EXHIBIT 116

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(ALEXANDRIA DIVISION)

BLUE FLAME MEDICAL LLC	) Civil Action No.
Plaintiff	) 1:20-cv-00658(LMB/IDD)
	)
vs.	)
	)
CHAIN BRIDGE BANK, N.A.,	)
JOHN J. BROUGH and	)
DAVID M. EVINGER	)
Defendants	)

CHAIN BRIDGE BANK, N.A.	)
Third-Party Plaintiffs	)
	)
vs.	)
	)
JPMORGAN CHASE BANK, N.A.	)
Third-Party Defendant	)

- CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER -
Remote Videotaped Deposition of John Brough
February 2, 2021
9:35 a.m.

Reported by: Bonnie L. Russo
Job No. 4398587

A. Well, it's -- if a -- if money comes into the bank, then it's going to increase the bank's assets, which would increase the bank's average assets, which would impact the leverage ratio.

Q. So it -- it would increase the denominator in the leverage ratio calculation, correct?

A. That's correct. If the money stayed here. If the money was spent, or if we put it into an off-balance-sheet product, then it would have no impact. But if it stayed here, then -- then it would -- then it would -- then it would impact the leverage ratio.

Q. If the -- a -- a wire transfer is put into a zero risk rated -- zero risk weighted asset, that has no impact on the risk based capital ratio, correct?

A. That is correct.

Q. In that circumstance, that severely limits the amount of money the bank can make in putting that asset to work, though; isn't that

Q. What -- what do -- what would the impact be if you did not exercise options to minimize that impact on the bank?

A. Well, if -- if -- none of those other things happened. So if -- if the funds just simply stayed in the account, and if we did not exercise any option to -- to -- to -- to safeguard the money for the client, then it would increase the assets of the bank.

Q. Would that have any regulatory impact?

A. No. It would have no adverse regulatory impact.

Q. So that would not affect -- increase in assets of the bank would not affect the capital ratios that we were talking about earlier?

A. Well, like I said earlier, the -- any money that just sits in a Federal Reserve Bank account would have no impact because it -- zero risk weighted -- would have no impact on any of the risk based capital ratios.

It would have an impact on the leverage ratio. But the impact on the leverage ratio would have been I think probably about 20 basis points, which -- which would not be a material change for us.

Excuse me.

Q. Could you bring up Plaintiff's Exhibit 64 previously introduced. You probably saw it with Mr. Evinger, Mr. Brough, if you had the video on.

It's an e-mail from Mr. Evinger to you at the top on March 25th, 2020.

This is the first time we're trying the technology, Mr. Brough. So I'll rely on you to let me know --

A. Okay. I think I --

Q. -- when you have it --

A. This is an e-mail.

MR. ORSECK: Hold on just a second.

THE WITNESS: All right.

MR. ORSECK: First of all, you haven't gotten a question yet.

the customer?

A. Well, there would be no impact on the risk based capital ratios. It -- it would impact the leverage ratio, as I -- as I demonstrated before.

Q. And would it impact the leverage ratio in a positive or negative way?

A. It would -- pardon me.

It would impact it in a negative way.

Q. And if something weren't done to manage that negative impact, what would that mean for the bank?

A. Well, Mr. White, I think that we would manage it. So I mean the option of not managing it is not really an option.

Q. What happens if there's a mistake made?

I'm just trying to understand on how this works on a regulatory basis.

What happens if you don't manage it, and your leverage ratio becomes less than it