
13                  the year. It's not on the strategic plan or it  
14                  hasn't been identified as being something for  
15                  the strategic plan. But that is not to say that  
16                  it won't be something covered with the  
17                  partners that CIFA-BC discussed in terms of, you  
18                  know, how do we manage issues around derisking  
19                  and what that looks like.

20           Q       Right. I'd like to turn -- we can bring this  
21                   document down, please -- to what the operational  
22                   value of what Project Athena was generating and  
23                   how that was being attracted and measured.

24                   And, Ms. Paddon perhaps beginning with you,  
25                   given your role on the operational side of

1                   Project Athena. What were you able to learn  
2                   from and do with the information that the  
3                   project was generating and what was the value of  
4                   that to you?

5           A       (MP) Project Athena was -- there was a lot of  
6                   value to it, definitely. I mean, to me the key  
7                   was partnerships. The building of partnerships,  
8                   whether it was the police working with, you  
9                   know, GPEB, BCLC. We have -- you know, we have  
10                  these conference calls where we discuss some of  
11                  the problem gamblers or people that we were  
12                  concerned about that we wish to follow up on.

13                         The bank -- from the bank point of view,  
14                         based on the number of meetings that we held  
15                         with our partners, it's opened up a whole  
16                         network of people that are there as contacts or  
17                         they're able to contact us if they need  
18                         questions or need further understanding on bank  
19                         drafts. One of the things I've noticed in the  
20                         FINTRAC disclosures is that we're seeing banks  
21                         sending STRs into FINTRAC, and we're getting  
22                         repeat offenders. Like the offender is being  
23                         reported on by several banks or the same bank  
24                         continues to monitor that -- the gambler's  
25                         banking activity and then will send a second or

1                   third or the fourth disclosure in that  
2                   monitoring process.

3                   Some have demarketed some of their clients,  
4                   which then forces that client to go to another  
5                   bank. But -- so I guess the point being is the  
6                   information sharing has been the key to this  
7                   whole process of Project Athena in my opinion.

8           Q       Thank you. And Sergeant Robinson, do you have  
9                   anything to add in terms of the impact of  
10                  Project Athena during this time and how that's  
11                  measured and assessed?

12          A       (BR) So first off, the measurement -- you know,  
13                  simply put, the metrics for a public/private  
14                  partnership is something that's internationally  
15                  recognized as being a challenge because what  
16                  we're looking at here is essentially three  
17                  different pillars: prevention, detection and  
18                  disruption. Oftentimes the metric of disruption  
19                  is the easiest because it can be quantified  
20                  through arrests, prosecutions, convictions and  
21                  forfeitures.

22                  What we don't necessarily get is the value  
23                  from prevention and detection, which is an  
24                  enhanced awareness and understanding of the  
25                  threat and how people respond to that awareness.

1                   In this case we have changes to bank drafts.  
2                   You know, measuring the effectiveness of bank  
3                   drafts, we only had insight -- really at the  
4                   beginning was on casinos, but there's an  
5                   awareness that if it can happen in a casino, it  
6                   can happen in other industries and other sectors  
7                   and being able to measure that is definitely a  
8                   challenge.

9                   I think overall the benefit is that  
10                  environment of shared understanding and  
11                  collaboration. Getting people together. And  
12                  it's something that from my experience is unique  
13                  to any other offence that I've investigated.  
14                  You know, in the money laundering sphere it is  
15                  much different than homicide or drug  
16                  enforcement. In money laundering we have a  
17                  whole spectrum of partners in the regime that  
18                  are working together, working towards a common  
19                  goal just doing it differently. And oftentimes  
20                  the work is taking place in silos, so we're  
21                  trying to break down those silos.

22                  MR. ISAAC: Thank you. And if we would bring CAN17  
23                  back up.

24                  And, Mr. Commissioner, I might just pause  
25                  there. I appreciate this is almost a virtually

1 identical version of a document that was  
2 previously entered as an exhibit. I just  
3 wonder, before we get further adding on  
4 additional exhibit numbers, whether or not --  
5 and I'm in your hands -- whether or not it would  
6 be your preference to vacate the previous  
7 exhibit number or just proceed as we have with  
8 marking this as an additional exhibit.

9 THE COMMISSIONER: I'm sorry, Mr. Isaac. I thought  
10 we had marked this, but am I wrong about that?

11 MR. ISAAC: We had, yes. And I'm just -- I was  
12 prompted by hearing staff to consider whether or  
13 not it would be your preference to vacate the  
14 previous exhibit number for this.

15 THE COMMISSIONER: This one has the lesser  
16 redactions; is that right?

17 MR. ISAAC: Correct, yes.

18 THE COMMISSIONER: Yeah, all right. Why don't we do  
19 that, then. That kind of makes sense. Rather  
20 than having a sort of -- sort of a deficient  
21 duplication.

22 MR. ISAAC:

23 Q So looking at this document on the topic of  
24 metrics, if we go to page 1, please. If we  
25 scroll down, you'll see there's the heading that

1                   says "Statistics," reference to FINTRAC  
2                   disclosures received, reviewed, analyzed,  
3                   patrons identified, disclosures and a number of  
4                   other areas.

5                   And perhaps just with reference to that, if  
6                   you would explain what some of these statistics  
7                   are a reference to and what that reflects in  
8                   terms of what the -- what Project Athena was  
9                   generating in terms of operational value. And  
10                  perhaps, Ms. Paddon, I understand you may have  
11                  had a role in putting together some of those  
12                  metrics, so if you could comment on what's being  
13                  reflected there, please.

14                 A     (MP) Sure. So as a result of STRs that were  
15                   filed from the banks to FINTRAC under Project  
16                   Athena, FINTRAC -- I had a good working  
17                   relationship with FINTRAC and they would then  
18                   forward FINTRAC disclosures to me. And which I  
19                   would go through each FINTRAC disclosure, you  
20                   know, looking at the gambler, the criminal --  
21                   sorry, not the criminal activity, the banking  
22                   activity of what that gambler was doing.

23                   And so over a period of time I had received  
24                   in this particular case 35 FINTRAC disclosures.  
25                   So I'd received them. Of those I managed to --



1                   because some of them can be quite lengthy. Some  
2                   can be eight pages, other people -- others could  
3                   be, you know, 50 pages. So it takes some time  
4                   to go through all the banking activity of that  
5                   particular gambler. So 26 were analyzed and the  
6                   number of patrons identified through the filing  
7                   of STRs and receipts of FINTRAC disclosures was,  
8                   yeah, 55, so ...

9                   And then what I would do is after looking  
10                  at each FINTRAC disclosure, we would establish  
11                  what we were going to do with it, what was going  
12                  to be the next process we were going to go  
13                  through. Some of them looked somewhat legit.  
14                  It was just their banking activity, so they were  
15                  put aside. Other ones were identified that may  
16                  be suspect or were clearly layering in the money  
17                  laundering process, and then they would be  
18                  spin-off files. We would open separate files  
19                  for each of those gamblers and we would look at  
20                  investigating them further.

21                  Of the identified for interviews, we would  
22                  work with GPEB. GPEB would deal with BCLC as  
23                  well. Sometimes BCLC would interview the patron  
24                  themselves. Other times if it was an  
25                  investigative process, we were looking at them

1                   possibly for money laundering, we would actually  
2                   organize an interview to have them come in and  
3                   then we would interview them and ask them what  
4                   kind of -- you know, what was going on in their  
5                   banking activity.

6                   CRA referrals were a few of the files  
7                   were -- they didn't quite meet the threshold of  
8                   a proper investigation, but clearly there was  
9                   something going on there. Like, for example we  
10                  had one person we had in for an interview. It  
11                  looked like it was legitimate, but it was  
12                  somewhat suspicious. Now it has transpired that  
13                  that particular person again is -- I'm receiving  
14                  more FINTRAC disclosures on them, so what they  
15                  had told me was not as maybe possibly as  
16                  legitimate as we thought it was. But that would  
17                  be a referral that went over to CRA so they  
18                  could have a look at this particular person.  
19                  Assisting other detachments. Sometime other  
20                  detachments would have a money laundering  
21                  investigation or a cash seizure at the casinos  
22                  or whatever it was, and then they would ask me  
23                  to share the FINTRAC disclosure or talk about  
24                  what it was that -- they had FINTRAC disclosures  
25                  they actually obtained, and then I would help

1                   them to analyze what was in them.

2                   There were four lawyers identified in some  
3                   of the FINTRAC disclosures, two notary publics  
4                   and there was a number of, like, car dealerships  
5                   and other things.

6           Q       And were there spin-off either referrals with  
7                   respect to the professionals, the lawyers and  
8                   notary publics, made as a result of what was  
9                   identified here? Without discussing any of the  
10                  specifics or anything with respect to an ongoing  
11                  investigation.

12          A       (MP) It depended what capacity the lawyer was  
13                  used in that was described in the FINTRAC  
14                  disclosure. If it was something that was  
15                  possibly suspect or seemed a little unusual,  
16                  then yes, there may be a spin-off file. And  
17                  other times the lawyer may have only been used  
18                  for a land transaction, so no, there would not  
19                  be a spin-off.

20          Q       Thank you. And connecting, Sergeant Robinson,  
21                  back to some of your comments initially about  
22                  measuring success, I take it what you're saying  
23                  is that when we're looking at an initiative like  
24                  Project Athena, these sort of operational  
25                  outputs are only part of the picture. There's

1                   also sort of the educational and disruptive  
2                   impacts as well that are important to take in  
3                   mind. Is that a fair distillation of what you  
4                   were referring to?

5           A       (BR) Yes. I think it's fair. The measurement  
6                   of the success of the initiative goes beyond  
7                   just a law enforcement approach. It needs to  
8                   consider the other stakeholders involved.

9           Q       Ms. Paddon, just on the operational front,  
10                   though, was it, in your assessment, that the  
11                   information and intelligence being generated  
12                   through Project Athena was very valuable?

13          A       (MP) It was very -- sorry, I missed the last  
14                   part.

15          Q       Valuable. Was it useful and valuable  
16                   information that was being generated through the  
17                   project?

18          A       (MP) Yes, absolutely. It was very valuable.

19          MR. ISAAC: Mr. Commissioner, this might be a good  
20                   time for a brief break both for those on screen  
21                   as well as those perhaps working behind the  
22                   scenes.

23          THE COMMISSIONER: All right. We'll take 15 minutes.

24          THE REGISTRAR: This hearing is adjourned for a  
25                   15-minute recess until 11:28 a.m.

1                                   **(WITNESSES STOOD DOWN)**

2                                   **(PROCEEDINGS ADJOURNED AT 11:13 A.M.)**

3                                   **(PROCEEDINGS RECONVENED AT 11:27 A.M.)**

4                                                                                   **MELANIE PADDON, a**  
5                                                                                   **witness for the**  
6                                                                                   **commission, recalled.**

7                                                                                   **BEN ROBINSON, a witness**  
8                                                                                   **for the commission,**  
9                                                                                   **recalled.**

10                                   THE REGISTRAR: Thank you for waiting. The hearing  
11                                                                                   is resumed. Mr. Commissioner.

12                                   THE COMMISSIONER: Thank you, Madam Registrar. Yes,  
13                                                                                   Mr. Isaac.

14                                   MR. ISAAC: Thank you.

15                                   **EXAMINATION BY MR. ISAAC (continuing):**

16                                   Q     In late 2019, early 2020, Project Athena appears  
17                                                                                   to have expanded its scope to consider other  
18                                                                                   typologies and sectors, including luxury  
19                                                                                   vehicles, high-value dealers, real estate and  
20                                                                                   money services businesses. Sergeant Robinson,  
21                                                                                   what prompted that expansion and why did you  
22                                                                                   look at the other sectors that you did?

23                                   A     (BR) The expansion was based on two reasons.  
24                                                                                   One, the findings of Project Athena to date  
25                                                                                   where it was impacting other sectors beyond just

1 casinos. And then more generally it was the  
2 interest for others for this type of forum. So  
3 that's really what brought the next level, I'd  
4 say, or the next phase of Project Athena's  
5 growth.

6 Q And so you indicated that there are -- these  
7 sectors are ones that emerged out of the  
8 intelligence that had been generated up to that  
9 point as well as a degree of interest. Were  
10 there other particular areas or sectors where  
11 this P3 information sharing model is more  
12 effective, and did that guide at all the  
13 decisions about what sectors to create subgroups  
14 for?

15 A (BR) I think part of that question lies in terms  
16 of, you know, who the participants are. So yes,  
17 it would. It makes sense in terms of an  
18 environment that would sort of mirror what we  
19 saw with casinos where there's, you know,  
20 regulators, a Crown corporation, but also  
21 private industry. So, you know, finding that  
22 replicated and what we had we identified was  
23 real estate, luxury vehicles. And I think there  
24 was also high-value goods, although high-value  
25 goods never did actually take off as to be

1 another subgroup.

2 Q It appears as though these subgroups were  
3 suspended after holding their first meetings and  
4 the expansion didn't take off, at least, in  
5 2020. Why is that?

6 A (BR) Yes. This was at my decision. And it was  
7 based on frankly the demands presented, the  
8 number of resources, and frankly oversight for  
9 partnership of this nature. Because in 2020  
10 there was a split in terms of Project Athena as  
11 we understood it from, you know, 2018 to that  
12 date and then there was the decision to develop  
13 a permanent public/private partnership in the  
14 province of BC.

15 And that's where my duties -- I was placed  
16 on a secondment to lead the development of the  
17 permanent public private partnership while  
18 Ms. Paddon and others at CFSEU were maintaining  
19 the Project Athena portfolio. At the very  
20 beginning I was also keeping interest in the  
21 casino subgroup. But based on the totality, I  
22 understood it was best to suspend all  
23 activities.

24 Q But would it be fair to say that up to this  
25 point that you and your colleagues were

1                   effectively running this project off the side of  
2                   your desks?

3           A       (BR) For me, yes, that is accurate. This all  
4                   started with the bank draft intelligence probe,  
5                   which was understanding source of fund  
6                   declarations and the criminality, identifying  
7                   criminality. Soon we found that there was  
8                   incredible interest from other stakeholders in  
9                   this type of forum and it grew and it grew. All  
10                  the while in my cases as a team leader at JIGIT  
11                  managing a team of investigators and  
12                  investigations. So it was a corner of the desk,  
13                  and we did our best with Ms. Paddon and Ben  
14                  Granger and GPEB resources assigned to CFSEU  
15                  JIGIT to maintain Project Athena operations.  
16                  But it was a very heavy lift.

17          Q       And at this time were there effectively four  
18                   resources, if I can call them that, not to  
19                   depersonalize your colleagues, but four people  
20                   seconded to Project Athena at this point?

21          A       (BR) Just so I understand your question  
22                   correctly. Do you mean Project Athena at CFSEU  
23                   for maintaining subgroups and activities?

24          Q       Yes. Up to this point how big was the team?

25          A       (BR) So it was quite fluid, so there was nobody



1                   that was, quote/unquote, seconded to Project  
2                   Athena. Project Athena was part of their  
3                   duties. So there was at least four, but I think  
4                   others would assist as necessary based on the  
5                   operations of Project Athena and perhaps  
6                   Ms. Paddon may be able to provide a better  
7                   understanding because she was directly involved  
8                   in some of those operations.

9                   Q     Ms. Paddon?

10                  A     (MP) So yes, that was the case. It was  
11                   primarily four of us. One retired, so it now  
12                   became three. And as Ben had mentioned, we were  
13                   all running other files and investigations off  
14                   the side of our desk as well, so it was a lot of  
15                   work for us to continue maintaining and keeping  
16                   up with the Athena on top of other tasks and  
17                   priorities that we were given as well.

18                  Q     Thank you. And, Ms. Paddon, you led the luxury  
19                   vehicle subgroup; is that right?

20                  A     (MP) Yes, I did.

21                  MR. ISAAC: Okay. I'd like to ask some questions  
22                   just about that subgroup in particular.

23                                 Madam Registrar, if we could bring up  
24                   CAN205, please. This document can be  
25                   livestreamed.

1           Q     And, Ms. Paddon, do you recognize this as a  
2                   document that was prepared to summarize some of  
3                   the work of the vehicle subgroup for the  
4                   commission?

5           A     (MP) Yes, I do.

6           MR. ISAAC:   Okay.  If we could please mark that as  
7                   the next exhibit and I believe, given the  
8                   vacation of CAN17, this will be exhibit 842.

9           THE COMMISSIONER:  Very well.  842.

10          THE REGISTRAR:  Exhibit 842.

11                   **EXHIBIT 842:  Luxury Vehicle Sub Group (undated)**

12          MR. ISAAC:

13          Q     Okay.  And you -- it describes here some work  
14                   that you appear to have done prior to the  
15                   creation of the vehicle subgroup.  If you could  
16                   just explain briefly what work you did in May  
17                   2019 -- I'm looking at "Work Done to Date";  
18                   that's the heading -- in terms of preparing for  
19                   or looking at this question of luxury vehicles.

20          A     (MP) Right.  So as a result of what I was seeing  
21                   on FINTRAC disclosures, which were listing a  
22                   number of dealerships over and over again as  
23                   well as our partners in Athena, some of which  
24                   were in the luxury vehicle sector, I started  
25                   looking at some of these dealerships.  And so

1                   what I thought was the best way to really  
2                   understand what was going on out there with  
3                   these dealerships is to do a series of  
4                   interviews. So I attended two dealerships that  
5                   were, like, legitimate dealerships, you know,  
6                   well-known, well respected. And then I attended  
7                   two other dealerships of which had been -- had  
8                   serviced on a number of these FINTRAC  
9                   disclosures.

10                   So as a result, I interviewed the owners of  
11                   these dealerships and I asked them a series of  
12                   questions in relation to how they conducted  
13                   their business, how they conducted their  
14                   financing, where vehicles were held, you know,  
15                   off lot, on the lot. And then what I did is as  
16                   a result I put together the information that I  
17                   had obtained from the legitimate dealerships and  
18                   the ones that in my opinion were questionable or  
19                   may be involved in some sort of criminality.

20                   And as a result I put together this  
21                   information and then I presented it at the  
22                   luxury vehicle working group in January.

23                   Q     Okay. And that was the only meeting of the  
24                   luxury vehicle subgroup; is that right?

25                   A     (MP) Yes, that's correct.

1           MR. ISAAC: Okay. And the next two documents should  
2                           not be livestreamed but I'd like to refer those  
3                           to you now.

4                           If we could bring up CAN1794, please.

5           Q     Do you recognize this document, Ms. Paddon?  
6                           It's titled "Case Scenario"?

7           A     (MP) Yes, do. So this was a case scenario.  
8                           After our meeting we decided that -- in this  
9                           subgroup meeting we decided that each  
10                          contributor had something to bring to the table.  
11                          So working on specifically on an investigation  
12                          that I was running at the time, I thought it  
13                          might be a good test case for the partners to  
14                          get involved in the case scenario and give me  
15                          some thoughts, their thoughts on what they could  
16                          do to assist in the investigation at the same  
17                          time as me being able to share what I could  
18                          through the scenario that would give them some  
19                          insight into some of these kinds of  
20                          investigations that we get involved in.

21           MR. ISAAC: Thank you. If we could bring up CAN1795.  
22                           And please also do not livestream this document.

23           Q     Do you recognize these as a minutes from the  
24                           January 22nd meeting?

25           A     (MP) Yes, they are.

1           MR. ISAAC:  If we could please mark those as the next  
2                           exhibit.

3           Q     And perhaps just going back more globally in  
4                           terms of what this luxury subgroup -- what your  
5                           homework in May 2019 proceeded at.  What did all  
6                           of that reveal in terms of the indicators of  
7                           potential money laundering through luxury  
8                           vehicles, whether or not money laundering was or  
9                           was not occurring and what issues were  
10                          identified in that regard?

11          A     (MP)  So there were a series of questions that  
12                          were asked and they were very telling.  So with  
13                          legitimate -- I'm just going to briefly go  
14                          through some of the points I picked up as a  
15                          result of these interviews that I had.

16                                 So in relation to the legitimate  
17                                 dealerships, generally they didn't take -- they  
18                                 didn't take cash.  Financing was on site, so  
19                                 they were able to control the -- you know,  
20                                 money, the picture of the money end of things  
21                                 with the financing.  They took a 5 percent  
22                                 deposit.  The remainders of the balances were  
23                                 paid with certified cheques, credit cards and  
24                                 bank drafts which obviously are instruments that  
25                                 can be traced.  The dealerships always verified

1                   the source of the funds through phoning the bank  
2                   and confirming that the purchaser of the draft  
3                   was the person in fact that was purchasing the  
4                   vehicle.

5                   They had protocols and procedures in place  
6                   in relation to students. They had, you know, to  
7                   produce proof of address, monthly bank  
8                   statements, enrollment in schools. If it was a  
9                   question of a parent purchasing a vehicle for  
10                  them and the parent lived in China, they needed  
11                  a source of funds -- they needed verification on  
12                  the source of the funds coming to pay for that  
13                  particular vehicle and that they were able to  
14                  manage the payments on the vehicle if that were  
15                  the case.

16                  In the case of the illegitimate car  
17                  dealership, their -- it was very interesting.  
18                  Basically their inventory was held off site, not  
19                  on site, and the reason being is that they want  
20                  to create distance between themselves and any  
21                  concerns there may be in relation to these  
22                  vehicles. They often had a leasing company that  
23                  they would use that was actually owned by them  
24                  themselves, but it would be under a different  
25                  name and it would be in a different location.

1                   So if the person wished to apply for a lease to  
2                   get the vehicle, they would have to go to a  
3                   different location. And in actual fact when you  
4                   looked at the company's records the leasing  
5                   company was owned by the same owner of the  
6                   dealership.

7                   The owner had customer streams for his  
8                   leasing, so based on risk. If it was a  
9                   high-risk customer, then he may use a certain  
10                  bank account here, whereas a low risk would be  
11                  another bank account. So he always knew what  
12                  was going on behind the scenes with his  
13                  customers and how much risk he was willing to  
14                  take.

15                  He -- I was informed that it was all about  
16                  relationships. So there was no due diligence  
17                  done in the back end. If the person brought  
18                  cash in, it was a referral from someone else  
19                  that was a customer of his, so he did not feel  
20                  it was necessary to check -- you to, to check  
21                  for identification or anything else because, as  
22                  I was informed, it was the bank's job to do  
23                  that, not his. He would take 20 percent in  
24                  deposits. And he openly complained about the  
25                  fact that since the commission was ongoing that

1           he -- the Cullen Commission was ongoing, that he  
2           was losing a great deal of revenue from his  
3           customers.

4                        So that was the legitimate versus the  
5           illegitimate. So as a result, some of that was  
6           helpful in me being able to discuss it with the  
7           luxury car dealership -- the luxury group,  
8           luxury vehicle group so that we could try to  
9           tighten up some of the gaps to see, you know,  
10          what partners may be able to do further followup  
11          with dealerships, that kind of thing.

12          Q        And I appreciate -- I'm not going to take you  
13                    through all of the minutes of the meeting as  
14                    well as the observations that are contained  
15                    here, but this seems to have been a very  
16                    promising area for potential further work. Were  
17                    there action items and areas where you would  
18                    have wanted to explore had the luxury vehicle  
19                    subgroup continued? And assuming when the CIFA  
20                    government's model is created, is there in your  
21                    view an opportunity and -- to continue the work  
22                    in this area, the luxury vehicle subgroup area?

23          A        (MP) Yes, definitely. Especially --  
24                    specifically, I would say, there could be a lot  
25                    more work done in relation to luxury vehicles



1                   being shipped over to foreign jurisdictions. I  
2                   had a number of files that I was running off the  
3                   side of my desk where it always involved some  
4                   trader or exporter in Canada who was moving  
5                   vehicles over to, say, China, for example, or  
6                   the Philippines was another country that was  
7                   being used.

8                   In the case of the Philippines, it was in  
9                   exchange for guns. In the case of the vehicles  
10                  going over to China, they were basically selling  
11                  the vehicles at twice the price and then they  
12                  were collecting the PST on the Canadian end of  
13                  things through the dealership.

14                  So there was -- you know, with CRA there was  
15                  fraud involved, there was tax evasion, there  
16                  were all sorts of potentials for good, strong  
17                  investigations relating to car dealerships. And  
18                  with the partners that we had, you know, they  
19                  would definitely be a beneficial use in -- all  
20                  around in relation to some of these  
21                  investigations, including CBSA and some of these  
22                  other partners.

23                  Q    Before we move on from luxury vehicles, was  
24                  there anything -- I appreciate there was only  
25                  one meeting, Ms. Paddon. Based on the work that

1                   you did, was there that leapt out as an obvious  
2                   vulnerability that perhaps a recommendation of  
3                   this commission might address to reduce the  
4                   vulnerability of that sector to potential money  
5                   laundering?

6           A       (MP) I mean, I guess from my experience, as I  
7                   just mentioned, there is a huge vulnerability  
8                   with vehicles being moved over to foreign  
9                   jurisdictions and making twice the amount of  
10                  money by reselling these vehicles. That seems  
11                  to be a huge loophole in a lot of these  
12                  investigations involving luxury vehicles.

13                         I believe that for the legitimate luxury  
14                         vehicle dealerships, you know, they have their  
15                         checks and balances in place, they know their  
16                         customers, they do their due diligence. With  
17                         respect to illegal or, you know, car dealerships  
18                         that may be suspect, there are definitely other  
19                         avenues that the police could take to ensure  
20                         that some of those loopholes are filled or those  
21                         gaps are filled and that may be involving the  
22                         banking -- the banks, it could involve all sorts  
23                         of things. Information sharing between the  
24                         banks, that kind of thing.

25           Q       And, Sergeant Robinson, you mentioned that these

1                   sort of nascent subgroups were ones that were  
2                   suspended because of the work that needed to be  
3                   done to build out the governance model. Are  
4                   these initiatives that you're hoping to return  
5                   to once that CIFA-BC's governance model is in  
6                   place? What can you tell the Commissioner about  
7                   that?

8                   A       (BR) Part of it is explaining in greater depth  
9                   what CIFA-BC is because it's -- CIFA-BC was  
10                  designed and developed as intentional to be a  
11                  permanent public/private partnership, whereas  
12                  Project Athena just naturally evolved. And with  
13                  that, that brought a number of challenges,  
14                  particularly around resourcing, prioritization  
15                  of efforts and contributions.

16                                So when it comes to looking at luxury  
17                                vehicles, I'd say absolutely anything related to  
18                                money laundering, financial crime, is on the  
19                                table for CIFA-BC to take on.

20                  Q       Well, that leads naturally into the next  
21                                question which is about this transition into the  
22                                CIFA-BC model. What prompted the decision, what  
23                                were you hoping to achieve through that  
24                                evolution and what can you tell the commission  
25                                about that, please?

1           A       (BR) So it's towards the end of 2019 that both  
2                    the RCMP and CFSEU recognize that the current  
3                    model for Project Athena was just not  
4                    sustainable. It lacked structure; it needed  
5                    coordination; it needed governance. So in the  
6                    calendar year 2020 I was placed on a secondment  
7                    to lead the development of a formalized  
8                    public/private partnership and essentially  
9                    evolve Project Athena into something that is  
10                  sustainable.

11                         So over a period of -- I think it's  
12                         10 months but basically almost the entire  
13                         calendar year of 2020 it was focused on  
14                         developing a permanent public/private  
15                         partnership in the Province of British Columbia.

16           Q       And we've seen the subgroups we looked at were  
17                    suspended. Did -- the work of Project Athena  
18                    with respect to casino work, did that continue  
19                    otherwise unaffected during that period?

20           A       (BR) The duties were split effectively. My  
21                    responsibility was full-on committed to the  
22                    evolution, and Ms. Paddon had the operations  
23                    side. Generally it's my understanding from  
24                    COVID-19 there's impacts on actual casinos being  
25                    open. But I think Ms. Paddon can speak to

1                   specifics about operations on Project Athena.

2                   Q    Ms. Paddon, perhaps you can just comment on  
3                   whether or not the flow of information and what  
4                   you've been receiving from Project Athena  
5                   continued over 2020?

6                   A    (MP) It did but in a different format. So the  
7                   FINTRAC disclosures continued to come in and I  
8                   continued to analyze them. The gaming  
9                   intelligence group was -- the GIIU was in place,  
10                  so there were, you know, weekly meetings with  
11                  GPEB -- sorry, weekly conference calls with GPEB  
12                  and BCLC and the GIIU of which I'm part of in  
13                  one portion of that.

14                  So it did continue. I mean, I still am in  
15                  contact with a number of the shareholders -- or  
16                  the stakeholders in Project Athena from some of  
17                  these meetings who -- you know, we still keep in  
18                  contact. So yes, I guess in a different format  
19                  it still continues, but COVID certainly has  
20                  affected it.

21                  MR. ISAAC: Thank you. Mr. Commissioner, I've been  
22                  prompted -- reminded that I believe one of the  
23                  documents I may have referred to I neglected to  
24                  mark as an exhibit. That's CAN165. If Madam  
25                  Registrar could confirm whether that has been

1 entered. And if not, if that could be entered,  
2 please, as the next exhibit.

3 THE REGISTRAR: No, that one hasn't been marked as an  
4 exhibit yet.

5 So just for the record, Mr. Commissioner.  
6 The last two documents, CAN1794 and 1795 are  
7 marked as exhibit 843 and 844. And the next  
8 one, CAN165, is exhibit 845.

9 THE COMMISSIONER: All right. Thank you, Madam  
10 Registrar.

11 THE REGISTRAR: Thank you.

12 **EXHIBIT 843: Luxury Vehicle - Case Scenario**  
13 **(redacted)**

14 **EXHIBIT 844: Project Athena High End Luxury**  
15 **Vehicle Working Group, Minutes, January 22, 2020**

16 **EXHIBIT 845: Ben Robinson - Response, June 11,**  
17 **2020**

18 MR. ISAAC: Thank you. If we could please bring up  
19 CAN1334, please. And this is -- do you  
20 recognize the document Sergeant Robinson?

21 A (BR) Yes, I do.

22 Q Okay. And this is the investigational planning  
23 and report February 13th, 2020, relating to the  
24 plan to transition CIFA -- Project Athena into  
25 the CIFA-BC model; is that correct?

1           A     Yes, that's correct.

2           MR. ISAAC:  If we could mark that, please, as the  
3                    next exhibit.  846.

4           THE COMMISSIONER:  Yes.  Okay.  846.

5           THE REGISTRAR:  Exhibit 846.

6                   **EXHIBIT 846:  Investigational Planning and**  
7                   **Report, Project Athena, February 13, 2020**

8           MR. ISAAC:  Thank you.  If we could go to page 5 of  
9                    this document, please.

10          Q     And there is a component -- a passage of this  
11                   document here that says:

12                           "The progress of Project Athena was  
13                           largely seen as positive.  However, the  
14                           progress was not proportionate to  
15                           opportunities for Project Athena to evolve  
16                           the public -private partnership model in  
17                           BC and Canada at large.  Project Athena  
18                           was to some extent stuck in the Project  
19                           Protect and Guardian Model, which are one  
20                           dimensional and do not contribute to  
21                           sustainable long-term change."

22                   Sergeant Robinson, can you just explain what's  
23                   meant by that and the reference to Project  
24                   Protect and the guardian models.

25          A     (BR) Yes, absolutely.  What is meant by that is

1                   that through Project Athena we identified a  
2                   number of opportunities that went beyond the  
3                   Project Protect and Project Guardian models,  
4                   which in their own right are very successful.

5                   And for people's understanding of Project  
6                   Protect and Project Guardian, those are the  
7                   projects that are led by FINTRAC and they're  
8                   indicator-based. And Project Athena was  
9                   fortunate to be identified by FINTRAC for one of  
10                  those operational alert projects, essentially  
11                  where you share the typology with a number of  
12                  indicators and it enhances awareness. But what  
13                  we learned in addition to that with Project  
14                  Athena is that there's also opportunities for  
15                  innovation and informing policy and regulation,  
16                  legislation.

17                  So it actually morphed into something  
18                  bigger. So we saw it as being more in line with  
19                  some of the international models for PPPs than  
20                  what currently existed in Canada. And, you  
21                  know, I think it is important to recognize that,  
22                  you know, the projects by FINTRAC have been  
23                  successful and they are internationally  
24                  recognized, Project Protect. Just the approach  
25                  that's being -- that we saw for opportunity with



1                   Project Athena was something that was much wider  
2                   and applicable, especially in the Province of  
3                   British Columbia.

4           Q        Okay. At the bottom of this page, just above  
5                   "Objectives" it says:

6                                "It is important to highlight that the  
7                                development of the public-private  
8                                partnership is a model for sharing  
9                                information. It is not a standalone  
10                              enforcement model."

11                   Just in terms of the significance of that  
12                   statement, Sergeant Robinson, is this sort of a  
13                   recognition that information sharing is one part  
14                   of the puzzle, if you will, but it's ultimately  
15                   dependent on the capacity to use that  
16                   information and whether that's investigative or  
17                   other capacity to use the intelligence and  
18                   information to take action on it?

19           A        (BR) Yes, that is one part. I think overall  
20                   what it -- what is meant by that statement or  
21                   those two sentences is that it's a model sharing  
22                   information, it's a model of collaboration, so  
23                   it's increasing awareness so that, you know, it  
24                   goes beyond just a law enforcement response. So  
25                   when people are looking to measure the efficacy

1 of the partnership it is not just looking solely  
2 from an enforcement response angle. So that is  
3 what's meant by it and also it's to understand  
4 the type of resourcing being applied to that  
5 model.

6 Q Thank you. This plan goes on to refer to three  
7 phases for the transition of Project Athena to  
8 the CIFA-BC model, a consultation and research  
9 phase, design and development and implementation  
10 all to take place over 2020.

11 As part of the research and design phase,  
12 Sergeant Robinson, you referred to some of the  
13 international models. Did you consider and look  
14 at the best practices and the models in other  
15 jurisdictions like JMLIT in the UK or the FinCEN  
16 alliance or the models in Australia as well, and  
17 what were the principal lessons that were drawn  
18 from those models?

19 A (BR) Yes. So with respect to the multiphase  
20 plan, we did conduct extensive research. And I  
21 say "we." It was a team of resources from the  
22 RCMP both in British Columbia but also at  
23 national headquarters.

24 To understand the models that exist  
25 internationally. And you reference will JMLIT,

1                   which is Joint Money Laundering Task Force in  
2                   the United Kingdom and also the Fintel Alliance,  
3                   which is based in Australia. And there's others  
4                   around the globe. It all varied.

5                   A couple points that really resonated with  
6                   me from the research. One was from Australia  
7                   and it's the importance of input from the  
8                   stakeholders. So although it's the RCMP that is  
9                   leading this, you know, evolution and design of  
10                  a public/private partnership, ultimately it  
11                  needs to have input from the stakeholders so  
12                  that it can be shaped. So it's not just serving  
13                  solely the needs of the RCMP or law enforcement.  
14                  It needs to consider others in the regime.

15                  And then another part that I took away is  
16                  the importance that the partnership is  
17                  calibrated to the environment because Canada is  
18                  unique to -- in comparison to the United Kingdom  
19                  or Australia or the US. We have different laws,  
20                  we have -- you know, geographically we are  
21                  different, so it was important that the way the  
22                  model is designed is that it isn't just made for  
23                  BC in isolation because that runs the potential  
24                  to exacerbate problems. It needed to have a  
25                  design that was connected nationally as well

1 with the unique issues in the province of BC.

2 So that was something that was top of mind.

3 Q Thank you. And as part of this research and  
4 analysis, did you -- what did you learn in terms  
5 of the resources, staffing and otherwise, that  
6 are dedicated in those other jurisdictions to  
7 their permanent information sharing  
8 partnerships?

9 A (BR) Well, in the case of the Fintel Alliance is  
10 that they do have permanent resourcing there and  
11 they have a commitment of -- I believe it's  
12 around \$28 million dedicated by the Australian  
13 government. And more recently I learned from  
14 the United Kingdom, and they have the National  
15 Economic Crime Centre and they're looking at  
16 public/ private partnering. And their directive  
17 comes from Her Majesty's government as part of  
18 their economic crime plan and basically, you  
19 know, direction for greater coherence in their  
20 public-private partnership.

21 So it's -- the term that they use is a  
22 system-wide approach. So the two things that  
23 stand out for me is, one, the dedicated funding,  
24 and two, the importance of a system-wide  
25 approach. So it's just not, you know, law

1 enforcement in isolation or a regulator in  
2 isolation, it's system wide.

3 Q And as part of your research, your team's  
4 research and study of this topic, did you review  
5 the work of RUSI and Nick Maxwell in particular  
6 in considering a model and best practices to  
7 implement here?

8 A (BR) Yes, absolutely. The work by Nick Maxwell  
9 is arguably a global leader and he's actually  
10 been involved in discussions with our team. We  
11 consult him for input on the -- we did consult  
12 him for input on the design of the model.

13 Q Right. And in fact the report the framework for  
14 CIFA-BC cites the report that Mr. Maxwell  
15 prepared for this commission; is that right?

16 A (BR) It definitely cites RUSI. I'm not sure if  
17 it cites the report, though. I could be  
18 corrected on that.

19 MR. ISAAC: Okay. And in the interest of time, I  
20 hope -- I'm going to try to do this as  
21 officially without taking you laboriously  
22 through too many documents. We'll see how we do  
23 with that.

24 Madam Registrar, if -- I believe that this  
25 document has been marked, CAN1334. If we could

1 bring up, please, CAN1806.

2 Q Sergeant Robinson, is this a copy of the CIFA-BC  
3 framework document that describes the structure,  
4 planning and mandate and otherwise of CIFA-BC?

5 A (BR) Yes, that's correct.

6 MR. ISAAC: Okay. If we could please mark this as  
7 the next exhibit. And this document can be  
8 livestreamed.

9 THE COMMISSIONER: That will be the next exhibit.

10 THE REGISTRAR: Exhibit 847.

11 **EXHIBIT 847: CIFA-BC Framework revised April 9,**  
12 **2021**

13 MR. ISAAC:

14 Q And this document describes the model that's  
15 anticipated, if we go to page 4 of the document,  
16 as a hub and spoke model with CIFA-BC being one  
17 of the spokes with a sort of a contemplated  
18 national coordination program in the middle.

19 Sergeant Robinson, at this point it's a  
20 wheel with one spoke; is that right? CIFA-BC is  
21 sort of the -- a pilot project in that regard?

22 A (BR) Yes, that's correct.

23 Q Okay. And the model goes on to describe on  
24 page 12 some elements of the organizational  
25 structure, including a strategic advisory board,

1                   a principal working group as well as a  
2                   coordination office, and that one to be staffed  
3                   by four. Are all of these organizational  
4                   elements in place at this point and fully  
5                   staffed or are these sort of -- some of these  
6                   aspirational at this point?

7                   A     (BR) Principal working group, associate partners  
8                   and is CIFA coordination office are all in  
9                   place. The strategic advisory board, which is  
10                  the most senior form, governance structure, for  
11                  the partnership will have its first meeting next  
12                  week.

13                 Q     Okay. And the component here of the CIFA-BC  
14                  coordination office, if I understand this  
15                  correctly, that's sort of where the RCMP staff  
16                  are going to be located and kind of the core of  
17                  the CIFA-BC team in terms of the administrative  
18                  and analytical work that would be taken on; is  
19                  that correct?

20                 A     (BR) Yeah, I want to be careful. That is  
21                  correct about, you know, essentially being the  
22                  secretariat and managing the functions of  
23                  CIFA-BC. But in terms of analytical work, it's  
24                  different than what we saw for analytical work  
25                  that took place at Project Athena. Project





1 authority on the matter --"

2 And it cites a publication by Mr. Maxwell and  
3 Mr. Artingstall. And then if we go to page 15,  
4 please, of the same document. And this is the  
5 reference I was referring to earlier. There is  
6 a reference here to the report of -- sorry, it  
7 will be page 16, sorry, of the electronic PDF.  
8 There is a reference footnote 5 to Nick Maxwell,  
9 "Canada in Context," which is the -- a report  
10 that was prepared for the commission. Those  
11 were all materials that was reviewed as part of  
12 the work on this; is that right

13 A (BR) Yes. And I must say I did not compile all  
14 this work on my own. There's a very skilled  
15 team working on this.

16 MR. ISAAC: Understood. Thank you.

17 So if we could please bring up CAN1774,  
18 please, Madam Registrar. And this is a document  
19 that should not be livestreamed.

20 Q This is a letter October 2nd, 2010, to then ADM  
21 Butterworth-Carr regarding CIFA-BC resourcing  
22 and funding. Do you see that?

23 A (BR) Yes, I do.

24 Q Okay. And there's a description here in this  
25 letter -- and I won't take you through all of

1                   it. It's starting the bottom of the page about  
2                   the four employees that are temporarily assigned  
3                   to CIFA-BC and that appears to include yourself.  
4                   And then if we go to the bottom of the second  
5                   page, there's a paragraph which is more forward  
6                   looking. Do you see that?

7                   A     (BR) Yes, I do.

8                   Q     It says "as we draw to a close."

9                   A     (BR) Yes.

10                  Q     Right. And there's a reference here where this  
11                   is Assistant Commissioner Dwayne McDonald  
12                   writing, saying:

13                                 "I am in discussion with RCMP National  
14                                 Headquarters, Federal Policing to secure  
15                                 resources that would contribute to CIFA-BC  
16                                 on a permanent basis and hope to have a  
17                                 positive resolution on this matter by the  
18                                 end of this year. I also recognize that  
19                                 should the Province of BC wish to consider  
20                                 long-term involvement in CIFA-BC, a  
21                                 complete business case will be required  
22                                 once any Federal contribution has been  
23                                 identified."

24                   So just perhaps to bring us up to the current  
25                   date, has a business case been completed and

1 submitted and just describe the current state at  
2 this point of this letter as being -- remaining  
3 these temporary positions. Has that changed  
4 since, and what's the federal contribution,  
5 what's the provincial contribution?

6 A (BR) Okay. So I'll break that down. The first  
7 part is the business case was prepared in  
8 December of 2020. It was prepared with input by  
9 CIFA coordination office and the Ministry of  
10 Public Safety. And it was submitted for RCMP  
11 approvals through internal channels, and it is  
12 my understanding that at this point, you know,  
13 it was supported by RCMP.

14 And then it's currently -- was not supported  
15 for continuation at this point at a policy and  
16 finance committee meeting for two reasons. One,  
17 further information is required on the metrics,  
18 and two, the province was awaiting  
19 recommendations from this commission.

20 In terms of your question about federal  
21 funding, which is referenced in this memo, yes,  
22 federal funding was identified for two of the  
23 resources, and those resources are the manager  
24 of operations and the strategic research  
25 analysts.

1 Q Thank you. And what size of team was sought in  
2 the business case?

3 A (BR) Four resources total.

4 MR. ISAAC: And regarding those federal  
5 contributions -- and I believe, sorry, Madam  
6 Registrar, I'm not keeping track. I think -- I  
7 don't know if this has been mark as an exhibit,  
8 CAN1774. If it hasn't, if we could please do  
9 so.

10 THE REGISTRAR: Not yet. It would be exhibit 848,  
11 Mr. Commissioner.

12 THE COMMISSIONER: Thank you.

13 **EXHIBIT 848: Memo to ADM Policing - CIFA-BC,**  
14 **October 2, 2020**

15 MR. ISAAC: Thank you. And if we could bring up  
16 CAN1786. And this can be livestreamed.

17 Q This is a letter to David Eby from Minister  
18 Blair, and it talks -- it's primarily addressing  
19 information and providing information about the  
20 integrated money laundering investigative teams  
21 which were announced last year with some funding  
22 attached.

23 And if we go, please, to the bottom of the  
24 page. So there's a paragraph here that says:

25 "The RCMP anticipates that all IMLIT

1 positions will be staffed by March 2021.  
2 Of interest, there are currently five new  
3 positions that have been created to  
4 support this important work in British  
5 Columbia, which are at various stages of  
6 staffing. Two of these positions will be  
7 assigned to the Counter Illicit --"

8 And if we scroll down to the top of the next  
9 page, please:

10 "Two of these positions will be assigned  
11 to the Counter Illicit Financing  
12 initiative, while the remaining three will  
13 work within the Federal Policing Money  
14 Laundering teams."

15 So just pausing there. Sergeant Robinson, is it  
16 your understanding that the two positions that  
17 will be joining your team from -- as part of the  
18 federal contribution -- well, not as part of, as  
19 the federal contribution that those will be  
20 drawn from IMLIT; is that right?

21 A (BR) No, that is not correct. It's one  
22 position, one IMLIT-funded position towards  
23 CIFA-BC, is my understanding.

24 Q Okay. So two federal positions in total with  
25 one coming from IMLIT and then one coming from



1                   "Challenges and Opportunities." And the first  
2                   challenge that's identified here is the need for  
3                   long-term investment of resources with extensive  
4                   upfront investment of expertise, time and  
5                   resources.

6           Q       So, Sergeant Robinson, beyond the current  
7                   contribution of four members, is what -- does  
8                   CIFA-BC ultimately need significant investment  
9                   of resources, and where are you hoping that that  
10                  will grow into and what do you have anticipated  
11                  in that regard?

12          A       (BR) What I have anticipated in that regard, you  
13                   know, we will have to reassess after, you know,  
14                   each year of operations. Right now we  
15                   identified four resources to operate CIFA-BC  
16                   because we thought that that is what's  
17                   appropriate. And that's based on all of our  
18                   research and all of our consultation with all of  
19                   our stakeholders, which included multiple  
20                   surveys and focus groups. You know, extensive  
21                   communication with people. That's what we  
22                   identified at this time.

23                               In terms of what is meant in this paragraph  
24                               is to reenforce the part about the true benefits  
25                               of a financial information sharing partnership

1                   will take time. You know, it's not -- you know,  
2                   in the case of Project Athena, you know, it's so  
3                   illuminating in my opinion, based on my  
4                   experience is because it was so unique. You  
5                   know, we're looking to build upon that with  
6                   CIFA-BC with a formalized structure.

7                   Q     Thank you. One of the topics or potential  
8                   challenges that isn't addressed here in the  
9                   report but I did want to ask about was the  
10                  potential use of data analytics and whether or  
11                  not the use of information technology is going  
12                  to be essential for the future success of an  
13                  initiative like Project Athena.

14                                 And, Sergeant Robinson, if you could  
15                                 possibly comment on what is being explored and  
16                                 what's been currently used in that regard to  
17                                 assist in processing and analyzing the  
18                                 intelligence that you're hoping to develop out  
19                                 of the initiative.

20                  A     (BR) I think that to answer that question I need  
21                                 to be very clear that for CIFA-BC and the CIFA  
22                                 coordination office and how it functions in the  
23                                 whole CIFA-BC model, that is the role of  
24                                 coordination and enhancing awareness and  
25                                 understanding. So the use of technology and



1 data solutions for CIFA-BC is not essential to  
2 get off the ground. It's just simply breaking  
3 down silos and communicating.

4 In terms of my experience on Project Athena  
5 and with the RCMP, is that -- what I found is  
6 that the volume of data that was coming in  
7 through FINTRAC it is my understanding is that  
8 there is a more effective and efficient way of  
9 understanding that data using technology.

10 And FINTRAC disclosures as Ms. Paddon  
11 mentioned can range in size in terms of the  
12 number of pages. Also the content within  
13 requires, you know, a certain specialized skill  
14 set to understand and also in large part it's  
15 unstructured data. So what I mean by that is  
16 that once it's stored on the file, it's only  
17 really accessible for people that look into that  
18 file.

19 So one of the opportunities that we saw was  
20 through a unit within the RCMP. It's known as  
21 the BC RCMP hub and essentially they look at  
22 finding data solutions. And I engaged in a  
23 number of conversations with them and ultimately  
24 ended up presenting a proposal to use a  
25 technology solution to better manage FINTRAC

1 disclosures, to better understand that  
2 information.

3 The second opportunity for better  
4 understanding data came through academia and  
5 through an OCR-GO research grant. And I'm  
6 struggling to remember the OCR-GO, what it  
7 stands for. I believe the G and O are gang  
8 outreach. But ultimately what it was is a grant  
9 from the provincial government for a student at  
10 SFU who also has an awareness and connection to  
11 the BC RCMP hub to find a way to develop an  
12 automated typology detector, and that research  
13 is ongoing.

14 Q Thank you. On this page 16 of the framework,  
15 the second challenge it refers to -- sorry, the  
16 previous page, Madam Registrar, on the -- it's  
17 page 16 of the electronic PDF. In the paragraph  
18 "secondly," it says:

19 "Secondly, the type of information being  
20 shared by CIFA-BC, mainly strategic  
21 information, holds certain implications  
22 for outcomes. Traditionally  
23 public-private tactical information  
24 sharing is the most direct means of  
25 supporting law enforcement and disruption

1                   efforts across international FIS models.  
2                   Without a tactical component, the path to  
3                   progress intelligence-generated FISPs to  
4                   law enforcement investigations becomes  
5                   less linear."

6                   The Commissioner has heard evidence from  
7                   Mr. Maxwell that Canada is the only common law  
8                   jurisdiction that does not have sort of a clear  
9                   Gateway established for public-private tactical  
10                  information sharing. And he described that as  
11                  the largest impediment on information sharing in  
12                  Canada and effectively creating a hard ceiling.

13                  Is that a significant challenge for the  
14                  effectiveness of CIFA-BC, and is that something  
15                  that, you know, is being looked at how that  
16                  might be addressed or whether or not there might  
17                  be any reforms to possibly address that hard  
18                  ceiling and create a gateway?

19                  A       (BR) So the first part of your question about is  
20                  it a challenge in line to the outcomes. It is a  
21                  challenge if the sole performance metric is on  
22                  enforcement outcomes because there is a direct  
23                  link between tactical information sharing and  
24                  law enforcement outcomes. And, you know, I  
25                  point to Australia and to the United Kingdom as

1 examples as well as the United States where  
2 there is a tactical information sharing  
3 component.

4 But this partnership seeking to do more than  
5 that in terms of just simply responding to  
6 intelligence through enforcement response. Two  
7 of the other pillars are -- innovation is one,  
8 and the second is policy, regulatory and  
9 legislative reform. So through a partnership  
10 such as CIFA where we bring together  
11 39 stakeholders ranging from the federal  
12 government, provincial government, Crown  
13 corporations, municipal government, all three  
14 levels of policing and essentially all the  
15 relevant stakeholders, you know, it brings  
16 together greater resolution on problems that can  
17 be addressed beyond just an enforcement outcome.

18 Q Sorry, did you have something you wanted to add,  
19 Sergeant Robinson?

20 A (BR) I just want to make sure that I answered  
21 your question in full.

22 Q You did. If we could actually go back one page  
23 in the document, page 15 here. Looking just  
24 above, it says "measuring performance and  
25 reporting." It says:

1                   "While CIFA-BC is built on strategic  
2                   information sharing, it endeavours to have  
3                   the necessary mechanisms to enable  
4                   tactical information sharing in the  
5                   future. For this to happen, it will first  
6                   require the relevant legal gateways to be  
7                   understood and implemented."

8                   And do you know -- or are you aware -- I  
9                   appreciate this may be outside of your lane,  
10                  Sergeant Robinson, but whether or not there has  
11                  been any exploration of moving into that  
12                  tactical information sharing mode or what would  
13                  actually be required to do so?

14                  A     (BR) So outside of CIFA-BC, I am aware of  
15                  exploration in that space to look at tactical  
16                  information sharing. Within the confines of  
17                  CIFA-BC we have a partner protocol, which  
18                  includes an information sharing protocol which  
19                  speaks specifically to the type of information  
20                  we will be sharing. And it is strategic general  
21                  information.

22                  In our first year of operations we've  
23                  prepared a strategic plan. It is not endorsed  
24                  yet by our strategic advisory board because the  
25                  board has not met yet. But one area that we

1 do -- that we have identified is exploring a  
2 greater understanding of personal information  
3 sharing authorities and increasing that  
4 understanding. Because that is critical. I see  
5 it as being foundational to understand that.

6 Q Thank you. Just thinking about this operational  
7 strategic, sorry, and tactical sort of dichotomy  
8 and then Canada finding itself as being that  
9 only country that at this point really has the  
10 strategic level of information sharing. The  
11 information sharing that Project Athena was  
12 undertaking with respect to bank drafts in terms  
13 of identifying specific bank drafts and casino  
14 patrons to banks, was that -- it seemed to have  
15 had a tactical element to it. It was beyond  
16 just can sharing typologies. Is that true, and  
17 is that something that will continue under the  
18 CIFA-BC model that's sort of perhaps constrained  
19 but that element of tactical information  
20 sharing?

21 A (BR) So the first part of your question, yes,  
22 that is true. It was beyond the typical  
23 typology-based type information sharing. It was  
24 relatively narrow in scope, you know, just for  
25 the purpose of confirming whether or not someone

1                   has an account. That will not continue at  
2                   CIFA-BC.

3                   And that is, you know, the type of  
4                   information that will be shared at CIFA-BC is  
5                   outlined in our information-sharing protocol.  
6                   And I think, you know, really the value of that  
7                   information-sharing protocol, it provides  
8                   clarity to all partners as to what is acceptable  
9                   and what is understood. And that's important so  
10                  that people know their boundaries and what is  
11                  expected. Because that was an issue that we did  
12                  run into on Project Athena, was, you know,  
13                  partners', you know, understanding of what was  
14                  being proposed and what was taking place.

15                Q   And sorry, Sergeant Robinson, I may have not  
16                  fully captured what you had said, but did you  
17                  indicate that CIFA-BC will no longer be sharing  
18                  bank draft information with financial  
19                  institutions in order to inform their  
20                  investigations and potentially filing STRs? Is  
21                  that correct?

22                A   Yep, that is correct. And that is based on our  
23                  research and consultation that took place with  
24                  all our stakeholders to understand really what  
25                  the levels of comfort was and understanding how

1 to proceed.

2 So I see this as being foundational  
3 starting with strategic and then building up  
4 from there

5 Q And when did that information sharing cease of  
6 bank -- of identification and flagging of  
7 specific bank drafts and patrons?

8 A (BR) I can only speak to my activity on CIFA-BC  
9 and what's governed under CIFA-BC and the  
10 activities there. In terms of CIFA-BC we have  
11 our partner protocol, which is in the process of  
12 being ratified and governs all information  
13 sharing in there.

14 Q Ms. Paddon, do you have any -- you were involved  
15 in -- on the operational side of Project Athena.  
16 Do you know -- and are now still involved in  
17 terms of receiving the intelligence from it. Do  
18 you know when the sharing of specific  
19 information ceased?

20 A (MP) Yes. So the bank letters that were going  
21 out monthly, the spreadsheets were basically  
22 between March 2018 to February 2020.

23 MR. ISAAC: Thank you. Mr. Commissioner, those are  
24 all of my questions for the panel. This may be  
25 a good time to take a brief break.



1           THE COMMISSIONER: All right. I think we can  
2                           probably carry on with some of our examinations  
3                           before we take our next break. We'll start with  
4                           Ms. Harlingten for Canada -- I'm sorry, for the  
5                           province, who has been allocated 10 minutes.

6           MS. HARLINGTEN: Thank you, Mr. Commissioner.

7           **EXAMINATION BY MS. HARLINGTEN:**

8           Q     My questions will be for Ms. Paddon.

9                           Ms. Paddon, can you hear me all right?

10          A     (MP) Yes, I can.

11          Q     Great. My friend Mr. Isaac, earlier in your  
12                           examination he asked you a number of questions  
13                           around money laundering investigations that you  
14                           were involved with when you were with the IPOC  
15                           unit. Do you recall that series of questions?

16          A     (MP) Yes, I do.

17          Q     And in part I have your evidence, Ms. Paddon, as  
18                           being that while you were with IPOC you had  
19                           prepared an operational plan for approval for a  
20                           casino money laundering investigation. Do I  
21                           have that right?

22          A     (MP) I didn't approve it, but I --

23          Q     Oh, pardon me.

24          A     (MP) On the face of it, yes.

25          MS. HARLINGTEN: Yes. Thank you for that correction.

- 1 I would just like to pull up, Madam
- 2 Registrar, document CAN001274. And this should
- 3 not be livestreamed.
- 4 Q Can you see that there, Ms. Paddon?
- 5 A (MP) Yes, I can.
- 6 Q Do you recognize this document as the
- 7 operational plan that you prepared?
- 8 A (MP) I did not prepare it. But yes, I do
- 9 recognize it.
- 10 Q All right. And I just see your name there as
- 11 the project target team leader at that time.
- 12 And what role was that?
- 13 A (MP) So I was basically overseeing and
- 14 working -- so basically these are documents,
- 15 RCMP documents that are put together in relation
- 16 to approval on an ops plan. And in that process
- 17 you have to kind of fill in the boxes of who's
- 18 going to be doing that. So that's why I'm the
- 19 team lead because I had the most seniority, but
- 20 the team commander, Sergeant Doyle, was actually
- 21 running the C22 team that were going to
- 22 investigate this further.
- 23 Q All right. And the monitoring officer there was
- 24 at the time Mr. Cal Chrustie who was an
- 25 inspector, it seems?

1           A       (MP) Yes, that's correct.

2           MS. HARLINGTEN: All right. And I've been advised  
3                    that this actually can be livestreamed. It's an  
4                    exhibit already, Madam Registrar, exhibit 760.

5           THE REGISTRAR: Yes.

6           MS. HARLINGTEN:

7           Q       And so in this particular document, Ms. Paddon,  
8                    I note under "Other Agency Participation" -- if  
9                    you just scroll down, Madam Registrar -- then I  
10                   note there that GPEB was involved as another  
11                   agency participation. Do you recall just from  
12                   your role as the team leader what GPEB's  
13                   proposed or expected involvement was to be?

14          A       (MP) Well, GPEB generally would work with us  
15                    because we needed access to some of the  
16                    information from the casinos, you know, and the  
17                    intension with investigating this particular  
18                    thing. So generally we always include BCLC and  
19                    GPEB and then work together as a team.

20          MS. HARLINGTEN: And if you scroll down, Madam  
21                    Registrar.

22          Q       BCLC is also noted there, as you suggest?

23          A       (MP) Correct, yep.

24          MS. HARLINGTEN: And if you could continue a little  
25                    bit, Madam Registrar, to -- it should be under

1                   subheading J. It should be on page 3. Thank  
2                   you.

3           Q       And so, Ms. Paddon, you see here the proposed  
4                   information summary. And you already gave some  
5                   evidence to the Commissioner about what that  
6                   proposed investigation was to entail. But I  
7                   would just like to draw your attention to one  
8                   portion of this summary. And it states:

9                               "Although intelligence gleaned to date  
10                              indicates that these bags of cash involved  
11                              in these large buy-ins have their ultimate  
12                              origins in street level criminal activity,  
13                              drawing a concrete link to those  
14                              activities has thus far been an elusive  
15                              goal. In order for IPOC to pursue a  
16                              successful prosecution for possession of  
17                              proceeds or money laundering, it is  
18                              essential to show a definitive link to  
19                              criminal activity."

20                   I think you gave this evidence earlier,  
21                   Ms. Paddon, but part of the proposal here was to  
22                   try and gather that missing link; is that  
23                   correct?

24           A       (MP) Yes, that is correct.

25           MS. HARLINGTEN: And this particular summary carries

1 on on page 5, Madam Registrar. Thank you.

2 Q Ms. Paddon, do I have it correct that there was  
3 sort of three prongs to this proposal was that  
4 investigation piece that I just summarized and  
5 then. I see here that there were two other  
6 facets, the first being to work towards a  
7 regulatory and legislative change. Do you  
8 recall that?

9 A (MP) Yes. I do.

10 Q Can you describe that second prong for the  
11 Commissioner that was proposed?

12 A (MP) Well, in relation to the legislative  
13 chain -- well, the regulatory change -- we  
14 always look at obviously what potentially could  
15 be done, so in relation to regulatory change it  
16 would probably be again what we're looking at  
17 with Project Athena. You know, basically having  
18 restrictions, *PCMLTFA* reporting, that kind of  
19 thing.

20 Q The third portion in the final paragraph there  
21 it speaks to some public education that was  
22 proposed as well. Am I correct that public  
23 education is now something that JIGIT  
24 undertakes?

25 A (MP) Yes, they do.

1           Q     And so this proposal to have some -- a public  
2                   education program that IPOC would be involved in  
3                   is similar to part of the duties, anyway, that  
4                   JIGIT is currently carrying out; is that fair?

5           A     (MP) Yes, I would say so. Just to clarify that,  
6                   as a result of what we were looking at on  
7                   Project Athena, I gave a series of lectures to  
8                   the service providers at the casinos in order  
9                   for them to be more aware of what the indicators  
10                  are of money laundering when cash is being  
11                  brought into the casinos or even bank drafts,  
12                  for that matter.

13          MS. HARLINGTEN: All right. And I understand this  
14                  has already been entered as an exhibit  
15                  Mr. Commissioner, exhibit 760, so I won't ask  
16                  that it be marked again.

17          Q     But I will ask, Ms. Paddon, I understood your  
18                  evidence earlier to be that this particular  
19                  proposal was not approved. Do I have that  
20                  correct?

21          A     (MP) Yes, that's correct.

22          Q     And it was not approved by then Inspector Cal  
23                  Chrustie?

24          A     (MP) Yes, that's correct.

25          Q     And that it was not approved due to other

1                   investigational priorities at the time. Do I  
2                   have your evidence right there?

3           A       (MP) Yes, as well as resourcing.

4           MS. HARLINGTEN: Resourcing. Okay.

5                   Thank you, Madam Registrar. I'm done with  
6                   this document. If I could have CAN001275 pulled  
7                   up on the screen. And I'll ask that this not be  
8                   livestreamed as well just in case Canada has any  
9                   concerns with it. Thank you, Madam Registrar.

10          Q       Ms. Paddon, do you recognize this document?

11          A       (MP) Yes, I do.

12          Q       Do you know who prepared this document?

13          A       (MP) I believe it was Dave Armstrong, the  
14                  corporal --

15          Q       Who was Dave -- oh, pardon me, go ahead.

16          A       (MP) Yeah, Dave Armstrong was the corporal in  
17                  the C22 team.

18          Q       Are you aware, Ms. Paddon, was this casino  
19                  summary and proposal submitted along with the  
20                  document we just looked at, exhibit 760?

21          A       (MP) So generally what they do is they would  
22                  take the summary proposal and they would  
23                  incorporate that information into the  
24                  operational plan. So a lot of it would be  
25                  repetitive.

1 MS. HARLINGTEN: All right. And so I'm being  
2 helpfully advised by Mr. Isaac that this was  
3 already entered as an exhibit as well, 759. It  
4 can be livestreamed. Thank you, Madam  
5 Registrar.

6 Q As I understand from this document, Ms. Paddon,  
7 this is a summary of the evidence you gave to  
8 the Commissioner earlier, including a summary of  
9 some of the concerns that IPOC had identified  
10 and those being a large influx of cash into  
11 Lower Mainland casinos; is that right?

12 A (MP) Yes, that's correct.

13 Q And in this particular summary it references --  
14 just in that second paragraph you'll see there  
15 that information was gathered from a number of  
16 sources, including interviews with high-limit  
17 gamblers and patrons of the casinos; is that  
18 right?

19 A (MP) Yes, that's true.

20 Q And were you involved in any of those  
21 interviews, Ms. Paddon?

22 A (MP) No, I was not.

23 Q We can just see -- if you scroll down, Madam  
24 Registrar, to the next page -- that there were  
25 some subjects of interest who were named in this



1 particular document created by Mr. Armstrong.

2 And there's a reference to Mr. Li Lin Sha?

3 A (MP) Yes.

4 Q Do you recall, Ms. Paddon, being involved in any  
5 discussions with GPEB about Mr. Sha at this  
6 time?

7 A (MP) No, not offhand I don't. I don't recall  
8 having discussions specifically in relation to  
9 those gamblers that were listed on the ops plan.

10 Q And I noted in this particular document,  
11 exhibit 759 and the earlier one we just  
12 reviewed, Ms. Paddon, 760 that the subjects of  
13 interest listed in each of those documents is  
14 distinct. Is it fair to say IPOC had identified  
15 a fair number of subjects of interest at this  
16 time?

17 A (MP) Yes, I think that's fair.

18 MS. HARLINGTEN: I note on the next page -- Madam  
19 Registrar, if you'd just scroll down for me.  
20 Yes, that should be -- oh, just a little bit  
21 farther so that we can see the footnote. Thank  
22 you.

23 Q I noted in footnote 5 there is a reference to a  
24 meeting between IPOC, BCLC and GPEB. To your  
25 recollection was IPOC meeting with GPEB and BCLC

1                   regularly at this time?

2           A       (MP) I don't recall.

3           MS. HARLINGTEN: And just onto the next page, Madam  
4           Registrar.

5           Q       In examination from my friend Mr. Isaac, you  
6           discussed the investigative steps between  
7           E-Pirate and this particular proposed  
8           investigation, and I believe your evidence was  
9           that the investigative steps were fairly  
10          similar. Do I have that correct?

11          A       (MP) Yes, that's true.

12          Q       And are these the investigative steps that you  
13          were referring to or similar investigative  
14          steps?

15          A       (MP) Yes. There was -- E-Pirate was a lot more  
16          complex, but yes, they would be the same steps  
17          that would be taken.

18          Q       So it would be fair to say these were the kinds  
19          of steps that were necessary to crystallize that  
20          predicate offence link that was missing at this  
21          time?

22          A       (MP) Yes, that is correct.

23          MS. HARLINGTEN: I'm done with this document, Madam  
24          Registrar.

25                   Those are all of my questions,

1                   Mr. Commissioner. Thank you.

2                   THE COMMISSIONER: Thank you, Ms. Harlingten.

3                               I'll turn now to Mr. Usher for the Society  
4                   of Notaries Public of British Columbia, who has  
5                   been allocated 10 minutes

6                   MR. ISAAC: Mr. Commissioner, I can advise that  
7                   Mr. Usher is not presently attending the hearing  
8                   this afternoon, but he does not have any  
9                   questions.

10                  THE COMMISSIONER: Thank you, Mr. Isaac.

11                               I'll then turn to Mr. Stephens on behalf of  
12                  BC Lottery Corporation, who has been allocated  
13                  20 minutes.

14                  MR. STEPHENS: Thank you, Mr. Commissioner.

15                  **EXAMINATION BY MR. STEPHENS:**

16                  Q     Sergeant Robinson, Ms. Paddon. I have a  
17                  question for you first, Sergeant Robinson. You  
18                  spoke about MSBs in the course of your evidence  
19                  with respect to bank drafts and you recall that,  
20                  I'm sure.

21                  A     (BR) Yes, I do.

22                  Q     And are you aware, Sergeant Robinson, that on  
23                  March 15th of 2018 BCLC imposed a directive that  
24                  prohibited patrons from using any MSB as proof  
25                  of source of funds receipting which would apply

1                   to cash and monetary instruments? You were  
2                   aware that BCLC did that in March of 2018; yes?

3           A       (BR) I'm aware that they did that. As for the  
4                   exact date, I don't have a recollection of that.  
5                   But I definitely do know that that is something  
6                   that they did implement.

7           Q       And you would agree that that was a positive AML  
8                   initiative?

9           A       (BR) Yes, that's positive.

10          Q       I'd like to turn to a topic Mr. Isaac hasn't  
11                   asked either of you about which concerns BCLC  
12                   information sharing, if I could call it, before  
13                   2018 in the 2016, 2017 era. And I have a couple  
14                   of questions for each of you.

15                   First of all, I guess I could start with  
16                   Ms. Paddon. You were involved in the E-Pirate  
17                   investigation, correct, as you've said?

18          A       (MP) Yes, that's true.

19          Q       And you'll agree with me that following the  
20                   commencement of that investigation BCLC shared  
21                   intelligence information with FSOC for the  
22                   purpose of that investigation?

23          A       (MP) Yes, that's true.

24          MR. STEPHENS: And, Mr. Commissioner, if I could  
25                   ask -- Madam Registrar, if I could ask that a

1 document be pulled up, please, not be displayed  
2 on the livestream. It's BCLC12935.

3 Q And, Ms. Paddon, you see that email on the  
4 livestream?

5 A (MP) Yes, I see it.

6 Q And at the very top you're copied on an email  
7 dated February 19th, 2016?

8 A (MP) Correct.

9 MR. STEPHENS: And, Madam Registrar, if I could just  
10 perhaps ask if you could go to the bottom of  
11 that document on the second page which begins  
12 with an email that I won't read, but concerns a  
13 potential person of interest.

14 Q You see that, Ms. Paddon?

15 A (MP) Yeah. This is the email to Laird and  
16 Kevin?

17 Q Correct.

18 A (MP) Okay. Yes.

19 MR. STEPHENS: And then I'm just going to ask Madam  
20 Registrar to scroll up to the effect -- to the  
21 first page indicating -- a little bit more,  
22 please, Madam Registrar.

23 Q There's an email from Mr. Alderson to Mr. Luk  
24 and copied to you regarding -- forwarding the  
25 information named as possible owners of illegal

1 casinos. Do you see that?

2 A (MP) Yes.

3 Q And so you'll agree with me that this is an  
4 example of BCLC's sharing intelligence in 2016  
5 to FSOC in relation to the E-Pirate  
6 investigation?

7 A (MP) I don't know if I would say it was in  
8 relation to the E-Pirate investigation. I can't  
9 say that for certain, but yes, it's an example  
10 of sharing information with the RCMP. Sure.

11 MR. STEPHENS: Thank you. If I could ask that  
12 document be marked as the next exhibit. And  
13 Mr. Commissioner, I don't know if this is  
14 necessary, but -- I don't think I need your  
15 direction, but this document BCLC would wish to  
16 redact before it's made public, and so I ask it  
17 not be posted publicly until that is done.

18 THE COMMISSIONER: All right. That's fine. It will  
19 be the next exhibit.

20 THE REGISTRAR: Exhibit 850, Mr. Commissioner.

21 **EXHIBIT 850: Email exchanges Ross Alderson re**  
22 **Persons of Interests February 18 and 19, 2021**

23 MR. STEPHENS: And if I could ask that another  
24 document be turned up, please, Madam Registrar,  
25 which is BCLC document 15586. I'll ask this not

1                   be shown on livestream. I would ask that that  
2                   direction be made that it not be shown on  
3                   livestream.

4           THE COMMISSIONER: All right.

5           MR. STEPHENS:

6           Q     And, Mr. Robinson, you see that email at the  
7                   very top. It's an email from you and to some  
8                   others, including a Mr. Alderson?

9           A     (BR) Yes, that's correct.

10          Q     And I don't know if you've had a chance to look  
11               at this email before the hearing, but have you?

12          A     (BR) Yes, I have.

13          Q     You have. Okay. So just for the sake of  
14               efficiency, this is an email that -- by which  
15               BCLC forwards on to you and some others at CFSEU  
16               some information, including photographs, that  
17               Mr. Alderson describes on the first page of this  
18               email at the very bottom as a possible cash  
19               facilitator; is that right?

20          A     (BR) Just one moment, please.

21          Q     Yes, certainly. Just referring to  
22               Mr. Alderson's email to you at the bottom of the  
23               first page.

24          A     (BR) Yes.

25          Q     And so you'll agree with me this is an example

1 of BCLC providing intelligence information to  
2 CFSEU JIGIT in February 2017 to use as JIGIT saw  
3 fit?

4 A (BR) Yes, that is an example of BCLC sharing  
5 information.

6 MR. STEPHENS: And, Mr. Commissioner, if I could ask  
7 that this document be marked as the next exhibit  
8 with the same direction with respect to any  
9 redactions necessary before it's publicly  
10 posted, please.

11 THE COMMISSIONER: Very well. That will be 851.

12 THE REGISTRAR: Exhibit 851.

13 **EXHIBIT 851: Email from Ben Robinson re Toyota**  
14 **Corolla February 16, 2017**

15 MR. STEPHENS: If I could ask, Madam Registrar, if  
16 you could call up document BCLC12947. Again, I  
17 ask that this not be posted.

18 Q And you'll see this document here, Sergeant  
19 Robinson, is an email in August 2017 re intel?

20 A (BR) Yes.

21 Q And Mr. Alderson would forward this intel  
22 documentation to you during this period of time;  
23 correct?

24 A (BR) Yes, correct.

25 Q And in response to that you respond that there's



1                   some good information in there at the very top  
2                   of that email. Do you see that?

3           A       (BR) Yes.

4           Q       And so this is, again, an example of BCLC  
5                   sharing information or intelligence with CFSEU  
6                   JIGIT to use as it saw appropriate; correct?

7           A       (BR) Yes, correct.

8           MR. STEPHENS: Mr. Commissioner, if I could ask that  
9                   that document be marked as the next exhibit.

10          THE COMMISSIONER: Yes. 852.

11          THE REGISTRAR: Exhibit 852.

12                   **EXHIBIT 852: Email from Ben Robinson re Intel**  
13                   **and Interview (redacted)**

14          MR. STEPHENS: Thank you. If I could ask that one  
15                   other document be called up, BCLC95, Madam  
16                   Registrar and, again, that this not be posted or  
17                   shown on the livestream, please. And this is a  
18                   document that has multiple emails, but I would  
19                   ask if, Madam Registrar, you could go to the  
20                   second page, please.

21          Q       Sergeant Robinson, do you see that email from  
22                   you to Ms. Bamra at BCLC on January 17th, 2017?

23          A       (BR) Yes, I do.

24          Q       And that email responds to an email that  
25                   Ms. Bamra has written you with respect to

1 providing information to CFSEU with respect to  
2 player buy-ins and STR values; correct?

3 A (BR) Yes, correct.

4 Q And so you'll agree with me that this is another  
5 example of BCLC being cooperative and sharing  
6 information or engaging in a dialogue with  
7 respect to doing so with CFSEU JIGIT in this  
8 period of time in 2017?

9 A (BR) Yes, that's correct.

10 Q Right. And so, Sergeant Robinson, you spoke  
11 before about the importance of agencies not  
12 being in silos and interacting with other  
13 agencies. You recall that?

14 A (BR) Yes.

15 Q And so you'll agree with me with respect to BCLC  
16 that it has not stayed in a silo, at least in  
17 the period of time we've been discussing and  
18 your involvement with JIGIT. It has sought to  
19 engage and be cooperative and provide  
20 intelligence to law enforcement to use. Do you  
21 agree with me?

22 A (BR) Yes. BCLC has been cooperative and  
23 presented their perspectives to law enforcement  
24 and shared information.

25 MR. STEPHENS: If I could ask just the front page of

1                   this document, Madam Registrar, to be shown,  
2                   page 1.

3                   And, Mr. Commissioner, if I could ask  
4                   that -- well, perhaps just before I do.

5           Q       This is a separate email written from Paul  
6                   Dadwal to various others. And, Ms. Paddon, I  
7                   see you're copied on this email. Do you see  
8                   that?

9           A       (MP) Yes, I am. Yep.

10          Q       And this concerns a protocol for sharing  
11                   intelligence. Do you see that, Ms. Paddon?

12          A       (MP) Yes. This was when I was in FSOC  
13                   downstairs, but yes.

14          Q       That's right. I wasn't sure about that, so I  
15                   wanted just to clarify that this was an email  
16                   sent when you were at FSOC and it resulted --  
17                   and it related to how FSOC wished to be provided  
18                   with meaningful information they got from BCLC.  
19                   Is that right?

20          A       (MP) Yeah, that would be true. Yes.

21          MR. STEPHENS: All right. Okay. Mr. Commissioner,  
22                   if I could ask that this document 95 be marked  
23                   as the next exhibit with the same direction with  
24                   respect to redaction before it being posted.

25          THE COMMISSIONER: Very well. 853.

Melanie Paddon (for the commission)  
Ben Robinson (for the commission)  
Exam by Mr. Stephens  
Exam by Ms. Ollek

146

1 THE REGISTRAR: 853.

2 **EXHIBIT 853: Email from Paul Dadwal re JIGIT**

3 **New Systems - May 19, 2016**

4 MR. STEPHENS: Thank you, Mr. Commissioner. Thank  
5 you, Sergeant Robinson and Ms. Paddon. Those  
6 are my questions.

7 THE COMMISSIONER: Thank you, Mr. Stephens.

8 I'll next turn to Ms. Harmer on behalf of  
9 Great Canadian Gaming Corporation, who has been  
10 allocated five minutes.

11 MS. HARMER: Thank you, Mr. Commissioner. We do not  
12 have any questions at this time.

13 THE COMMISSIONER: Thank you, Ms. Harmer.

14 Ms. Ollek on behalf of Mr. Lightbody -- I'm  
15 sorry. Yes, Ms. Ollek on behalf of  
16 Mr. Lightbody, who has been allocated  
17 10 minutes.

18 MS. OLLEK: Thank you, Mr. Commissioner.

19 **EXAMINATION BY MS. OLLEK:**

20 Q I'll direct my questions to Ms. Robinson this  
21 morning.

22 Ms. Robinson, can you hear me?

23 THE COMMISSIONER: Sorry, you're talking about  
24 Ms. Paddon?

25 MS. OLLEK: Or sorry, Ms. Paddon.

1 Q Ms. Paddon, can you hear me okay?

2 A (MP) Yes, I can.

3 Q Thank you. If at any point you can't hear me,  
4 please let me know.

5 A (MP) Thank you.

6 Q I'd like to focus on the IPOC investigation that  
7 was initiated in the fall of 2010. As you've  
8 testified this morning, you were listed as the  
9 team leader and -- sorry, project and team  
10 leader on this -- the investigational planning  
11 report?

12 A (MP) Yes.

13 MS. OLLEK: And if I could ask Madam Registrar to  
14 please bring up exhibit 760 again. Thank you,  
15 Madam Registrar.

16 Q Now, under the heading B on the first page, the  
17 caption here is "Money Laundering at BC  
18 Casinos." Can you see that?

19 A (MP) Yes. Sorry. Yes, I see it.

20 MS. OLLEK: And I'd ask Madam Registrar to please  
21 scroll down to page 3, section J, which my  
22 friend from the province took you to previously.

23 Q And I have some questions about this section so  
24 I'd just like to review this again. It reads:

25 "Although intelligence gleaned to date

1 indicates these bags of cash in these  
2 large buy-ins have their ultimate origins  
3 in street level criminal activity drawing  
4 a concrete link to those activities has  
5 thus far been an elusive goal. In order  
6 for IPOC to pursue a successful  
7 prosecution for the possession of proceeds  
8 of money laundering, it is essential to  
9 show a definite link to criminal  
10 activity."

11 Did I read that correctly?

12 A (MP) That is correct.

13 Q Now, you testified this morning in response to  
14 questions from my friend Mr. Isaac as commission  
15 counsel as to your belief that the source of  
16 funds entering BC casinos was illegal cash. Do  
17 you remember giving that evidence?

18 A (MP) Yes, I do.

19 Q But in fact as set out here in section J in the  
20 proposed investigation summary, in January of  
21 2012 the RCMP was unable to draw a concrete link  
22 between these street level criminal activities  
23 and the proceeds of crime; is that correct?

24 A (MP) Yes.

25 Q So your belief that the source of funds that was

1 entering allegedly entering BC casinos at the  
2 time as illegal cash hadn't been substantiated  
3 as of this date in January 2012; is that  
4 correct?

5 A (MP) That's correct.

6 Q And commission counsel asked you as a result of  
7 this casino probe if law enforcement had ever  
8 traced a suspected loan shark back to a bank or  
9 any other location, suggesting a potential  
10 legitimate source of the volume of cash that was  
11 being observed. Do you recall that question?

12 A (MP) I recall it specifically in relation to  
13 going to a bank.

14 Q Okay. And your evidence was that it had not  
15 ever been traced back to a bank. Do you recall  
16 your answer -- that being your evidence?

17 A (MP) Yes.

18 Q Yes. But what you weren't asked by my friend  
19 commission counsel isn't it also true that at  
20 that time the RCMP and law enforcement hadn't  
21 traced the source of funds back to any source?

22 A (MP) Yes, that -- yes, that's correct.

23 Q Okay. And so you testified as to your view that  
24 the IPOC casino probe and the investigation that  
25 was underway had been fruitful and held a lot of

1                   potential. I believe you used words to that  
2                   effect. Do you recall giving that evidence?

3           A       (MP) I'm sorry, can you reword that question one  
4                   more time.

5           Q       Yes. You testified this morning that the IPOC  
6                   investigation which commenced in the fall of  
7                   2010 and through, you know, to 2012 had lots of  
8                   potential and had been fruitful.

9           A       (MP) Yes, yes. That's correct.

10          Q       Yes. But given the language and the description  
11                  of the proposed investigation summary set out at  
12                  letter J in the investigation and planning  
13                  report, can we conclude that up until January  
14                  2012 this investigation hadn't yielded the  
15                  results hoped for to date?

16          A       (MP) I can only tell you my understanding was  
17                  that a lot of the background work was done  
18                  before the operational plan was put together.

19          Q       So a lot of the background work had been done,  
20                  but in fact as set out in letter J, drawing a  
21                  concrete link between the activities in question  
22                  had been an elusive goal?

23          A       (MP) That is what the project was going to be,  
24                  that was exactly why we put the operational plan  
25                  together, was to be able to draw that connection



1                   between the cash coming into the casinos and  
2                   organized crime groups in a predicate offence.

3           Q       Okay. And you testified that when IPOC was  
4                   disbanded in 2013 you transferred to the FSOC  
5                   "E" Division group 6?

6           A       (MP) Correct.

7           Q       To your knowledge through 2013 and 2014 did FSOC  
8                   conduct any investigation specifically into  
9                   specific cash being used to buy in at BC  
10                  casinos?

11          A       (MP) Would this be in FSOC 1 or 6 itself?

12          Q       Sorry, I was referring to FSOC 6.

13          A       (MP) Okay. So no, I do not recall there being  
14                  an investigation ongoing in relation to this.

15          MS. OLLEK: Okay. Thank you, Ms. Paddon.

16                  Mr. Commissioner, those are my questions.

17          THE COMMISSIONER: Thank you, Ms. Ollek.

18                  I'll turn now to Ms. Peddle on behalf of  
19                  Mr. Kroeker, who has been allocated five  
20                  minutes.

21          MS. PEDDLE: Thank you, Mr. Commissioner. We don't  
22                  have any questions at this time. Thank you.

23          THE COMMISSIONER: Thank you, Ms. Peddle.

24                  Ms. Magonet on behalf of the British  
25                  Columbia Civil Liberties Association has been

1 allocated 15 minutes.

2 MS. MAGONET: Thank you, Mr. Commissioner.

3 **EXAMINATION BY MS. MAGONET:**

4 Q Ms. Paddon, Sergeant Robinson, can you hear me?

5 A (MP) Yes.

6 (BR) Yes, I can.

7 Q Excellent. So I think my first question is best  
8 directed to Sergeant Robinson. You provided  
9 evidence earlier this morning that CIFA-BC will  
10 not involve, at least at this point, sharing of  
11 tactical and personal information; is that  
12 accurate?

13 A (BR) That's correct.

14 Q But Project Athena did involve sharing of such  
15 information; is that correct?

16 A (BR) That's correct.

17 Q And is part of the reason for this shift some  
18 uncertainty about the legality of that  
19 information sharing that occurred within the  
20 context of Project Athena?

21 A (BR) The reason for --

22 MS. SHELLEY: Objection. Mr. Commissioner, this is  
23 Katherine Shelley for the Government of Canada.  
24 I just want to -- and apologies. This time with  
25 my video on. I don't necessarily understand my

1 friend's question as intending to elicit legal  
2 advice received by the witness or his  
3 institution, but to the extent that it does, I  
4 would object to that question.

5 THE COMMISSIONER: All right. As I understand the  
6 question, it's really about the concern that  
7 animated the shift. It was a concern about the  
8 legality of it without getting into what, if  
9 any, legal advice was obtained. I think if  
10 that's the question, it's permissible to go at  
11 least to that extent.

12 MS. MAGONET: Yes, that was my intention,  
13 Mr. Commissioner.

14 THE COMMISSIONER: All right. I think you can answer  
15 that question, Sergeant Robinson.

16 A (BR) So the shift was actually based on a number  
17 of factors, but it started with our surveys with  
18 the stakeholders as part of CIFA-BC's  
19 development. And one of the challenges that we  
20 received -- we were alerted to by our  
21 stakeholders was around information sharing and  
22 information sharing gateways and from my  
23 experience on Project Athena where some  
24 participants, you know, expressed uncertainty,  
25 that we found that moving forward it was

1                   sensible to start with strategic information  
2                   sharing so that we could get all partners  
3                   engaged and on board for CIFA-BC's operations.

4           MS. MAGONET:

5           Q     Thank you.  Earlier today, Sergeant Robinson,  
6                   you stated that in the context of Project Athena  
7                   it's important to emphasize that law enforcement  
8                   did not ask financial institutions to conduct  
9                   their own investigations.  Do I have your  
10                  evidence correctly?

11          A     (BR) That's correct.

12          Q     Earlier in these proceedings the commission  
13                  heard evidence from witnesses at TD, and they  
14                  provided evidence that a key ask of Project  
15                  Athena was to use information that was being  
16                  provided by law enforcement to take action with  
17                  it, to conduct investigations.  And I was  
18                  wondering how you would reconcile that with the  
19                  evidence you provided today.

20          A     (BR) My direction on Project Athena, first, is  
21                  that all participation is voluntary.  And the  
22                  second part is that because it's voluntary, the  
23                  actions by the partners is at their own  
24                  discretion.

25          Q     Thank you.  That's helpful.  So I understand,

1                   then, that it would be at the discretion of the  
2                   financial institutions whether or not to conduct  
3                   an investigation. That is your evidence?

4           A       (BR) My evidence is that I did not direct any  
5                   financial institution to conduct investigation.

6           Q       Would law enforcement have requested that such  
7                   investigations be conducted in the context of  
8                   Project Athena?

9           A       (BR) I can speak to my actions and my direction,  
10                   and that is it was voluntary and I did not  
11                   direct financial institutions to conduct  
12                   investigations.

13          Q       Ms. Paddon, could I put the same question to  
14                   you as well.

15          A       (MP) So this is primarily a voluntary process.  
16                   We were all on -- we were all focused on the  
17                   same thing, money laundering in the community  
18                   obviously and we wanted to look into things  
19                   further. So I never gave any direction  
20                   whatsoever to any of the bank in relation to any  
21                   investigation they should conduct. They were  
22                   asked a question, do they have an account or  
23                   not. Whether or not they answered was their  
24                   choice.

25          MS. MAGONET: Okay. Thank you. Madam Registrar, I

1                   would like to ask if you could please pull up  
2                   Canada 0004, which is exhibit 476. I don't  
3                   think there are concerns about this being  
4                   livestreamed, as it has already been marked as  
5                   an exhibit and it's on the commission website.

6                   THE COMMISSIONER: I think that would negate any  
7                   problem with it being livestreamed.

8                   MS. MAGONET: Thank you.

9                   Q     Mr. Robinson, if I could ask you because your  
10                  name is at the top of this document, these look  
11                  like meeting minutes from a Project Athena  
12                  meeting on October 24th, 2018. Is that  
13                  accurate?

14                 A     (BR) Yes, that's accurate.

15                 Q     And are you familiar with this document?

16                 A     (BR) Yes, I am.

17                 MS. MAGONET: Okay. Great. Madam Registrar, if you  
18                  could please scroll down to page 2 and near the  
19                  bottom of the page. That's perfect. Thank you.

20                 Q     Sergeant Robinson, if I could just take you to  
21                  the comments here regarding law enforcement.

22                  And it states:

23                         "We want to know basic information in  
24                         order to confirm whether the  
25                         records/accounts exist, meaning the banks

1                                   will have to look at the account and file  
2                                   an STR if it is warranted.   FINTRAC  
3                                   initiative, avoiding a PO.   How do we  
4                                   safeguard this process?"

5                                   Are you able to speak to what is being said here  
6                                   and also whether PO is a reference to a  
7                                   production order?

8                   A       (BR) So yeah, first the three bullet points are  
9                                   attributed to law enforcement making this  
10                                  comment, and in terms of the reference to PO, I  
11                                  understand that to mean production order.

12                  Q       So it seems to me reading this -- but I wasn't  
13                                  at the meeting so maybe you could elaborate  
14                                  further, it means that banks will have to look  
15                                  at the account and file an STR, if warranted.

16                                  This sounds like at least a request, if not  
17                                  a direction, is being made to the bank that --  
18                                  or the understanding is that law enforcement  
19                                  will provide them the names of customers and  
20                                  they will take this kind of action.   Is that  
21                                  your understanding?

22                  A       (BR) As it's written, I see that that's how it  
23                                  can be interpreted.   Again, the comment that  
24                                  reference is attributed to law enforcement, I  
25                                  don't know who said that from law enforcement.

1           Q     Okay. Thank you. I'm also curious about this  
2                     comment that says:

3                             "FINTRAC initiative, avoiding a PO."  
4           Was Project Athena viewed as a way of  
5                     circumventing the requirement to obtain a  
6                     production order to gain access to private  
7                     financial information? To your knowledge was  
8                     that the way it was viewed by some participants?

9           A     (BR) By some participants, you know, I would be  
10                    speaking for others. In terms of how I  
11                    understood Project Athena to be, is that it was  
12                    a simple and routine process that took place in  
13                    confirming whether or not someone had an  
14                    account. And this is a standard procedure for  
15                    confirming if somebody has an account at a bank  
16                    for a production order or confirming if someone  
17                    has a subscriber to a telephone number. So it's  
18                    the first part of understanding whether or not  
19                    data exists. And that was the scope of it. It  
20                    was yes or no.

21                             I did have an awareness that by sharing  
22                    that information banks may use that information  
23                    or may act on that information, but the primary  
24                    purpose of sharing -- of providing that  
25                    information was to confirm yes or no if the



1 person has an account at the institution.

2 Q Thank you. Ms. Paddon, do you have anything to  
3 add to that or any additional light you might be  
4 able to shed on these comments?

5 A (MP) The only thing I would say based on the  
6 actual minutes of the meeting is that there's  
7 always a third scribe that's involved in this  
8 that does the scribing, so what they may  
9 perceive or what we've actually said or was  
10 insinuated at any particular meeting might not  
11 be worded properly or maybe how they seen it or  
12 didn't see it.

13 So in relation to -- this was obviously, as  
14 I mentioned, a voluntary process. The part with  
15 FINTRAC initiative, it wasn't a question of  
16 avoiding a PO. It was more -- or a production  
17 order for that matter. It was more a question  
18 of the FINTRAC initiative will assist us in  
19 looking at some of the banking activity behind  
20 the scenes of the particular gambler. So it was  
21 not -- getting to the point of a production  
22 order means that you've actually got a  
23 full-blown investigation going and you're now  
24 gathering evidence in order to support your  
25 charge. So that was not what the intent was

1                   here. It was just the fact that FINTRAC was  
2                   able to be part of the partnership in this and  
3                   to assist in us looking further into some  
4                   gamblers.

5           Q       Thank you. Sergeant Robinson, you would agree  
6                   that some or at least one bank had a concern  
7                   that it couldn't provide information on whether  
8                   an account existed without a production order.  
9                   Would you agree with that?

10          A       (BR) Yes, that's correct.

11          Q       And that several banks raised concerns about the  
12                   legality of this arrangement both from a *Privacy*  
13                   *Act* perspective and from the perspective of  
14                   acting at the behest of law enforcement -- or  
15                   sorry, I said *Privacy Act*. I meant privacy  
16                   legislation perspective.

17          A       (BR) Yes. Banks did express that concern. And  
18                   really, you know, as we see, you know, how  
19                   Project Athena has evolved into CIFA-BC with a  
20                   formalized protocol and information-sharing  
21                   protocol, is to make sure that everything is  
22                   crystal clear and that there is a common  
23                   understanding about the authorities and the type  
24                   of information that is being shared.

25          Q       And, Sergeant Robinson, were STRs that were

1 filed in the context of Project Athena flagged  
2 as relating to Project Athena?

3 A (BR) The premise of Project Athena for  
4 indicators and the operational alert that was  
5 produced by FINTRAC did have the hashtag Project  
6 Athena and so that reporting entities would know  
7 to file an STR with that hashtag or a reference  
8 to Project Athena when those indicators were  
9 observed.

10 Q And I appreciate that you may not be able to  
11 speak to this, so please don't feel obliged to  
12 answer if you can't, but do you think this could  
13 have influenced in any way FINTRAC's decision  
14 making about whether these types of STRs should  
15 be disclosed to law enforcement?

16 A (BR) I can't speak to the actions of FINTRAC.

17 Q I appreciate that. I'm just trying to make sure  
18 I understand the scheme correctly. So law  
19 enforcement would give a list of clients to the  
20 bank. The bank might investigate them and file  
21 an STR which would be flagged with Project  
22 Athena, and then potentially disclosed by  
23 FINTRAC back to law enforcement. Is that  
24 accurate?

25 A (BR) That is accurate that that could have

1                   happened -- or may very well have happened. The  
2                   part that is missing about that is that there is  
3                   also indicators provided, red flags for  
4                   reporting entities to be aware of, and when they  
5                   observe those red flags that they also -- they  
6                   file reports to FINTRAC independently and then  
7                   FINTRAC makes the independent decision whether  
8                   or not it meets their threshold to be disclosed  
9                   to law enforcement.

10            Q    Do you think such a scheme could jeopardize  
11                   FINTRAC's independence from law enforcement?

12            A    (BR) I don't think so. Based on my  
13                   understanding.

14            Q    And, Ms. Paddon, do you have any thoughts on  
15                   that?

16            A    (MP) No. I agree. I don't think it would  
17                   jeopardize them, no.

18            MS. MAGONET: Thank you. Those are my questions.

19            THE COMMISSIONER: Thank you, Ms. Magonet.

20                           I'll call on Mr. Rauch-Davis for  
21                   Transparency International Coalition, who has  
22                   been allocated 10 minutes

23            MR. RAUCH-DAVIS: Thank you, Mr. Commissioner. Based  
24                   on the evidence this morning, we have no  
25                   questions.

1 THE COMMISSIONER: Thank you, Mr. Rauch-Davis.

2 And Mr. Butcher on behalf of Mr. Desmarais,  
3 who has been allocated 10 minutes.

4 MR. BUTCHER: I have no questions, Mr. Commissioner.

5 THE COMMISSIONER: Thank you, Mr. Butcher.

6 And Ms. Shelley on behalf of Canada, who has  
7 been allocated 15 minutes.

8 MS. SHELLEY: Mr. Commissioner, we have no questions  
9 for this witness -- these witnesses.

10 THE COMMISSIONER: Thank you, Ms. Shelley.

11 Anything arising from Ms. Magonet's  
12 examination, Ms. Ollek?

13 MS. OLLEK: Nothing arising.

14 THE COMMISSIONER: Thank you. Mr. Stephens?

15 MR. STEPHENS: Nothing arising, Mr. Commissioner.  
16 Thank you.

17 THE COMMISSIONER: Ms. Harlingten?

18 MS. HARLINGTON: No, Mr. Commissioner. Thank you.

19 THE COMMISSIONER: Thank you. And Mr. Isaac?

20 MR. ISAAC: No, Mr. Commissioner. Thank you.

21 THE COMMISSIONER: All right. Thank you. I'd like  
22 to thank the panel members, Staff Sergeant  
23 Robinson and Ms. Paddon, for providing us with  
24 their experience and insights into this  
25 complicated area of interaction between and

1 among different agencies. It is of assistance  
2 to the commission. Thank you both. And you're  
3 excused from further testimony.

4 **(WITNESSES EXCUSED)**

5 THE COMMISSIONER: We will adjourn now until tomorrow  
6 morning at 9:30, Mr. Isaac.

7 MR. ISAAC: Yes, Mr. Commissioner.

8 THE REGISTRAR: The hearing is now adjourned until  
9 April 15, 2021, at 9:30 a.m. Thank you.

10 **(PROCEEDINGS ADJOURNED AT 1:09 P.M. TO APRIL 15,**  
11 **2021)**

12

13

14

15

16

17

18

19

20

21

22

23

24

25