EXHIBIT 6

FILED PROVISIONALLY UNDER SEAL WITH REDACTIONS PURSUANT TO STIPULATED PROTECTIVE ORDER

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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

SAN DIEGO DIVISION

IN RE: BANK OF AMERICA CALIFORNIA UNEMPLOYMENT BENEFITS LITIGATION,	Case No. 3-21-md-02992-GPC-MSB **DECLARATION OF MICHAEL J. LETSON IN SUPPORT OF DEFENDANT'S MEMORANDUM IN OPPOSITION TO PLAINTIFFS' MOTION FOR CLASS CERTIFICATION** Date: January 17, 2025 Time: 1:30 p.m. Ctrm: 2D – 2nd Floor Judge: Hon. Gonzalo P. Curiel FILED PROVISIONALLY UNDER SEAL PURSUANT TO STIPULATED PROTECTIVE ORDER

I, Michael J. Letson, hereby declare as follows:

1. I am employed by Bank of America, N.A. ("BANA") as Managing Director in Global Financial Crimes ("GFC") leading Detection and Complex Investigations, and have served in this role since May 2023. Prior to that, I served as Head of GFC's Financial Crimes Analytics from February 2019 through May 2023.

2. I make this declaration based upon personal knowledge and belief, upon BANA's records maintained in the ordinary course and scope of business, and upon information gathered from other BANA employees within the scope of their responsibilities. If called to testify as to any of the matters set forth in this declaration, I could and would competently testify thereto.

3. In my role as Managing Director, I manage the GFC business operations group at BANA whose mission is to lead the efforts of the institution to detect and deter criminal misconduct and fraud and support compliance with the Bank Secrecy Act and anti-money laundering ("BSA/AML") obligations. Based on my various positions at BANA, especially my current and prior roles with GFC, I am familiar with—and in many instances developed, directed, or implemented—BANA's fraud detection capabilities and efforts, including its use of anti-fraud strategies. Through 2020 to early 2023, I was directly and personally involved in BANA's response to fraud, money laundering, and other crimes specifically targeting BANA's prepaid cards issued as part of State unemployment insurance ("UI") programs, including California's Employment Development Department ("EDD") UI program.

4. In my role at BANA, I am familiar with BANA's BSA/AML responsibilities, including BANA's obligation as a national bank to detect, to report, and to take reasonable steps not to permit fraud or attempted fraud using BANA's products and systems.

BANA's Fraud Prevention Responsibilities and Strategies

5. As a national bank, BANA has a statutory and regulatory obligation to take efforts not to permit BANA's products and systems—including BANA UI prepaid cards—from being used as instruments of fraud, money laundering, other criminal activities. Under the BSA and other anti-money laundering laws, regulations, and guidance, this includes the requirement to monitor transactions and to report on suspicious financial activity. BANA's Fraud Operations Team, as well as GFC, which is under my supervision, exercises responsibility in this area, and part of their function is to design and implement affirmative strategies to identify and deter likely fraud while the abuse is being attempted.

6. [redacted].

7. Any fraud strategy can impact persons whose card activities or observable characteristics appear to be fraudulent or suspicious but are not, in fact, fraudulent for a particular cardholder. In my experience, it is never BANA's intention to inconvenience valid benefits recipients; however, no fraud strategy is 100% effective at identifying only fraudulent activity. That is in the nature of reasonable strategies (like the Fraud Filter described below), which are an important tool used for fraud deterrence across the American economy.

8. At all times when assessing and implementing fraud strategies across all of BANA's products (including UI prepaid cards), BANA's goal has been to protect legitimate consumers while not permitting the Bank to be used as an instrument of fraud [redacted]. To strike this balance, [redacted].

9. As a reasonable control to help keep the Bank from being used as a means of fraud, BANA has historically used and continues to use tactics to [redacted].

BANA's Observations of Fraud During the Pandemic

10. Throughout the pandemic, in compliance with its obligations under the BSA, BANA reported to and watched for guidance from Financial Crimes Enforcement Network ("FinCEN"), and took efforts to prevent fraud, money laundering, and other criminal activity using BANA's financial instruments and government relief funds. FinCEN is a bureau of the Department of the Treasury. FinCEN is the primary federal authority responsible for safeguarding the financial system from fraud and other forms of illicit use; for collecting, and analyzing and

disseminating financial intelligence; and for implementing and enforcing BSA and AML requirements. FinCEN is the United States partner with other countries' similar agencies that coordinate in the detection and investigation of financial crimes worldwide. BANA also worked closely with federal and State law enforcement, counter-terrorism agencies, financial regulators, and other stakeholders as part of those antifraud efforts.

11. BANA's efforts were commended by FinCEN and other law enforcement agencies on a number of occasions, in which the agency wrote to BANA to recognize its contributions to reporting and investigations, including investigations specifically "related to fraud associated with COVID-19 relief programs."

12. Starting in Spring 2020, BANA observed, and was informed by law enforcement agencies and other third-party sources of massive fraud and illegality in UI programs and affecting BANA prepaid cards issued to distribute benefits for UI programs in 12 states. The fraud was different in type and in scale from anything BANA had seen previously in its UI prepaid programs. In my professional experience, the scale of this fraud and misuse was unprecedented. These sentiments appear to be shared by law enforcement: the then-chief of Secret Service investigations Jeremey Sheridan pronounced that pandemic-era unemployment benefit abuse was "the largest fraud scheme that I've ever encountered." 'Easy money': How international scam artists pulled off an epic theft of COVID benefits, NBC, Aug. 15, 2021, https://www.nbcnews.com/news/usnews/easy-money-how-international-scam-artists-pulled-epic-theft-covid-n1276789. This was not a situation where fraud was more common simply because the programs had grown larger. Instead, the pandemic created opportunities for benefits eligibility and unauthorized transaction claims ("Error Claims") fraud types that had not been prevalent before and, in the case of benefits eligibility fraud, was not even possible on a wide scale before.

13. Beginning in May 2020, the volume of events generated by BANA's Anti-Money Laundering Prepaid Card Monitoring model increased significantly. In total, [redacted]

14. Also in May 2020, BANA was first alerted to benefits eligibility fraud when the U.S. Secret Service issued an alert about massive fraud being perpetrated against state unemployment programs. BANA also began to receive information from federal, state, and local law enforcement alerting it to [redacted]

15. Ultimately, law enforcement uncovered criminal conduct stretching across the globe, and domestic networks of "money mules" who occupied themselves all day long with applying for unemployment or making cash withdrawals using wrongfully obtained BANA UI prepaid cards. PUA fraud also occurred within California's state prison system, as BANA observed (and California's State Auditor and various news organizations later reported) that an estimated $810 million in benefits was fraudulently obtained by prisoners making fraudulent unemployment claims. As of January 2021, California's State Auditor estimated nearly $10.4 billion in fraudulent claims. Subsequent reports have estimated in excess of $32 billion of unemployment benefits were stolen and illegitimately issued in California.

16. The GFC team immediately met and spoke dozens of times with federal, state, and local law enforcement to understand the burgeoning problem and how it

could impact UI prepaid cards and conducted its own investigation of fraud across all of the State UI Programs.

17. Despite BANA's best efforts, [redacted] BANA nonetheless worked hard to tailor its fraud detection and prevention strategies to the activity and behaviors it could observe.

18. As part of its response to the significant increase in suspicious activity seen in the first six months of the pandemic, the GFC team analyzed [redacted]

[redacted]

19. GFC looked beyond just data. BANA also reviewed [redacted] Others were brazen enough to put out detailed instructions on YouTube and various social messaging platforms (*e.g.*, What's App) detailing how to file fraudulent benefits claims with EDD. Still others made music videos on YouTube bragging about having defrauded EDD, including one waiving EDD envelopes and describing submitting fraudulent claims until their account was frozen, and another set entirely in front of a BANA financial center and ATM terminal bragging about "cracking EDD" and committing fraud against "BA". *See* "Bandemic (E.D.D.)" by Shoreline Mafia, available at https://www.youtube.com/watch?v=vut-17KzZJk (last accessed Oct. 17, 2024); "EDD" by ShotOff & Nuke Bizzle, available at https://www.youtube.com/watch?v=K0ck7hTsug8 (last accessed Oct. 17, 2024).

20. These sources of information, [redacted] demonstrated concerning patterns and characteristics of cards, cardholders, and transactions indicative of an extremely concerning level of benefits enrollment fraud in the EDD program.

21. GFC's and law enforcement's investigations in the first six months of the pandemic yielded [redacted]

[redacted]

22. To combat the staggering levels of UI fraud, BANA [redacted]

23. BANA soon came to realize that [redacted] Public reports also began to emerge that EDD was unable to manage the avalanche of unemployment claims. As a report issued by the United States House Committee on Oversight and Accountability recently explained: [1]

[1] H. Comm. on Oversight and Accountability Majority Staff, Examining Widespread Fraud in Pandemic Unemployment Relief Programs (Sept. 10, 2024), https://oversight.house.gov/wp-content/uploads/2024/09/UI-Report-FINAL.pdf.

> EDD staff under Su's leadership adopted a 'pay and chase' model and processed incoming claims quickly; EDD staff understood that less time should be spent on checking eligibility of claimants as this would slow down paying out benefits. This led to many bad actors like international organized crime and individual criminals cashing in while eligible claimants were unable to obtain their benefits.

By mid-September 2020, the Governor shut down EDD so it could take two weeks to implement a new process to fight fraudulent applications for benefits and clean a backlog of pending applications. *See* EDD Announces Reset in Response to Strike Team Recommendations to Process Claims Faster, Reduce Fraud and Tackle Backlog Issue, EDD, New Release No. 20-49, Sept. 19, 2020, https://edd.ca.gov/About_EDD/pdf/news-20-49.pdf.

24. To further combat the staggering level of UI fraud and to meet its responsibilities under BSA/AML laws, BANA has [redacted]

25. BANA's fraud strategies for these UI programs, developed in the pandemic, have [redacted]

[redacted]

BANA's Research, Development, and Implementation of the Fraud Filter

26. Beginning in June 2020, Error Claims submitted on UI prepaid cards generally, and EDD prepaid cards specifically, began to climb significantly, [redacted]

27. Around that time, [redacted]

[redacted]

28. GFC also identified [redacted]

29. BANA's experienced fraud detection specialists concluded that the [redacted]

30. In the late summer of 2020, the GFC and GIS teams were jointly tasked with [redacted] At the time, these teams and I were concerned that BANA's cards and systems were being misused to commit fraud and money laundering and anticipated that an effective strategy could greatly

assist BANA in meeting its BSA/AML responsibilities, while at the same time, trying to minimize the number of legitimate cardholders impacted.

31. GFC's and GIS's joint assessment concluded that [redacted]

32. To identify and combat fraud that could be identified at the point of a claim, BANA developed and implemented the "Fraud Filter." The Fraud Filter is a [redacted]

33. [redacted]

34. At the time the Fraud Filter was implemented, in late September 2020, it was our belief and judgment that [redacted]

[redacted]

35. [redacted]

36. [redacted]

37. [redacted]

38. As of June 9, 2021, BANA discontinued using the Fraud Filter to close Error Claims.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed on this 23rd day of October, 2024.

By: ______________________

MICHAEL J. LETSON