

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

ANDREA ROSSI and LEONARDO)
CORPORATION,)

Plaintiffs,)

vs.)

No. 1:16-cv-2119-CMA

THOMAS DARDEN; JOHN T. VAUGHN;)
INDUSTRIAL HEAT, LLC; IPH)
INTERNATIONAL B.V.; and)
CHEROKEE INVESTMENT PARTNERS,)
LLC,)

Defendants.)

INDUSTRIAL HEAT, LLC and IPH)
INTERNATIONAL B.V.,)

Counter-Plaintiffs,)

vs.)

ANDREA ROSSI and LEONARDO)
CORPORATION,)

Counter-Defendants,)

and)

J.M. PRODUCTS, INC.; HENRY)
JOHNSON; FABIO PENON; UNITED)
STATES QUANTUM LEAP, LLC;)
FULVIO FABIANI; and JAMES)
BASS,)

Third-Party Defendants.)

Videotaped Deposition of
JOHN THOMAS VAUGHN
(Taken by Plaintiff)

3509 North Haworth Drive, Suite 403, Raleigh, North Carolina
January 19, 2017, 9:04 a.m.

Reported in Stenotype By
Margaret M. Kruse, CSR, RMR, CRR
Transcript produced by computer-aided transcription

1 Q. You knew at the time that J.M. Chemical Products
2 was a newly form entity, not a long-existing entity, it was
3 formed shortly before this agreement, you know that, right?

4 A. I can't recall if we got into the specifics of
5 when J.M. Chemical Products was formed. And I still don't
6 know when it was formed. I'm sure it's out there. I'm
7 sure you can look up the Secretary of State filing.

8 But what we believed is that it was formed
9 Johnson Matthey in the UK.

10 Q. Okay. I understand. I understand that's your
11 belief. But what I'm asking you is: At the time, before
12 you entered into this agreement, was it your understanding
13 that J.M. chemical products, not Johnson Matthey, was a
14 newly formed company for the sole purpose of the -- of
15 working under the transaction contemplated in this term
16 sheet?

17 A. I did not recall at the time -- you know, as I
18 said, my recollection is that it was an affiliate of the UK
19 company, Johnson Matthey. I don't know when it was formed;
20 I'm not sure.

21 Q. Do you know if J.M. Chemical Products had a
22 facility operating in Miami prior to entering into this
23 term sheet?

24 A. I don't know.

25 Q. If there had been a facility in Miami, would you

1 have asked to see it? Could you have asked to visit the
2 facility?

3 **A. Not necessarily.**

4 Q. Why not?

5 **A. Why would I have?**

6 Q. To see what they would use the E-Cat for I would
7 imagine.

8 **A. I previously told you we didn't care how they**
9 **were -- you know, what they were using it for. We didn't**
10 **care if they were producing nickel, platinum, whatever. It**
11 **didn't -- didn't make a difference to us.**

12 Q. Now -- I'm sorry. We have to change the tape
13 again. Take a five-minute break.

14 THE VIDEOGRAPHER: We're off the record at 3:03
15 p.m.

16 (Recess at 3:03 p.m. until 3:11 p.m.)

17 THE VIDEOGRAPHER: We're back on the record at
18 3:11 p.m.

19 BY MR. ANNESSER:

20 Q. Sir, before the break, you had just finished
21 telling me that you were not concerned with what was being
22 done with the steam or what was being produced with the
23 steam, but you did indicate that it was important to you
24 that it was affiliated with Johnson Matthey; is that
25 correct?