

Composite Exhibit 12

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
CASE NO. 1:16-cv-21199-CMA

ANDREA ROSSI, et al.,

Plaintiffs,

v.

THOMAS DARDEN, et al.,

Defendants.
- - - - -x
INDUSTRIAL HEAT, LLC, et al.,

Counter-Plaintiffs,

v.

ANDREA ROSSI, et al.,

Counter-Defendants.

and

J.M. PRODUCTS, et al.,

Third-Party Defendants.
- - - - -x
600 Brickell Avenue, Suite 3300
Miami, Florida
Friday, February 24, 2016
10:17 a.m.- 7:56 p.m.

CONFIDENTIAL TRANSCRIPT
PORTIONS OF TRANSCRIPT HIGHLY CONFIDENTIAL
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VIDEO DEPOSITION OF LEONARDO CORPORATION
THROUGH ANDREA ROSSI
Taken before Edward Varkonyi, Registered
Merit Reporter and Notary Public for the State of
Florida at Large, pursuant to Notice of Taking
Deposition filed in the above cause.

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<p>1 APPEARANCES</p> <p>2 JOHN W. ANNESSER, ESQ.,</p> <p>3 Perlman Bajandas Yevoli & Albright, P.L.</p> <p>4 283 Catalonia Avenue, Suite 200</p> <p>5 Coral Gables, Florida 33134</p> <p>6 on behalf of the Plaintiff</p> <p>7 CHRISTOPHER R. J. PACE, ESQ.,</p> <p>8 Jones Day</p> <p>9 600 Brickell Avenue, Suite 3300</p> <p>10 Miami, Florida 33131</p> <p>11 on behalf of the Defendant</p> <p>12 RODOLFO NUNEZ, ESQ.,</p> <p>13 Rodolfo Nunez, P.A.</p> <p>14 255 University Drive</p> <p>15 Coral Gables, Florida 33134</p> <p>16 on behalf of Defendants J.M. Products,</p> <p>17 Johnson and Bass</p> <p>18 FRANCISCO J. LEON DE LA BARRA, ESQ.,</p> <p>19 Aran Correa & Guarch, P.A.</p> <p>20 255 University Drive</p> <p>21 Coral Gables, Florida 33134</p> <p>22 on behalf of Defendant United States</p> <p>23 Quantum Leap and Fabiani</p> <p>24 ALSO PRESENT: Jason Stapleton, Videographer</p> <p>25</p>	<p>1 EXHIBITS</p> <p>2 Deposition For Ident.</p> <p>3 Exhibit 1 Notice of Deposition 8</p> <p>4 Exhibit 2 Rossi 00009285 to 9297 14</p> <p>5 Exhibit 3 Rossi 00001387 to 1406 37</p> <p>6 Exhibit 4 Color Photo 73</p> <p>7 Exhibit 5 Color Photo 73</p> <p>8 Exhibit 6 9 page document in Italian 125</p> <p>9 Exhibit 7 IH-00016937, 5 pages 134</p> <p>10 Exhibit 8 IH-00007019 to 7023 164</p> <p>11 Exhibit 9 IH-00019103 to 19108 175</p> <p>12 Exhibit 10 Color Photo 181</p> <p>13 Exhibit 11 Color Photo 181</p> <p>14 Exhibit 12 Color Photo 188</p> <p>15 Exhibit 13 Order of Discovery 192</p> <p>16 Exhibit 14 Second Amendment to License Agreement 193</p> <p>17 Exhibit 15 IH-00091696 to 91697 194</p> <p>18 Exhibit 16 Test Process (Page 7) 23 Apr 2013 202</p> <p>19 Exhibit 17 Rossi 00003876 215</p> <p>20 Exhibit 18 Rossi 00011387 to 11390 223</p> <p>21 Exhibit 19 "Exhibit 25" 228</p> <p>22 Exhibit 20 IH-00019055 to 19056 240</p> <p>23 Exhibit 21 Color Photo 261</p> <p>24</p> <p>25</p>
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<p>1 INDEX</p> <p>2 Witness Direct Cross</p> <p>3 ANDREA ROSSI 6 319</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 Thereupon--</p> <p>2 THE VIDEOGRAPHER: We're on the record.</p> <p>3 This is media unit number one. We're here</p> <p>4 today, February 24, 2017, at approximately 10:17</p> <p>5 for the video depo of Andrea Rossi in the case</p> <p>6 styled Andrea Rossi and Leonardo Corporation</p> <p>7 versus Thomas Darden, et al, case number</p> <p>8 1:16-cv-21199-CMA.</p> <p>9 The videographer is Jason Stapleton. The</p> <p>10 court reporter is Edward Varkonyi. At this time</p> <p>11 would counsel please state their appearances for</p> <p>12 the record.</p> <p>13 MR. PACE: Can I make one correction</p> <p>14 before I do that? Did you say the deposition of</p> <p>15 Andrea Rossi?</p> <p>16 THE VIDEOGRAPHER: I did. I'm sorry.</p> <p>17 MR. PACE: It should be the deposition of</p> <p>18 Leonardo Corporation. The representative is Dr.</p> <p>19 Andrea Rossi.</p> <p>20 And for the defendants my name is Chris</p> <p>21 Pace of Jones Day and I actually have one of the</p> <p>22 defendants present here with me today, John T.</p> <p>23 Vaughn.</p> <p>24 MR. ANNESSER: John Annesser on behalf of</p> <p>25 the plaintiffs.</p>

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<p style="text-align: right;">Page 14</p> <p>1 A. It happens also to me to forget to turn 2 off the telephone. 3 Q. I believe I have some documents here. I 4 am not sure whether I used -- I think I might have 5 shown you this one the last time, but I might not. 6 (The document referred to was thereupon 7 marked Deposition Exhibit 2 for Identification, a 8 copy of which is attached hereto.) 9 THE WITNESS: Thank you. 10 BY MR. PACE: 11 Q. Let me hand you what I marked as Exhibit 12 Number 2. In fact, we did -- we did look at this 13 exhibit last week. It was I think towards the end of 14 the time during the deposition. 15 A few questions I wanted to ask because I 16 want to understand this. I had a chance to kind of 17 look at it a little bit better. First of all what I 18 marked here as Exhibit 2, these are -- these are your 19 handwritten notes, correct? 20 A. Yes, it is correct. 21 Q. These are notes that would be taken, if I 22 look on the left-hand column, for example, in the 23 first page, that's the date, correct? 24 There is a date in February on this first 25 page starting from the 23rd going to the 28th; is</p>	<p style="text-align: right;">Page 16</p> <p>1 correct? 2 MR. ANNESSER: Object to form. 3 THE WITNESS: Can you repeat? 4 BY MR. PACE: 5 Q. Yes. At the Doral warehouse there was a 6 pipe that carried the output from the E-Cat plant 7 over to the J.M. Products side of the Doral 8 warehouse, correct? 9 A. Correct. 10 Q. All right. What we have here on Exhibit 11 2, column -- the second column here is a reading of a 12 thermocouple that was on that output pipe; is that 13 correct? 14 A. It is correct. 15 Q. Now, is this -- where would you get this 16 information? 17 Can you read it directly from the 18 thermocouple or do you have to read it from a 19 separate computer? 20 A. No, I read it by means of a manual 21 thermometer that was property -- was left there by 22 Engineer Penon, the ERV, what we define the expert 23 responsible of validation in the agreement, and he 24 gave me the task to read -- every day we agreed upon 25 to make the reading along my shift of work on the</p>
<p style="text-align: right;">Page 15</p> <p>1 that correct? 2 A. It is correct. 3 Q. The second entry is a recording of the 4 temperature taken at 5 p.m. from the steam -- from 5 the output -- I'm sorry, let me take a step back. 6 Just define some terms. 7 I think we used these same terms last 8 week. I just want to make sure that there is no 9 confusion. 10 At the Doral location I will refer to the 11 E-Cat plant as probably just the E-Cat plant because 12 I know there is individual units within there called 13 the E-Cat units or reactors, correct? 14 A. Correct. 15 Q. Okay. And what I will probably refer to 16 as the J.M. Products side is the side where the 17 output from the plant, from the E-Cat plant was being 18 sent. 19 Is that okay? 20 A. Okay. 21 Q. All right. So there is -- there is 22 between the E-Cat plant and the J.M. Products side, 23 there is a -- or there was a pipe, correct, that 24 would take the output from the E-Cat plant and send 25 it over to the J.M. Products side of the warehouse,</p>	<p style="text-align: right;">Page 17</p> <p>1 plant. 2 My shift of work was from say about 3 between 5 and 6 p.m. and between 10 and 11 a.m. of 4 the next day. And so I have taken these lectures. 5 Q. So this is -- so you're not reading the 6 temperature of a thermocouple, you are actually 7 putting a manual thermometer, so to speak, on the 8 pipe? 9 MR. ANNESSER: Object to form, 10 mischaracterization. 11 THE WITNESS: Can you repeat? 12 BY MR. PACE: 13 Q. I can, because I might have 14 misunderstood. 15 When you get this temperature data, let's 16 take the first column here or the first line here 17 which is we got 23 for February 23. We have -- 18 A. Yes. 19 Q. We have 5 p.m. Yes, 5 p.m. which is the 20 time that you are doing this reading. Then we have 21 103. 22 Is the 103, are you getting that -- is 23 that information that is being taken out of the 24 thermocouple that is on the pipe or is it information 25 that is being obtained separately by using some</p>

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<p style="text-align: right;">Page 26</p> <p>1 reading the 26 and 24. I'm sorry, what you have 2 there is 24. I thought that was a 6. I apologize. 3 Let me do that question again then. That was my 4 mistake. 5 When we look at the row for February 6 26th. 7 A. Okay. 8 Q. The first number is 103.7; is that 9 correct? 10 A. It is correct. 11 Q. 103.7 represents the temperature 12 measurement you took for the output pipe on or about 13 5 p m. on February 26th? 14 A. Correct. 15 Q. All right. The next number is 103.6; is 16 that correct? 17 A. It is correct. 18 Q. And that represents the temperature 19 reading you took on or about 4 a.m. on February 26th 20 or February 27th? 21 A. Correct. Correct. 22 MR. ANNESSER: Object to form. 23 BY MR. PACE: 24 Q. So we do have some -- if you can turn to 25 page -- let's see. Actually, looks like the time</p>	<p style="text-align: right;">Page 28</p> <p>1 10 percent in that last column. Do you know what 2 that means or represents? 3 MR. ANNESSER: Object to form. 4 THE WITNESS: I -- you know, that could 5 be -- that could be a level. I don't remember 6 exactly what I meant with this because they were 7 my personal annotations. 8 These annotation did not go to the ERV. 9 I don't remember exactly if I meant a level or a 10 flow. 11 BY MR. PACE: 12 Q. Okay. These are -- so let's look at -- 13 let's take a couple of days here. 14 A. Uh-huh. 15 Q. June. You see the entries there for June 16 8th and June 9th? 17 A. Okay. 18 Q. All right. 19 A. Uh-huh. 20 Q. Actually, let me ask you to look at June 21 7th, 8th and 9th. 22 A. Uh-huh. 23 Q. First thing is each of these rows of 24 information reflects data that you were collecting on 25 the day and time that is reflected in this document?</p>
<p style="text-align: right;">Page 27</p> <p>1 entry for June. The bottom corner says Rossi 9289? 2 A. Yes. 3 Q. Now, there is a fourth column here and 4 from the copy this is the way it was kind of produced 5 to us. It's very hard to read but I think that copy 6 says -- I think the fourth column the heading is 7 H2O. 8 A. The last column you say? 9 Q. Yes, the last column. 10 A. Yes, it is water. Yes. 11 Q. Okay. Sometimes there is percentages in 12 this column and sometimes there is just an F. 13 Is this a measure of the amount of water 14 that was in the water tank that was part of the E-Cat 15 plant? 16 MR. ANNESSER: Object to form. 17 THE WITNESS: I don't remember exactly. 18 BY MR. PACE: 19 Q. Do you know if F was short for full? 20 A. Yes, F means normal. 21 Q. Okay. We have percentages in here too, 22 correct, some of them are 30 percent or 10 percent? 23 MR. ANNESSER: Object to the form. 24 BY MR. PACE: 25 Q. I'm sorry, negative 30 percent, negative</p>	<p style="text-align: right;">Page 29</p> <p>1 In other words, when I look at this row for June 8th, 2 the first number of 103.4 is the number you collected 3 around 5 p m. on June 8th using the device provided 4 by Dr. Penon, correct? 5 A. Yes, it is correct. 6 Q. So these are all contemporaneous 7 measurements that you were recording, correct? 8 A. What do you mean contemporary? 9 Q. I'm sorry, these are all measurements 10 that you were recording on that day that is reflected 11 here in the spreadsheet? 12 A. Yes. 13 Q. Then you were actually putting it into 14 this manual spreadsheet that same day? 15 MR. ANNESSER: Object to form. 16 THE WITNESS: Yes. 17 BY MR. PACE: 18 Q. Okay. So if we go to our third -- if we 19 go to the last column here for the 7th, 8th and 9th 20 of June. 21 A. 7th, 8th and 9th, okay. 22 Q. I have -- I see an F. 23 A. F and minus 30 percent. 24 Q. F, F and a minus 30. 25 Does that help in terms of understanding</p>

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<p style="text-align: right;">Page 34</p> <p>1 taking every day of the temperature for the output 2 pipe from the E-Cat plant, correct? 3 MR. ANNESSER: Object to form. 4 THE WITNESS: Correct. 5 BY MR. PACE: 6 Q. As well as our -- as well as the last 7 column that your recollection reflects somehow a 8 water level connected to the E-Cat plant? 9 MR. ANNESSER: Object to form. 10 THE WITNESS: Correct. 11 BY MR. PACE: 12 Q. And just if you can kind of take a look 13 over the entirety of the page, I am just going to 14 tell you there is a lot of -- most of these 15 temperatures are all between 103.7 and 103.6. 16 A. Uh-huh. 17 Q. Is the device you were using, did it read 18 only one digit or did it read more than one digit and 19 you rounded to the closest -- I'm sorry, that was a 20 terrible question. Let me ask it again. 21 Did the device that you were using to 22 read the temperature, did it show only four digits, 23 such as 103.7, or would it reflect more than four 24 digits but you would round it off so if it said 25 103.68 you would write it as 103.7?</p>	<p style="text-align: right;">Page 36</p> <p>1 reflects the entries -- the manual entries for 2 December. 3 A. Yes. 4 Q. If you look at the December 2nd, the last 5 column has a 30 percent and then I have to be honest 6 with you, I have a hard time figuring out what is 7 written after that. It looks like the word "Rich" is 8 in there. 9 MR. ANNESSER: Was there a question? 10 BY MR. PACE: 11 Q. Can you tell me -- I'm sorry. Can you 12 read that? 13 A. I'm trying to recall. "CU Rich J.M." 14 MR. ANNESSER: His question is can you 15 read that. 16 THE WITNESS: I can read, but I -- yes, I 17 can read it. 18 BY MR. PACE: 19 Q. Let's start with that because I actually 20 even have a hard time reading it. What does it say 21 after 30 percent there? 22 A. Should be -- should be the letter, but 23 what I do not remember because -- if I wrote this, 24 this was for me. 25 These notations were for me, not for</p>
<p style="text-align: right;">Page 35</p> <p>1 MR. ANNESSER: Object to form. 2 THE WITNESS: The instrument that I used 3 showed exactly the four digit, the 100s and the 4 one decimal. 5 If you are asking if it also indicated 6 the hundredth., the answer is no. 7 BY MR. PACE: 8 Q. That's exactly what I was asking. Again, 9 to take a day out of here, October 12. 10 A. Yeah. 11 Q. The first manual reading you took shows a 12 temperature is at 103.7, correct? 13 A. Correct. 14 Q. This is for the output pipe going over to 15 Leonardo -- going over to the J.M. Products side of 16 the warehouse, correct? 17 A. Yes, it is correct. 18 Q. The next reading you took for that day 19 was 103.6, correct? 20 A. Correct. 21 Q. All right. And the last is 103.7, 22 correct? 23 A. Correct. 24 Q. All right. Dr. Rossi, can I ask you to 25 turn to the top of -- it's page 9295. I believe it</p>	<p style="text-align: right;">Page 37</p> <p>1 Penon. You know, at the moment I put down something 2 to remember something. 3 Q. Okay: 4 A. And I don't remember what that was. 5 Q. I just want to write down some of these 6 days we were just looking at. I am going to mark the 7 next exhibit as Exhibit 3. 8 (The document referred to was thereupon 9 marked Deposition Exhibit 3 for Identification, a 10 copy of which is attached hereto.) 11 BY MR. PACE: 12 Q. So this I believe is information that you 13 were -- that Leonardo was recording. If you can see 14 there in the first page -- I'm sorry, let me start 15 this over again. 16 For Exhibit 3 on the first page it 17 references "logbook of the performance data." Is 18 this a logbook maintained by Leonardo Corporation? 19 A. This is much more than that. This is the 20 logbook that I maintained for the ERV. This logbook 21 was not for Leonardo Corporation because the ERV 22 asked me to send to him every day at approximately 23 the same time -- I don't remember if I have taken 24 these values at the -- at 5 p m., surely not at 4 25 a m., but either 10 a.m. or 5 p m. I don't remember,</p>

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<p style="text-align: right;">Page 38</p> <p>1 but it's easy to reconstruct, make a comparison and 2 this is the log -- logbook that Penon asked to me to 3 update every day. 4 Every day I sent to him by e-mail as an 5 attachment this logbook with the new line every day. 6 So for example, this logbook was an attachment. The 7 first day of work of the plant had a logbook with 8 only one line because -- 9 Q. The line there that says 20? 10 A. The line that says 20. 11 Q. Okay. 12 A. On the 21st I sent it to him the same 13 e-mail, but with the second line and so on and so on 14 and so on until the end. 15 Q. And what e-mail address did you use to 16 send that? 17 A. Sorry? 18 Q. What e-mail address did you use to send 19 that? 20 A. The e-mail address that Dr. Penon gave to 21 me. 22 Q. So that's what you sent it to. What 23 e-mail did you send it from, which of your e-mail 24 addresses? 25 A. This -- you know, this I don't remember.</p>	<p style="text-align: right;">Page 40</p> <p>1 generally. 2 Just for a second here, we're going to 3 jump up to June, just to go through. I am actually 4 not trying to compare this to Exhibit 2. I am just 5 trying to use some of the same reference dates. So 6 it's page 1393. 7 A. Yes. 8 Q. Okay. So we have here -- when we were 9 talking about Exhibit 2, we were talking about this 10 kind of June 7th, 8th, 9th. 11 What this reflects here, I have got a 12 line that has under June on page 1393, there is a 13 line that has 7 colon. This is information that you 14 collected on the 7th of June, correct? 15 A. Uh-huh. 16 Q. It shows that there is a flow meter 17 reading that you took on the 7th of June -- 18 A. Uh-huh. 19 Q. -- there is a water temperature reading 20 you took on the 7th of June, there is a steam 21 temperature reading you took on the 7th of June -- 22 A. Uh-huh. 23 Q. -- and there is a pressure reading you 24 took on the 7th of June? 25 A. Yes.</p>
<p style="text-align: right;">Page 39</p> <p>1 But usually I use ar.123@mail.com or could have been 2 libero -- con333@libero.it. One of these two should 3 be. 4 Q. When we look at Exhibit 3, each line that 5 corresponds to a date, such as the line for February 6 20th or the line for February 21st, the line for 7 February 20th, that reflects data or information that 8 you actually record on February 20th? 9 A. Can you repeat the question? I'm sorry. 10 Q. Sure. The first line of data in here 11 under February is February -- there is a 2-0, 12 correct? 13 A. It's the 20th of February. 14 Q. The 20th of February. Then it has 15 numbers for water flow -- 16 A. Yes. 17 Q. -- water, steam and P, which is short for 18 pressure, correct? 19 A. Correct. 20 Q. Each of those numbers reflects 21 information that you collected on February 20th, 22 wrote down on February 20th and sent to Dr. Penon 23 either on February 20th or February 21st, correct? 24 A. Correct. 25 Q. We'll come back and talk about this more</p>	<p style="text-align: right;">Page 41</p> <p>1 Q. All right. Next -- the next paragraph 2 there has an 8 that reflects information you 3 collected on June 8th, correct? 4 A. Uh-huh. 5 Q. Information that you recorded on June 6 8th, correct? 7 A. Yes. 8 Q. Information you transmitted to Dr. Penon 9 on either June 8th or June 9th of 2015, correct? 10 A. Right. 11 MR. ANNESSER: Object to form. 12 BY MR. PACE: 13 Q. Line 9 is similar because it also -- this 14 reflects data you collected on June 9th, correct? 15 A. Sorry, can you repeat the question? 16 Q. Yes. You see the paragraph that starts 17 with 9 colon, on this page Rossi 1393? That 18 paragraph reflects data that you collected on June 19 9th, correct? 20 A. Correct. 21 Q. It has a water flow meter reading -- 22 A. Uh-huh. 23 Q. -- a water temperature reading, a steam 24 temperature reading and a pressure reading, correct? 25 A. Correct.</p>

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<p style="text-align: right;">Page 130</p> <p>1 THE WITNESS: Yes.</p> <p>2 BY MR. PACE:</p> <p>3 Q. And then what has to be done to restart</p> <p>4 the big Frankies, following a shutdown such as this?</p> <p>5 A. The procedure to shut up and shutdown, if</p> <p>6 everything was all right, it's just to be turned it</p> <p>7 on from the control panel, there are the switches to</p> <p>8 restart the plant.</p> <p>9 Q. Do you have to kind of reset or</p> <p>10 recalibrate the water pumps for each of the E-Cat</p> <p>11 units?</p> <p>12 A. It depends. It depends. It depends.</p> <p>13 For sure during -- during a start-up there is work to</p> <p>14 do. You cannot just start up, and it's not like a</p> <p>15 car. For sure a control must be made during the</p> <p>16 start-up.</p> <p>17 Q. Now, do you remember this event on March</p> <p>18 9th?</p> <p>19 A. No.</p> <p>20 Q. Am I safe to conclude that if the -- if</p> <p>21 the plant was shut down for four hours some part of</p> <p>22 that four hours is the plant -- are the E-Cats</p> <p>23 cooling down and part of that is the repair work</p> <p>24 being done?</p> <p>25 MR. ANNESSER: Object to form.</p>	<p style="text-align: right;">Page 132</p> <p>1 BY MR. PACE:</p> <p>2 Q. So this at least shows that the entire</p> <p>3 plant was shut down for four hours?</p> <p>4 MR. ANNESSER: Object to form.</p> <p>5 THE WITNESS: Can you repeat the</p> <p>6 question, please?</p> <p>7 BY MR. PACE:</p> <p>8 Q. Yes. It says -- what you wrote here was</p> <p>9 from 2 p.m. through 6 p.m. the plant has been shut</p> <p>10 down to repair the water pipes to the four E-Cat</p> <p>11 1000s.</p> <p>12 So that doesn't mean that a -- an</p> <p>13 individual E-Cat or just an individual big Frankie</p> <p>14 was shut down, but all of the big Frankies were shut</p> <p>15 down to do the water pipe repair, correct?</p> <p>16 A. Well, actually in -- while when I</p> <p>17 communicated to Penon the water flow, the water</p> <p>18 temperature, the steam temperature, the bars, et</p> <p>19 cetera, I was rigorous.</p> <p>20 When I gave him communication of</p> <p>21 shutdown, et cetera, I was very synthetic because,</p> <p>22 again, it was not his turf. I cannot answer to your</p> <p>23 question not knowing precisely what happened that</p> <p>24 day.</p> <p>25 Q. Well, what you wrote though at least was,</p>
<p style="text-align: right;">Page 131</p> <p>1 THE WITNESS: It depends on the</p> <p>2 situation. It depends on the situation.</p> <p>3 BY MR. PACE:</p> <p>4 Q. Well, this situation was to repair the</p> <p>5 water pipes.</p> <p>6 A. Yes, but I don't remember which water</p> <p>7 pipes are we talking about, attorney. It depends</p> <p>8 because there were a lot of water pipes.</p> <p>9 Here, you know, this is a communication</p> <p>10 that I gave to Penon, so Penon had nothing to do with</p> <p>11 the maintenance. I just was communicating to him</p> <p>12 this anomaly that we had, but without entering in</p> <p>13 particulars because they were not his turf.</p> <p>14 Q. Well, certainly on other occasions that</p> <p>15 we looked at earlier today there were times when you</p> <p>16 would say that three quarters of the plant was down?</p> <p>17 A. Yes.</p> <p>18 Q. I'm sorry, one quarter of the plant was</p> <p>19 down --</p> <p>20 A. Yes.</p> <p>21 Q. -- you were working with three quarters?</p> <p>22 MR. ANNESSER: Object to form.</p> <p>23 Dr. Rossi, please allow him to finish his</p> <p>24 question before answering.</p> <p>25 THE WITNESS: Yes.</p>	<p style="text-align: right;">Page 133</p> <p>1 you know, from 2 p.m. through 6 p.m., so you gave</p> <p>2 kind of a specific time period, correct?</p> <p>3 A. Yes, it is correct.</p> <p>4 Q. Okay. Then you say the plant has been</p> <p>5 shut down to repair the water pipes, correct?</p> <p>6 A. Correct.</p> <p>7 Q. And then you identify the water pipes of</p> <p>8 the four E-Cat 1000s, not one or another, but all</p> <p>9 four?</p> <p>10 MR. ANNESSER: Object to form.</p> <p>11 THE WITNESS: You know, again, I am not</p> <p>12 sure about that because this writing is pretty</p> <p>13 much -- pretty much imprecise.</p> <p>14 I just was communicating to Penon that I</p> <p>15 had problems to the plant and that for this</p> <p>16 reason he could have -- you know, from these</p> <p>17 three lines I am not able to reconstruct the</p> <p>18 situation, to synthetic and I did not conserve</p> <p>19 any. I don't remember.</p> <p>20 BY MR. PACE:</p> <p>21 Q. All right. You don't remember that --</p> <p>22 just to be clear though, you don't remember that the</p> <p>23 plant wasn't shut down, you don't remember that it</p> <p>24 was, you just don't remember? You have something</p> <p>25 written here.</p>

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<p style="text-align: right;">Page 134</p> <p>1 MR. ANNESSER: Object to form.</p> <p>2 THE WITNESS: I remember that if I have</p> <p>3 written these two lines here some problem has</p> <p>4 happened there, but I am not able to give a</p> <p>5 precise description of which kind of pipes we</p> <p>6 had to repair and which exactly, which</p> <p>7 phenomenon happened.</p> <p>8 MR. PACE: I am going to hand you what's</p> <p>9 marked -- I apologize, I probably should have</p> <p>10 stapled this. We will staple it at a break.</p> <p>11 It's going to be Composite Exhibit 7.</p> <p>12 (The document referred to was thereupon</p> <p>13 marked Deposition Exhibit 7 for Identification, a</p> <p>14 copy of which is attached hereto.)</p> <p>15 BY MR. PACE:</p> <p>16 Q. Can you take a moment to look through</p> <p>17 Exhibit 7 for me.</p> <p>18 MR. ANNESSER: The first page or all of</p> <p>19 it?</p> <p>20 MR. PACE: Through all the pages.</p> <p>21 MR. ANNESSER: All right.</p> <p>22 THE WITNESS: Okay.</p> <p>23 BY MR. PACE:</p> <p>24 Q. These are -- these are invoices that you</p> <p>25 provided to -- that Leonardo Corporation provided to</p>	<p style="text-align: right;">Page 136</p> <p>1 Q. Okay.</p> <p>2 A. Yes.</p> <p>3 Q. This says -- the description of the work</p> <p>4 is: "Work to modify and upgrade the pumping system</p> <p>5 and substitution of nozzles and Teflon pipes, plus</p> <p>6 materials. Period February 23 through February 27."</p> <p>7 And the total amount of that was \$2,750.</p> <p>8 Do you recall what that work was -- what</p> <p>9 work was done?</p> <p>10 MR. ANNESSER: Object to form.</p> <p>11 THE WITNESS: I do not recall but I can</p> <p>12 read it what it was and make sense. It is what</p> <p>13 is written.</p> <p>14 BY MR. PACE:</p> <p>15 Q. Do you recall anything beyond what was</p> <p>16 written?</p> <p>17 A. No, honestly. But probably we had</p> <p>18 problems with the distribution system of the pumps</p> <p>19 that had been made in Industrial Heat and the</p> <p>20 connections had been made with very low quality</p> <p>21 material and we had problems, leakages caused by that</p> <p>22 so they had been substituted with higher quality</p> <p>23 material.</p> <p>24 Q. Who did that work?</p> <p>25 A. Industrial Heat in their factory. This</p>
<p style="text-align: right;">Page 135</p> <p>1 Industrial Heat or IPH International for</p> <p>2 reimbursement for expenses, correct?</p> <p>3 A. Yes. I am reading those. If you have</p> <p>4 them, absolutely.</p> <p>5 Q. Okay. And I apologize because I did give</p> <p>6 them to you in a little bit out of order sequence.</p> <p>7 A. The graphic is a little bit different but</p> <p>8 I think that is a matter of photocopying. Because I</p> <p>9 don't remember the graphic but the graphic can have</p> <p>10 been changed by the photocopies.</p> <p>11 Q. You mean the graphic, the Leonardo</p> <p>12 Corporation --</p> <p>13 A. Yes, exactly.</p> <p>14 Q. -- you have a more interesting graphic?</p> <p>15 A. Yes, yes, exactly.</p> <p>16 Q. Let me -- I have not given them to you in</p> <p>17 date order. I apologize.</p> <p>18 A. No problem. No problem.</p> <p>19 Q. Let me take them in date order.</p> <p>20 A. Okay.</p> <p>21 Q. If you can look at a document marked --</p> <p>22 having the number 19062.</p> <p>23 A. 19062.</p> <p>24 Q. Should be at the back of that package.</p> <p>25 A. Here it is.</p>	<p style="text-align: right;">Page 137</p> <p>1 work?</p> <p>2 Q. The work reflected in Exhibit 20 --</p> <p>3 A. The substitution --</p> <p>4 MR. ANNESSER: Object to form.</p> <p>5 THE WITNESS: I don't remember.</p> <p>6 BY MR. PACE:</p> <p>7 Q. Let me finish the question.</p> <p>8 A. Sure.</p> <p>9 Q. I think I asked it in a poor way.</p> <p>10 A. Sorry.</p> <p>11 Q. Who performed the work that is described</p> <p>12 here on page 19062?</p> <p>13 MR. ANNESSER: Object to form.</p> <p>14 THE WITNESS: I don't remember.</p> <p>15 BY MR. PACE:</p> <p>16 Q. Do you remember whether it was someone</p> <p>17 who -- was it someone other than you, Fabiani or</p> <p>18 Barry West?</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 THE WITNESS: I do not remember because</p> <p>21 this is a work that could have been done by us</p> <p>22 as well as by some contractor that always was</p> <p>23 around there.</p> <p>24 BY MR. PACE:</p> <p>25 Q. And then if it was done by some</p>

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<p style="text-align: right;">Page 138</p> <p>1 contractor who was in the area, would you have been</p> <p>2 the person on behalf of Leonardo Corporation who paid</p> <p>3 for the work?</p> <p>4 A. Can you kindly repeat the question?</p> <p>5 Q. Yes. If it was done --</p> <p>6 A. Few words.</p> <p>7 Q. If this work was done by some independent</p> <p>8 contractor --</p> <p>9 A. Yes.</p> <p>10 Q. -- who would have paid that independent</p> <p>11 contractor?</p> <p>12 MR. ANNESSER: Object to form.</p> <p>13 THE WITNESS: Leonardo Corporation.</p> <p>14 BY MR. PACE:</p> <p>15 Q. And who at Leonardo Corporation would</p> <p>16 have actually made the payment? Would that have been</p> <p>17 you?</p> <p>18 A. Yes.</p> <p>19 Q. The next page in this, if we're going</p> <p>20 sequentially -- or, I'm sorry, if we're going by date</p> <p>21 is 18819. It's an invoice from March 11 of 2015.</p> <p>22 A. Okay.</p> <p>23 Q. This description says: "N.55</p> <p>24 thermocouples not grounded. To be put in place of</p> <p>25 the grounded thermocouples precedently installed to</p>	<p style="text-align: right;">Page 140</p> <p>1 Q. I can. I am going to take it in pieces</p> <p>2 here. The N.55, does that mean that --</p> <p>3 thermocouples?</p> <p>4 A. Yes.</p> <p>5 Q. Is that a type of thermocouple or is that</p> <p>6 a number? Does that mean 55 thermocouples were</p> <p>7 replaced or that's a type of thermocouple?</p> <p>8 A. No, it's 55 thermal, N is for number.</p> <p>9 Q. Got it.</p> <p>10 A. This number is the quantity.</p> <p>11 Q. Okay.</p> <p>12 A. It says that 55 thermocouples had to be</p> <p>13 substituted.</p> <p>14 Q. And the 55 thermocouples, those -- those</p> <p>15 were not just in the piping leading into the E-Cat</p> <p>16 plant, were some of those thermocouples in connection</p> <p>17 with the actual E-Cat units?</p> <p>18 A. I don't remember.</p> <p>19 Q. And did this include the thermocouples</p> <p>20 for Dr. Penon as well as thermocouples that Leonardo</p> <p>21 or Fabiani installed or were they just for ones that</p> <p>22 were installed by Leonardo?</p> <p>23 MR. ANNESSER: Object to form.</p> <p>24 THE WITNESS: I don't remember.</p> <p>25 BY MR. PACE:</p>
<p style="text-align: right;">Page 139</p> <p>1 avoid short circuits, \$33.50 each, total for</p> <p>2 thermocouples 1,842."</p> <p>3 Then we have: "Work hours to complete</p> <p>4 the substitution of all the pipes, pipes connectors,</p> <p>5 thermocouples, plumbing."</p> <p>6 My first question is do you recall</p> <p>7 anything about the work that I just described or the</p> <p>8 thermocouples that I just described beyond what is</p> <p>9 here on page 18819?</p> <p>10 A. No, I don't remember the particulars but</p> <p>11 I have an idea of what happened.</p> <p>12 Q. Is N.55, does that mean 55 thermocouples</p> <p>13 were replaced or is that a type of thermocouple?</p> <p>14 A. No, they had to be replaced because</p> <p>15 also -- you know, sometime we had the suspect that</p> <p>16 there had been some --</p> <p>17 MR. ANNESSER: Dr. Rossi, I'm going to</p> <p>18 help.</p> <p>19 THE WITNESS: Okay.</p> <p>20 MR. ANNESSER: You've got to listen to</p> <p>21 his question and answer them and then you can</p> <p>22 explain, if you need to, but this will go a lot</p> <p>23 smoother if you listen to what he's asking you.</p> <p>24 THE WITNESS: Can you kindly repeat?</p> <p>25 BY MR. PACE:</p>	<p style="text-align: right;">Page 141</p> <p>1 Q. All right. The problem with the earlier</p> <p>2 thermocouples, the ones that needed to be replaced,</p> <p>3 is that they were grounded thermocouples, the result</p> <p>4 of which they were causing short circuits, correct?</p> <p>5 MR. ANNESSER: Object to form.</p> <p>6 THE WITNESS: I am not able to answer</p> <p>7 because this is -- it appears that it is an</p> <p>8 electric problem and I remember that the two --</p> <p>9 the two contractors of Industrial Heat, Fabiani</p> <p>10 and Barry West, sometime came up to me saying</p> <p>11 that there was material that was creating</p> <p>12 problems, we had to substitute, et cetera, but I</p> <p>13 don't remember the issues exactly, when here we</p> <p>14 entered in a matter that is not my turf.</p> <p>15 BY MR. PACE:</p> <p>16 Q. There is \$3,250 paying for work hours.</p> <p>17 Is that money that was paid to Fabiani or West or</p> <p>18 would that be money paid to one of these independent</p> <p>19 contractors you hired for a day or so?</p> <p>20 MR. ANNESSER: Object to form.</p> <p>21 THE WITNESS: I am very sorry, I don't</p> <p>22 remember.</p> <p>23 BY MR. PACE:</p> <p>24 Q. If that amount of money was paid out to</p> <p>25 workers, though, that would have been paid out by</p>

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<p style="text-align: right;">Page 142</p> <p>1 you?</p> <p>2 A. No, by Leonardo Corporation.</p> <p>3 Q. I'm sorry, by Leonardo Corporation. But</p> <p>4 who at Leonardo Corporation would actually make the</p> <p>5 money -- would actually make the payment?</p> <p>6 A. Can you kindly repeat? I did not --</p> <p>7 Q. Yes. So Leonardo Corporation --</p> <p>8 A. Yes.</p> <p>9 Q. -- it may come from their bank account,</p> <p>10 its bank account, but some human being has to</p> <p>11 actually deliver --</p> <p>12 A. That's me.</p> <p>13 Q. That's what I meant. So you would</p> <p>14 actually deliver the money to the workers?</p> <p>15 A. Yes, but not me as Andrea Rossi.</p> <p>16 Q. Understood.</p> <p>17 A. Me as the CEO of Leonardo Corporation.</p> <p>18 Q. Understood. And do you recall anything</p> <p>19 more about these workers other than -- do you recall</p> <p>20 anything about the workers that did the work hours</p> <p>21 reflected on page 18819?</p> <p>22 A. No.</p> <p>23 MR. ANNESSER: Object to form.</p> <p>24 THE WITNESS: No.</p> <p>25 BY MR. PACE:</p>	<p style="text-align: right;">Page 144</p> <p>1 longer, I say if we lose resistances we have</p> <p>2 problems because then it takes time to have</p> <p>3 them.</p> <p>4 So just as your car has a spare wheel, I</p> <p>5 wanted to have 16 spare resistances, just to put</p> <p>6 them there in case of necessity. Spare.</p> <p>7 BY MR. PACE:</p> <p>8 Q. I understand. After saying spare</p> <p>9 resistances it says "to be substituted in the reactor</p> <p>10 number 4", so it identifies a specific reactor,</p> <p>11 correct?</p> <p>12 A. Yes, it is correct because the reactor</p> <p>13 number 4 was the one that inspired me to do so</p> <p>14 because it had resistances that did not work properly</p> <p>15 and did not -- did not have the necessity to be</p> <p>16 substituted but I prefer to have a full change ready.</p> <p>17 Q. And what were the issues that were</p> <p>18 arising with the resistances for reactor number 4?</p> <p>19 A. Can you repeat?</p> <p>20 MR. ANNESSER: Object to form.</p> <p>21 BY MR. PACE:</p> <p>22 Q. You said that there was an issue with the</p> <p>23 resistances for reactor number 4. I just wanted to</p> <p>24 understand, what was that issue?</p> <p>25 A. They had -- they sometime tended not to</p>
<p style="text-align: right;">Page 143</p> <p>1 Q. Do you recall that the short circuits</p> <p>2 were -- I guess my understanding is thermocouples</p> <p>3 don't really short circuit.</p> <p>4 Is the short circuit at the control panel</p> <p>5 or, again, is that something you don't know?</p> <p>6 MR. ANNESSER: Object to form.</p> <p>7 THE WITNESS: I don't remember.</p> <p>8 BY MR. PACE:</p> <p>9 Q. Moving to the next in time, I believe the</p> <p>10 document ends in 17341.</p> <p>11 A. Got it.</p> <p>12 Q. Okay. This is an August 24 invoice --</p> <p>13 A. Yes.</p> <p>14 Q. -- that Leonardo submitted to IPH</p> <p>15 International. It says: "N.16 spare resistances to</p> <p>16 be substituted in the reactor number 4, each \$450."</p> <p>17 Let me see if I have this correct, which is N.16</p> <p>18 means there were 16 units that were replaced,</p> <p>19 correct?</p> <p>20 MR. ANNESSER: Object to form.</p> <p>21 THE WITNESS: No, attorney, spare. Spare</p> <p>22 means spare parts.</p> <p>23 This I remember because was a particular</p> <p>24 thing. One day I reflecting I said since the</p> <p>25 delivery term of this resistance is a little bit</p>	<p style="text-align: right;">Page 145</p> <p>1 have regular absorption of current and not so much to</p> <p>2 need a substitution but enough to induce me to</p> <p>3 prepare spare parts.</p> <p>4 Q. Would that -- would that problem result</p> <p>5 in lesser output by the reactor number 4, or no?</p> <p>6 A. No. No, because in that case that would</p> <p>7 have been necessity of substitution and not those</p> <p>8 spare parts.</p> <p>9 Q. Turning to page 16777.</p> <p>10 A. Got it.</p> <p>11 Q. That's November 14. I'm sorry, November</p> <p>12 17, 2015, invoice from Leonardo to IPH.</p> <p>13 A. Okay.</p> <p>14 Q. It says: "Electricians work to repair</p> <p>15 the reactor number 2."</p> <p>16 Do you recall what the work was done to</p> <p>17 repair reactor number 2?</p> <p>18 A. Absolutely not.</p> <p>19 Q. Do you -- I am assuming, and correct me</p> <p>20 if I am wrong, that these electricians are not --</p> <p>21 this is not a reference to either Fulvio Fabiani or</p> <p>22 Barry West, correct?</p> <p>23 A. Correct.</p> <p>24 MR. ANNESSER: Object to form.</p> <p>25 BY MR. PACE:</p>

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<p style="text-align: right;">Page 146</p> <p>1 Q. Do you recall who these electricians 2 were? 3 A. No, I do not recall. I do not recall. 4 Q. These electricians would have been paid 5 by Leonardo Corporation, correct? 6 A. Yes. 7 Q. And you would have been the person on 8 behalf of Leonardo Corporation to make the payment? 9 A. Yes. 10 Q. One more in this exhibit string, the one 11 we haven't touched on yet, the first page. September 12 16, 2015 invoice. 13 A. Number 6937. 14 Q. Yes, 16937, correct. 15 A. Yeah. 16 Q. This says -- the description of the work 17 here is: "Reparation of the reactor E-Cat 250 kW 18 number 4 from September 7 through September 15. Four 19 workers, 8 hours per day, TOT 32 HPD for a total of 20 224 hours at \$60 an hour." 21 A. Uh-huh. 22 Q. Do you recall what work was being done by 23 these workers from September 7 through September 15 24 of 2015? 25 A. I think, yes. I suppose this has been</p>	<p style="text-align: right;">Page 148</p> <p>1 asking independent of this document what do you know 2 about the -- this work that was done? Do you recall 3 this work being done at all? 4 A. Yes, I recall that we had substituted the 5 resistances of the number 4, yes. 6 Q. And your recollection that it was -- do 7 you recall that it would take four workers working 8 eight hours a day for several days to do that? 9 A. I don't recall this particular but if it 10 is written so here, I suppose it was so. 11 Q. And the amount paid was \$13,440? 12 A. This is the amount that we have invoiced 13 to IPH. 14 Q. So that's the amount that was paid to the 15 four workers? 16 A. I suppose so, yes. 17 Q. And that's an amount that you would have 18 paid on behalf of Leonardo Corporation? 19 A. That -- yes, that Leonardo Corporation 20 has paid, yes. 21 Q. And you have no additional information on 22 what this work was that was done during that time 23 period? 24 A. No. 25 MR. ANNESSER: Object to form.</p>
<p style="text-align: right;">Page 147</p> <p>1 when we have changed the resistances to the number 2 4. 3 Q. And is that something that would take 4 eight hours a day for seven or eight days? 5 MR. ANNESSER: Objection to form. 6 THE WITNESS: If it is written so. If it 7 is written so, yes, because it was a very 8 delicate work. 9 Also because we had to operate without 10 disassembling, so it has been -- yes. If it is 11 written so it has been, yes. 12 BY MR. PACE: 13 Q. Well, let me ask you, independent of what 14 is written, just from your own knowledge of this 15 plant -- 16 A. Yes. 17 MR. ANNESSER: Just for clarification are 18 you asking him as the rep of Leonardo -- 19 MR. PACE: Yes. 20 MR. ANNESSER: -- or from his own personal 21 knowledge? 22 MR. PACE: Since this is work for 23 Leonardo, I think both are covered. 24 BY MR. PACE: 25 Q. So as a representative of Leonardo, I am</p>	<p style="text-align: right;">Page 149</p> <p>1 THE WITNESS: No. 2 BY MR. PACE: 3 Q. And during the time period of this work 4 do you recall that the -- the big Frankie unit number 5 4 was not operating during that time? 6 A. During the time was not operating, yes. 7 Q. But it was still in the same -- it was 8 still in the container that housed big Frankie 9 units -- 10 A. Yes. 11 Q. -- 1, 2 and 3? 12 A. Yes. 13 Q. I want to discuss a little bit in 14 connection with the operation of the plant in Doral, 15 Florida, the measuring equipment and the data that 16 was collected from the measuring equipment. 17 Some of the measuring equipment that was 18 used in connection with the plant was provided by 19 Engineer Penon, correct? 20 A. Yes. 21 Q. And then there was some measuring 22 equipment that was placed in there by -- that was -- 23 either belonged to Fulvio Fabiani or Leonardo for 24 separate measurements; is that correct? 25 A. No, we must make a clear distinction here</p>

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<p style="text-align: right;">Page 154</p> <p>1 that question next. So you're one step ahead of me.</p> <p>2 My question right now was did you ever</p> <p>3 actually look at the data that Fulvio Fabiani</p> <p>4 collected to see whether it was consistent with the</p> <p>5 data that you were collecting from the Penon</p> <p>6 measuring equipment?</p> <p>7 A. No, because -- no, because Fabiani</p> <p>8 collected those data in a language that for me -- in</p> <p>9 a particular language, so -- and I was not interested</p> <p>10 honestly because for me what counted was what I read</p> <p>11 in the instruments of Penon and that was all.</p> <p>12 But, honestly, I told to Fabiani many</p> <p>13 times, I told -- I am -- I am finding this</p> <p>14 temperature between 103 and 104, blah, blah, does</p> <p>15 this make sense with what you are measuring with your</p> <p>16 instrument, and he always said yes, we are in the</p> <p>17 same -- we are in the same range. At this level,</p> <p>18 yes.</p> <p>19 Q. So you would -- you would discuss with</p> <p>20 Fabiani the data he was collecting but you didn't</p> <p>21 actually look at his underlying data?</p> <p>22 A. Yes, I did not discuss those data. I</p> <p>23 just now and again randomly for curiosity and also</p> <p>24 for -- you know, for serious curiosity, not curiosity</p> <p>25 just joking.</p>	<p style="text-align: right;">Page 156</p> <p>1 data was being stored in connection with the Penon</p> <p>2 measuring equipment?</p> <p>3 MR. ANNESSER: Object to form.</p> <p>4 THE WITNESS: I never knew a bit about</p> <p>5 that stuff and I was absolutely not interested</p> <p>6 to that. It was not my turf.</p> <p>7 BY MR. PACE:</p> <p>8 Q. And so Leonardo Corporation has no</p> <p>9 information on how or where that data was stored for</p> <p>10 Penon?</p> <p>11 A. Absolutely not.</p> <p>12 Q. If Dr. Penon testified that Fulvio</p> <p>13 Fabiani would send him -- would access that data and</p> <p>14 send it to him every couple of months, Leonardo</p> <p>15 Corporation doesn't have any information that is</p> <p>16 contrary to that?</p> <p>17 MR. ANNESSER: Object to form.</p> <p>18 THE WITNESS: Absolutely. Sorry. I have</p> <p>19 no information about that.</p> <p>20 BY MR. PACE:</p> <p>21 Q. Okay.</p> <p>22 A. The only thing I knew was there was a</p> <p>23 computer of Penon that was storing that. That's all</p> <p>24 I know.</p> <p>25 Q. Did you ever see Fulvio Fabiani accessing</p>
<p style="text-align: right;">Page 155</p> <p>1 For curiosity I asked him does this data</p> <p>2 that does this -- because the only thing that we</p> <p>3 could confront about was the temperature, because</p> <p>4 he -- because I was just measuring -- I was reading</p> <p>5 the flow meter and there was nothing to discuss.</p> <p>6 That was a seal at the thing with numbers</p> <p>7 around and you have to read it, so there is nothing</p> <p>8 to discuss. For the temperature there is the</p> <p>9 situation is not just reading a running wheel, but</p> <p>10 there are probes and so it is interesting to see if</p> <p>11 the probes are coherent or not.</p> <p>12 And I asked now and again and always --</p> <p>13 it never happened that I said, are you between 103</p> <p>14 and 104? It never happened that he said no, I am in</p> <p>15 completely different on mine.</p> <p>16 Q. The data that was collected from the</p> <p>17 Penon measuring equipment, at least it was collected</p> <p>18 electronically. Do you recall where that was stored?</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 THE WITNESS: Excuse me, I did not</p> <p>21 understand the question.</p> <p>22 BY MR. PACE:</p> <p>23 Q. So thermocouples will generate data,</p> <p>24 correct, that is stored electronically on a computer</p> <p>25 somewhere or in a data log? Do you recall how that</p>	<p style="text-align: right;">Page 157</p> <p>1 that computer?</p> <p>2 A. Can you repeat?</p> <p>3 Q. Did you ever see Fulvio Fabiani using</p> <p>4 that computer?</p> <p>5 A. Not that I can recall.</p> <p>6 Q. I think you testified to this earlier but</p> <p>7 I want to make sure I've covered it, which is do you</p> <p>8 recall any of the Penon measuring equipment ever</p> <p>9 being replaced?</p> <p>10 A. Not that I can recall. But I remember</p> <p>11 now this morning we have read somewhere in an exhibit</p> <p>12 of yours that the PCE 830 had stopped.</p> <p>13 I don't remember if that was for some --</p> <p>14 maybe was a blackout, no. I don't remember. But</p> <p>15 this morning during the deposition we have read</p> <p>16 something about the PCE 830. I don't remember what</p> <p>17 was that.</p> <p>18 Q. Okay. And Leonardo Corporation doesn't</p> <p>19 have any information on that?</p> <p>20 A. It was a blackout. It was a blackout.</p> <p>21 Now I remember. It was a blackout and it was written</p> <p>22 during the blackout out the PCE 830 is going out of</p> <p>23 service. That was it, yeah.</p> <p>24 Q. So Leonardo Corporation doesn't have any</p> <p>25 information on any of the measuring equipment ever</p>

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<p style="text-align: right;">Page 178</p> <p>1 describing a conversation with you, so I wanted to 2 ask about that. There is also an e-mail in here from 3 you and it's on page 19104. 4 A. Sorry, 19104? 5 Q. Uh-huh. 6 A. 19104. Here we go. Yes. 7 Q. So the paragraph I'm interested in, do 8 you see a sentence about halfway down it starts 9 with: All those instruments for the measurement of 10 temperature -- I'm sorry. 11 A. And of the steam, of the pressure of the 12 steam and of the temperature of the water and the 13 water tank inside the container connected with a 14 computer of Engineer Penon, that he brought here and 15 registers the data 24 hours per day, as well as with 16 the control system -- am I mumbling enough clearly 17 for you? Obviously Penon will consider for his 18 calculations, blah, blah, blah. I think now he is 19 embarking, et cetera. 20 Q. Let me just -- I want to read one small 21 part of this and see if I can understand this 22 better. It talks about data going to the computer of 23 Engineer Penon. 24 A. Yes. 25 Q. But then says, "as well as with the</p>	<p style="text-align: right;">Page 180</p> <p>1 MR. ANNESSER: Object to the form. 2 THE WITNESS: Other than what I described 3 before, no. 4 BY MR. PACE: 5 Q. All right. It says, data is collected 6 with -- data is collected in a computer of Engineer 7 Penon, as well as with the control system of ours. 8 Is that the control system that was 9 operated by Fulvio Fabiani? 10 A. Yes, sir. 11 Q. Where was the condensed steam collector 12 placed? 13 A. It was placed -- I set it up, I remember, 14 together with Tom Darden and it was basically a 15 rubber pipe with a cup at the bottom that had to 16 collect -- there is -- okay. 17 Along the pipe, the steam pipe that 18 exited from the one megawatt plant to go to the J.M. 19 plant, we have put this cup, this plastic cup sealed 20 with the bottom of the steam pipe so that any 21 dripping of water was visible at any time and it was 22 put inside the insulation, but the insulation was 23 made in a way that it could be easy displaced to pull 24 down the rubber pipe, open the valve that was at its 25 end and see if water was going down.</p>
<p style="text-align: right;">Page 179</p> <p>1 control system of ours." 2 A. Sorry. 3 Q. Then a little bit later or then right 4 after that you say: "Obviously Penon will consider 5 for his calculations only the data registered by his 6 computer." 7 A. Yes. 8 Q. "But we can compare data that he will 9 find with the data that we will find." 10 So my question is, what is the data -- 11 what are you referring to as the data we will find? 12 A. With this we was the team. In particular 13 these were the parallel measurements that Fabiani had 14 told me that had prepared under the direction of 15 Darden. 16 Q. And you are saying here that you -- you 17 and someone else, you and Fabiani, because it says 18 we, we can compare the data that he will find with 19 the data that we will find? 20 A. Yes. 21 MR. ANNESSER: Object to form. 22 BY MR. PACE: 23 Q. Do you recall ever comparing that data 24 with Fabiani, other than what you described earlier 25 today?</p>	<p style="text-align: right;">Page 181</p> <p>1 And I remember perfectly that Darden 2 together with me and Fabiani all -- quite all the 3 times that Darden came down, he wanted to see the 4 dripping of the water from, and we never have seen 5 any dripping of water. And also the ERV. Also the 6 ERV during his -- during his -- during the days in 7 which he came controlled the dripping. 8 Q. So let me hand you what I will mark -- 9 A. Yes, exactly. 10 Q. -- as Exhibit 10. 11 A. Yes, very good. Not that I can indicate 12 to you. Not there. You can see the dripping in -- 13 MR. ANNESSER: Dr. Rossi, let him hand 14 you the exhibit and let me get a copy too. 15 THE WITNESS: Okay. Okay. Sorry, sorry, 16 sorry. You have a photo that is precise, 17 because you already gave it to me the last 18 time. 19 MR. PACE: That would be 10 and 11. 20 (The document referred to was thereupon 21 marked Deposition Exhibit 10 for Identification, a 22 copy of which is attached hereto.) 23 (The document referred to was thereupon 24 marked Deposition Exhibit 11 for Identification, a 25 copy of which is attached hereto.)</p>

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<p style="text-align: right;">Page 194</p> <p>1 A. 480. Yes, it is my signature. 2 Q. And there is no signature on this 3 document from Ampenergo, correct? 4 A. Yes, it is correct. 5 Q. Do you recall any discussions with 6 Ampenergo after you signed this second amendment 7 about their refusal or failure to sign the second 8 amendment? 9 A. Yes, I recall. 10 Q. I am going to hand you what's marked as 11 Exhibit 15. 12 (The document referred to was thereupon 13 marked Deposition Exhibit 15 for Identification, a 14 copy of which is attached hereto.) 15 THE WITNESS: Thank you. Sorry, I got 16 two. Maybe one copy is not mine. 17 BY MR. PACE: 18 Q. Yes, sorry about that. 19 A. It's okay. 20 Q. This is -- this contains on the first 21 page here -- that's what I want to ask you about. 22 This is an e-mail from you to a Craig Cassarino, 23 correct? 24 A. Attorney, I was reading. I did not get 25 your --</p>	<p style="text-align: right;">Page 196</p> <p>1 Cassarino? 2 A. Yes. 3 Q. And that accurately reflects your -- your 4 recollection of the situation, your view of the 5 situation? 6 MR. ANNESSER: Object to form. 7 THE WITNESS: Well, I don't understand 8 exactly what your question implies, so what I 9 want -- 10 BY MR. PACE: 11 Q. How about I will ask it again? 12 A. Yes. 13 Q. You wrote that because Ampenergo did not 14 sign the amendment the amendment had been cancelled, 15 correct? 16 A. Yes. 17 Q. That's what you wrote? 18 A. Yes. 19 Q. Okay. 20 A. I wrote -- I wrote this, yes. 21 Q. And that's a reference to what's been 22 marked as Exhibit 14, the second amendment to license 23 agreement, correct? 24 A. Correct. 25 Q. All right. And the second amendment to</p>
<p style="text-align: right;">Page 195</p> <p>1 Q. No problem. 2 A. Can you kindly repeat? 3 Q. I can. On the first page here there is 4 an e-mail from you to Craig Cassarino on April 30, 5 2014, correct? 6 A. Yes, it is correct. 7 Q. And Craig Cassarino is somebody who is 8 one of the managers or members of AEG? 9 A. It's the vice president of AEG. 10 Q. The vice president of AEG? 11 A. Yes. 12 Q. He also holds or at the time held some 13 position in LTI Global? 14 A. Yes. I suppose yes. 15 MR. ANNESSER: Object to form. 16 THE WITNESS: Yes, he was the vice 17 president of LTI. 18 BY MR. PACE: 19 Q. The last sentence of your e-mail reads: 20 "We had offered to make the test with the Hot Cat, 21 and we had sent to you an amendment, already signed 22 by me and by Tom Darden, but for reasons remained 23 mysterious to me Ampenergo did not sign and the 24 amendment has been cancelled." 25 Do you recall writing that to Craig</p>	<p style="text-align: right;">Page 197</p> <p>1 license agreement in fact contemplated that testing 2 would be done using a six cylinder unit, that is a 3 six cylinder unit containing Hot Cats, correct? 4 MR. ANNESSER: Object to form. 5 THE WITNESS: Yes, and this is because, 6 as I -- in this same e-mail, I explain we have 7 to put in operation the one megawatt plant that 8 we are ready to put in operation since when we 9 deliver it in August of 2013. 10 It has been delivered perfectly ready to 11 go, as it has been turned off after the May 12 test, the test made in 30 April, 1st of May 13 2013. 14 BY MR. PACE: 15 Q. Did you say after this you made 16 improvements to the -- Industrial Heat made changes 17 to the plant that you -- under your direction? 18 MR. ANNESSER: Object to form. 19 THE WITNESS: Later. 20 BY MR. PACE: 21 Q. Right. Okay. 22 A. Much later. 23 Q. Later than April 30 of 2014? 24 A. Yes, later has been taken a bigger 25 container, et cetera.</p>

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<p style="text-align: right;">Page 206</p> <p>1 there. To the best of your recollection you never 2 discussed these questions with doctor -- how do 3 resolve these questions with Dr. Penon? 4 MR. ANNESSER: Object to form. 5 THE WITNESS: The only thing that I can 6 say is that I did not receive from Industrial 7 Heat any -- any complaint or observation 8 regarding any shortcoming in the proceeding of 9 these discussions, so I have to assume that 10 Penon has satisfactory answered because should 11 it not be the case, for sure Mr. Tom Darden 12 would have contacted me to say hey, Mr. Rossi, I 13 am not -- not glad about what is going on with 14 the ERV. He did not. 15 BY MR. PACE: 16 Q. Okay. And then from a timing standpoint 17 you had testified previously about reaching a 18 resolution with the neighbors over the sound issue 19 that may be connected to running the test in Italy. 20 That resolution with the neighbors, was 21 that reached, if you recall, one day before the test, 22 two days before the test, a week before the test? Do 23 you recall? 24 A. I don't recall exactly, but few -- I 25 don't know if it was a week or ten days or five</p>	<p style="text-align: right;">Page 208</p> <p>1 MR. ANNESSER: Object to form. 2 MR. LEON DE LA BARRA: Join. 3 THE WITNESS: The main agreement between 4 Leonardo Corporation and J.M. Products was an 5 agreement based on which Leonardo Corporation 6 was going to buy from J.M. Products the 7 catalysts they were producing, in change of the 8 fact that Leonardo was going to pay all the 9 accessory expenses that J.M. was going to have 10 to pay for, besides to pay the well known \$1,000 11 per day to Industrial Heat and this is the only 12 written agreement that exists between -- that 13 has been made between Leonardo Corporation and 14 J.M. 15 BY MR. PACE: 16 Q. I want to talk about that agreement a 17 little bit more in a second but there is also a 18 license agreement or a sublicense agreement between 19 Leonardo Corporation and J.M. Products? 20 A. No, no, not that I can recall. 21 Q. There is also a loan of an employee from 22 Leonardo Corporation to J.M. Products, correct? 23 MR. ANNESSER: Wait. I'm sorry, state 24 that again. 25 BY MR. PACE:</p>
<p style="text-align: right;">Page 207</p> <p>1 days. 2 It was -- it was before the test because 3 I had put the plant in operation and it made a lot of 4 noise and I assumed that problems were brewing up. 5 Q. Problems were brewing. Do you recall 6 whether Tom Darden or J.T. Vaughn or anyone else 7 was -- I am trying to use this as a touchstone for 8 figuring out when you spoke with the neighbors. 9 Do you recall whether they were in town 10 yet or not? 11 A. No, no they were not in town yet. 12 Q. So they came into town -- someone from 13 Industrial Heat or IPH came into town probably a day 14 or two before the test? 15 A. Absolutely, yes. 16 Q. Okay. 17 A. Absolutely, yes. 18 Q. So the resolution was reached at least a 19 couple of days prior to that? 20 A. At least. 21 Q. I want to talk a little bit about 22 Leonardo Corporation and its dealings with J.M. 23 Products. 24 First, what agreements existed between 25 Leonardo Corporation and J.M. Products?</p>	<p style="text-align: right;">Page 209</p> <p>1 Q. There is a loan of an employee from 2 Leonardo Corporation to J.M. Products? 3 MR. ANNESSER: Object to form. 4 MR. LEON DE LA BARRA: Join. 5 THE WITNESS: Attorney, I would prefer to 6 rephrase in the answer because I don't know what 7 does mean exactly by the loan of an employee. 8 BY MR. PACE: 9 Q. Fair enough. 10 A. I can say that Leonardo Corporation paid 11 the expenses, paid the employee of J.M. Products in 12 the compensation agreement I had spoken just before 13 this question. 14 Q. Are you referring to James Bass? 15 A. Can you repeat? 16 Q. Are you referring to James Bass? 17 A. No -- yes. Well, if James Bass was a 18 consultant of J.M., was not an employee. While I was 19 talking of the employee of J.M., that was 20 Mr. Reinaldo Breto and was basically was a person 21 that has functions as janitor and guardian. 22 Q. And he -- your understanding of that 23 written document is that he -- he was an employee of 24 J.M. -- 25 A. Yes.</p>

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1 A. And we're talking of grams that have been
 2 worked upon. Because -- if you want, I repeat to you
 3 all that I already told you.
 4 Q. I am not asking you to repeat. You asked
 5 me to break it down, so I am trying to break it
 6 down.
 7 A. Perfect.
 8 Q. Does that platinum sponge -- modified
 9 platinum sponge that you are testifying J.M. Products
 10 sold to Leonardo, does Leonardo still have that
 11 modified platinum sponge or has it sold it?
 12 MR. ANNESSER: Object to form.
 13 MR. LEON DE LA BARRA: Join.
 14 THE WITNESS: Has used it.
 15 BY MR. PACE:
 16 Q. Leonardo has used it?
 17 A. Has utilized it, yes.
 18 Q. In what process would it utilize that
 19 modified platinum sponge?
 20 A. We have utilized it in -- we utilized it
 21 in experiments that we made with a new product, not
 22 connected with this situation.
 23 Q. Okay. So at some point J.M. Products --
 24 I believe your prior testimony was at some point J.M.
 25 Products stopped working on trying to create some

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1 kind of modified platinum sponge and moved over to
 2 creating a graphene product; is that correct?
 3 A. It is correct.
 4 MR. ANNESSER: Object to form.
 5 MR. LEON DE LA BARRA: Join.
 6 BY MR. PACE:
 7 Q. I am trying to understand from a time
 8 period here. I think I have -- right in front of
 9 me. I going to mark as Exhibit 17.
 10 (The document referred to was thereupon
 11 marked Deposition Exhibit 17 for Identification, a
 12 copy of which is attached hereto.)
 13 BY MR. PACE:
 14 Q. This is an e-mail from you to somebody
 15 at --
 16 A. Thank you.
 17 Q. -- Johnson Matthey about buying --
 18 A. Yes.
 19 Q. -- some platinum sponge.
 20 A. Yes.
 21 Q. Okay. And this is for, I believe it's 10
 22 kilograms of platinum sponge, correct?
 23 A. Can you repeat the question to me?
 24 Q. Yes. What we have here is Exhibit 17,
 25 this is an e-mail from you?

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1 A. Yes. And the top, top manager of Johnson
 2 Matthey.
 3 Q. The top manager of Johnson Matthey. This
 4 is for the -- a purchase of platinum sponge from
 5 Johnson Matthey, correct?
 6 A. That is correct.
 7 Q. And you are telling him that you are
 8 apologizing for a delay because you had -- they had
 9 sent you an invoice or a proposal for buying some
 10 platinum sponge a while ago?
 11 A. That is correct.
 12 Q. And is this the first purchase of
 13 platinum sponge that you are making for or on behalf
 14 of J.M. Products or Leonardo Corporation?
 15 MR. LEON DE LA BARRA: Object to form.
 16 THE WITNESS: As far as I remember I was
 17 going to buy this platinum sponge. I don't
 18 remember if my program at the moment was to make
 19 J.M. directly buy from -- from Johnson Matthey
 20 or -- or -- but since I signed here please have
 21 the invoice and send the material to J.M.
 22 Products Corporation, warm regards, Andrea
 23 Rossi. In this moment I was talking as the
 24 director of J.M. Products.
 25 BY MR. PACE:

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1 Q. And as the director of J.M. Products at
 2 this time, in March 22nd of 2015 --
 3 A. Yes.
 4 Q. -- the product that J.M. Products was
 5 working on, according to your testimony, is going to
 6 be some type of modified platinum sponge; is that
 7 correct?
 8 MR. LEON DE LA BARRA: Object to form.
 9 THE WITNESS: The program was to buy the
 10 basic platinum sponge from Johnson Matthey and
 11 then upgrade them through a new process that I
 12 wanted to experiment.
 13 BY MR. PACE:
 14 Q. I guess I'm really kind of asking about
 15 the time period though. I am trying to figure this
 16 out through looking at e-mails.
 17 A. Yeah.
 18 Q. This is March 22nd.
 19 A. This is March 22nd, yeah.
 20 Q. So sometime after March 22nd is when this
 21 platinum sponge was delivered to J.M. Products to the
 22 best of your knowledge?
 23 MR. ANNESSER: Object to form.
 24 MR. LEON DE LA BARRA: Join.
 25 THE WITNESS: No, sir. The platinum

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<p style="text-align: right;">Page 218</p> <p>1 sponge we worked with at the plant of Doral was</p> <p>2 a residual of -- reserve of platinum sponge that</p> <p>3 I had made in Italy when I worked for completely</p> <p>4 different things.</p> <p>5 BY MR. PACE:</p> <p>6 Q. Okay.</p> <p>7 A. Not -- so I brought with me that material</p> <p>8 when I came in the United States and basically I gave</p> <p>9 it to -- gave it in conto forniture. I don't</p> <p>10 remember the English name.</p> <p>11 When you are -- have a material, give it</p> <p>12 to somebody that treat it, then you get back the</p> <p>13 treated material and pay only the work made upon it.</p> <p>14 What is the English?</p> <p>15 Q. Consignment? No.</p> <p>16 A. In Italian it's conto forniture.</p> <p>17 Q. It's a contribution of it. I think I</p> <p>18 understand what you're saying.</p> <p>19 A. If you understood, I am fine.</p> <p>20 Q. So J.M. products has platinum sponge from</p> <p>21 prior to this date that was provided by you?</p> <p>22 A. Exactly.</p> <p>23 Q. And it was going to be provided later to</p> <p>24 Leonardo Corporation?</p> <p>25 MR. ANNESSER: Object to form.</p>	<p style="text-align: right;">Page 220</p> <p>1 Q. Then you insert it into the tubing on the</p> <p>2 J.M. Products side of the Doral warehouse?</p> <p>3 A. You are correct.</p> <p>4 Q. Okay. And what was supposed to be -- and</p> <p>5 the combination of the heat from the steam and the</p> <p>6 pressure in the tubes was going to alter the platinum</p> <p>7 sponge?</p> <p>8 A. It's a pretty complex thing but in -- if</p> <p>9 you want to say it in a very restricted nutshell,</p> <p>10 yes.</p> <p>11 Q. I'm not claiming I'm not using a</p> <p>12 simplified approach.</p> <p>13 A. It's okay.</p> <p>14 Q. I'm just trying to understand.</p> <p>15 A. It's okay.</p> <p>16 Q. At some point J.M. Products changes over</p> <p>17 to trying to create or work with a product that is</p> <p>18 graphene, correct?</p> <p>19 A. Correct.</p> <p>20 Q. That change occurs because of the price</p> <p>21 of -- well, why does that change occur? Why does</p> <p>22 J.M. Products go from -- as a director of J.M.</p> <p>23 Products why does it go from doing a platinum sponge</p> <p>24 product to a graphene product?</p> <p>25 MR. ANNESSER: Object to form. Are you</p>
<p style="text-align: right;">Page 219</p> <p>1 THE WITNESS: Yes.</p> <p>2 BY MR. PACE:</p> <p>3 Q. And it was going to be altered by being</p> <p>4 placed in the cylinders and put into the -- what on</p> <p>5 the J.M. Products side is in the input tube coming</p> <p>6 into the -- coming over to the J.M. Products side; is</p> <p>7 that correct?</p> <p>8 A. Can you kindly repeat?</p> <p>9 Q. Sure. I don't know if we need a picture</p> <p>10 of it. We looked last time. There is a container on</p> <p>11 the J.M. Products side, right?</p> <p>12 A. Okay, sure. Now we're talking of J.M.</p> <p>13 Products side?</p> <p>14 Q. We're talking about J.M. Products side.</p> <p>15 A. Okay.</p> <p>16 Q. We're talking about this product that</p> <p>17 eventually is going to be purchased by Leonardo</p> <p>18 Corporation.</p> <p>19 A. Yes. It's okay.</p> <p>20 Q. This is the -- what you testified</p> <p>21 earlier, this is the platinum sponge that you put</p> <p>22 into cylinders --</p> <p>23 A. Yes.</p> <p>24 Q. -- correct?</p> <p>25 A. Correct.</p>	<p style="text-align: right;">Page 221</p> <p>1 now asking -- I just want to be clear for the</p> <p>2 record you're no longer asking him as the</p> <p>3 30(b)(6) of Leonardo.</p> <p>4 BY MR. PACE:</p> <p>5 Q. Yes, this is a question to you,</p> <p>6 Dr. Rossi, in terms of what you know as opposed to</p> <p>7 Leonardo, what Leonardo Corporation knows.</p> <p>8 Just for the question, for that question,</p> <p>9 why did J.M. Products switch from creating a product</p> <p>10 that involved platinum sponge to a product that</p> <p>11 involved graphene?</p> <p>12 A. Practically your question, for economic</p> <p>13 reasons. Because as you can see from this e-mail, I</p> <p>14 was dealing with these guys cited here are not just</p> <p>15 two salesmen of Johnson Matthey, they are top</p> <p>16 level -- top level guys of Johnson Matthey.</p> <p>17 So I was pretty much enthusiastic to work</p> <p>18 with them. But when I asked to send me the pro forma</p> <p>19 invoice I received a price that was basically not</p> <p>20 acceptable and since --</p> <p>21 Q. Not acceptable because it's too high or</p> <p>22 too low? It could be both, right?</p> <p>23 A. Sure, sure.</p> <p>24 Q. Not acceptable --</p> <p>25 A. My point of view not acceptable means too</p>

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<p style="text-align: right;">Page 222</p> <p>1 high.</p> <p>2 Q. If you were going to resell it prices</p> <p>3 being too low can be bad too.</p> <p>4 A. Sure, sure.</p> <p>5 Q. I'm sorry, I stopped. So you said they</p> <p>6 quoted you too high?</p> <p>7 A. It's welcome your --</p> <p>8 MR. ANNESSER: Objection.</p> <p>9 BY MR. PACE:</p> <p>10 Q. Please resume. Sorry.</p> <p>11 A. No problem. They made an offer that was</p> <p>12 too expensive and the risk for us was very high</p> <p>13 because that activity of J.M. was an experiment.</p> <p>14 It was an invention of mine and the risk</p> <p>15 that it could also not work was there and J.M. did</p> <p>16 not accept my proposal of a friendly agreement</p> <p>17 considering all the future possible developments and</p> <p>18 at that point I broken with them.</p> <p>19 And since that physical principle that</p> <p>20 could have worked on the platinum sponges was</p> <p>21 applicable I was studying on the issue, was</p> <p>22 applicable also to graphite, to get graphene, a mix</p> <p>23 powder of graphene and diamond powders, I wanted to</p> <p>24 try that experiment that allowed us to work with a</p> <p>25 raw material, very poor (phonetic), so the risk was</p>	<p style="text-align: right;">Page 224</p> <p>1 gram --</p> <p>2 A. Yes.</p> <p>3 Q. -- for any graphene catalyzer that was</p> <p>4 provided?</p> <p>5 A. Yes, it is correct.</p> <p>6 Q. Well, in fact, if you look at Exhibit 3</p> <p>7 or Exhibit 18, I guess the third and fourth page --</p> <p>8 this was produced in order -- is the gross sublease</p> <p>9 between J.M. Products and Leonardo?</p> <p>10 A. Yes.</p> <p>11 Q. That's another written agreement,</p> <p>12 correct?</p> <p>13 A. Correct.</p> <p>14 Q. And did you testify earlier that -- was</p> <p>15 any graphene catalyzer ever provided by J.M. Products</p> <p>16 to Leonardo?</p> <p>17 A. Can you -- I was reading. Can you kindly</p> <p>18 repeat your question?</p> <p>19 Q. I think you testified -- I might be wrong</p> <p>20 here. I thought you testified that some platinum</p> <p>21 sponge -- some modified platinum sponge was delivered</p> <p>22 to J.M. -- was delivered -- I'm sorry, I believe you</p> <p>23 testified earlier --</p> <p>24 A. Yes.</p> <p>25 Q. -- that J.M. Products sold some modified</p>
<p style="text-align: right;">Page 223</p> <p>1 very limited.</p> <p>2 Q. And that was determined sometime after</p> <p>3 this e-mail that we're looking at here in March 22nd?</p> <p>4 A. I tried -- I tried -- as I can recall, I</p> <p>5 tried for months to save the relationship with</p> <p>6 Johnson Matthey because I liked very much their</p> <p>7 products and I had strong ideas about that, but -- so</p> <p>8 I asked to them okay, give me a small amount.</p> <p>9 Because, you know, they have some kind of</p> <p>10 a monopoly of that raw material. If you don't get</p> <p>11 them from them you can't find it. And I tried.</p> <p>12 Anyway, but I don't remember when at a certain point</p> <p>13 I said all right, good bye.</p> <p>14 Q. Then you switched over to the graphene</p> <p>15 product?</p> <p>16 A. Yes.</p> <p>17 (The document referred to was thereupon</p> <p>18 marked Deposition Exhibit 18 for Identification, a</p> <p>19 copy of which is attached hereto.)</p> <p>20 Q. Okay. So handing you what's been marked</p> <p>21 as Exhibit 18. This is the written contract you were</p> <p>22 just referring to between J.M. Products and Leonardo;</p> <p>23 is that correct?</p> <p>24 A. That is correct.</p> <p>25 Q. And this calls for Leonardo to pay \$300 a</p>	<p style="text-align: right;">Page 225</p> <p>1 platinum sponge to Leonardo?</p> <p>2 A. Yes.</p> <p>3 Q. Some grams of it?</p> <p>4 A. Yes.</p> <p>5 Q. Did J.M. Products ever sell any graphene</p> <p>6 catalyzer to Leonardo?</p> <p>7 A. Yes.</p> <p>8 Q. And sold them pursuant to the terms of</p> <p>9 this agreement?</p> <p>10 A. Yes.</p> <p>11 Q. And sold them for -- for the price of</p> <p>12 \$300 per gram?</p> <p>13 A. Yes.</p> <p>14 Q. So net -- in light of all that Leonardo</p> <p>15 has paid for J.M. Products am I correct that Leonardo</p> <p>16 has lost money compared to how much -- compared to</p> <p>17 the amount of graphene catalyzer it received,</p> <p>18 Leonardo Corporation has paid much more than \$300 a</p> <p>19 gram in terms of the cost for -- for Jim Bass and the</p> <p>20 cost for the space that J.M. Products uses and</p> <p>21 everything else?</p> <p>22 A. Good question. Not -- I don't remember.</p> <p>23 I don't recall. But if a difference there is, it is</p> <p>24 not a big difference.</p> <p>25 Because I think that the amount of</p>

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<p style="text-align: right;">Page 226</p> <p>1 graphene that Leonardo got from J.M. is not distant 2 from that sum, but -- 3 Q. How much? How much have they gotten from 4 J.M. Products? 5 A. That I recall, ballpark, ballpark 6 numbers, something around 150 grams, something around 7 that. 8 Q. Okay. So you think they have gotten 150 9 grams. 10 Is there documentation reflecting the 11 delivery of that 150 grams from J.M. Products to 12 Leonardo? 13 A. There are the invoices. 14 Q. There are invoices. When was that 15 delivered? 16 A. I don't remember exactly, but I should 17 have to go to check. But, you know, we have -- the 18 first -- I am trying to answer to your question 19 reconstructing. 20 First we worked with a few grams of 21 platinum sponge that I had and then finished the work 22 with those, I had no more raw material, so in March I 23 had to change the issue and in March I switched to 24 graphene that was already an idea that I had in 25 mind. So it was not something that I already had my</p>	<p style="text-align: right;">Page 228</p> <p>1 refer to it as Exhibit 19. 2 (The document referred to was thereupon 3 marked Deposition Exhibit 19 for Identification, a 4 copy of which is attached hereto.) 5 BY MR. PACE: 6 Q. If you look at -- these are excerpts from 7 your blog, correct? 8 A. Yes. 9 MR. ANNESSER: Object to form. 10 THE WITNESS: Sorry. 11 BY MR. PACE: 12 Q. If you look down here on the last one, 13 April 14, 2016, this is actually kind of a generic 14 question as opposed to really driven by this posting 15 but you make a reference here: "Our customer spoke 16 his satisfaction with facts, not words. He bought 17 three units like the one he tested during this year 18 with the company set up specifically for this 19 purpose." 20 Is the customer you are referring to 21 there J.M. Products? 22 A. I want to underline that the answer to 23 this question is related to the activity of Leonardo 24 Corporation out of the territory of Industrial Heat, 25 for which Industrial Heat had been licensed.</p>
<p style="text-align: right;">Page 227</p> <p>1 safety boat. 2 Q. And the idea for these products, even 3 though you're the CEO of Leonardo, it does come from 4 you, the idea for whatever product was created by 5 J.M. Products? 6 MR. ANNESSER: Object to form. 7 MR. LEON DE LA BARRA: Form. 8 THE WITNESS: I pray you to repeat the 9 question because I did not understand. 10 BY MR. PACE: 11 Q. Sure. Whatever this product was that 12 J.M. Products was creating, it was based on a process 13 or a method that you came up with? 14 MR. ANNESSER: Object to form. 15 THE WITNESS: Yes. 16 BY MR. PACE: 17 Q. All right. Not a process or method that 18 you ever put into place at Leonardo? 19 A. No. 20 Q. All right. So let me mark this as 21 Exhibit 25. Or Exhibit 19, I'm sorry. This is 22 actually an exhibit from our answer and counterclaims 23 which is why it's got the number 25 on it. 24 A. Thank you. 25 Q. For our purposes today we're going to</p>	<p style="text-align: right;">Page 229</p> <p>1 So my comment about this issue must be, I 2 think, I'm asking to my attorney, here is present 3 Mr. J.T. Vaughn of Industrial Heat, and I would like 4 not -- I think I have the right not to give him this 5 information. 6 Q. I think he's covered by the protective 7 order, so he has limitations based on the protective 8 order. 9 A. Yes, but if he listens what I'm saying he 10 gets information. 11 Q. How about this. Same thing would apply 12 to you whenever you look at any information that is 13 marked as confidential, but let me ask you this way. 14 MR. ANNESSER: Object to form, move to 15 strike. 16 BY MR. PACE: 17 Q. I asked a different question here. Maybe 18 you weren't focusing on my question. 19 A. Yeah. 20 Q. My question was is the customer of J.M. 21 Products? 22 A. To answer this question -- 23 Q. You can't answer yes or no to that 24 question? 25 A. Sorry?</p>

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<p style="text-align: right;">Page 230</p> <p>1 Q. You can't answer yes or no to that 2 question without revealing confidential information? 3 A. I am under oath so basically I insist -- 4 if possible I want to respect the law, I want to 5 respect the judge, I want to respect everybody. 6 I am -- I am asking if the law allows me 7 in this case to ask Mr. J.T. Vaughn to exit from 8 here. 9 MR. ANNESSER: Chris, may I? I don't 10 know the answer to this question. May I talk 11 with the client and find out what his concern 12 is? 13 MR. PACE: Go off the record. Why don't 14 we go off the record. 15 THE VIDEOGRAPHER: Time is 17:06. Off 16 the record. 17 (Thereupon a brief recess was taken, 18 after which the following proceedings were had.) 19 THE VIDEOGRAPHER: Time is 17:17. We're 20 back on the record. 21 BY MR. PACE: 22 Q. Dr. Rossi, I believe we left off, we were 23 looking at Exhibit 19. On the second page there is a 24 passage written by you that says: "Our customer 25 spoke his satisfaction with facts not words. He</p>	<p style="text-align: right;">Page 232</p> <p>1 Q. Well, it's not written so it can't be 2 that complex, if everyone can remember it. 3 A. Yes, but it's an agreement. It's an 4 agreement. 5 Q. Is it an agreement between you and -- you 6 as the CEO of Leonardo and Henry Johnson as the 7 president of J.M. Products? 8 MR. ANNESSER: Object to form. 9 THE WITNESS: No. 10 BY MR. PACE: 11 Q. Who is the agreement with or between? 12 A. With -- with Mr. Di Giovanni, that he is 13 the man of reference of the entity that will use 14 these three plants. 15 Q. So this is Francesco Di Giovanni -- you 16 are referring to Francesco Di Giovanni? 17 MR. ANNESSER: Object to form. 18 MR. LEON DE LA BARRA: Object to form. 19 THE WITNESS: Yes. 20 BY MR. PACE: 21 Q. And Francesco Di Giovanni is the 22 beneficiary of the Platinum American Trust? 23 A. Yes. 24 MR. ANNESSER: Object to form. 25 BY MR. PACE:</p>
<p style="text-align: right;">Page 231</p> <p>1 bought three units, like the one he tested during 2 this year with a company set up specifically for this 3 purpose." 4 So my first question is, this is kind of 5 the narrow one, which is the customer that you are 6 referencing here, is that J.M. Products? 7 A. Yes, but I am not sure that they will use 8 the same entity. 9 Q. So J.M. Products, the company -- 10 A. Sorry. 11 Q. -- for whom the president is Henry 12 Johnson, that company has -- has agreed to buy three 13 E-Cat plants from Leonardo Corporation? 14 MR. ANNESSER: Object to form. 15 THE WITNESS: Yes. 16 MR. LEON DE LA BARRA: Object to form. 17 BY MR. PACE: 18 Q. I'm sorry, I am not sure I heard your 19 answer, Dr. Rossi. 20 A. Yes. 21 Q. Is that documented anywhere? 22 A. Not yet. 23 Q. At what price? 24 A. That has been -- it's a complex contract 25 so it's not easy to answer this question.</p>	<p style="text-align: right;">Page 233</p> <p>1 Q. And the Platinum American Trust owns J.M. 2 Products? 3 MR. ANNESSER: Object to form. 4 MR. LEON DE LA BARRA: Object to form. 5 THE WITNESS: As far as I know and as far 6 as I recall, yes. 7 BY MR. PACE: 8 Q. And these three plants that you have 9 written are being bought, where will these plants be 10 built? 11 A. This has still to be decided. 12 Q. You blogged recently about a 13 manufacturing plant in the US as well as in Sweden. 14 A. This is our strategy. 15 MR. ANNESSER: Object to form. Are we 16 wearing the Leonardo hat or -- 17 BY MR. PACE: 18 Q. Wearing the Leonardo hat. You as the CEO 19 of Leonardo has blogged that Leonardo is going to 20 have or has an agreement with someone to build two 21 manufacturing plants, one in the US and one in 22 Sweden, correct? 23 MR. ANNESSER: Object to form. 24 THE WITNESS: It is correct. 25 BY MR. PACE:</p>

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<p style="text-align: right;">Page 234</p> <p>1 Q. With whom is that agreement to build the 2 plants? 3 A. With nobody. This is a decision of 4 Leonardo Corporation. 5 Q. Okay. Some of the blog posts make it 6 sound like you are working with somebody else in 7 building the plants. 8 A. No. 9 Q. So where will the plant be in the United 10 States? 11 A. The factory will be here in -- 12 MR. ANNESSER: I am going to object to 13 form. Go ahead. 14 THE WITNESS: Is in Miami. 15 BY MR. PACE: 16 Q. And where would the factory be in Sweden? 17 MR. ANNESSER: Object to form. 18 THE WITNESS: That has -- we have chosen 19 a locality, but has not yet been defined. 20 BY MR. PACE: 21 Q. And you just said we. Is that just 22 because you are referring to Leonardo or is there 23 somebody other than you? 24 A. In Sweden we are in a collaboration with 25 HydroFusion.</p>	<p style="text-align: right;">Page 236</p> <p>1 BY MR. PACE: 2 Q. The will of the customer being J.M. 3 Products? 4 MR. ANNESSER: Object to form. 5 MR. LEON DE LA BARRA: Object to form. 6 THE WITNESS: J.M. Products or another 7 entity. 8 BY MR. PACE: 9 Q. All right. So these are plants that 10 could be delivered in the United States? 11 A. Can you kindly repeat? 12 Q. These are plants that could be delivered 13 in the United states? 14 MR. ANNESSER: Object to form. 15 MR. LEON DE LA BARRA: Object to form. 16 THE WITNESS: No, because in the United 17 States the situation has to be defined. 18 BY MR. PACE: 19 Q. Are they plants that could be delivered 20 in Europe? 21 A. Could be. 22 Q. Does Leonardo still have some existing 23 licenses that its granted that apply to certain parts 24 of Europe? 25 A. Can you kindly repeat the question?</p>
<p style="text-align: right;">Page 235</p> <p>1 Q. Again, in that context we meaning 2 Leonardo Corporation? 3 A. Yes, sir. 4 Q. Has the factory in Sweden -- has work on 5 the factory in Sweden begun? 6 A. No. 7 Q. Has work on the factory in the United 8 States begun? 9 A. No. 10 Q. You have blogged fairly recently that -- 11 I'm sorry, I forgot to finish on an earlier issue. 12 The three plants that you have said the 13 customer has bought, which you have identified as 14 J.M. Products, where are they going to be operated? 15 MR. LEON DE LA BARRA: Object to form. 16 MR. ANNESSER: Object to form. You can 17 answer if you know. 18 THE WITNESS: This has to be defined. 19 BY MR. PACE: 20 Q. To where is Leonardo planning to deliver 21 the three plants? 22 MR. ANNESSER: Object to form. 23 MR. LEON DE LA BARRA: Object to form. 24 THE WITNESS: Depends on the will of the 25 customer.</p>	<p style="text-align: right;">Page 237</p> <p>1 Q. Sure. Are there licenses that 2 Leonardo -- are there territories in Europe that 3 Leonardo has licensed already to other companies? 4 A. We -- 5 MR. LEON DE LA BARRA: Object to form. 6 THE WITNESS: Yes. 7 BY MR. PACE: 8 Q. You have testified that there is a 9 number -- I'm sorry, you have blogged -- sorry about 10 that. 11 You have blogged that there are -- that 12 you have received a number of pre-orders and that 13 Leonardo Corporation before accepting an order does a 14 due diligence into the customer and then afterwards 15 decides whether to accept the pre-order and has 16 accepted a number of pre-orders. 17 First of all, is that an accurate 18 process, that someone can make an order for an E-Cat 19 plant and Leonardo will conduct due diligence on that 20 customer? 21 MR. ANNESSER: Object to the form. 22 THE WITNESS: I did not understand the 23 question. I heard the question but I do not 24 understand the meaning. 25 BY MR. PACE:</p>

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<p style="text-align: right;">Page 238</p> <p>1 Q. Sure. I am just going to read you -- I'm 2 not going to give you these blog posts because there 3 is so many pages of them but you were asked a 4 question, you write about pre-orders. 5 "We send a precise offer to them who 6 make the pre-orders, with the price and the sale 7 terms along with an order form. If the potential 8 customer decides to buy, they send the order signed. 9 Leonardo Corporation before accepting the order makes 10 a due diligence about the customer to verify his 11 industrial and financial consistency. If the due 12 diligence is positive, we accept the order, otherwise 13 the order is not accepted." 14 Is that the accurate process, the way 15 that Leonardo Corporation has been handling 16 pre-orders for E-Cat plants? 17 MR. ANNESSER: Object to form. 18 MR. LEON DE LA BARRA: Join. 19 MR. ANNESSER: Are you referring to a 20 specific document? 21 MR. PACE: I am referring to a blog post. 22 MR. ANNESSER: Is that something that we 23 have got in discovery? 24 MR. PACE: Yes. 25 MR. ANNESSER: Can you tell me the Bates</p>	<p style="text-align: right;">Page 240</p> <p>1 THE WITNESS: No. 2 BY MR. PACE: 3 Q. You have also identified a blog post that 4 you have a new customer. At least different -- well, 5 compared to previous partners and licensees, how 6 important is the development of E-Cat to a new 7 partner? 8 Is there a new partner in developing 9 E-Cats with which Leonardo is working? 10 MR. ANNESSER: Object to form. If you 11 are going to refer to a specific document you 12 may want to show it to him. 13 BY MR. PACE: 14 Q. Let me just ask the question. Does 15 Leonardo Corporation have a new partner in the 16 development of E-Cat units? 17 MR. ANNESSER: Object to form. 18 THE WITNESS: No. 19 (The document referred to was thereupon 20 marked Deposition Exhibit 20 for Identification, a 21 copy of which is attached hereto.) 22 BY MR. PACE: 23 Q. I am going to hand you what has now been 24 marked as Leonardo Exhibit 20. 25 This is an e-mail you wrote to Tom Darden</p>
<p style="text-align: right;">Page 239</p> <p>1 number? 2 MR. PACE: I cannot but it's June 28, 3 2016 blog post. 4 THE WITNESS: That is a procedure, if I 5 recall, because it's -- it's not a new thing but 6 that is the procedure that we intend to follow. 7 BY MR. PACE: 8 Q. Is it the procedure that Leonardo 9 Corporation has followed? 10 A. No, because -- well, so far we got many 11 pre-orders that are just in suspension because we are 12 not in a condition that we can deliver, so basically 13 nothing has been done yet. 14 Q. So no one has ever -- no potential 15 customer has ever, quote, sent the order signed? 16 A. No. 17 Q. And Leonardo has never conducted due 18 diligence on a customer yet? 19 A. Not yet. 20 MR. ANNESSER: Object to the form. 21 BY MR. PACE: 22 Q. And Leonardo has not -- if the due 23 diligence is positive, Leonardo has not accepted any 24 orders yet? 25 MR. ANNESSER: Object to form.</p>	<p style="text-align: right;">Page 241</p> <p>1 with a copy to J.T. Vaughn, T. Barker Dameron and 2 several others, correct? 3 A. You mean the first e-mail in the first 4 page? 5 Q. Yes. 6 A. Because here are several e-mails. 7 Q. You know what, in fact I am only going to 8 ask you about that first e-mail. 9 A. Okay. "Dear Tom", you mean? 10 Q. Yes. 11 A. Okay. 12 Q. Yes, sir. Actually, you know what, 13 contextually you should look at the whole document 14 because that way we can talk about any parts of it. 15 A. May I read it? 16 Q. Please. That's what I meant, please do. 17 A. Thank you. Thank you, I have read it. 18 Q. So let's start with the e-mail there that 19 is earliest in time. 20 A. Earliest in time? 21 Q. Yeah. 22 A. So from Andrea Rossi to Tom Darden of 23 February 27, 7:12 p m.? 24 Q. Correct. 25 A. Okay.</p>

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<p style="text-align: right;">Page 242</p> <p>1 Q. First of all, there is a -- we're on page 2 19056. 3 A. Okay. 4 Q. There is a sentence there: "Today the 5 director of J.M. phoned me and said that they are 6 satisfied." 7 A. Okay. 8 Q. Who are you referring to as the director 9 of J.M. who phoned you? 10 A. Jim Bass. 11 Q. Jim Bass. And Jim Bass was not -- did 12 this phone call actually take place between you and 13 Jim Bass? 14 MR. ANNESSER: Object to form. 15 THE WITNESS: Sorry? 16 MR. LEON DE LA BARRA: Join. 17 BY MR. PACE: 18 Q. You're saying today the director of J.M. 19 phoned me and said they are satisfied. 20 A. I cannot remember. 21 Q. Later you talk about how the -- there 22 will be confirmation. Will be able to find 23 confirmation of the COP by what is invoiced to J.M. 24 Products versus what -- by Leonardo, versus what is 25 invoiced to J.M. Products for the electrical bill</p>	<p style="text-align: right;">Page 244</p> <p>1 BY MR. PACE: 2 Q. Well, most days Jim Bass wasn't at J.M. 3 Products, correct? 4 MR. ANNESSER: Object to form. 5 MR. LEON DE LA BARRA: Object to form. 6 THE WITNESS: I did not understand the 7 question. 8 BY MR. PACE: 9 Q. Most days Jim Bass was not at the Doral 10 warehouse, correct? 11 A. I don't know if it is correct or not. He 12 was there two, three days a week, as I can recall, 13 something like that. 14 Q. So four to five days a week it was your 15 responsibility to check the temperature of whatever 16 was coming over to J.M. Products from Leonardo? 17 MR. ANNESSER: Object to form. 18 THE WITNESS: I did not -- yes. As a 19 matter of fact, I was able to have those data 20 also independent of Leonardo. But yes, I would 21 say that that task was both on Jim Bass and me. 22 BY MR. PACE: 23 Q. I understand, but on days when Jim Bass 24 wasn't there, you just said it's four or five days a 25 week --</p>
<p style="text-align: right;">Page 243</p> <p>1 from FPL, correct? 2 A. Yes. 3 Q. It says, but the -- but J.M. Products 4 actually had no means of measuring the amount of 5 steam or power that they were receiving from 6 Leonardo, correct? 7 MR. LEON DE LA BARRA: Object to form. 8 THE WITNESS: No, it is not correct. 9 BY MR. PACE: 10 Q. How did J.M. Products measure the steam 11 or power they were receiving from Leonardo? 12 A. They had a flow meter and thermometers. 13 Q. They had a flow meter on the steam? 14 A. No, on the returning water. 15 Q. So they could measure -- 16 A. The water -- the condensed water that run 17 back to the Leonardo plant and then they had a 18 thermometer that measured the temperature of the 19 steam at the inlet of their plant. 20 Q. Do you know who maintained that 21 information for the thermometer for the temperature 22 of the steam? 23 MR. ANNESSER: Object to form. 24 THE WITNESS: In collaboration, I and Jim 25 Bass.</p>	<p style="text-align: right;">Page 245</p> <p>1 MR. ANNESSER: Object to form. 2 BY MR. PACE: 3 Q. -- Jim Bass was not there? 4 MR. LEON DE LA BARRA: Object to form. 5 THE WITNESS: I did not say that. 6 BY MR. PACE: 7 Q. You said he was there two or three days a 8 week, didn't you? 9 A. Yes. 10 Q. How many days in a week? 11 A. Seven, less three. 12 Q. Would be -- 13 A. Is four. 14 Q. Less two would be five? 15 A. Yes. 16 Q. I mean, Dr. Rossi, I am not going to 17 claim your -- 18 A. No, it's okay. 19 Q. You're great with math. I know you are. 20 I am not trying to make this a math game. I know 21 it's getting long today. 22 A. Okay, okay. 23 Q. It's fair. It's fair. I'm being cute 24 and I shouldn't be, so I apologize. Let me do this 25 again.</p>

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<p>1 those records?</p> <p>2 A. Can you repeat the question?</p> <p>3 Q. Sure. I just asked if you wrote down the</p> <p>4 information when you were on the J.M. Products side</p> <p>5 for the thermometer, you said not methodically --</p> <p>6 A. Right.</p> <p>7 Q. -- which suggests sometimes you wrote it</p> <p>8 down.</p> <p>9 A. Sometimes probably -- I don't recall</p> <p>10 precisely this, but it is not impossible that I have</p> <p>11 taken some note.</p> <p>12 Q. Did you maintain any of it?</p> <p>13 A. No.</p> <p>14 Q. Okay. So the notes you took from the</p> <p>15 Leonardo side you kept, the notes you took on the</p> <p>16 J.M. Products side you discarded somehow?</p> <p>17 MR. ANNESSER: Object to the form.</p> <p>18 MR. LEON DE LA BARRA: Object to the</p> <p>19 form.</p> <p>20 MR. ANNESSER: Mischaracterization.</p> <p>21 THE WITNESS: I would have taken note</p> <p>22 should I have found differences, relevant</p> <p>23 differences, because in that case that would</p> <p>24 have been an event. But since --</p> <p>25 BY MR. PACE:</p>	<p>1 did write down any of those flow meter readings for</p> <p>2 whatever reason, you haven't maintained them?</p> <p>3 A. Can you repeat?</p> <p>4 MR. ANNESSER: Object to form.</p> <p>5 THE WITNESS: I lost the question.</p> <p>6 BY MR. PACE:</p> <p>7 Q. Sure. To the extent that you did keep</p> <p>8 any records of the meter readings on the J.M.</p> <p>9 Products side, is it correct that you haven't kept</p> <p>10 them?</p> <p>11 A. Yes.</p> <p>12 Q. All right. I want to go back to this</p> <p>13 e-mail for a little bit here.</p> <p>14 There is a part of Tom Darden's response</p> <p>15 makes a reference to the smaller devices. That's the</p> <p>16 E-Cat units that are not part of the big Frankies,</p> <p>17 correct?</p> <p>18 A. Correct.</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 BY MR. PACE:</p> <p>21 Q. Is it correct that you -- you</p> <p>22 individually or you -- let me rephrase that.</p> <p>23 Is it correct that you fueled the big</p> <p>24 Frankie E-Cats without Industrial Heat and that</p> <p>25 Industrial Heat fueled the other E-Cats, some with</p>
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<p>1 Q. That you would have reported to Penon?</p> <p>2 A. No. To Penon, no, because Penon had</p> <p>3 nothing to do with -- that would have been an event</p> <p>4 for me.</p> <p>5 Q. Understood.</p> <p>6 A. For my study.</p> <p>7 Q. Understood.</p> <p>8 A. Because I was also the technical director</p> <p>9 of the plant of J.M. and for me it would have been an</p> <p>10 event should I have found relevant differences.</p> <p>11 Until when there were -- and I never</p> <p>12 found relevant differences. There is nothing --</p> <p>13 there was no events to remark.</p> <p>14 Q. And the same thing with the flow meter</p> <p>15 that was on the J.M. Products side, your testimony is</p> <p>16 that you didn't -- you didn't methodically write down</p> <p>17 the readings on those flow meter -- that flow meter,</p> <p>18 correct?</p> <p>19 A. Correct.</p> <p>20 Q. And this is a flow meter that you have</p> <p>21 testified existed in the area between J.M. Products,</p> <p>22 the container, and the wall that divided J.M.</p> <p>23 Products and Leonardo?</p> <p>24 A. Correct.</p> <p>25 Q. All right. And to the extent that you</p>	<p>1 your involvement, some without?</p> <p>2 MR. ANNESSER: Object to form.</p> <p>3 THE WITNESS: I am not able to answer</p> <p>4 this question because the plant remained for</p> <p>5 almost -- for a very long time in the -- the big</p> <p>6 Cats remained for many months in full hands of</p> <p>7 Industrial Heat.</p> <p>8 So I do not know if they have</p> <p>9 disassemble, recharge, because they had -- for</p> <p>10 sure all the Cats, the big Frankies and the</p> <p>11 small Cats had been charged from us in Italy</p> <p>12 before being delivered to the United States.</p> <p>13 BY MR. PACE:</p> <p>14 Q. By us in that context you mean Leonardo</p> <p>15 Corporation?</p> <p>16 A. Can you repeat?</p> <p>17 Q. When you said were charged by us in</p> <p>18 Italy, you mean us, Leonardo Corporation?</p> <p>19 A. Well, I mean Andrea Rossi.</p> <p>20 Q. Okay.</p> <p>21 A. Okay. Because I made the charges.</p> <p>22 Q. Okay.</p> <p>23 A. Personally with my hands. And -- because</p> <p>24 I couldn't trust anybody to do that kind of work.</p> <p>25 And what -- I cannot know what happened</p>

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<p style="text-align: right;">Page 270</p> <p>1 A. Yes.</p> <p>2 Q. Did it go straight up and then straight</p> <p>3 over to the --</p> <p>4 A. It's impossible --</p> <p>5 Q. -- loft?</p> <p>6 A. -- to answer this way because there was a</p> <p>7 design and the bypass was run along the -- if we look</p> <p>8 at this wall from the side of Leonardo, if we look</p> <p>9 from here on, this run through the right -- yeah.</p> <p>10 Q. So if we're looking at Exhibit 10 now?</p> <p>11 A. Yeah, this run along the -- this run down</p> <p>12 and then along the right side of the plant of J.M.,</p> <p>13 with the transmissions to the bypass. To the bypass</p> <p>14 that was on the flank and also -- and also there was</p> <p>15 the frontal connection for the inlet of the steam.</p> <p>16 Q. So by this picture that you have there</p> <p>17 that is Exhibit 10, is this after the heat exchanger</p> <p>18 was removed from the warehouse or before?</p> <p>19 A. I cannot -- I cannot say from this</p> <p>20 photos. It could be -- no, this photo has been made</p> <p>21 before.</p> <p>22 Q. Before the heat exchanger was put into</p> <p>23 place?</p> <p>24 A. No.</p> <p>25 MR. ANNESSER: Object to the form.</p>	<p style="text-align: right;">Page 272</p> <p>1 A. I did.</p> <p>2 Q. When did you remove that piping?</p> <p>3 A. After the end of the test.</p> <p>4 Q. Where is that piping now?</p> <p>5 A. We use it to make other things. I</p> <p>6 recovered all the pieces that were not -- no more</p> <p>7 necessary to make other things and the heat</p> <p>8 exchanger -- all the pipes of the heat exchanger have</p> <p>9 been recovered to make other things and that space</p> <p>10 now is becoming offices.</p> <p>11 Q. Let's see if I understand. You are</p> <p>12 looking there at Exhibit 10, there is a pipe there in</p> <p>13 Exhibit 10 that we see that is the pipe you are</p> <p>14 saying was carrying the output of the E-Cats over to</p> <p>15 the J.M. Products side of the Doral warehouse,</p> <p>16 correct?</p> <p>17 MR. ANNESSER: Object to the form.</p> <p>18 BY MR. PACE:</p> <p>19 Q. That's what we see there?</p> <p>20 A. You should repeat speaking if possible a</p> <p>21 little bit slower.</p> <p>22 Q. Sure, certainly will. There in Exhibit</p> <p>23 10 we see insulated pipe --</p> <p>24 A. Yeah.</p> <p>25 Q. -- that is carrying the output of the</p>
<p style="text-align: right;">Page 271</p> <p>1 THE WITNESS: No, this photo has been</p> <p>2 made before it has been dismantled. This photo</p> <p>3 has been made -- this photo has been made when</p> <p>4 the heat exchanger was in operation.</p> <p>5 BY MR. PACE:</p> <p>6 Q. So the heat exchanger was in operation</p> <p>7 when that photo was made. You recognize that photo</p> <p>8 having been made when?</p> <p>9 MR. ANNESSER: Object to form.</p> <p>10 THE WITNESS: I don't know, you did it.</p> <p>11 BY MR. PACE:</p> <p>12 Q. How do you know the heat exchanger was in</p> <p>13 place then? That's what I don't understand.</p> <p>14 A. Because we had the plant in operation</p> <p>15 because when the plant stopped to be in operation all</p> <p>16 this piping has been removed.</p> <p>17 Q. I understand. I will actually come to</p> <p>18 that in just a second. Simply because the pipe is</p> <p>19 there --</p> <p>20 A. I suspect that this photos have been made</p> <p>21 the last day of the test. I suspect.</p> <p>22 Q. You understand the last day of the test</p> <p>23 the heat exchanger was still there?</p> <p>24 A. Of course.</p> <p>25 Q. Who removed that piping?</p>	<p style="text-align: right;">Page 273</p> <p>1 E-Cat plant over to the J.M. Products side of the</p> <p>2 Doral warehouse, correct?</p> <p>3 A. Yes.</p> <p>4 Q. That has now been -- you removed that</p> <p>5 pipe after -- sometime after February 16 of 2016,</p> <p>6 correct?</p> <p>7 MR. ANNESSER: Object to form.</p> <p>8 THE WITNESS: Correct.</p> <p>9 BY MR. PACE:</p> <p>10 Q. And you have repurposed that piping or</p> <p>11 you now are using that piping for another purpose?</p> <p>12 MR. ANNESSER: Object to the form.</p> <p>13 THE WITNESS: It's correct.</p> <p>14 BY MR. PACE:</p> <p>15 Q. And you didn't maintain the pipe, you</p> <p>16 didn't maintain the insulation, it's been put to</p> <p>17 another use?</p> <p>18 MR. ANNESSER: Object to form.</p> <p>19 THE WITNESS: (Nods head.)</p> <p>20 BY MR. PACE:</p> <p>21 Q. The heat exchanger no longer exists at</p> <p>22 the Doral location, correct?</p> <p>23 A. Correct.</p> <p>24 Q. The piping that was used for the heat</p> <p>25 exchanger you have now put to another use, you didn't</p>

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<p style="text-align: right;">Page 274</p> <p>1 maintain any of the piping for the heat exchanger?</p> <p>2 MR. ANNESSER: Object to form.</p> <p>3 BY MR. PACE:</p> <p>4 Q. Is that correct?</p> <p>5 A. Correct.</p> <p>6 Q. The -- I assume you replaced the window</p> <p>7 on the J.M. Products side, Leonardo paid for that?</p> <p>8 MR. ANNESSER: Object to form.</p> <p>9 THE WITNESS: We have represented as it</p> <p>10 was before we have installed the --</p> <p>11 BY MR. PACE:</p> <p>12 Q. What's your testimony as to when that</p> <p>13 window was put back in? Was it February 16th or 17th</p> <p>14 of 2016?</p> <p>15 A. Sorry, can you repeat the question?</p> <p>16 Q. Sure. Your testimony is that the heat</p> <p>17 exchanger was in place and functioning all the way</p> <p>18 through at least February 16 of 2016, correct?</p> <p>19 A. Correct.</p> <p>20 Q. So up until February 16 of 2016 that</p> <p>21 window in the second story was removed, correct?</p> <p>22 MR. ANNESSER: Object to the form.</p> <p>23 MR. LEON DE LA BARRA: Object to the</p> <p>24 form.</p> <p>25 THE WITNESS: Can you repeat the</p>	<p style="text-align: right;">Page 276</p> <p>1 MR. ANNESSER: Object to form.</p> <p>2 THE WITNESS: Correct.</p> <p>3 BY MR. PACE:</p> <p>4 Q. So sometime after February 16 of 2016 is</p> <p>5 when you replaced the window on the second story?</p> <p>6 A. No, the window as it was before has been</p> <p>7 replaced not much time ago. Not much time ago when I</p> <p>8 decided to make offices. Because --</p> <p>9 Q. And do you recall who you paid to put the</p> <p>10 window back in?</p> <p>11 A. Yes.</p> <p>12 Q. Who was that?</p> <p>13 A. Was a contractor.</p> <p>14 Q. Do you recall --</p> <p>15 A. Together with -- together with me, yes.</p> <p>16 Q. When we talk about contractor, is this</p> <p>17 again somebody who -- like a day laborer?</p> <p>18 A. Yes.</p> <p>19 Q. Somebody who you -- there is no records</p> <p>20 of who this person is that Leonardo Corporation</p> <p>21 maintains?</p> <p>22 A. Yes.</p> <p>23 Q. You are not aware of any records that</p> <p>24 anyone maintains as to who this person is?</p> <p>25 A. No.</p>
<p style="text-align: right;">Page 275</p> <p>1 question?</p> <p>2 BY MR. PACE:</p> <p>3 Q. I will.</p> <p>4 A. A little bit slower.</p> <p>5 Q. Sure. You said that the heat exchanger</p> <p>6 was pushing the heat out the window on the second</p> <p>7 story --</p> <p>8 A. Yes.</p> <p>9 Q. -- on the J.M. Products side, correct?</p> <p>10 A. Yes, correct.</p> <p>11 Q. Once -- as long as the heat exchanger was</p> <p>12 in place --</p> <p>13 A. Yes.</p> <p>14 Q. -- that window had to be removed, correct?</p> <p>15 A. Correct.</p> <p>16 Q. Otherwise that room would have turned</p> <p>17 into an absolute furnace?</p> <p>18 MR. LEON DE LA BARRA: Object to form.</p> <p>19 THE WITNESS: Of course.</p> <p>20 BY MR. PACE:</p> <p>21 Q. Of course, notwithstanding the form. So</p> <p>22 after you took -- after the plant was turned off and</p> <p>23 you took the heat exchanger down, you could replace</p> <p>24 the window on that second story, in that second story</p> <p>25 room, correct?</p>	<p style="text-align: right;">Page 277</p> <p>1 MR. ANNESSER: Object to form.</p> <p>2 BY MR. PACE:</p> <p>3 Q. And that person worked with you to</p> <p>4 replace the window, correct?</p> <p>5 A. Yeah, yeah.</p> <p>6 Q. No one else was present at the time?</p> <p>7 MR. ANNESSER: Object to form.</p> <p>8 THE WITNESS: No.</p> <p>9 BY MR. PACE:</p> <p>10 Q. And what happened to the fans?</p> <p>11 A. The fans are still there.</p> <p>12 Q. The fans are still in the warehouse?</p> <p>13 A. Yeah.</p> <p>14 Q. And what happened to the cylinders?</p> <p>15 A. The cylinders have been -- I have used</p> <p>16 them for other things. I have recovered them for</p> <p>17 other things. Can we cut five minutes?</p> <p>18 Q. Certainly.</p> <p>19 A. Only call my wife.</p> <p>20 Q. Please. We will go off the record.</p> <p>21 A. Five minutes.</p> <p>22 THE VIDEOGRAPHER: The time is 18:16.</p> <p>23 Off the record.</p> <p>24 (Thereupon a brief recess was taken,</p> <p>25 after which the following proceedings were had.)</p>

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<p style="text-align: right;">Page 294</p> <p>1 contained the reactors, the E-Cats. The other, 2 shorter, contained the control systems, also the 3 one that we call the computer container. Also 4 it was not -- sorry. Sorry. 5 Also it had to be completed and so arrive 6 in parts to be still connected, et cetera. In 7 the computer container mainly the electricians 8 worked, like Barry West, Fabiani. In the other 9 worked mainly the workers, I would say all of 10 them under my direction. 11 BY MR. PACE: 12 Q. Okay. What payments has Leonardo 13 Corporation made to Fabio Penon? 14 A. The same that Industrial Heat made. We 15 received invoices from the ERV and we paid the 16 invoices. 17 Q. Well, Penon -- Dr. Penon also -- he did 18 do a test for Leonardo Corporation back in 2012, 19 didn't he, before the license agreement? 20 A. Yes. No test. He made the 21 certifications. 22 Q. Made the certification? 23 A. The safety certification because he 24 worked with Bureau Veritas and with SGS also. And he 25 is the certifier. As I said before, we knew him</p>	<p style="text-align: right;">Page 296</p> <p>1 Italian is a Latin allocation is in solido, means if 2 Mr. A and Mr. B made an agreement with Mr. C and 3 Mr. C is paid from Mr. A, but is not paid from Mr. B, 4 Mr. A has to pay also for Mr. B. 5 So at that point since Industrial Heat 6 did not pay the last invoice of the ERV, I had to pay 7 for it. 8 Q. What payments has Leonardo Corporation 9 made to Fulvio Fabiani? 10 A. To Fulvio Fabiani, I -- he was a 11 consultant of mine. He was a consultant of mine. I 12 knew him in 2012. It's completely false that he was 13 adopted by the mother of my wife, as J.T. said. This 14 is completely invented. 15 He was a client of the brother of my wife 16 who is an attorney like you and we knew Fabiani 17 through the brother of my wife because he was a 18 client. 19 Q. I'm only asking you just again -- 20 A. No, no. Sorry, sorry. 21 Q. We're getting near the end of the day. 22 It's hard, I know. 23 A. You are right. 24 Q. What money has Leonardo Corporation paid 25 Fulvio Fabiani?</p>
<p style="text-align: right;">Page 295</p> <p>1 to certificate my power plants in Italy in 2008, et 2 cetera. 3 At that point I knew him as a 4 certifier and I trusted him. So when I had the 5 necessity to make the safety certification for the 6 one megawatt plant of Leonardo, I called him again to 7 make the safety certification, so yes. 8 Q. So Leonardo paid him for those, whatever 9 work was done for the safety certification? 10 A. Yes, it is correct. 11 Q. And then other than that the only money 12 that Leonardo has paid Penon is for -- is pursuant to 13 the invoices that Penon has sent to both Industrial 14 Heat and Leonardo; would that be correct? 15 A. Correct, as the ERV. He sent the 16 invoices, same sum, it was 50/50, as per agreement, 17 and he invoiced to Industrial Heat and to Leonardo 18 Corporation. I don't remember exactly. 19 If I don't remember in total it was 20 something more than \$100,000 divided in two, 50 21 percent paid by Leonardo Corporation, 50 percent paid 22 by Industrial. I don't remember if Industrial Heat 23 has paid or not the last. I don't think Industrial 24 Heat paid the last invoice and I had to pay on behalf 25 because in Italy there is a law that we say in</p>	<p style="text-align: right;">Page 297</p> <p>1 A. Correct. I have retained him as a 2 consultant in 2012. I don't remember exactly how 3 much I paid him in the period. 4 I think I paid him something around 40, 5 \$50,000. After that when I -- sorry, I end up the 6 answer. 7 Q. Since that time in 2012 has Leonardo 8 Corporation paid anything to Fulvio Fabiani? 9 A. No. 10 Q. Has Leonardo Corporation -- has Leonardo 11 Corporation paid anything to United States Quantum 12 Leap? 13 A. No, same thing. 14 Q. Am I correct that Fulvio Fabiani lived 15 when he was in Miami in a unit that you or a company 16 of yours owned? 17 A. No, he rented -- no, when he was in Miami 18 he rented an apartment that belongs to a company of 19 which I am the CEO. 20 Q. That's what I meant. 21 A. But he rented. 22 Q. He rented? 23 A. Yes. 24 Q. I think that's what I said too though, 25 maybe poorly.</p>

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<p style="text-align: right;">Page 298</p> <p>1 A. Maybe I poorly understood.</p> <p>2 Q. Where he lived -- where Fulvio Fabiani</p> <p>3 lived in Miami Beach --</p> <p>4 A. Yes.</p> <p>5 Q. -- he was in the same building that you</p> <p>6 lived in?</p> <p>7 A. Yes, it is correct.</p> <p>8 Q. And his condo unit was owned by a company</p> <p>9 that you own?</p> <p>10 A. Not a company that I own but a company of</p> <p>11 which I am a CEO, the CEO.</p> <p>12 Q. Sorry. Who owns that company?</p> <p>13 A. A trust.</p> <p>14 Q. A trust. And who are the beneficiaries</p> <p>15 of that trust?</p> <p>16 A. It's not me.</p> <p>17 Q. Is it somebody -- is it a relative of</p> <p>18 yours?</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 BY MR. PACE:</p> <p>21 Q. I won't get beyond the relative.</p> <p>22 A. I don't remember exactly who is the</p> <p>23 beneficiary.</p> <p>24 Q. Okay. Did Mr. Fabiani pay rent?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 300</p> <p>1 MR. ANNESSER: He can answer in any way</p> <p>2 he wants to.</p> <p>3 MR. PACE: I'm just asking what was the</p> <p>4 tasks he was doing. I know where this is</p> <p>5 going.</p> <p>6 MR. ANNESSER: He can answer any way he</p> <p>7 wants to.</p> <p>8 MR. PACE: I'm just asking for the actual</p> <p>9 work he was doing.</p> <p>10 MR. ANNESSER: Dr. Rossi, you can answer</p> <p>11 however you deem appropriate.</p> <p>12 THE WITNESS: Sorry, I did not</p> <p>13 understand.</p> <p>14 BY MR. PACE:</p> <p>15 Q. The question is -- here is my question.</p> <p>16 We can get into for who he was doing it. I am asking</p> <p>17 the physical work, what was the work he was doing</p> <p>18 while he was at the Doral location?</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 THE WITNESS: Control the plant during</p> <p>21 the performance test.</p> <p>22 BY MR. PACE:</p> <p>23 Q. Was there any other work that he was</p> <p>24 doing during that time period?</p> <p>25 A. In the same period he also helped, under</p>
<p style="text-align: right;">Page 299</p> <p>1 Q. To whom?</p> <p>2 A. To Refc, to the company that rented the</p> <p>3 apartment.</p> <p>4 Q. I was just thinking more logistically.</p> <p>5 Was there an agent who controls that company?</p> <p>6 A. We have a property manager, yes.</p> <p>7 Q. Who is the property manager?</p> <p>8 A. Sorry?</p> <p>9 Q. Who is the property manager?</p> <p>10 A. Mr. --</p> <p>11 MR. ANNESSER: Object to form.</p> <p>12 THE WITNESS: Mr. Michael Dubas.</p> <p>13 BY MR. PACE:</p> <p>14 Q. What work did Fulvio Fabiani perform for</p> <p>15 you or at your direction -- actually, let me rephrase</p> <p>16 it.</p> <p>17 What work did Fulvio Fabiani perform at</p> <p>18 the Doral location to your knowledge, whether it was</p> <p>19 for you or otherwise?</p> <p>20 MR. ANNESSER: Object to form.</p> <p>21 THE WITNESS: Fulvio Fabiani has been</p> <p>22 hired for --</p> <p>23 BY MR. PACE:</p> <p>24 Q. I am asking for the work he did. I am</p> <p>25 not asking who hired him. I am not asking --</p>	<p style="text-align: right;">Page 301</p> <p>1 my request, helped Jim Bass because I had asked Jim</p> <p>2 Bass to study robotization to make a better control</p> <p>3 of the plant in the side J.M. and for this</p> <p>4 robotization --</p> <p>5 Q. I missed what you said. I apologize, I</p> <p>6 just missed. Did you say on the side of J.M.?</p> <p>7 A. Yes, sir.</p> <p>8 Q. Okay. That was my fault. Please, I</p> <p>9 apologize.</p> <p>10 A. I say that. And so now and again Fabiani</p> <p>11 making the tour because I wanted not that Fabiani</p> <p>12 cross the area of J.M., because I wanted not that</p> <p>13 he -- I wanted that nobody had to enter in the area</p> <p>14 of J.M. from the side of Leonardo, as prepared term</p> <p>15 sheet and Fabiani worked with -- helped Jim Bass to</p> <p>16 study a robotized control system.</p> <p>17 Q. Is this the thing we have seen about in</p> <p>18 referencing the BeagleBone?</p> <p>19 A. Sorry?</p> <p>20 Q. The BeagleBone?</p> <p>21 A. Yes, I -- I heard that definition for the</p> <p>22 first time together with you when Jim Bass described</p> <p>23 in detail because, you know, I am not an electronic</p> <p>24 man.</p> <p>25 So I just say, you know, my -- with them</p>


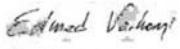
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<p style="text-align: right;">Page 302</p> <p>1 I just say I need this.</p> <p>2 Q. Right.</p> <p>3 A. Do it.</p> <p>4 Q. So you -- you directed or requested for</p> <p>5 Jim Bass to work on a new control system that would</p> <p>6 be used by J.M. Products?</p> <p>7 A. Correct.</p> <p>8 Q. And then you requested or directed that</p> <p>9 Fulvio Fabiani assist Jim Bass in that project?</p> <p>10 A. Yes, because they are complimentary,</p> <p>11 because where ends Fabiani begins Bass and vice</p> <p>12 versa. They together make a good couple, electronic.</p> <p>13 Q. I will let that side.</p> <p>14 A. Electronically speaking.</p> <p>15 Q. A good electronic couple. And the work</p> <p>16 that they did together was sometimes done -- was</p> <p>17 sometimes done over at J.M. Products, correct?</p> <p>18 A. Can you explain the question? I don't</p> <p>19 get the English.</p> <p>20 Q. Sure. They would meet together?</p> <p>21 A. Yes.</p> <p>22 Q. Jim Bass and Fulvio Fabiani --</p> <p>23 A. Yes.</p> <p>24 Q. -- on this product -- on this project?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 304</p> <p>1 rule.</p> <p>2 BY MR. PACE:</p> <p>3 Q. So the rule that you gave to Fulvio</p> <p>4 Fabiani was don't walk right through the door --</p> <p>5 A. Exactly.</p> <p>6 Q. -- that goes from Leonardo to J.M.</p> <p>7 Products, always walk around the building when you</p> <p>8 are going to go to the J.M. Products?</p> <p>9 MR. ANNESSER: Object to form.</p> <p>10 THE WITNESS: Correct, and the same</p> <p>11 symmetrical rule I gave to Jim Bass. Jim Bass</p> <p>12 was absolutely forbidden to enter in the area of</p> <p>13 Leonardo, for any reason.</p> <p>14 BY MR. PACE:</p> <p>15 Q. Right. He would -- he was to stay on the</p> <p>16 J.M. Products side?</p> <p>17 A. Yes.</p> <p>18 Q. Okay.</p> <p>19 A. Yes. So the area that they had in common</p> <p>20 was the office of Jim Bass that was separated because</p> <p>21 when you -- as you will see when you will come there,</p> <p>22 you will see that you enter in the office and there</p> <p>23 are the offices.</p> <p>24 Q. Understood.</p> <p>25 A. Then there is a door, you enter through</p>
<p style="text-align: right;">Page 303</p> <p>1 Q. When they would do so would they meet</p> <p>2 over at the offices that are on the J.M. Products</p> <p>3 side of the warehouse?</p> <p>4 MR. ANNESSER: Object to form.</p> <p>5 THE WITNESS: Yes.</p> <p>6 BY MR. PACE:</p> <p>7 Q. What you would have is you would have</p> <p>8 Fulvio instead of going through that door that</p> <p>9 directly connects Leonardo to J.M. Products, you</p> <p>10 would have him walk around the building and walk in</p> <p>11 the front door of J.M. Products, correct?</p> <p>12 A. Yes, it is correct.</p> <p>13 Q. There he would meet with Jim Bass?</p> <p>14 A. Yes.</p> <p>15 Q. And so that was so anyone else in the</p> <p>16 warehouse, such as a Barry West, would not see Fulvio</p> <p>17 crossing over from the Leonardo side of the warehouse</p> <p>18 to the J.M. Products side of the warehouse?</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 MR. LEON DE LA BARRA: Object to form.</p> <p>21 THE WITNESS: Correct. But attention, I</p> <p>22 say correct and I hope so, but consider that I</p> <p>23 was in the factory from 5, 6 in the afternoon to</p> <p>24 10, 11 of the day after. During the day I was</p> <p>25 not there. I assume that they respected the</p>	<p style="text-align: right;">Page 305</p> <p>1 the door and you are in the J.M. area.</p> <p>2 Q. Did J.M. Products pay Fulvio Fabiani for</p> <p>3 that work or was that -- was that pursuant to what he</p> <p>4 was already being paid under his USQL contract?</p> <p>5 MR. LEON DE LA BARRA: Object to the</p> <p>6 form.</p> <p>7 BY MR. PACE:</p> <p>8 Q. Let me start that over again. We have</p> <p>9 gotten a little away from it.</p> <p>10 This project you are talking about that</p> <p>11 Fabiani worked on with Jim Bass, did J.M. Products</p> <p>12 pay him for working on that project?</p> <p>13 A. No.</p> <p>14 Q. Is the only compensation he got for</p> <p>15 working on that project the money he was making under</p> <p>16 his USQL agreement with Industrial Heat?</p> <p>17 MR. ANNESSER: Object to the form.</p> <p>18 MR. LEON DE LA BARRA: Object to the</p> <p>19 form.</p> <p>20 THE WITNESS: Can you repeat the</p> <p>21 question?</p> <p>22 BY MR. PACE:</p> <p>23 Q. Yes. Is the only money that Fabiani was</p> <p>24 making for working on this project with Jim Bass the</p> <p>25 payments he was getting from Industrial Heat under</p>

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<p style="text-align: right;">Page 306</p> <p>1 his USQL agreement?</p> <p>2 A. Understood the question. No, there are</p> <p>3 two completely separated thing.</p> <p>4 Q. What money was Mr. Fabiani being paid for</p> <p>5 working on that project?</p> <p>6 A. He was hoping that once J.M. had</p> <p>7 consolidated a production they could make a good</p> <p>8 consulting agreement with Fabiani. Because</p> <p>9 Fabiani -- as the professional Fabiani is to make the</p> <p>10 consultant and he was working exclusive for nobody.</p> <p>11 So he was working for Industrial Heat,</p> <p>12 was paid for Industrial Heat to make what he had to</p> <p>13 make for Industrial Heat.</p> <p>14 Q. Okay.</p> <p>15 A. But then he was helping Jim Bass, hoping</p> <p>16 because -- because -- hoping that he could get a good</p> <p>17 consulting contract with Industrial Heat because</p> <p>18 Industrial Heat -- the program was from Industrial</p> <p>19 Heat before the litigation loomed, the prospective</p> <p>20 was that Industrial Heat had to go ahead with that.</p> <p>21 Q. I'm sorry, I missed the very end of that,</p> <p>22 the prospective --</p> <p>23 A. The prospective was that Industrial Heat</p> <p>24 had not to close on February 2016. The prospective</p> <p>25 was to go ahead.</p>	<p style="text-align: right;">Page 308</p> <p>1 A. I don't hear Jim Travis since years.</p> <p>2 Q. Same question for Leonardo Corporation of</p> <p>3 New Hampshire for 2013.</p> <p>4 A. Yes.</p> <p>5 Q. The person who would have that</p> <p>6 information is Jim Travis?</p> <p>7 A. Yes.</p> <p>8 MR. ANNESSER: Object to form.</p> <p>9 BY MR. PACE:</p> <p>10 Q. Does Leonardo Corporation maintain -- let</p> <p>11 me close out the loop here. Leonardo Corporation of</p> <p>12 Florida, the accountant for that company in 2012</p> <p>13 would have been Jim Travis?</p> <p>14 A. I need you repeat the question, sorry.</p> <p>15 Q. Was the accountant who prepared any tax</p> <p>16 returns filed by either Leonardo Corporation of New</p> <p>17 Hampshire or Leonardo Corporation of Florida --</p> <p>18 A. Yes.</p> <p>19 Q. -- for the years 2012 or 2013 --</p> <p>20 MR. ANNESSER: Object to form.</p> <p>21 BY MR. PACE:</p> <p>22 Q. Who was that -- is there just one</p> <p>23 accountant who would have filed all those tax returns</p> <p>24 or multiple accountants?</p> <p>25 A. For 2012 was Jim Travis. 2013, I don't</p>
<p style="text-align: right;">Page 307</p> <p>1 Q. Understood. I have a couple of questions</p> <p>2 here. What income tax did Leonardo Corporation</p> <p>3 either of New Hampshire or of Florida pay in the year</p> <p>4 2012?</p> <p>5 MR. ANNESSER: Object to form. Hold on</p> <p>6 one second. If you know the amount, you can</p> <p>7 answer.</p> <p>8 THE WITNESS: I don't know because all I</p> <p>9 know of taxes is that my accountants give me the</p> <p>10 tax report and I don't remember how much I</p> <p>11 paid.</p> <p>12 The only thing that I can assure you is</p> <p>13 that whomever had to pay taxes paid the taxes.</p> <p>14 So either Andrea Rossi or Leonardo Corporation</p> <p>15 paid all the taxes that the accountant told them</p> <p>16 to pay.</p> <p>17 BY MR. PACE:</p> <p>18 Q. Who is the accountant for Leonardo</p> <p>19 Corporation of New Hampshire taxes in 2012?</p> <p>20 A. It was Jim Travis.</p> <p>21 Q. Did you talk to Jim Travis to prepare for</p> <p>22 today's deposition?</p> <p>23 A. Can you repeat?</p> <p>24 Q. Did you speak with Jim Travis to prepare</p> <p>25 for today's deposition?</p>	<p style="text-align: right;">Page 309</p> <p>1 remember if it has been Jim Travis or Jim Travis and</p> <p>2 the accountant that I had eventually or something</p> <p>3 like that. I don't remember.</p> <p>4 I don't remember exactly if the -- about</p> <p>5 the 2013 I don't remember. About 2012 I am sure it</p> <p>6 was Jim Travis, no question about that.</p> <p>7 Q. Who is the current accountant for</p> <p>8 Leonardo Corporation? Who handles the tax returns?</p> <p>9 A. Ms. Diane Annesser.</p> <p>10 Q. Does Leonardo Corporation maintain copies</p> <p>11 of its tax returns?</p> <p>12 A. Can you repeat the question?</p> <p>13 Q. Sure. Does Leonardo Corporation maintain</p> <p>14 copies of its tax returns?</p> <p>15 A. Yes.</p> <p>16 Q. Does Leonardo Corporation have the copies</p> <p>17 or does -- are they in the hands of its accountant or</p> <p>18 accountants?</p> <p>19 MR. ANNESSER: Object to form.</p> <p>20 THE WITNESS: I am not able to answer</p> <p>21 because something is in the office of Leonardo</p> <p>22 Corporation, something is in the office of the</p> <p>23 accountant.</p> <p>24 Because, you know, in accounting I just</p> <p>25 do whatever the accountants tell me to do and I</p>

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<p>1 CERTIFICATE OF OATH</p> <p>2</p> <p>3 STATE OF FLORIDA:</p> <p>4 SS:</p> <p>5 COUNTY OF DADE:</p> <p>6</p> <p>7</p> <p>8 I, the undersigned authority, certify that</p> <p>9 ANDREA ROSSI personally appeared before me and was</p> <p>10 duly sworn.</p> <p>11 WITNESS my hand and official seal this 6th</p> <p>12 day of March 2017.</p> <p>13</p> <p>14</p> <p>15 </p> <p>16</p> <p>17 Notary Public, State of Florida at</p> <p>18 Large; my commission expires</p> <p>19 February 26, 2019. Bonded through</p> <p>20 Troy Fain Insurance, Inc.</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 _____, 2017</p> <p>2</p> <p>3</p> <p>4</p> <p>5 JOHN W ANNESSER, ESQ.,</p> <p>6 Perlman Bajandas Yevoli & Albright, P L</p> <p>7 283 Catalonia Avenue, Suite 200</p> <p>8 Coral Gables, Florida 33134</p> <p>9</p> <p>10 RE: Rossi v Darden</p> <p>11</p> <p>12 Dear Mr Annesser,</p> <p>13</p> <p>14 With reference to the deposition of Andrea Rossi</p> <p>15 taken on February 24, 2017 in connection with the</p> <p>16 above-captioned case, please be advised that the</p> <p>17 transcript of the deposition has been completed</p> <p>18 and is awaiting signature</p> <p>19</p> <p>20 Please arrange to have the deponent stop by our</p> <p>21 office at Two South Biscayne Boulevard, Suite</p> <p>22 2250, Miami, Florida, for the purpose of reading</p> <p>23 and signing the transcript</p> <p>24 If this is not taken care of, however, within the</p> <p>25 next 30 days, we shall conclude that the reading</p> <p>and signing of the deposition has been waived and shall then process the original of the transcript for filing with the Clerk of the Court by counsel without further notice</p> <p>Sincerely,</p> <p>Edward Varkonyi,</p> <p>Registered Merit Reporter</p>																																																																																				
<p>Page 323</p> <p>1 CERTIFICATE OF REGISTERED PROFESSIONAL REPORTER</p> <p>2</p> <p>3 I, EDWARD VARKONYI, and Registered</p> <p>4 Professional Reporter and a Notary Public for the</p> <p>5 State of Florida at Large, do hereby certify that I</p> <p>6 reported the deposition of ANDREA ROSSI; that the</p> <p>7 foregoing pages, numbered from 1 to 320, inclusive,</p> <p>8 constitute a true and correct transcription of my</p> <p>9 shorthand report of the deposition by said witness on</p> <p>10 this date.</p> <p>11 I further certify that I am not an</p> <p>12 attorney or counsel of any of the parties, nor a</p> <p>13 relative or employee of any attorney or counsel</p> <p>14 connected with the action, nor financially interested</p> <p>15 in the action.</p> <p>16 WITNESS my hand and official seal in the</p> <p>17 City of Miami, County of Dade, State of Florida, this</p> <p>18 6th day of March 2017.</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p></p> <p>Notary Public, State of Florida at</p> <p>Large; my commission expires</p> <p>February 26, 2019. Bonded through</p> <p>Troy Fain Insurance, Inc.</p>	<p>Page 325</p> <p>1 ERRATA SHEET</p> <p>2 RE : Rossi v Darden</p> <p>3 DEPO OF: Leonardo Corporation/Andrea Rossi</p> <p>4 TAKEN : 2/24/16</p> <p>5 ASSG# : 2534814</p> <p>6 DO NOT WRITE ON TRANSCRIPT, ENTER ANY CHANGES HERE</p> <table border="1"> <thead> <tr> <th>Page #</th> <th>Line #</th> <th>Change</th> <th>Reason</th> </tr> </thead> <tbody> <tr><td>6</td><td></td><td></td><td></td></tr> <tr><td>7</td><td></td><td></td><td></td></tr> <tr><td>8</td><td></td><td></td><td></td></tr> <tr><td>9</td><td></td><td></td><td></td></tr> <tr><td>10</td><td></td><td></td><td></td></tr> <tr><td>11</td><td></td><td></td><td></td></tr> <tr><td>12</td><td></td><td></td><td></td></tr> <tr><td>13</td><td></td><td></td><td></td></tr> <tr><td>14</td><td></td><td></td><td></td></tr> <tr><td>15</td><td></td><td></td><td></td></tr> <tr><td>16</td><td></td><td></td><td></td></tr> <tr><td>17</td><td></td><td></td><td></td></tr> <tr><td>18</td><td></td><td></td><td></td></tr> <tr><td>19</td><td></td><td></td><td></td></tr> <tr><td>20</td><td></td><td></td><td></td></tr> <tr><td>21</td><td></td><td></td><td></td></tr> <tr><td>22</td><td></td><td></td><td></td></tr> <tr><td>23</td><td></td><td></td><td></td></tr> <tr><td>24</td><td></td><td></td><td></td></tr> <tr><td>25</td><td></td><td></td><td></td></tr> </tbody> </table> <p>State of Florida)</p> <p>County of)</p> <p>Under penalties of perjury, I declare that I have</p> <p>read my deposition transcript, and it is true and</p> <p>correct subject to any changes in form or substance</p> <p>entered here</p> <p>_____</p> <p>_____</p> <p>Date Signature</p>	Page #	Line #	Change	Reason	6				7				8				9				10				11				12				13				14				15				16				17				18				19				20				21				22				23				24				25			
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