ROUGH DRAFT

1   Q   **The funds owed to who?**

2   A   The users of the EMC website.

3   Q   **And can you describe the EMZ website?**

4   A   It's the mining pool, the website of the mining

5   pool, the Eclipse mining pool.

6   MR. PERRY: Just so we're clear, are we

7   using the same initials, is it EMC?

8   THE WITNESS: C.

9   MR. PERRY: EMC as in cat. I think I

10   heard something other than that from your end.

11   Just want to make sure everybody is on the same

12   page.

13   MS. MITHAL: You're right, I heard EMZ

14   but it's EMC as in cat?

15   A   Echo Mike Charlie.

16   Q   **(By Ms. Mithal) Okay. Thank you. So how was**

17   **that wallet funded?**

18   A   It's funded through mining.

19   Q   **What type of mining, who does the mining?**

20   A   The users.

21   Q   **So could you describe which users fund the wallets**

22   **through mining?**

23   A   All of them.

24   Q   **Who are the users?**

25   A   I don't know.

ROUGH DRAFT

1   Q   Are they customers?

2   A   No -- some of them probably are but I wouldn't

3   know.

4   Q   Do you have any idea who else the other miners

5   would be?

6   A   No.

7   Q   And is this -- is this being used for pool mining?

8   A   It is pool mining.

9   Q   Okay. How do you know about it?

10   A   How do I know about what?

11   Q   About the EMC wallet?

12   A   Because it's our pool.

13   MR. PERRY: I think a little bit of

14   background would be helpful on this so I would ask

15   some background questions to determine how it's

16   related to Butterfly Labs.

17   Q   (By Ms. Mithal) Okay, can you tell me,

18   Mr. Zerlan, how this wallet is related -- how EMC

19   mining is related to Butterfly Labs?

20   A   Butterfly Labs purchased EMC in 2012.

21   Q   And what is EMC?

22   A   The Eclipse Mining Consortium.

23   Q   And what is that?

24   A   It's a mining pool for bit coins.

25   Q   And what was the purpose of that purchase?

ROUGH DRAFT

1   A   As an intellectual property purchase.

2   Q   **And is that used to provide any products to**

3   **customers?**

4   A   It provides a service.

5   Q   **And what is the service?**

6   A   Mining pool.

7   Q   **And do consumers enter into contracts for these**

8   **services?**

9   A   No.

10   Q   **So how do consumers obtain anything using these**

11   **services?**

12   MR. PERRY: And, again, we're getting a

13   little bit off the topic of the location of the

14   assets of the company. We're getting into

15   contractual relationships with people.

16   I would say it's getting pretty far so

17   if you can maybe narrow that back into the proper

18   scope I'd appreciate it.

19   Q   **(By Ms. Mithal) Okay, so this is -- this is an**

20   **EMC hot wallet account that -- wallet that we're**

21   **talking about; correct?**

22   A   Yes.

23   Q   **So it includes funds owed to users?**

24   A   Yes.

25   Q   **And the users include consumers but could include**

ROUGH DRAFT

1   other people as well; is that correct party?

2   MR. PERRY: I'm going to object to the

3   characterization of that question. I believe he

4   does not know who the users are to that pool.

5   MS. MITHAL: Okay, just give me one

6   second. I'm going to mute you for one second.

7   Q   (By Ms. Mithal) Who all has access to the EMC hot

8   wallet?

9   A   Just myself as far as I know.   .

10   Q   And do you know the approximate value of what's in

11   that wallet?

12   A   It fluctuates greatly on a daily basis. Last I

13   checked approximately 70 bit coins.

14   Q   And has that been turned over to the receiver?

15   A   No.

16   Q   And why is that?

17   A   Because it would cripple the operations and

18   there's no way to turn it over physically.

19   Q   Is there a way to give the receiver access to it?

20   A   Yes.

21   Q   And has that been done?

22   A   We've discussed it.

23   Q   Who has discussed it?

24   MR. PERRY: He can answer the question

25   but did you discuss that with legal counsel and

ROUGH DRAFT

1   the receiver to the best of your knowledge or has

2   someone?

3   THE WITNESS: Yes.

4   MR. THOMAS: Incidentally, Malini, the

5   receiver is here now, has entered a few minutes

6   ago.

7   Q (By Ms. Mithal) Okay, and so the EMC hot wallet,

8   have you discussed that with the receiver?

9   A Yes.

10 Q And one second. Does Butterfly Labs own EMC?

11 A Yes.

12 Q And does EMC -- sorry, let me rephrase.

13   What was the EMC wallet used for?

14 A The hot wallet?

15 Q Yes.

16 A For paying the users who used the pool.

17 Q Okay. Let's move on to the next wallet.

18 A The next wallet is the EMC cold wallet.

19 Q And can you describe that?

20 A It's similar to the hot wallet but contains the

21   coins that are not online so that if the hot

22   wallet were to be compromised all of the funds

23   would not be able to be taken.

24 Q And who has access to that?

25 A I do.

ROUGH DRAFT

1 Q And how is that funded?

2 A From the hot wallet.

3 Q And how's the hot wallet funded?

4 A From users mining.

5 Q Okay. And who else has access to the cold wallet?

6 A Nobody.

7 Q And how much is in the cold wallet?

8 A I don't recall an exact figure, approximately was

9   it 896?

10 Q 896 bit coins?

11 A I believe so.

12 Q Where is it now or who has access to the wallet

13   now?

14 A I do.

15 Q That has not been turned over to the receiver?

16 A It has not.

17 Q Why not?

18 A They don't have provisions to accept it.

19 Q When was the last time you used that wallet?

20 A A very long time ago.

21 Q And what is the next wallet?

22   MR. PERRY: You said seven early on.

23   We're at No. 6 now. The EMC cold wallet was

24   No. 6.

25   Do you recall any other wallets besides

ROUGH DRAFT

```
 1        active wallet, storage wallet, expense wallet,

 2        advertising wallet, EMC hot wallet or EMC cold

 3        wallet?

 4   A    I believe Dave had an expense wallet.

 5   Q    (By Ms. Mithal)  And who is Dave?

 6   A    Dave McClain, he's our account manager.

 7   Q    And was that wallet for Dave's expenses?

 8   A    Yes.

 9   Q    And were they business related expenses?

10   A    I don't know.

11   Q    Do you know how that wallet was funded?

12   A    I do not.

13   Q    Do you know who all had access to that wallet?

14   A    I do not.

15   Q    And do you know the amount that was in that wallet

16        at any time?

17   A    I do not.

18   Q    Do you know if that wallet has been turned over to

19        the receiver?

20   A    I do not.

21              MS. MITHAL:  Let's take a five-minute

22        break if that's okay with everybody?

23              MR. PERRY:  Sure, just for planning

24        purposes do you have an expectation of length of

25        time?
```

ROUGH DRAFT

1   MS. MITHAL: Let me see. You know, I

2   actually don't have a good estimation. I'm sorry

3   about that. I think it could be anywhere from a

4   couple of hours to we might need to continue

5   tomorrow, but I'm hoping that's not going to

6   happen, but I might have a better sense after we

7   get through the next section.

8   MR. PERRY: Okay.

9   (A BRIEF BREAK WAS TAKEN AT THIS TIME.)

10   MR. LAMER: This is Bryant Lamer,

11   counsel for the receiver, and I just wanted to

12   give you a little background with respect to the

13   hot and cold wallets and the overall storage of

14   the overall wallet protocol issue that you were

15   getting at.

16   It is true that we are not in possession

17   of one of these wallet -- two of these wallets,

18   the cold and hot storage wallet, because they are

19   off site off of our location at another location

20   controlled by BFL Labs where servers are.

21   Apparently there are two separate servers, okay.

22   MS. MITHAL: Okay.

23   MR. LAMER: The access to those is

24   controlled, as you would know, by a private key,

25   okay. And we are working with two things that you

ROUGH DRAFT

1   should know. First, we are working with the judge

2   to come to a process by which the assets from the

3   bit coin and the various wallets will be

4   transferred over to a wallet controlled by the

5   Court. That has not happened and that will not

6   happen until after Monday's hearing; okay.

7   In the interim what we are challenged

8   with is confirming security of those private keys.

9   And that is partially conducted by actually

10   obtaining access to a cold storage device like a

11   laptop that contains a private key or other

12   passwords that would allow us to get to that bit

13   coin wallet. We are in possession of the storage

14   wallet that contains roughly 98 percent of the

15   total funds.

16   With respect to the hot wallet and the

17   cold wallet for EMC, like I said at the top of

18   this, we don't have that yet.

19   Josh Zerlan has agreed that what he is

20   doing, what he will do after this, is he's going

21   to come to a process by which he's going to get us

22   the private key and that will be contained and

23   stored in our vault at our bank until after

24   Monday's hearing, okay.

25   MS. MITHAL: Okay.

ROUGH DRAFT

1   MR. LAMER: Judge is aware that without

2   complete transfer to a separate wallet that's

3   controlled overall by the Court there is always a

4   risk that there will be transfers out of these

5   wallets.

6   With that said, we've asked Josh to make

7   a record to the extent that his counsel will let

8   him concerning his agreement that he will not be

9   transferring anything, any bit coins, out of any

10   of the wallets that he is in charge of or

11   otherwise possesses rights to.

12   Is that fair, Josh?

13   THE WITNESS: Yes, now, the hot wallet,

14   like I said, funds go in and out of that

15   automatically by the users.

16   MR. LAMER: Understand you don't control

17   that.

18   THE WITNESS: Yeah, I don't send funds

19   out of it.

20   MR. PERRY: To the extent you control

21   any transactions to those wallets you are -- you

22   have confirmed with counsel for the receiver that

23   you will not be making any transfers from or to

24   any wallet; correct?

25   THE WITNESS: Correct.

ROUGH DRAFT

1   MR. LAMER: That's all I have on it. If

2   you guys have any questions, happy to answer them;

3   okay.

4   MS. MITHAL: Okay, thank you so much.

5   Very helpful.

6   MR. LAMER: No problem.

7   Q   (By Ms. Mithal) So just a few more questions

8   about these bit coin wallets.

9   Can you give me the bit coin wallet

10   addresses associated with each wallet?

11   A   Could I? I could but that would list hundreds of

12   thousands of addresses.

13   Q   Okay, and have you given that information to the

14   receiver?

15   A   We have discussed it.

16   Q   Okay, and if you have not given that information

17   to the receiver will you be giving the information

18   to the receiver?

19   A   If they wish it.

20   Q   Okay. So we talked about the value or the amount

21   of the bit coins in each wallet.

22   Can you tell me the values that you told

23   me about, is there any point at which the values

24   in the wallets were much higher that you're aware

25   of?

ROUGH DRAFT

1   A   No.

2   Q   All right. Let's move onto other virtual

3   currencies.

4   Did Butterfly Labs have any other

5   virtual currency accounts?

6   A   No, not to my knowledge.

7   Q   And do you know of any corporations, partnerships

8   or business entities in which Butterfly Labs has

9   an ownership interest?

10 A   No.

11 Q   And this is going back to another section, but

12   Mr. Zerlan, do you have any ownership interest in

13   the company?

14 A   No.

15 Q   And what about EMC, is it purchased EMC; is that

16   correct?

17 A   Correct.

18 Q   Does Butterfly Labs use outside accountants?

19 A   I don't know.

20 Q   Okay. And who at Butterfly Labs is responsible

21   for keeping the corporation's financial books and

22   records?

23 A   I'm not sure.

24 Q   Can you tell me about all pending lawsuits that

25   have been filed by the corporation in court or

ROUGH DRAFT

1   before an administrative agency?

2 A   No.

3 Q   Do you know of any?

4 A   I do.

5 Q   But you cannot tell me about them? Can you tell

6   me about any of them?

7 A   Not really, no.

8 Q   Why not?

9 A   I don't know anything about them.

10 Q   Okay, can you tell me the names or anything about

11   those actions?

12 A   I believe the only ones I know of by name are

13   Woodlawn and Messner (ph).

14 Q   And do you have any idea about the nature of those

15   actions?

16 A   Not the specifics.

17 Q   Even generalities?

18 A   I believe the Messner case is --

19   MR. PERRY: I'm going to, again, stop

20   you. We're talking about assets to assist the

21   receiver and identifying and controlling those

22   assets pursuant to the TRO. I'll let you ask the

23   question but you got to tell me why.

24   MS. MITHAL: Sure, so I want to make

25   sure that if there is other information and other

ROUGH DRAFT

1   court proceedings about other assets that we're

2   aware of them or if there are amounts owed to

3   Butterfly Labs as a result of other actions I want

4   to know about that.

5   MR. PERRY: You're asking about the

6   nature of the lawsuits which don't relate to the

7   fact that he knows a lawsuit exists, so you know,

8   I'll let you ask but I don't know -- I think this

9   could be the a big waste of time, but go ahead.

10 A   I believe the Messner case is about hardware that

11   he did not receive and the Woodlawn case, I think,

12   is similar.

13   MR. PERRY: Just to put on the record

14   those are pending -- that's pending litigation

15   what has not been resolved one way or the other in

16   a court of law.

17 Q   (By Ms. Mithal) And so I had asked about actions

18   by the company.

19   Were those actions against the company?

20 A   I'm not sure I understand the distinction.

21   MR. PERRY: So I'm going to fast forward

22   this. Those are -- I believe that's the class

23   action and the plaintiffs and the single

24   plaintiff's claim against the company.

25   Are you asking for actions the company

ROUGH DRAFT

1   has taken against other entities?

2   MS. MITHAL: That's correct.

3   MR. PERRY: Are you aware of any actions

4   taken by Butterfly Labs against any entities?

5   THE WITNESS: I am not.

6   MS. MITHAL: Okay.

7   MR. PERRY: Sorry, I was confused there

8   so apologize for that.

9   MS. MITHAL: No, thank you.

10   Q   (By Ms. Mithal)   So are you aware of any monetary

11   judgments or settlements owed to Butterfly Labs?

12   A   I am not.

13   Q   Are you aware of monetary judgments or settlements

14   owed by Butterfly Labs?

15   A   No.

16   Q   Are there any state or federal bankruptcy

17   proceedings involving the corporation?

18   A   Not to my knowledge.

19   Q   Do you know if Butterfly Labs has any safe deposit

20   boxes?

21   A   I do not.

22   Q   Does Butterfly Labs have any U.S. government

23   securities such as savings bonds, treasury bills

24   and treasury notes?

25   A   I don't know.

ROUGH DRAFT

1   Q   And who would know the answer to that question?

2   A   I would not know.

3   Q   And who would know the answer to questions about

4   other questions about Butterfly Labs bank

5   accounts? Who would have that information?

6   A   Presumably Sonny.

7   Q   Anyone else?

8   A   Possibly Dave or Jody.

9   Q   And that's Dave McClain?

10 A   Yes, or Jody Drake.

11 Q   And Jody Drake, okay, thank you.

12   Does Butterfly Labs own or control any

13   publicly-listed securities including stocks?

14 A   Not to my knowledge.

15 Q   And can you list all the real estate held by the

16   corporation?

17 A   No.

18 Q   Can you list any real estate held by the

19   corporation?

20 A   No.

21 Q   Do you know if the corporation owns the address in

22   Kansas city that the receiver took over last week?

23 A   We do not.

24 Q   You're renting that?

25 A   Yes.

ROUGH DRAFT

1   Q   And you're not aware of any other real estate

2   owned by the company -- sorry, any real estate

3   owned by the company.

4   Are there any persons or entities

5   holding funds or other assets in escrow or in

6   trust for the corporation?

7   A   I don't know.

8   Q   And are you aware of any other assets that are

9   held by the corporation that we have not

10   discussed?

11   A   Not to my knowledge.

12   Q   Any furniture?

13   A   Whatever is in our office.

14   Q   And what's in your office?

15   MR. PERRY: Do you know if that's owned

16   or anything by the company?

17   THE WITNESS: I have no idea.

18   Q   (By Ms. Mithal) Okay, and is that basic office

19   furniture?

20   A   Yes.

21   Q   Anything -- anything aside from, you know, basic

22   laptops and desks and things like that?

23   A   No.

24   Q   Any kind of art on the walls or things like that?

25   A   Yes, there is some art on the walls.

ROUGH DRAFT

1   Q   And is it art that would be valued, if you are

2   aware, that it would be valued at a high amount?

3   A   I would have no idea.

4   MR. PERRY: Do you know if the company

5   owns that art?

6   THE WITNESS: Me?

7   MR. PERRY: Yes.

8   THE WITNESS: I don't know.

9   MR. PERRY: I think you skipped a step

10   there for lack of foundation. He's not aware that

11   the company owns the art. He just knows there's

12   art.

13   Q   (By Ms. Mithal) Okay, does the company own any

14   vehicles?

15   A   I don't know.

16   Q   Any computer software?

17   A   Yes.

18   Q   What type of computer software?

19   A   I believe we own our inventory software and our

20   shopping cart software although I suppose

21   technically it's licensed not owned.

22   Q   Does the company own any patents?

23   A   Not to my knowledge.

24   Q   Does the company own any other intellectual

25   property?

ROUGH DRAFT

1   A   Not to my knowledge.

2   Q   **And do you have any facilities off site, any**

3   **storage facilities?**

4   A   We have leased one warehouse.

5   Q   **And what is in that warehouse?**

6   A   I don't know.

7   Q   **Have you ever been to the warehouse?**

8   A   I have not.

9   Q   **How do you know about it?**

10 A   I've heard people talk about it and I know we send

11   some of our old equipment there and bring new

12   equipment from there.

13 Q   **Where is it?**

14 A   I don't know. We call it the Widmere facility.

15 Q   **The Wigner facility?**

16 A   Widmere.

17   MR. PERRY: W-I-D-M-E-R-E; is that

18   right?

19   THE WITNESS: I think so, I don't know.

20 Q   **(By Ms. Mithal) Ahs the receiver been there, to**

21   **your knowledge?**

22 A   I don't know.

23 Q   **What is the first time you heard or learned about**

24   **the FTC actions against Butterfly Labs?**

25 A   On Friday.

ROUGH DRAFT

1   Q   And who did you hear about the action from?

2   A   From Sonny.

3   Q   And did you see a copy of the Temporary

4   Restraining Order that was issued by the district

5   judge?

6   A   At that time?

7   Q   Yes.

8   A   No.

9   Q   Have you seen it since then?

10   A   I have seen the ex parte order.

11   Q   Okay. Are you aware of anyone using any corporate

12   funds after the order was issued?

13   A   I am not.

14   Q   Are you aware of anyone violating the Court order

15   in any way after it was issued?

16   A   I am not.

17   MS. MITHAL: We're actually nearing the

18   end of my questions. Could we take another five

19   minute break?

20   MR. PERRY: One second.

21   MR. LAMER: Yes, we can take a

22   five-minute break.

23   MR. PERRY: Call us back in five.

24   (A BRIEF BREAK WAS TAKEN AT THIS TIME.)

25   MS. MITHAL: Peter and Malini here.

ROUGH DRAFT

1   Q   (By Ms. Mithal) Okay, Mr. Zerlan, are you in

2   possession of any Butterfly Labs property

3   currently?

4   A   I have one laptop.

5   Q   Okay. And does that laptop contain files about

6   the company?

7   A   No.

8   Q   What information does that laptop contain?

9   MR. PERRY: I think we're getting past

10   the point of an asset. He mentioned that he has

11   possession of a Butterfly Labs asset.

12   Q   (By Ms. Mithal) Okay, and does the laptop -- hang

13   on one second.

14   Does the laptop contain any information

15   about bit coin wallets or where they are stored or

16   anything like that?

17   A   No.

18   Q   How much is the laptop worth?

19   A   I have no idea.

20   Q   How old is the laptop?

21   A   About a year old.

22   Q   And do you have any other Butterfly Labs property?

23   A   No.

24   Q   You had mentioned that you did get one mining

25   machine from the company; is that right?

ROUGH DRAFT

1	A	No, I received one set of miners from the company.
2	Q	**Say that again, Mr. Zerlan, I apologize.**
3	A	I received one set of miners from the company.
4	Q	**Could you describe what one set of miners means?**
5	A	I believe it was a set of 10 BFL singles.
6	Q	**And what's a BFL single?**
7	A	The 65 nanometer 60 gigahash mining divisions that
8		we manufacture.
9	Q	**And when did you manufacture those?**
10	A	I have no idea.
11	Q	**Was that also referred to as a bit force or is**
12		**that incorrect?**
13	A	Our entire line is referred to as a bit force.
14	Q	**Okay. So when did you receive that set of miners?**
15	A	I don't recall.
16	Q	**And you said you were able to mine for bit coins**
17		**using it?**
18	A	Yes.
19	Q	**Where did you mine for those bit coins?**
20	A	Can you elaborate?
21	Q	**Did you do it at the office?**
22	A	No.
23	Q	**Did you do it outside of Butterfly Labs property?**
24	A	Yes.
25	Q	**And did you -- the bit coins you received from**

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ROUGH DRAFT

1   mining, did you return them to the company?

2   A   No.

3   Q   So they were part of your compensation and you

4   kept them?

5   A   Yes.

6   Q   And about how much were you able to mine?

7   A   Maybe tenor 15 bit coins.

8   Q   And when was that, over what time period?

9   A   From when I received them until approximately June

10   or July of this year.

11   Q   And do you have an approximate estimation of about

12   how long were mining for bit coins using the

13   miners?

14   MR. PERRY: Again, that's beyond the

15   scope of this TRO.

16   Q   (By Ms. Mithal) Where is the machine now?

17   A   Probably in Widmere facility.

18   Q   Okay. And why is that?

19   A   Because I took them off line and returned them to

20   the office.

21   Q   And why is that?

22   A   Because I did not want to run them any more.

23   Q   And that was in June or July of this year?

24   A   I believe so.

25   Q   Were they still able to mine for bit coins?

ROUGH DRAFT

1   MR. PERRY: Again, we're beyond the

2   scope of this TRO. You can ask where the machines

3   are.

4   MS. MITHAL: Okay. And I think that

5   might be all -- okay. Then I think that

6   concludes -- actually one more second. I'll mute

7   for one second.

8   MR. PERRY: Sure, we're going to have

9   the opportunity to ask some clarifying questions;

10   correct?

11   MS. MITHAL: Yes. Okay, that concludes

12   our direct questions. I can turn it over to your

13   counsel.

14   MR. PERRY: I have nothing at this point

15   in time. I believe the receiver or receiver's

16   counsel might have a few questions.

17   MS. MITHAL: Okay.

18   CROSS-EXAMINATION

19   BY MR. JOHNSON

20   Q   This is Eric Johnson. Mr. Zerlan, you said you'd

21   never been to the Widmere location?

22   A   Correct.

23   Q   Do you have personal property at the Widmere

24   location, though?

25   A   I believe I may have a saw at that location, a

ROUGH DRAFT

1   table saw.

2 Q   Okay. And this set of miners, I think you also

3   said, maybe at Widmere but you weren't sure?

4 A   Correct.

5 Q   How many are in a set?

6 A   There's no specific number.

7 Q   Okay. So when you say a set of miners, when I go

8   in and I look at on the shelf the different

9   products?

10 A   They are if you think I believe. They won't be

11   labeled. I had never intended to get them back.

12 Q   Okay. So they are somewhere at Widmere?

13 A   I left them in the office to be, but wherever the

14   miners go.

15 Q   And you may have covered this before I attended

16   but were those given to you as compensation,

17   loaned out to you?

18 A   Given to me as compensation.

19 Q   Okay. With respect to the firearms that have been

20   located on the premises, what is the make of the

21   pistol that goes currently in the gun safe?

22 A   Sig Sauer Navy, I believe it's a 229, might be a

23   226, .9mm.

24 Q   Is that licensed?

25 A   Yes.

ROUGH DRAFT

 1   Q   Is it licensed under your name?

 2   A   Yes.

 3   Q   And you had mentioned another firearm that was

 4   purchased?

 5   A   Yes.

 6   Q   And where is the current location of that?

 7   A   At my home.

 8   Q   Okay, and how is that secured at your home?

 9   A   In the a gun safe.

10   Q   Does anybody else have access to that gun safe?

11   A   My wife.

12   Q   Your wife, and how do you have it secured, by key,

13   thumb print?

14   A   A six digit code.

15   Q   Six digit code and you and your wife are the only

16   ones with that six digit code?

17   A   Yes.

18   Q   What type of firearm is that?

19   A   It's an AR 15.

20   Q   And what type of handgun is that?

21   A   It's a rifle.

22   Q   Rifle, and is that licensed?

23   A   Yes.

24   Q   Where is your -- may have said this, where are you

25   currently residing?

ROUGH DRAFT

1   A   In Olathe.

2   Q   I'm not a firearms expert, is that automatic,

3   semiautomatic rifle?

4   A   Semiautomatic.

5   Q   Semiautomatic. Once again, that was purchased

6   with company funds?

7   A   Yes.

8   Q   I'd ask that that code be, you know, I'm not --

9   we'll talk about the delivery and securitization

10   of that other firearm.

11   A   Okay.

12   Q   And the proper way of doing that.

13   That's my only real follow-up questions

14   unless my counsel has something.

15   MR. LAMER: Nothing.

16   MR. PERRY: Charles?

17   MR. THOMAS: No, no questions.

18   MR. PERRY: I think that wraps it up on

19   our side.

20   Anything following up the receiver's

21   questions?

22   MS. MITHAL: No, nothing from the FTC.

23   MR. THOMAS: Let's resolve what to do

24   with -- how many exhibits did we use?

25   MR. PERRY: I believe you only used one;

ROUGH DRAFT

1   correct, the AAJ?

2   MS. MITHAL: That's correct.

3   MR. THOMAS: Would you like me to keep

4   that here, the original exhibit, Malini.

5   MS. MITHAL: Let me ask Teresa. She

6   just walked in. Exhibit AAJ, do you need that for

7   the next deposition or the other one? So yes,

8   please keep that, Charles, thank you.

9   MR. PERRY: These exhibits are exhibits

10   to the declaration by your investigator; correct?

11   MS. MITHAL: Yes.

12   MR. PERRY: And the TRO obviously, okay.

13   MR. THOMAS: This is marked as AAJ was

14   marked as Exhibit 2. Just says Exhibit, doesn't

15   say what deposition?

16   MR. PERRY: No.

17   MR. THOMAS: I think we made copies of

18   these for each deposition.

19   MS. MITHAL: Are you asking about AAJ

20   and AAI?

21   MR. THOMAS: I think for clarification

22   we might want to put the name of the deponent on

23   there, on the one that was used.

24   MS. MITHAL: Okay. We can do that.

25   MR. PERRY: We'll leave the exhibits

ROUGH DRAFT

1   here. We don't need them.

2   (OFF-THE-RECORD DISCUSSION.)

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