



COURTS

TD Bank points finger at law firm

■ New lawyers for TD Bank, accused of violations in a recent trial, said at a contempt hearing that the bank made all evidence available to its ex-law firm.

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Lawyers for Toronto-Dominion Bank, defending the institution against accusations that it withheld and doctored financial documents in a recent high-profile trial, argued in Miami federal court Tuesday that the bank did not hold back evidence.

"TD Bank did not have some long-range strategy to hide documents," said Washington, D.C., lawyer Robert Plotkin of McGuireWood, the law firm that replaced the bank's former attorneys in the case, Miami-based Greenberg Traurig.

Plotkin said the bank, which along with Greenberg faces sanctions and contempt orders, made all documents available to its former lawyers. The paperwork had been sought by attorneys for investors known as the Coquina Group, whose funds were stolen by Ponzi schemer Scott Rothstein.

The investors won a \$67 million jury judgment against TD Bank in January, but fallout from alleged discovery violations at trial led to the hearing before U.S. District Judge Marcia Cooke on Thursday.

Cooke, who plans to continue the hearing Friday, told the parties she must determine whether TD Bank or Greenberg acted in "bad faith" before deciding whether to issue sanctions, fines or contempt orders. Thursday's hearing drew roughly 75 attorneys, including Greenberg's manager partner Cesar Alvarez, whose firm could have big dollars and professional reputations at stake.

"This is obviously very serious," Cooke said during Thursday's hearing. "I have to determine factually what happened here. Was it inadvertence, negligence, absent-mindedness or a deliberate effort to deceive the court?"

Coquina's attorney, David Mandel, said he wants the judge to strike every pleading and objection made by Greenberg's lawyers at trial to stop TD Bank's appeal of the \$67 million verdict.

"To do nothing would be to reward their misconduct," Mandel told the judge. "They have, for lack of a better word, unclean hands."

The landmark Coquina case ended with the nation's first civil verdict against a bank for "aiding and abetting fraud," by assisting Rothstein as he laundered millions of dollars in his law firm's trust accounts kept at TD Bank, to pay for what he has described as his "rock-star lifestyle."

The disbarred Fort Lauderdale lawyer is serving a 50-year sentence for orchestrating a \$1.2 billion investment scam in-

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TD Bank shifts blame on Greenberg firm

• TD BANK, FROM 10B

volving the sale of fabricated legal settlements.

On Thursday, TD Bank's counteroffensive pointed blame at Greenberg, which was fired amid allegations by Coquina's legal team that the bank "engaged in a calculated course of conduct

designed to impede and obstruct the discovery process," or exchange of evidence at trial.

On Friday, lawyers for Greenberg will have an opportunity to defend the prominent law firm.

The turning point in the case came in late April: Greenberg lawyers Mark

Schnapp and Holly Skolnick admitted to the judge that TD Bank possessed a key financial document on its anti-money laundering policy that the bank and its lawyers had said did not exist during the trial.

The document spelled out steps TD Bank must take under federal law to prevent

money-laundering activities.

Mandel also convinced Judge Cooke to consider another sanctions issue: He has accused TD Bank of "doctoring" a document used at the Coquina trial that represented Rothstein and his law firm as "low-risk" customers.