EXHIBIT 80

CONFIDENTIAL - CHARLES H. GRICE VOL. I

US DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

BLUE FLAME MEDICAL LLC, Plaintiff,	:	
v.	:	Civil Action No.
CHAIN BRIDGE BANK N.A., JOHN J. BROUGH, and DAVID M. EVINGER, Defendants.	:	1:20-cv-00658
CHAIN BRIDGE BANK, N.A., Third-Party Plaintiff,	:	
v.	:	
JP MORGAN CHASE BANK, N.A., Third-Party Defendant.	:	

VIDEOTAPE DEPOSITION VIA ZOOM OF:

CHARLES H. GRICE VOLUME I

FRIDAY, APRIL 9, 2021

REPORTED BY:
SILVIA P. WAGE, CCR, CRR, RPR
JOB NO. 4528853

attention of banking regulators and, frankly, I'd say a large number of the alphabet regulations such as Regulation J.

Q. Is it your view that banking system soundness is more important than customer account holder security in connection with banking?

A. I can't really rank them because I don't -- you know, it's like which child do you love the most.

I think the one way to think about is the attention, the enforcement activity, the guidance, the supervisory activity coming out of Washington and then the regional offices of the federal regulators and even the state regulators is vastly disproportionate, right. It's so heavily concentrated on the safety and soundness provisions that are not technical, they are -- they're substantive but they are really fundamental.

So Regulation J gets some attention but, you know, we've had I'm going to estimate 250 enforcement actions against financial institutions for Bank Secrecy Act violations and collectively the penlites are far above a hundred

billion dollars. So it's a -- it's a more -- I just want to say it's a more fundamental kind of preoccupation of the federal banking regulators. The prudential supervisors are disproportionately focused on BSA/AML fraud prevention as a way to ensure the integrity of the financial system.

Q. Isn't part of the reason for that the banks, typically, don't violate Regulation J?

MR. MADDEN: Objection to form.

A. Could you rephrase it or restate it please? I'm sorry.

Q. Sure. You mentioned that there is hundred billion enforcement fines regarding BSA, if I take that to be accurate.

Isn't part of the reason you don't see enforcement around Regulation J is because banks don't often violate Regulation J; isn't that true?

MR. MADDEN: Same objection.

A. I've never thought of it that way. I think there's -- I think that's -- some of the explanation is that -- I think another way of saying it is that these expectations of people staying in their lanes or respecting the lines on

the road are important, but I don't think -- I've never seen a federal or state regulator punish a financial institution for deviating from the bright lines of Reg J in the pursuit of BSA/AML or sanctions obligations.

So I just think they're different, right. They're both important. One is enforced much more aggressively.

I just haven't thought about this issue of whether there are maybe just fewer violations of Reg J. I think it's more having to do with the nature of the violation of Reg J.

Q. Have you seen instances where regulators have endorsed violations of Reg J in order to comply with BSA rules?

A. Not put that way. The way I see it is, you know, the financial institution does whatever the financial institution does. It gets evaluated, you know, promptly. I mean, at this stage, we have about 8,000 banks. Most are examined, at least, once a year. Some like J.P. Morgan Chase my understanding is they have perpetual teams of examiners living inside the offices of the bank. So it's really a never

ending securities of examinations.

I've never seen any banking regulators say, we want you to violate Reg J. But I guess, conversely, I've never seen anybody say, I violated the Bank Secrecy Act or my AML duties because I was trying to stay within the lanes on Reg J and the regulators say, okay. I -- I've never seen that. My experience is kind of opposite, right.

Thank God you stopped the transaction, returned the wire, whatever it is that the bank did in the pursuit of bad guys, you know, actual or suspected bad guy.

Q. Can you tell me of an instance --

A. Actual or suspected bad transaction. I should speak more generally, I guess.

Q. Can you tell me of an instance where Reg J was violated in connection with BSA/AML functions and that was endorsed by regulators?

A. No, I've never -- I tried to say that in my last answer. I've never seen an example where a regulator endorsed a violation of Reg J.

Q. And the regulatory expectation is that while you are -- "you" as a bank -- are

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complying with your BSA/AML obligations, you are also supposed to act in accord with all other banking regulations; isn't that the expectation?

A. That's the expectation, yes, sir.

Q. And there's no exception to Reg J compliance in connection with the Bank Secrecy Act; is there?

MR. MADDEN: Objection to form.

A. There is -- yeah, there's no express carveout at all. So I -- you know, as if the two obligations this perfectly in tandem with no friction at all. But I -- I just want to -- as a practitioner, when I look at these two obligations, one is -- one is the, you know, kind of metaphorical gorilla in the room or the elephant in the room. One is a huge preoccupation of really every banker. It's the responsibility of every banker and every bank regulator to get the BSA/AML fraud thing right. And those standards are principle based, so rather -- sometimes rather vague, but they come with a powerful set of penalties. And the expectations for conduct or my behavior within those responsibilities has only increased.

That is not true of Regulation J, right. Regulation J earlier I described as rather stable. It's rather technical. It's -- by "stable," I mean, not changing dramatically. And you do not see headlines of banks that are being accused of systemic Reg J failures.

Q. But if you see a headline of a bank that's accused of a systemic BSA/AML failure, that can be huge deal, that's the sort of thing that's led to these -- over a billion dollars in fines, I think, is your testimony; is that right?

A. Yeah. Just to be clear, it may have come across badly in the audio. It was over a hundred billion. So, you know, one bank paid $10.5 billion fine --

Q. That's right.

A. -- if I'm getting it wrong.

Q. Right. And these huge potential penalties are part of the reason -- from an enforcement actions -- are part of the reason that banks take this very seriously, BSA and AML, correct?

A. Yeah, my -- I've got clients that run the spectrum like, you know, people run the